

台湾肥料股份有限公司
TAIWAN FERTILIZER CO., LTD.

SEP 19, 2024
1722.TT



OUTLINE

台灣肥料股份有限公司
TAIWAN FERTILIZER CO., LTD.

■ COMPANY HISTORY & MILESTONES

■ FINANCIAL INFORMATION

■ LINES OF BUSINESS

FERTILIZER & CHEMICAL BUSINESS

LAND DEVELOPMENT & INVESTMENT BUSINESS

■ SUSTAINABLE DEVELOPMENT

NET ZERO DEVELOPMENT BLUE PRINT

DEVELOPMENT STRATEGY OF AMMONIA & HYDROGEN



公司歷史及里程碑

COMPANY HISTORY & MILESTONES

HISTORY & MILESTONES

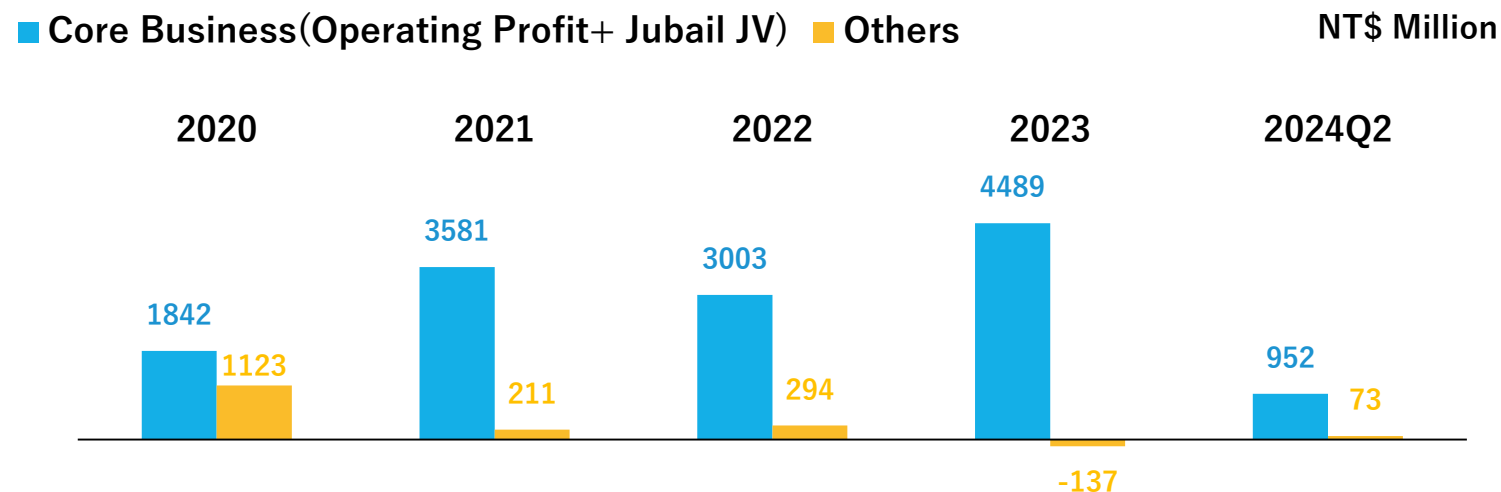
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|------|--|
| 1946 | TFC was established by the R.O.C government and initiated to produce fertilizer & chemical products. |
| 1980 | Established Jubail JV, a 50/50 joint venture between TFC and SABIC Co. which is located in Saudi Arabia, to produce Urea & Ammonia. |
| 1993 | Agreed to invest in 2-EH project in Al-Bayroni and to extend JV contract with SABIC Co. for 20 years (1993~2013) |
| 1999 | TFC was privatized while the R.O.C government still being the largest shareholder with its 24% share. |
| 2009 | Agreed to extend JV contract with SABIC Co. for another 20 years (2013~2031) |
| 2013 | TFC's Taichung plant officially began its operation, focusing on the fertilizer chemical production business, and starting its conducting land activation project. |
| 2016 | In coordination with the R.O.C government's "New Southbound policy", "Construction of Taichung Harbor West Dock 10" project was adopted by the Board of Directors of TFC in order to expand global market. |
| 2023 | Nangang C2 hotels and commercial building had been completed and started its operating leasing in 2023. |
| 2023 | TFC held the "Hydrogen Development & Technology Conference of Low Carbon Ammonia" on October 3 rd 2023. |
| 2023 | Once again selected by "FTSE4Good TIP Taiwan ESG Index". The company had been selected every year since 2018. |

財務資訊

FINANCIAL INFORMATION

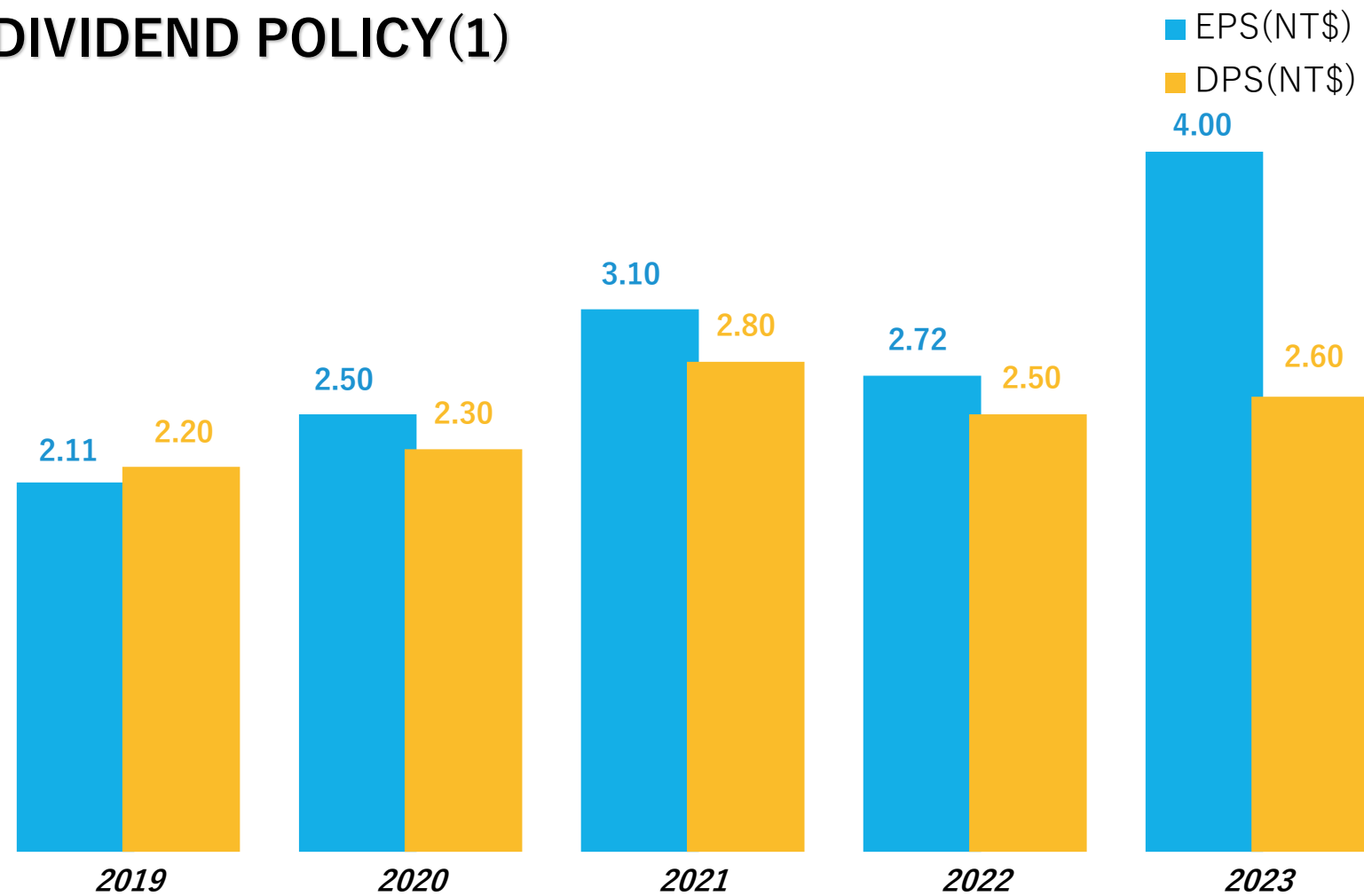


FINANCAIL BREAKDOWN



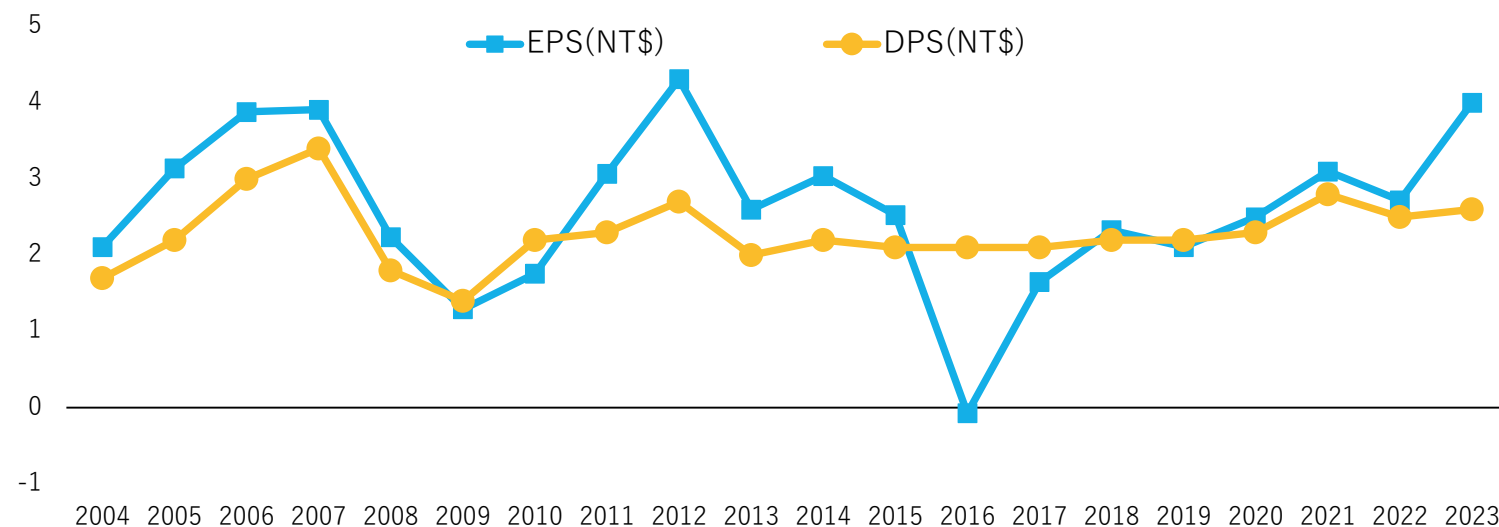
Year	2020	2021	2022	2023	2024Q2
Operating Profit	1,248	507	(489)	2,758	366
Jubail JV	594	3,074	3,492	1,731	586
Core Business	1,842	3,581	3,003	4,489	952
Others	1,123	211	294	(137)	73
Income Tax Expenses	(512)	(757)	(627)	(433)	(250)
Net Income	2,453	3,035	2,670	3,919	775
EPS (NT\$)	2.50	3.10	2.72	4.00	0.79

DIVIDEND POLICY(1)



TFC maintained a stable payout ratio in the past few years.

DIVIDEND POLICY(2)



Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
EPS (NT\$)	2.11	3.14	3.88	3.91	2.24	1.29	1.76	3.07	4.31	2.60
DPS (NT\$)	1.70	2.20	3.00	3.40	1.80	1.40	2.20	2.30	2.70	2.00

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
EPS (NT\$)	3.04	2.53	-0.07	1.65	2.33	2.11	2.50	3.10	2.72	4.00
DPS (NT\$)	2.20	2.10	2.10	2.10	2.20	2.20	2.30	2.80	2.50	2.60

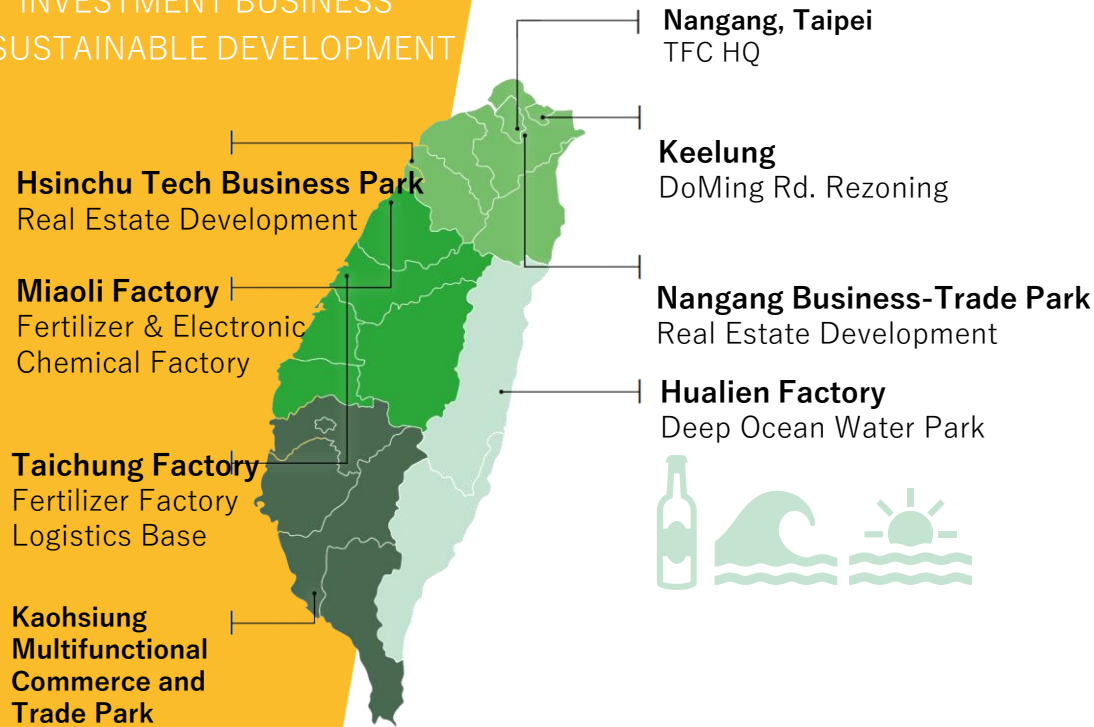
Note : Correction of Consolidated Financial Reports in 2012-2016.



公司事業版圖

LINES OF BUSINESS

- HISTORY & MILESTONES
- FINANCIAL INFORMATION
- LINES OF BUSINESS
- | FERTILIZER & CHEMICAL BUSINESS
- | LAND DEVELOPMENT AND INVESTMENT BUSINESS
- SUSTAINABLE DEVELOPMENT



PRODUCTION CAPACITY & LOCATION

Business	Factory	Product Item	Capacity (mt/kl)
Fertilizer & Chemical	Taichung	nitrophosphate compound fertilizer	300,000
		nitrophosphate compound fertilizer(PEIFENG)	150,000
		ammonium phosphate compound fertilizer	140,000
		ammonium sulfate	150,000
		single superphosphate	120,000
		nitric acid(65%)	165,000
	Miaoli	organic fertilizer	6,000
		instant compound fertilizer	3,500
		biotechnology nutrient solution	600
		phosphoric acid	5,500
		EBR	7,200
		electronic-grade nitric acid	7,200
Real estate & Investment	Hualien	electronic-grade ammonia water	6,000
		Deep Ocean Water Production Park	
		(Former Nangang) Nangang Business-Trade Park	
		(Former Hsinchu) Hsinchu Tech Business Park	
		(Former Kaohsiung) Kaohsiung Multifunctional Commerce & Trade Park	

FERTILIZER & CHEMICAL BUSINESS



FERTILIZER BUSINESS

■ WHAT WE SUPPLY

Compound and single nutrient fertilizer products.

■ WHOM WE SUPPLY

Fully supplying to Taiwan domestic farmers.

■ WHO WE ARE

As the major supplier of Taiwan fertilizer market.



CHEMICAL BUSINESS

■ WHAT WE SUPPLY

Ammonia, sulfamic acid, urea, nitric acid, electronic and precision chemicals, oleum, melamine, etc.

■ WHOM WE SUPPLY

Mainly supplying to Taiwan domestic industries while selling some sulfamic acid and nitric acid products overseas.

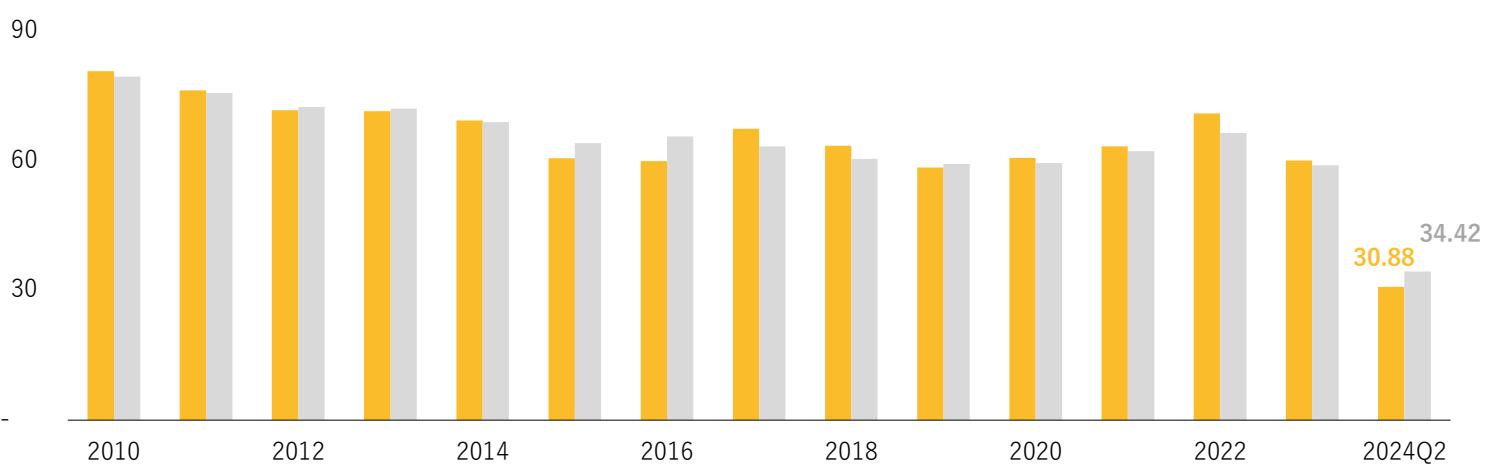


SEEKING LOGISTIC & TRADING OPPORTUNITIES

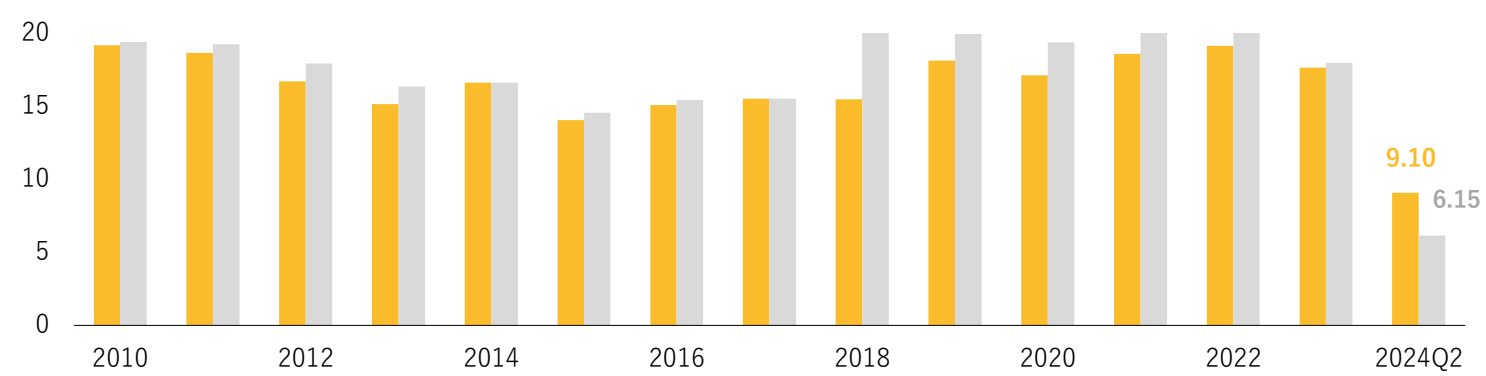
Incorporating the existing procurement business in raw materials and taking advantage of the edge of the special piers at Taichung Harbor along with the planning of free trade zone therein, using chemical storage tanks to further expand the business of import procurement, unloading warehousing, transit trade, while actively transforming into the role of a provider for product integration services and a supplier for relevant raw materials.

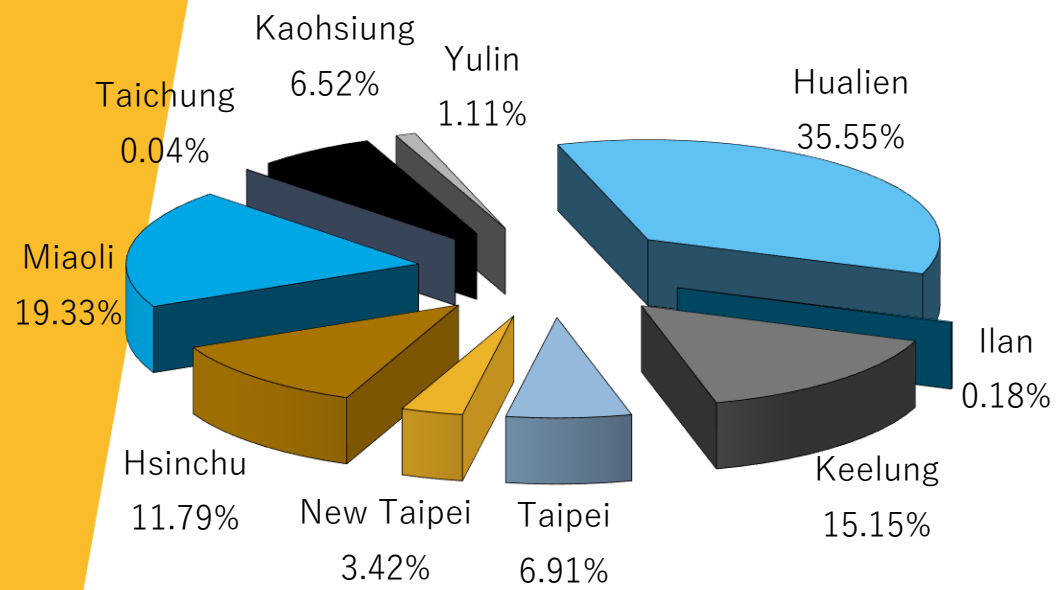
PRODUCTION & SALES

Fertilizer Production & Sales (ten thousand ton) ■ Output ■ Sales Volume



Fertilizer Production & Sales (ten thousand ton) ■ Output ■ Sales Volume





LIST OF LANDS

Last Update: Jan. 31, 2024

Location	Lot of land	Size(m ²)
Taipei City	56	108,858.79
New Taipei City	105	53,860.24
Keelung City	227	238,763.12
Ilan County	3	2,761.53
Hsinchu City	53	185,810.90
Miaoli County	112	304,530.33
Taichung City	1	581.62
Yunlin County	1	17,510.00
Kaohsiung City	5	102,769.87
Hualien County	44	560,082.00
Total	607	1,575,528.40



Nangang C2 Real Estate Development



Hsinchu Tech Business Park



MAP OF SIGNIFICANT LAND DEVELOPMENT PROJECTS



Keelung DonMin Rd. Development Project

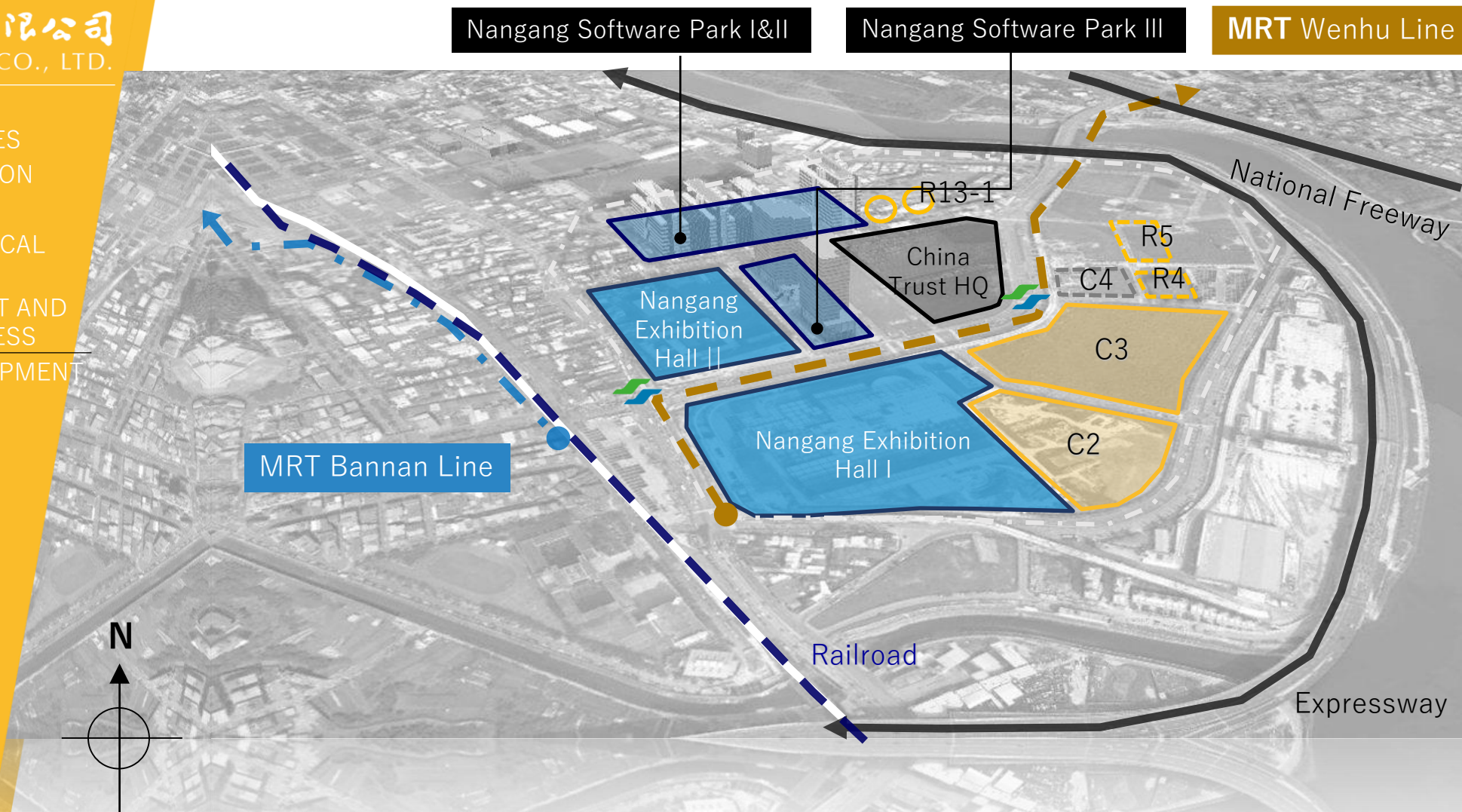


Hualien Deep Ocean Water Park

LAND DEVELOPMENT PLANS

Note: 1 pin=3.3 m²

Nangang Business-Trade Park No.C2 (Taipei)	7,051	23,310	1. Building A, a hotel, opened in Dec. 2023 2. Occupancy rate of Building B surpassed 90%
Nangang Business-Trade Park No.C3 (Taipei)	12,565	41,537	The right of superficies had been given to Taiwan Life Insurance Co., Ltd. for 45 years.
Nangang Business-Trade Park No.C4 (Taipei)	2,091	6,911	In order to comply with Taipei City government's air bridge policy, the construction license alteration of design had been completed. Diaphragm wall construction had been completed as well.
Hsinchu Tech Business Park No.D6 (Hsinchu)	10,799	35,610	The right of superficies had been given to Hsinchu Science Park Bureau (MOST) for 70 years.
Hsinchu Tech Business Park No.D7 (Hsinchu)	17,790	58,810	1. TFC ONE(D7-A) is fully rented. 2. D7-B office building had obtained its Construction License.
Keelung DongMing Road (Keelung City)	9,448	31,235	The land is undergoing Rezoning to cooperate with government policies.
Kaohsiung Multifunctional Commerce and Trade Park (Kaohsiung City)	31,081	102,647	1.Completion of the public Land readjustment project. 2.Cooperation with the Kaohsiung City Government in carrying out pre- investment green beautification projects 3. Lending the land to a governmental agency for tax saving
Hualien Deep Ocean Water Production Park (Hualien Factory)	138,734	458,627	It is focusing on the program of Deep Ocean Water Production, meanwhile it is inviting investors.



SIGNIFICANT PROJECTS IN NANGANG BUSINESS-TRADE PARK

NANGANG C2 DEVELOPMENT PLAN: HOTELS & COMMERCIAL BUILDING



Land Size : 23,310 m²

Plot Ratio : 440%

Building Coverage Ratio: 60%

GFA : Around 199,172.15m² (around 60,000 ping)

- Tower A : Hotel / 26F
- Tower B : Business Office / 28F
- Tower C : Hotel / 17F
- 4 Floors underground

Strategy : Rental Management/Develop by TFC

Status :

- In Oct. 2021, a partial usage license of commercial building and the basement had been obtained and the building was subsequently leased out. In January 2023, usage permits for Buildings A and C were acquired.
- Office Building (Building B): Leasing commenced in Q3 of 2021. The leasing market is active, with an occupancy rate surpassing 90%.
- Hotel A (Building A): The entire building is leased to Grand Hi-Lai Hotel, and trial operations began in Q4 of 2023.
- Hotel C (Building C) : Going through the public leasing operation procedure

NANGANG C4 DEVELOPMENT PLAN: COMMERCIAL BUILDING



Land Size : 6,911m² (2,091 ping)

Plot Ratio : 360%

Building Coverage Ratio: 60%

Total Floor area : 56,451m² (about 17,076 ping) ; 23 floors /4 floors underground.

Policy : Rental Management/Develop by TFC

Status:

1. Obtained construction license in the middle of 2020.
2. In order to comply with Taipei City Government's air bridge policy, the construction license alteration of design was completed.
3. Diaphragm wall construction had been completed.
4. The project is expected to be completed in 2028.



永續發展

SUSTAINABLE DEVELOPMENT

NET ZERO DEVELOPMENT ORIENTATION

Low-carbon production

- Greenhouse gas reduction
- Energy conversion
- Equipment replacement

Green supply chain

- Apply green materials
- Develop low carbon fertilizers
- Recycle e-grade chemicals
- Reuse agricultural residues



Promote green energy

- Promote clean energy
- Establish the renewable energy system

Net zero management policy

- Total involvement
- Project task force
- Carbon footprint verification

HISTORY & MILESTONES

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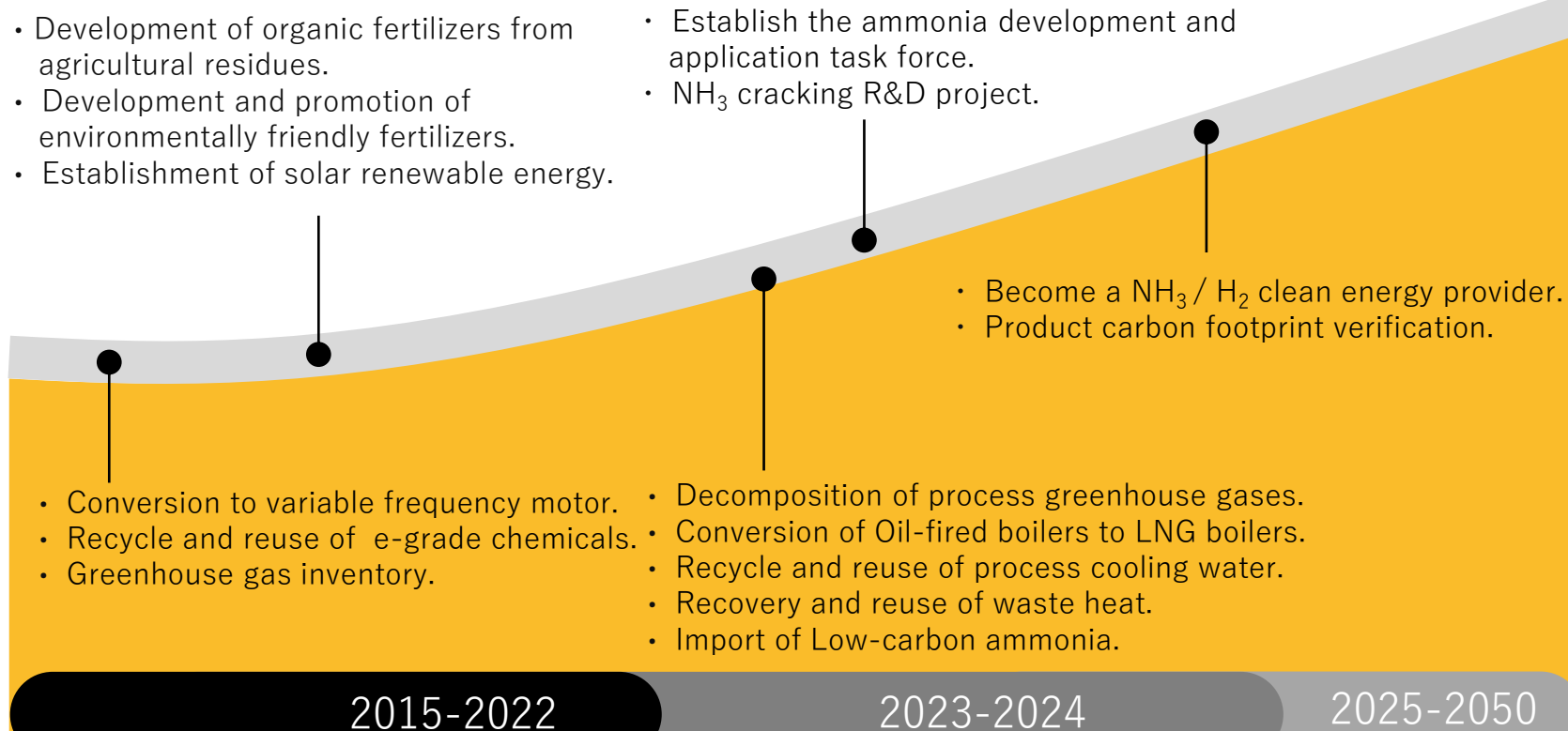
| NET ZERO DEVELOPMENT
BLUE PRINT

| DEVELOPMENT STRATEGY
OF AMMONIA & HYDROGEN

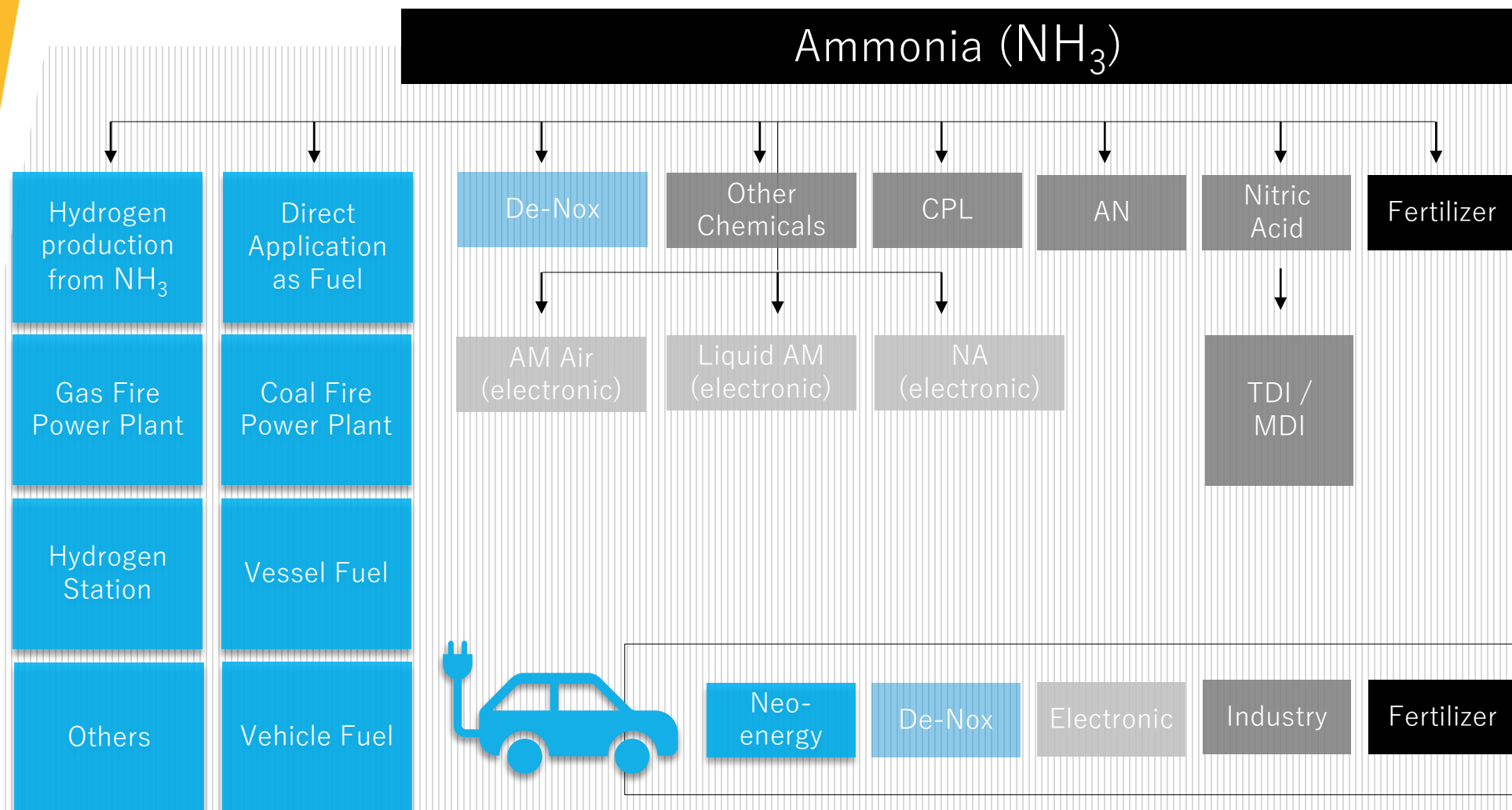


PHOTO CREDIT | ESTEE JANSENS @ UNSPLASH

NET ZERO EMISSION IMPLEMENTATION & PLANNING



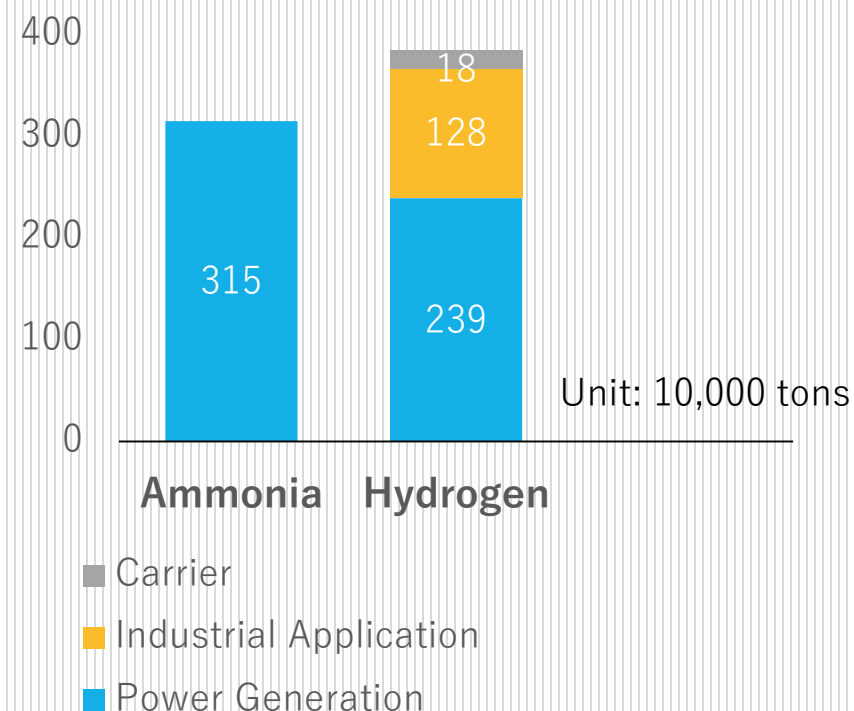
APPLICATION OF AMMONIA



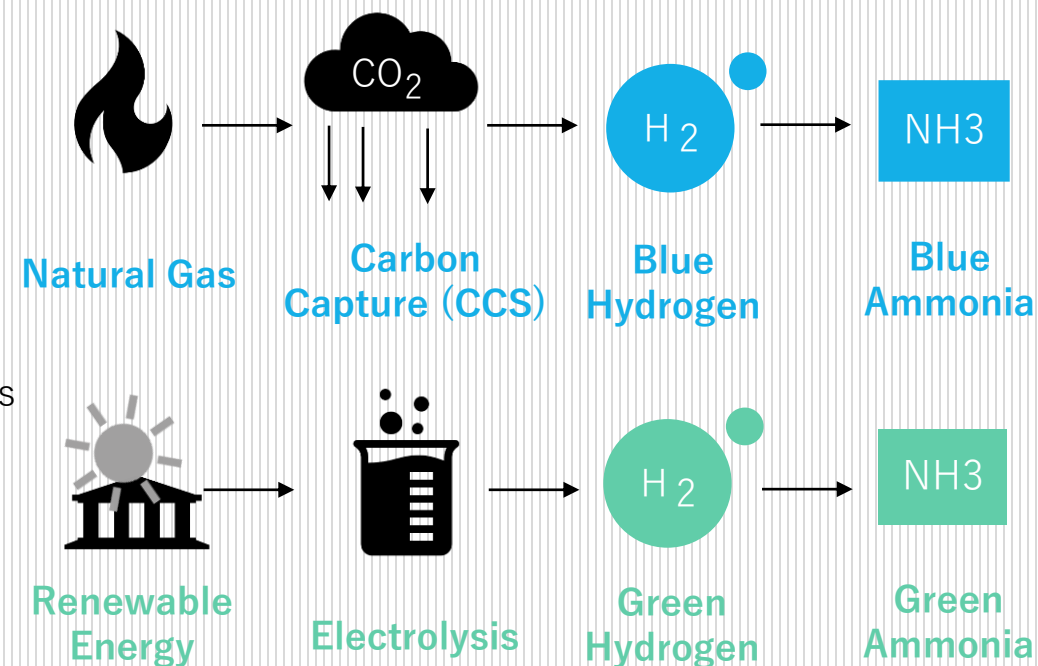
BEST SOLUTION FOR CLEAN ENERGY

Potential Demand for Hydrogen in Taiwan

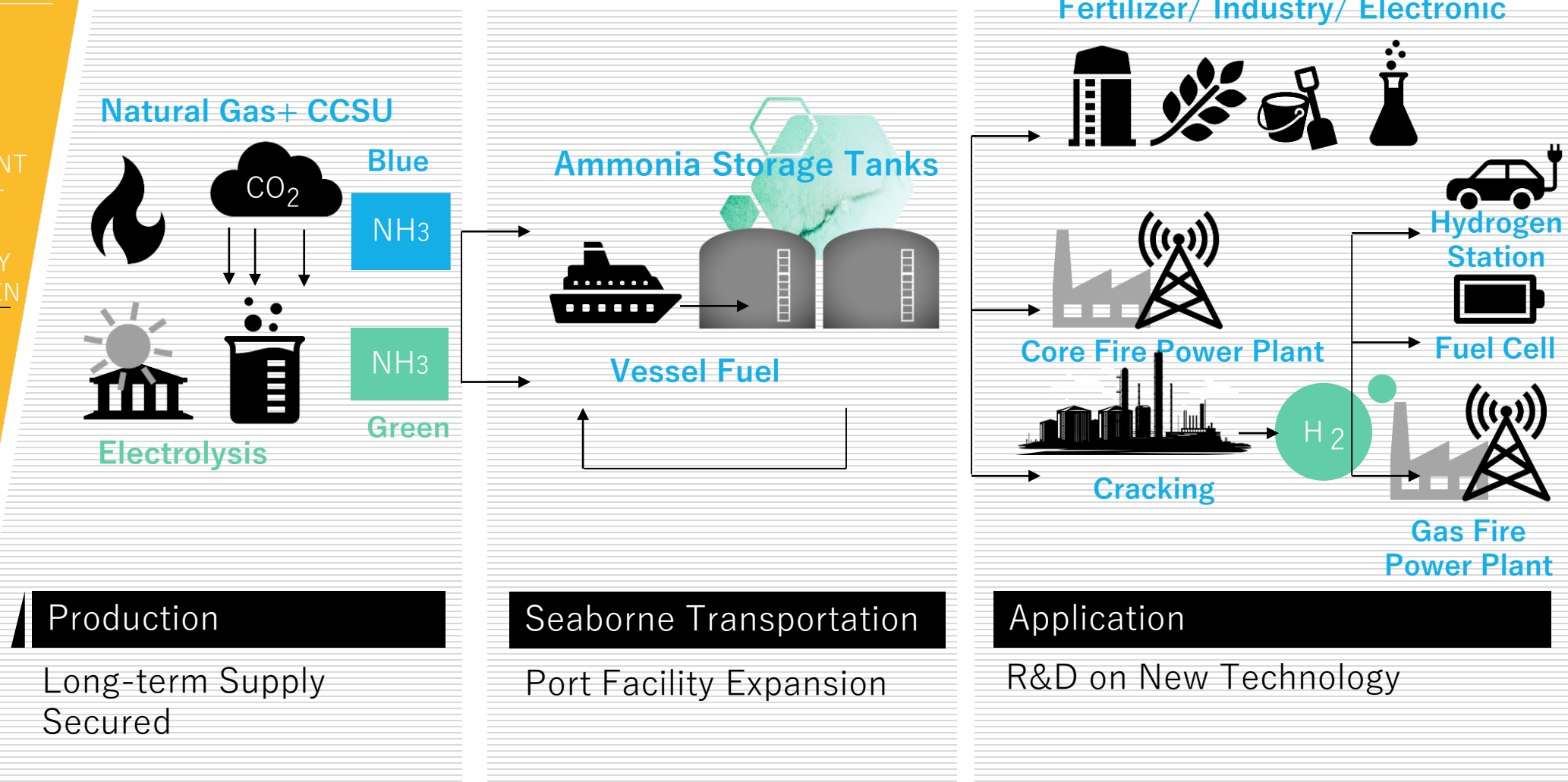
DATA | ITRI UPDATE | MAY 2023




Blue & Green Ammonia



DEVELOPMENT STRATEGY FOR TFC





台灣肥料股份有限公司
TAIWAN FERTILIZER CO., LTD.

THANK YOU INDEED