



Taiwan Fertilizer Co., Ltd. (1722 TT)

Company Introduction

November 29th, 2023

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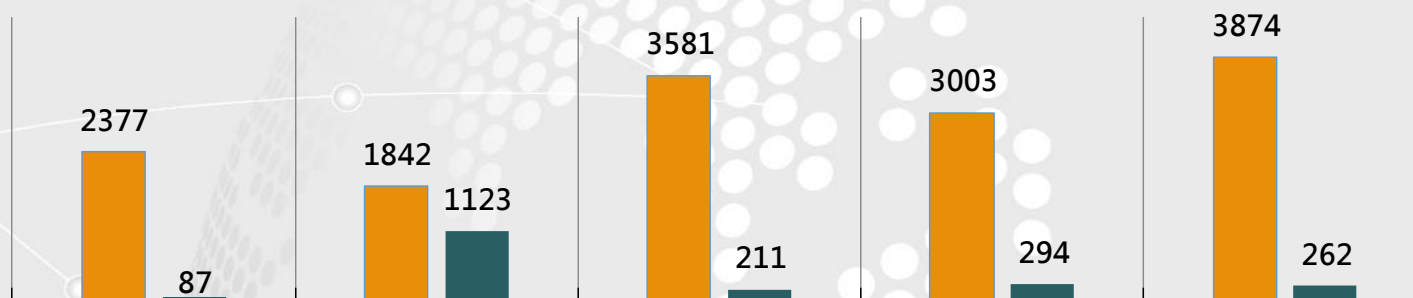
- **Company History and Milestones**
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 - Fertilizer and Chemical Business
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|-------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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. |

TFC's Financial – Breakdown

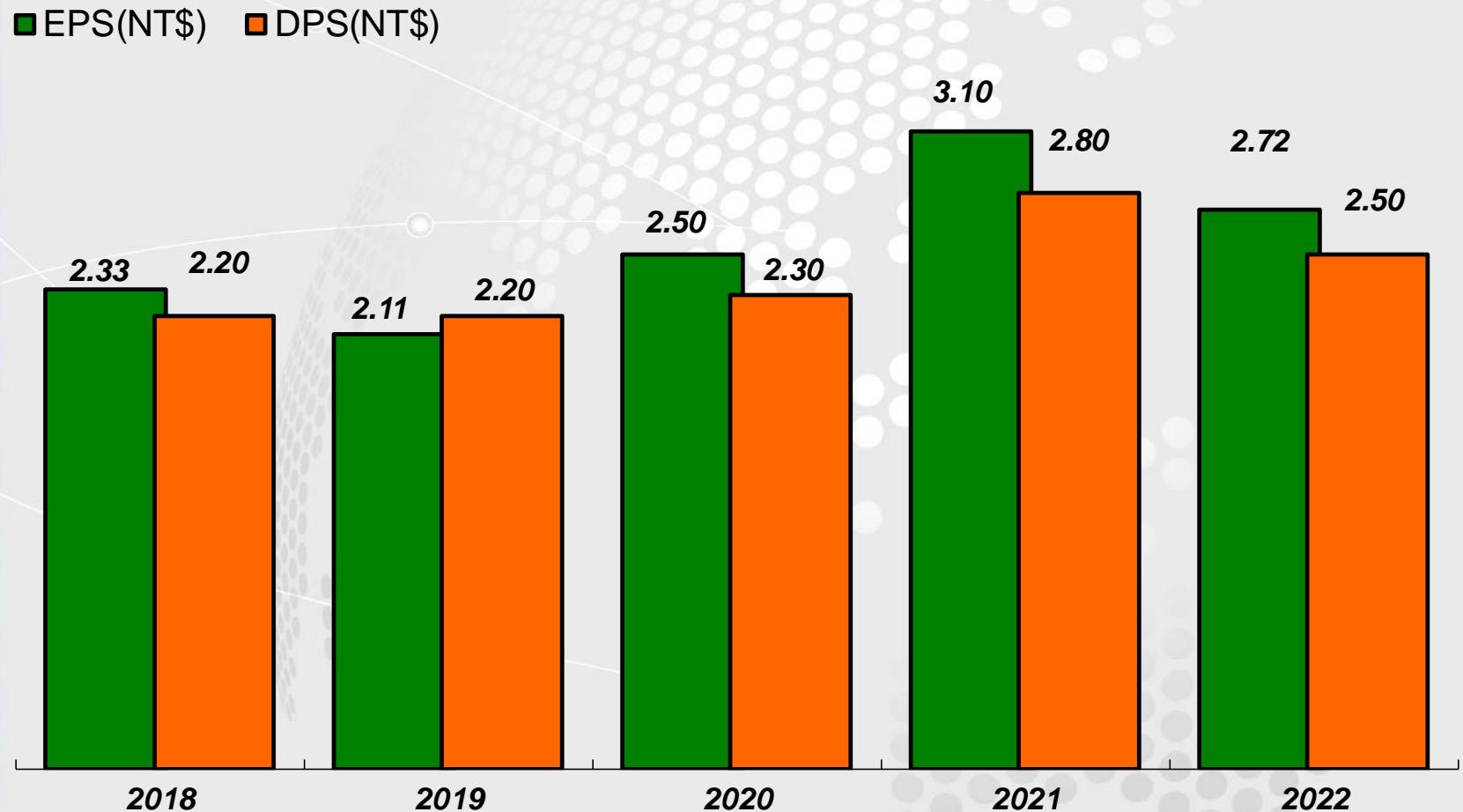
■ Core Business(Operating Profit+ Jubail JV)
 ■ Others
 NT\$ Million



Year	2019	2020	2021	2022	2023Q3
Operating Income	1,626	1,248	507	489	2,573
Jubail JV	751	594	3,074	3,492	1,301
Core Business	2,377	1,842	3,581	3,003	3,874
Others	87	1,123	211	294	262
Income Tax Expenses	(400)	(512)	(757)	(627)	(427)
Net Income	2,064	2,453	3,035	2,670	3,709
Earning per share (NT\$)	2.11	2.50	3.10	2.72	3.79



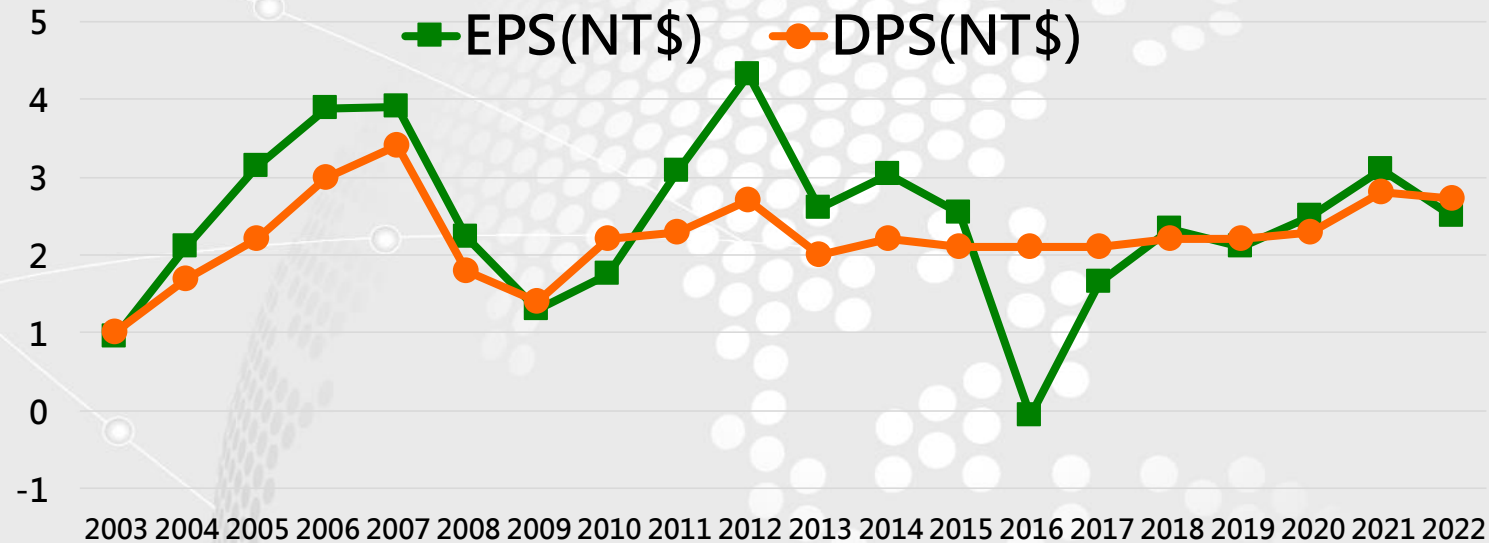
TFC Dividend Policy(1)



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



TFC Dividend Policy(2)



Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
EPS (NT\$)	0.95	2.11	3.14	3.88	3.91	2.24	1.29	1.76	3.07	4.31
DPS (NT\$)	1.00	1.70	2.20	3.00	3.40	1.80	1.40	2.20	2.30	2.70

Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EPS (NT\$)	2.60	3.04	2.53	-0.07	1.65	2.33	2.11	2.50	3.10	2.72
DPS (NT\$)	2.00	2.20	2.10	2.10	2.10	2.20	2.20	2.30	2.80	2.50

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

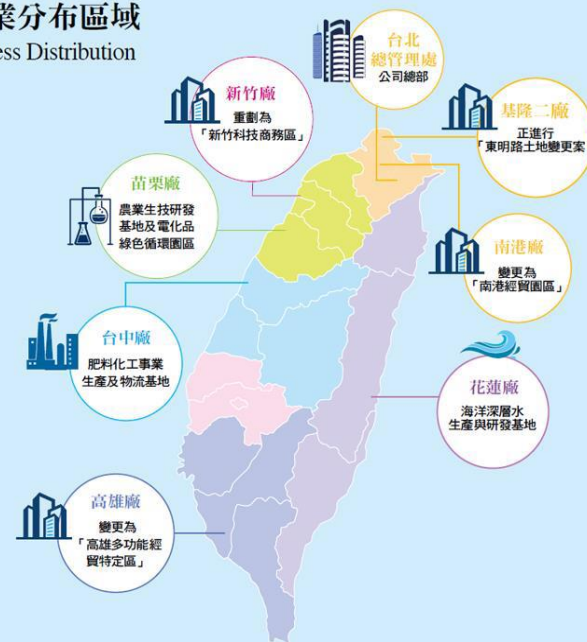


Production capacity&Location

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
		organic fertilizer	6,000
	Miaoli	instant compound fertilizer	3,500
		biotechnology nutrient solution	600
		phosphoric acid	5,500
		NMP	3,600
		electronic-grade nitric acid	7,200
		electronic-grade ammonia water	7,200
Real estate & Investment	Hualien	Deep Ocean Water	600,000
		Deep Ocean Water Production Park	
	(Former Nangang)	Nangang Business-Trade Park	
	(Former Hsinchu)	Hsinchu Tech Business Park	
	(Former Kaohsiung)	Kaohsiung Multifunctional Commerce & Trade Park	



台肥事業分布區域
TFC Business Distribution



Fertilizer & Chemical Business

Fertilizer Business in Taiwan

■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 in Taiwan

■What we supply—

Ammonia, sulfamic acid, untreated 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.

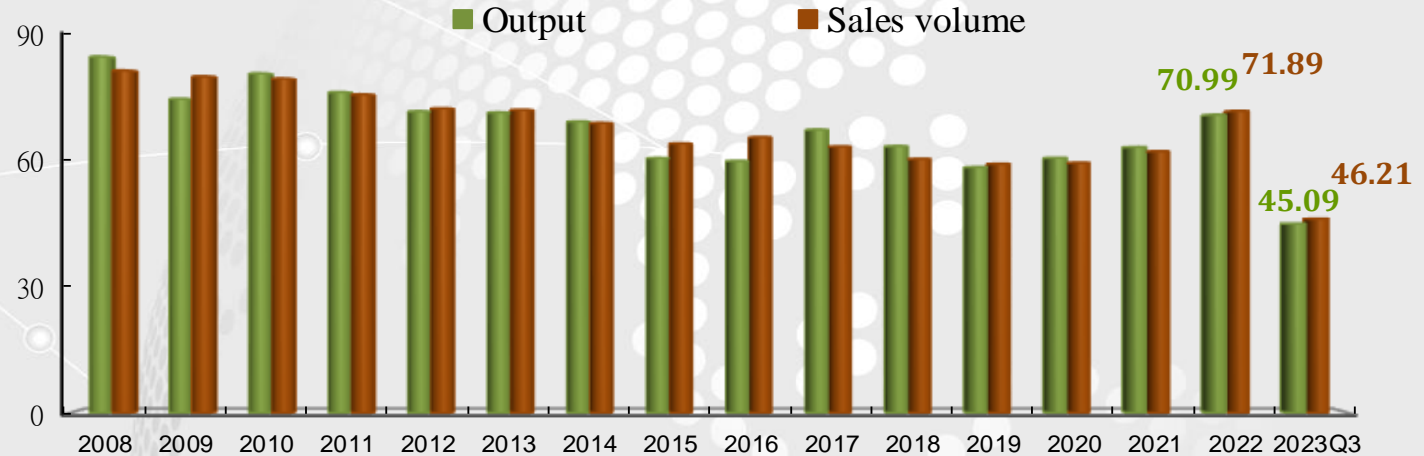
Seeking logistic & trading Opportunities

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.

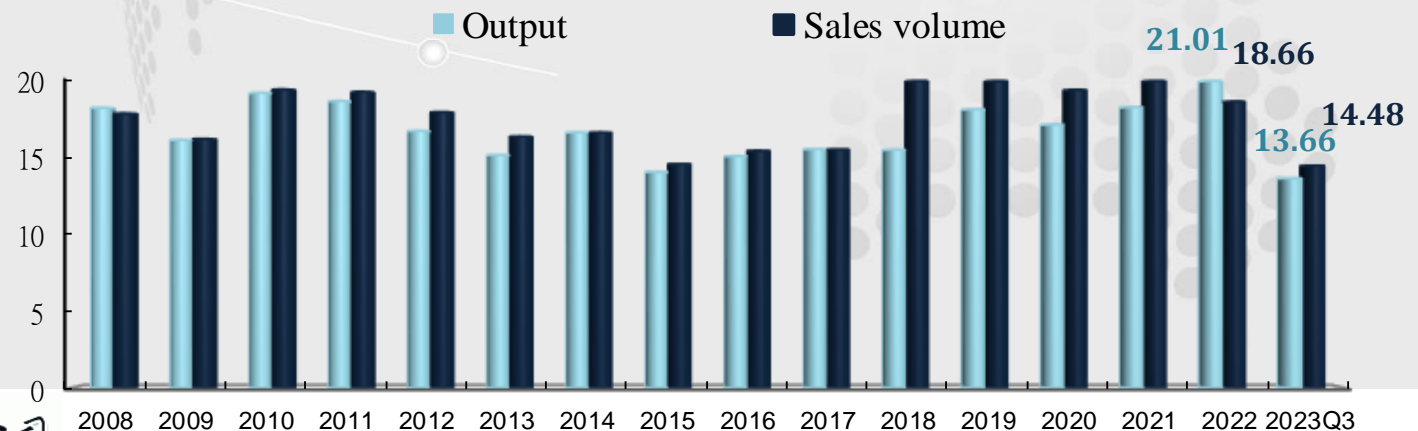


Production & Sales

Fertilizer Production and sales trend chart
(ten thousand tons)

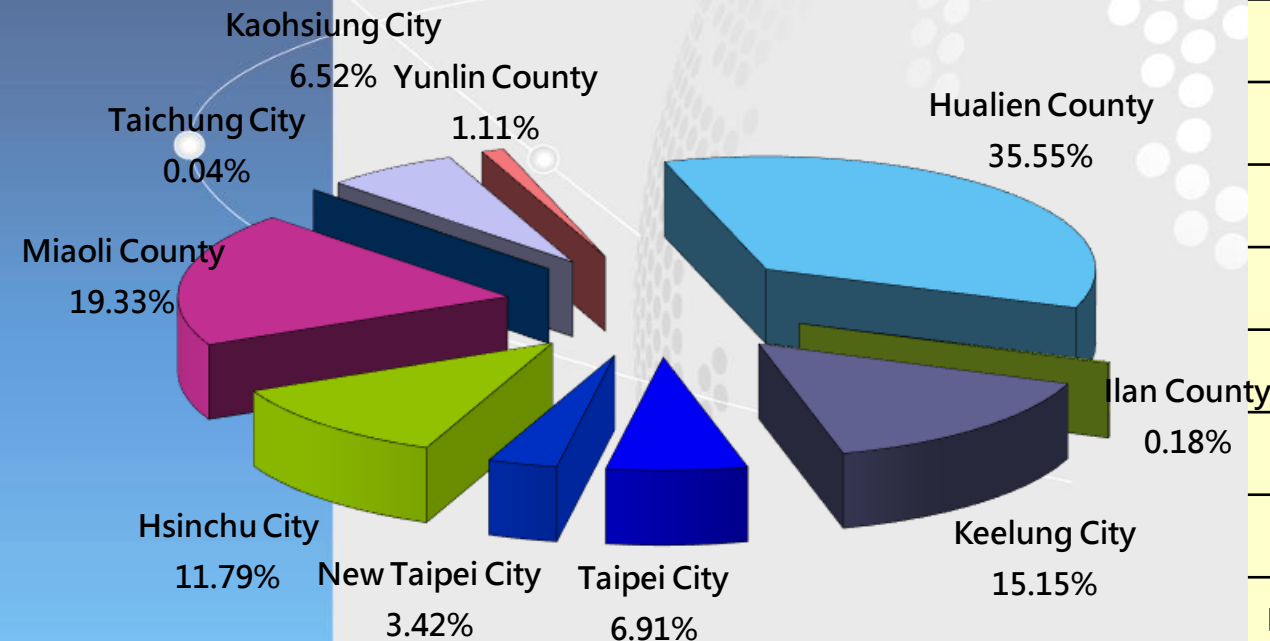


Chemical Production and sales trend chart
(ten thousand tons)



List of Land Assets

Area ratio chart



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

Remarks : The data collection date is Oct., 31, 2023.



Land Development- Map of Significant Projects



南港C2開發計畫



南港C4開發計畫



高雄多功能經貿園區



花蓮海洋深層水園區



基隆東明路開發計畫



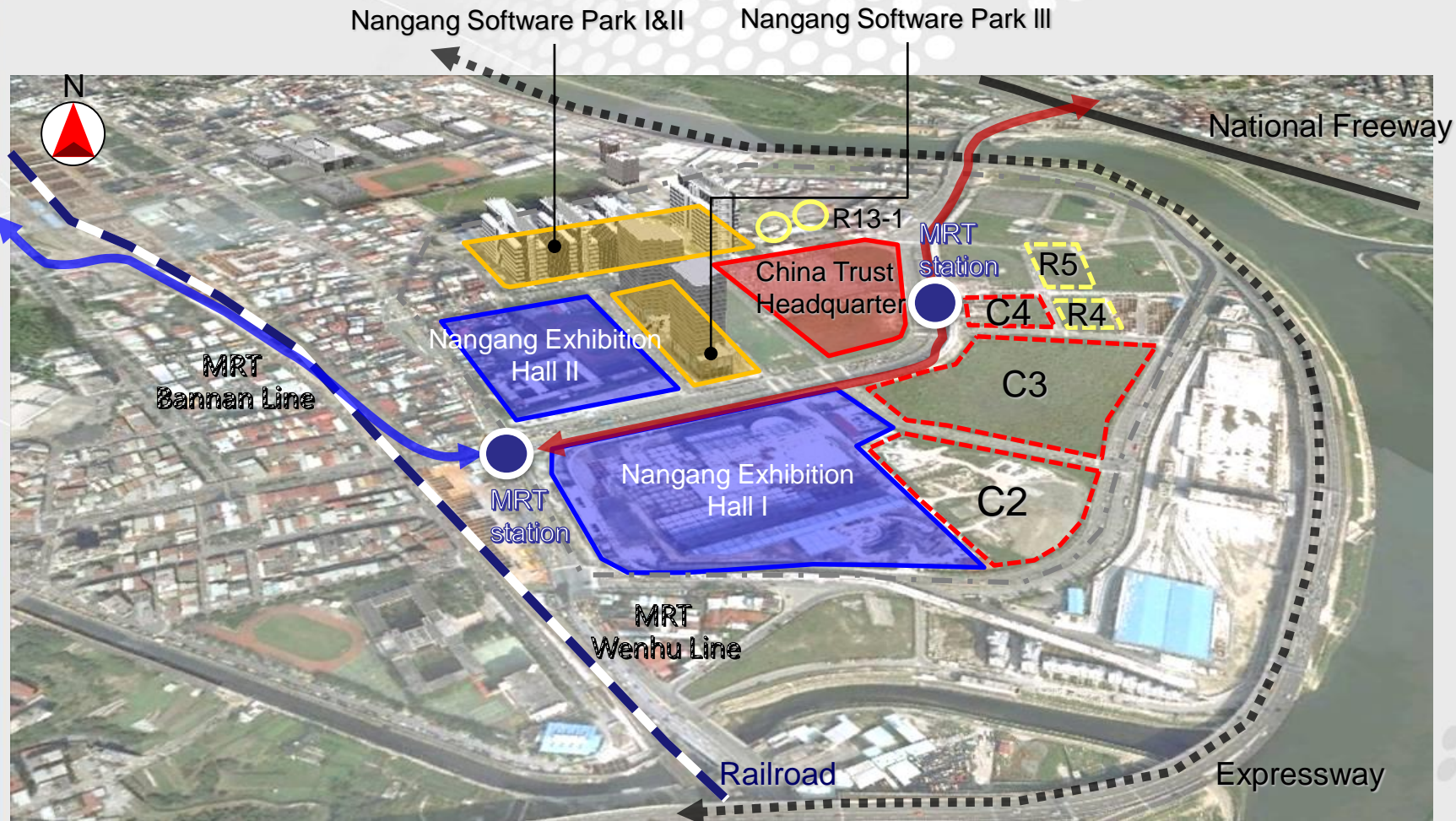
新竹科技商務園區

Land Development Plan

Area	Size(ping)	Size(m ²)	Current Status
Nangang Business-Trade Park No.C2 (Taipei)	7,051	23,310	<ol style="list-style-type: none"> 1. Constructing an office building and two hotels. ° 2. Obtained the partial occupancy permit for Building B in October 2021, immediately proceeding with investment and operation activities. 3. Obtained occupancy permits for Buildings A and C in January 2023.
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 is currently underway.
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	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 1.Completion of the public Land readjustment project. 2.Cooperation with the Kaohsiung City Government in carrying out pre-investment green beautification projects
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 Developments in Nangang Business-Trade Park



Nangang Business-Trade Park No.C2 Development Plan—Hotels and Commercial Building



Plot Ratio : 440%

Building Coverage Ratio: 60%

Program :

- 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 :

- 1 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.
2. Office Building (Building B): Leasing commenced in Q3 of 2021. The leasing market is active, with an occupancy rate of 77%.
3. Hotel A (Building A): The entire building is leased to Grand Hi-Lai Hotel, and trial operations began in Q4 of 2023.
4. Hotel C (Building C) : Going through the public leasing operation procedure



Nangang Business-Trade Park No.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. The current work involves the construction of the main structural shear wall.
4. The project is expected to be completed in 2026.

Net zero Development Blueprint



Net Zero Development Orientation

Low-carbon production process

- Greenhouse gas reduction
- Energy conversion
- Equipment replacement

Green supply chain

- Apply green materials
- Development of low carbon fertilizers
- Recycle Electronic-grade chemicals
- Recycle agricultural residue materials



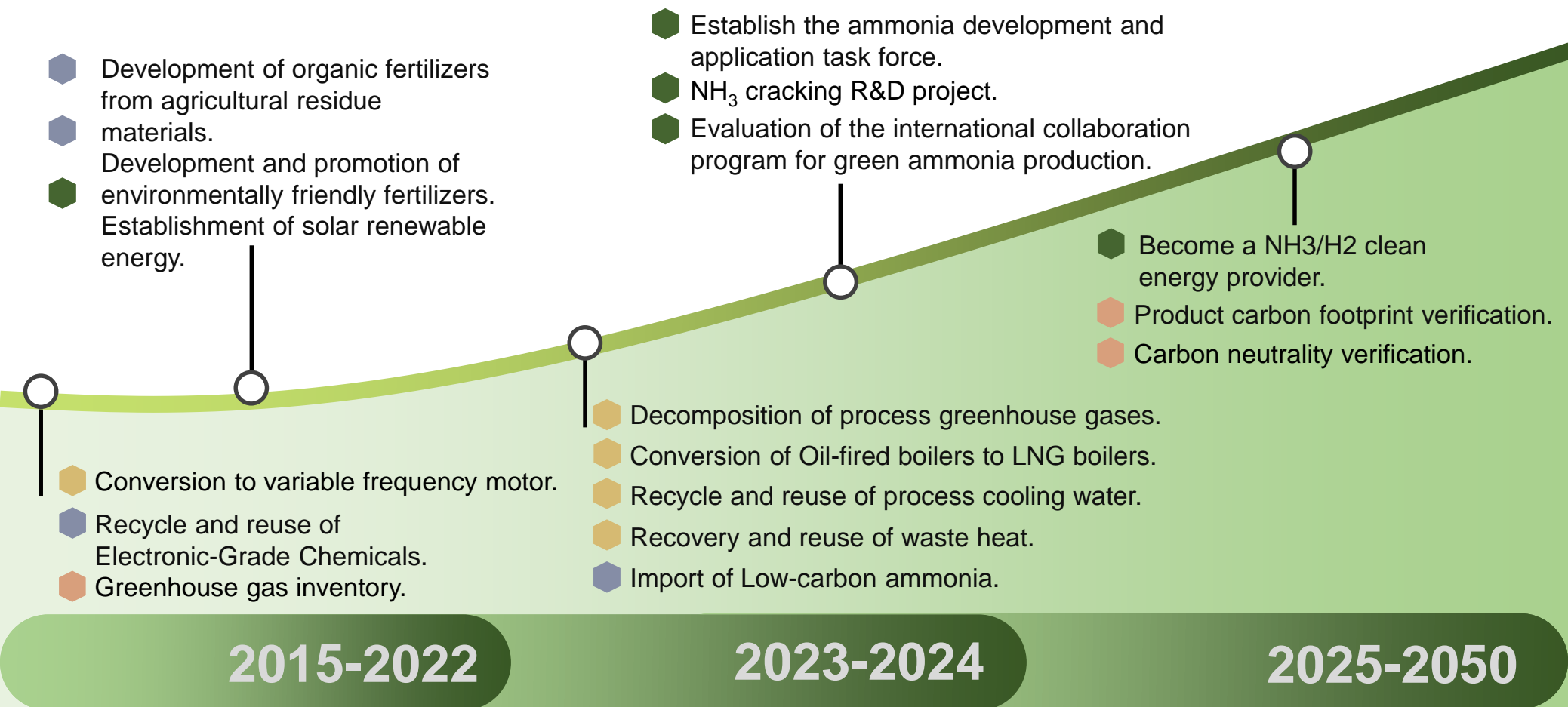
Promote green energy

- Promote clean energy
- Establish the renewable energy system

Net zero management policy

- Total involvement
- Project task force
- Carbon footprint verification

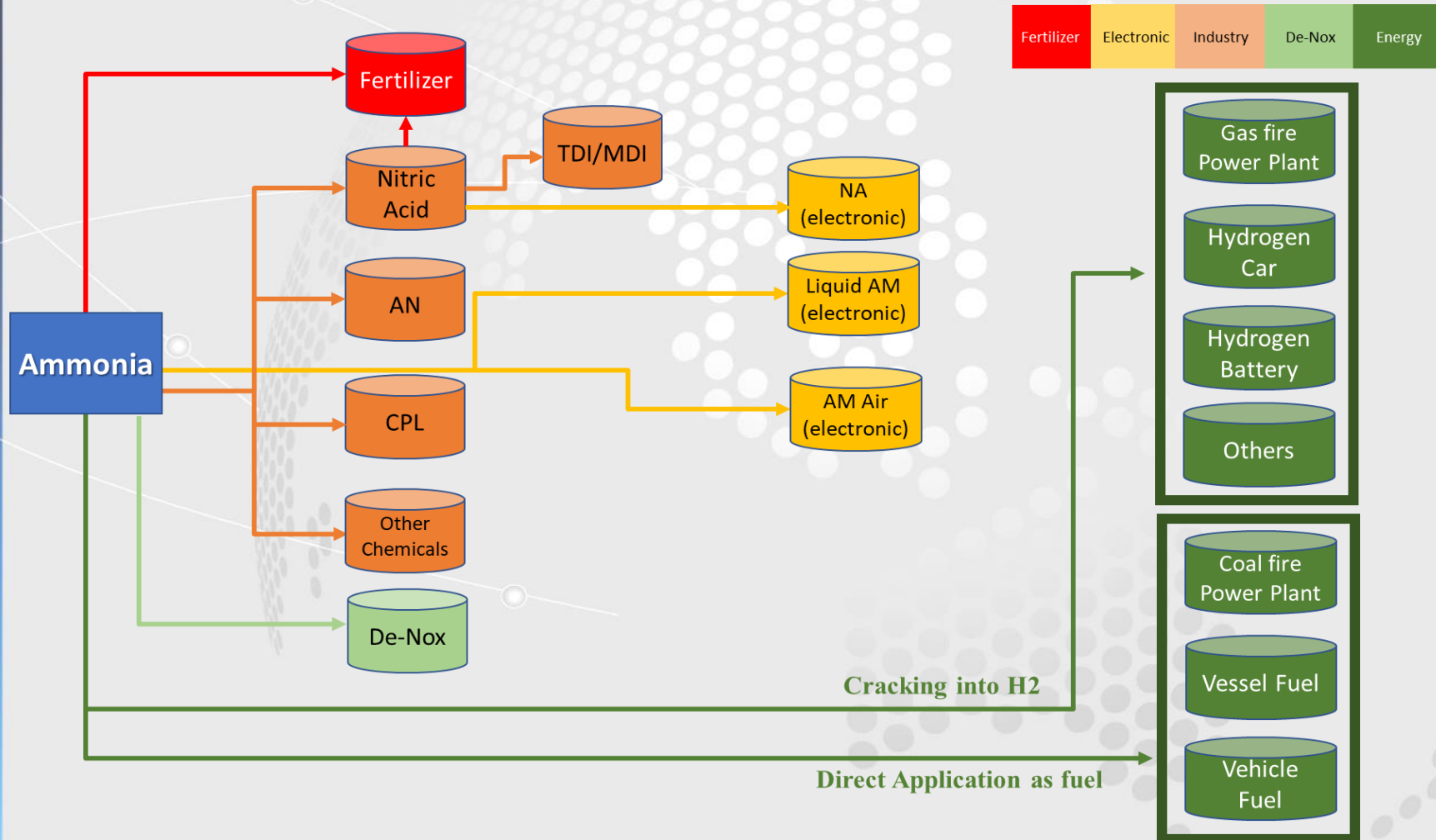
Net Zero Emission Implementation and Planning



Development Strategy of Ammonia & Hydrogen

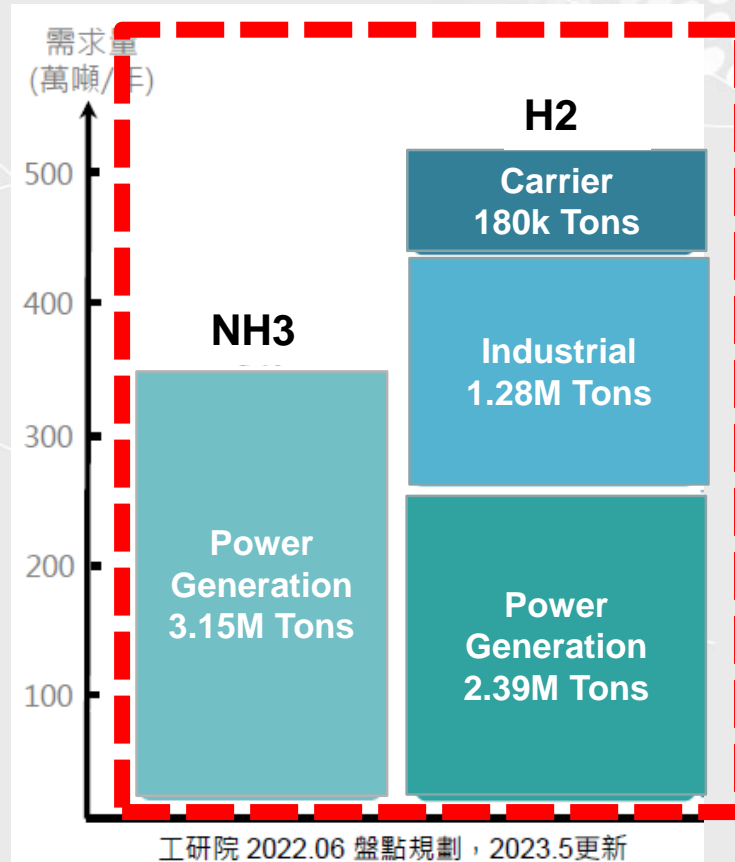


Application of Ammonia

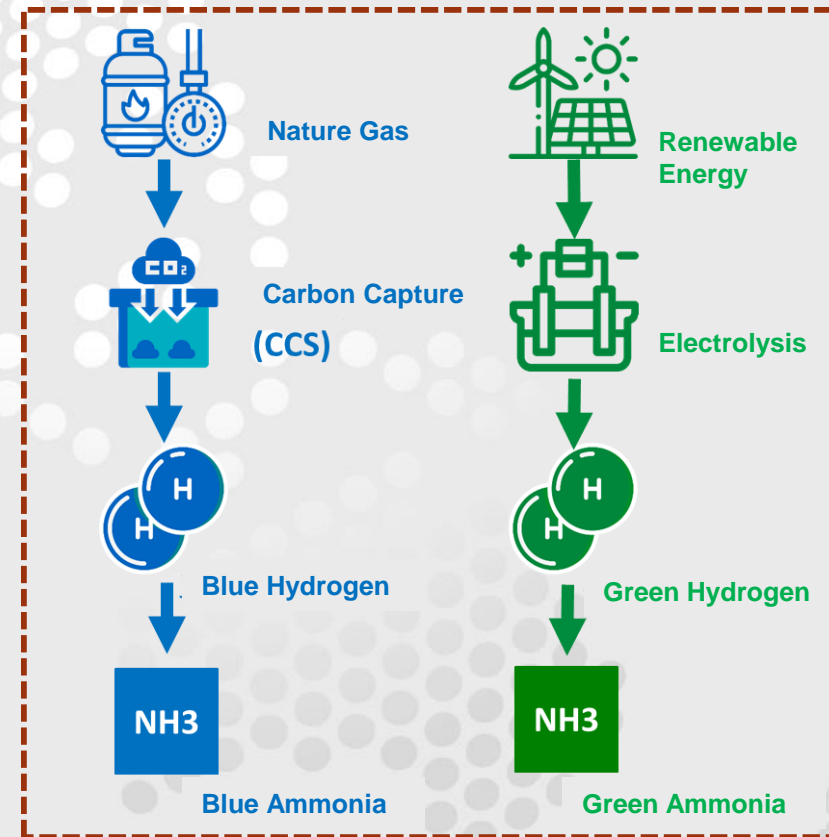


Best Solution of Clean Energy

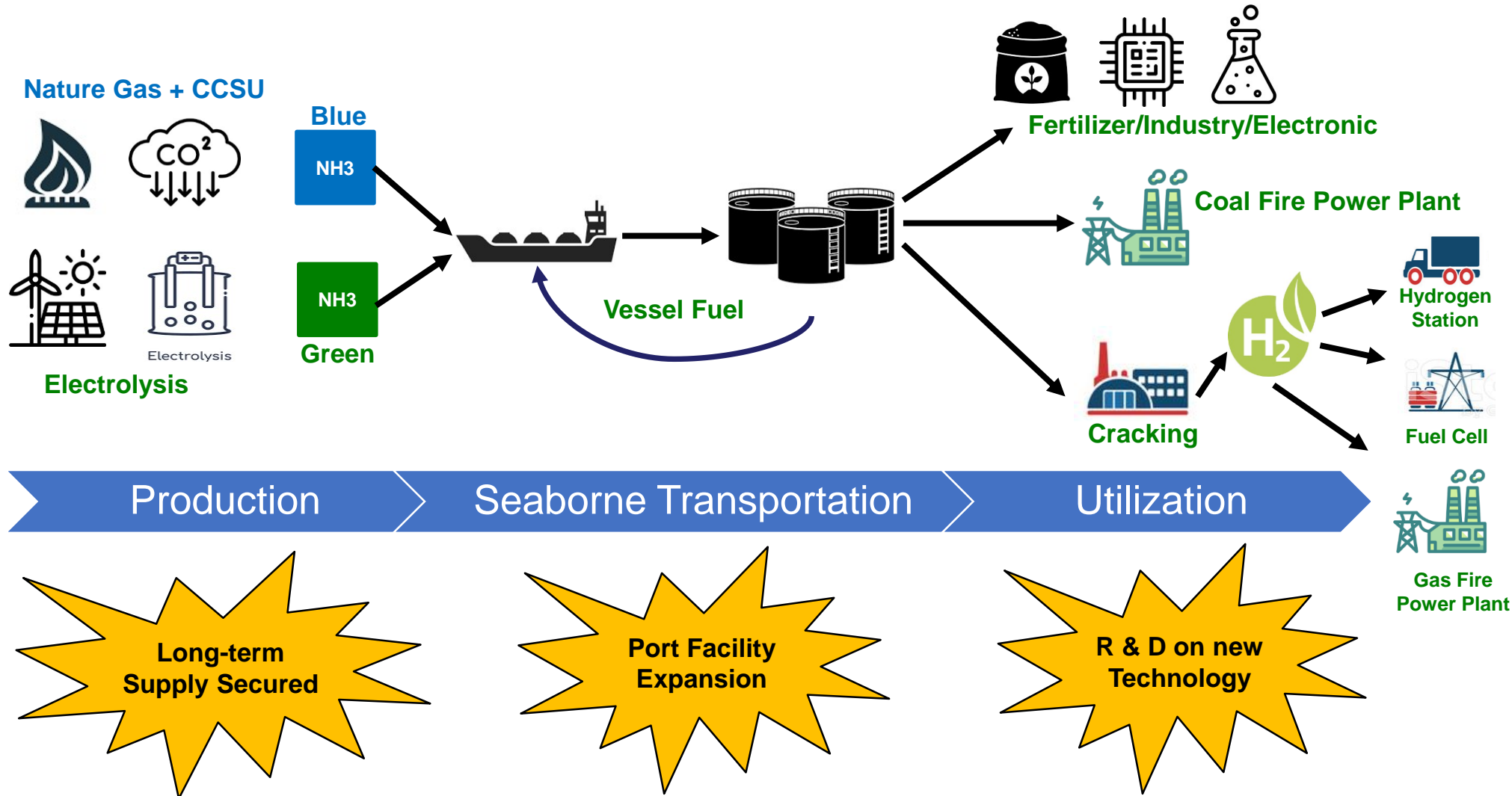
Demand Prediction for NH3 & H2 by ITRI



Blue & Green Ammonia



Development Strategy of TFC





Thank You !

