

安全第一 服務至上

創造繁榮 永續經營

Hsin Tai Gas Co., Ltd.

Code: 8917

2023 Investors Conference

2023/9/20

Keynote Speaker: Jung-Fang Hou





Safe Harbor Statement

This presentation and the financial numbers are based on IFRS approved by Financial Supervisory Commission(FSC) and prepared according to the reviewed/audited financial statements by CPA.

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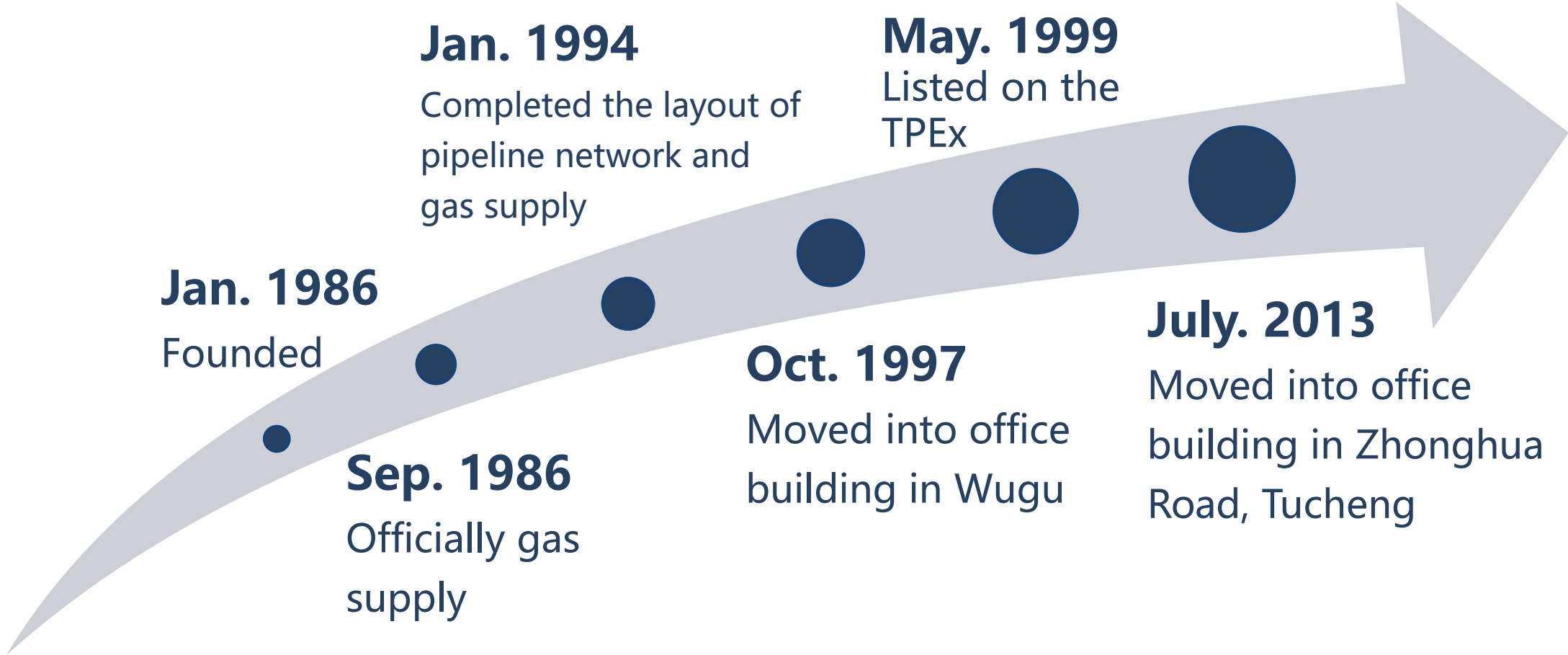
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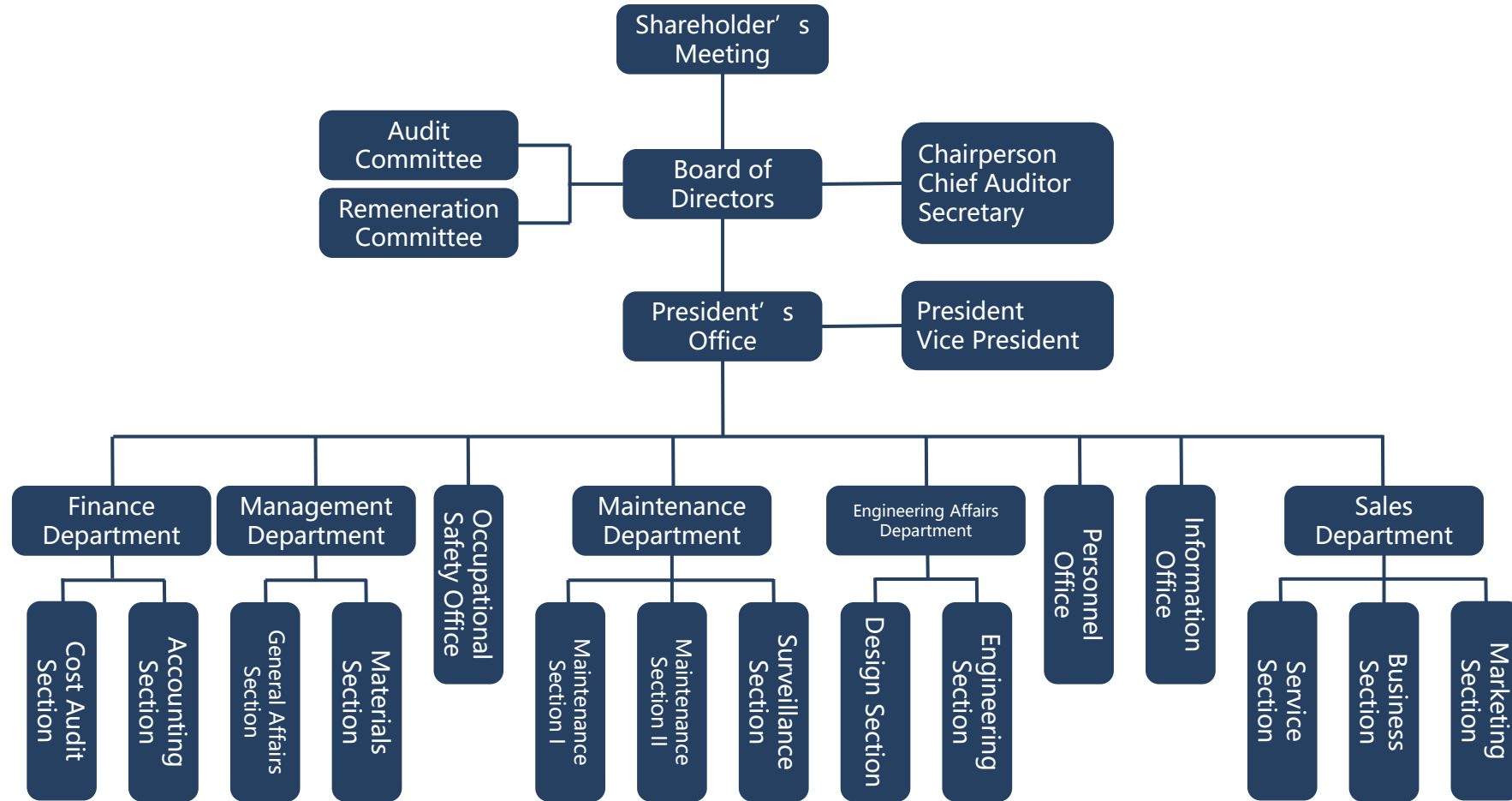


I. Company History



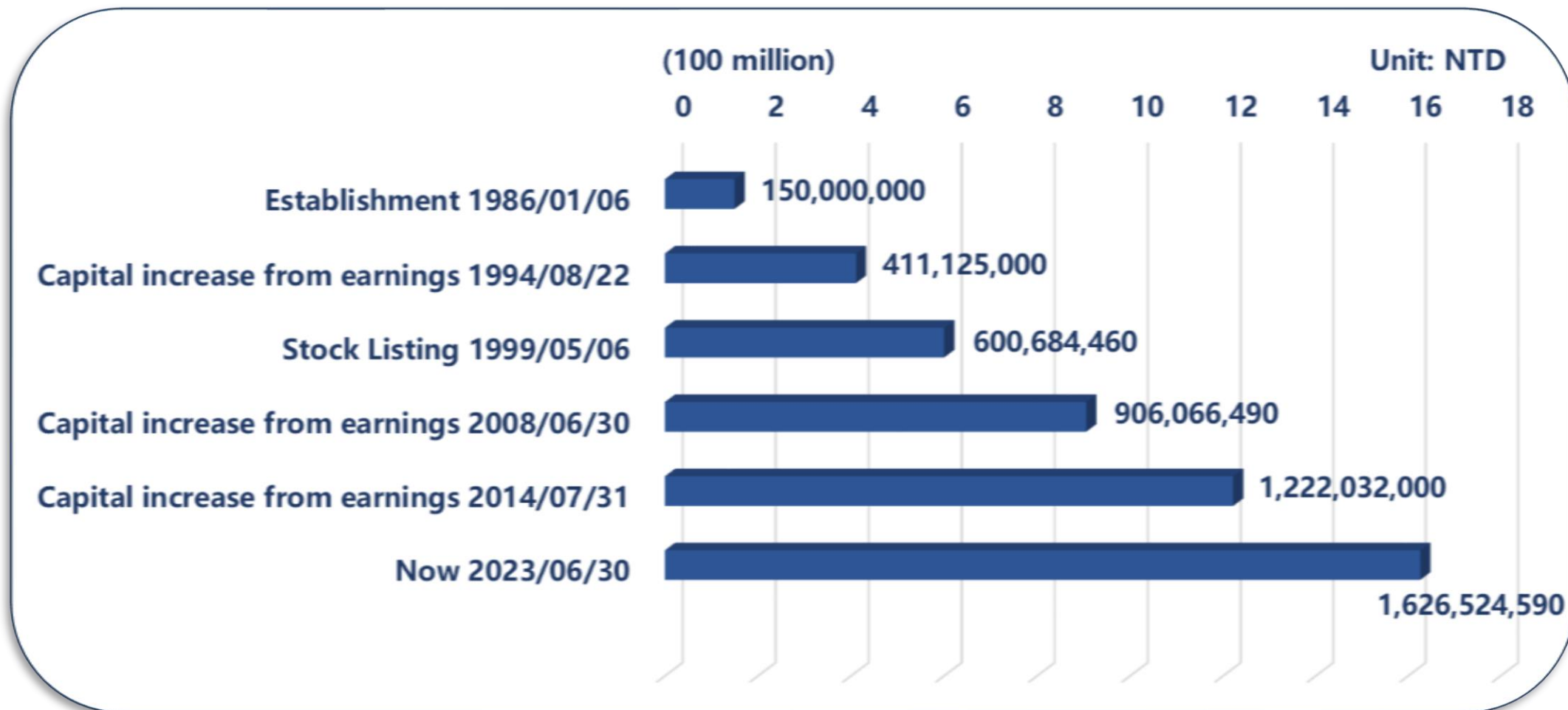


II. Organizational Chart





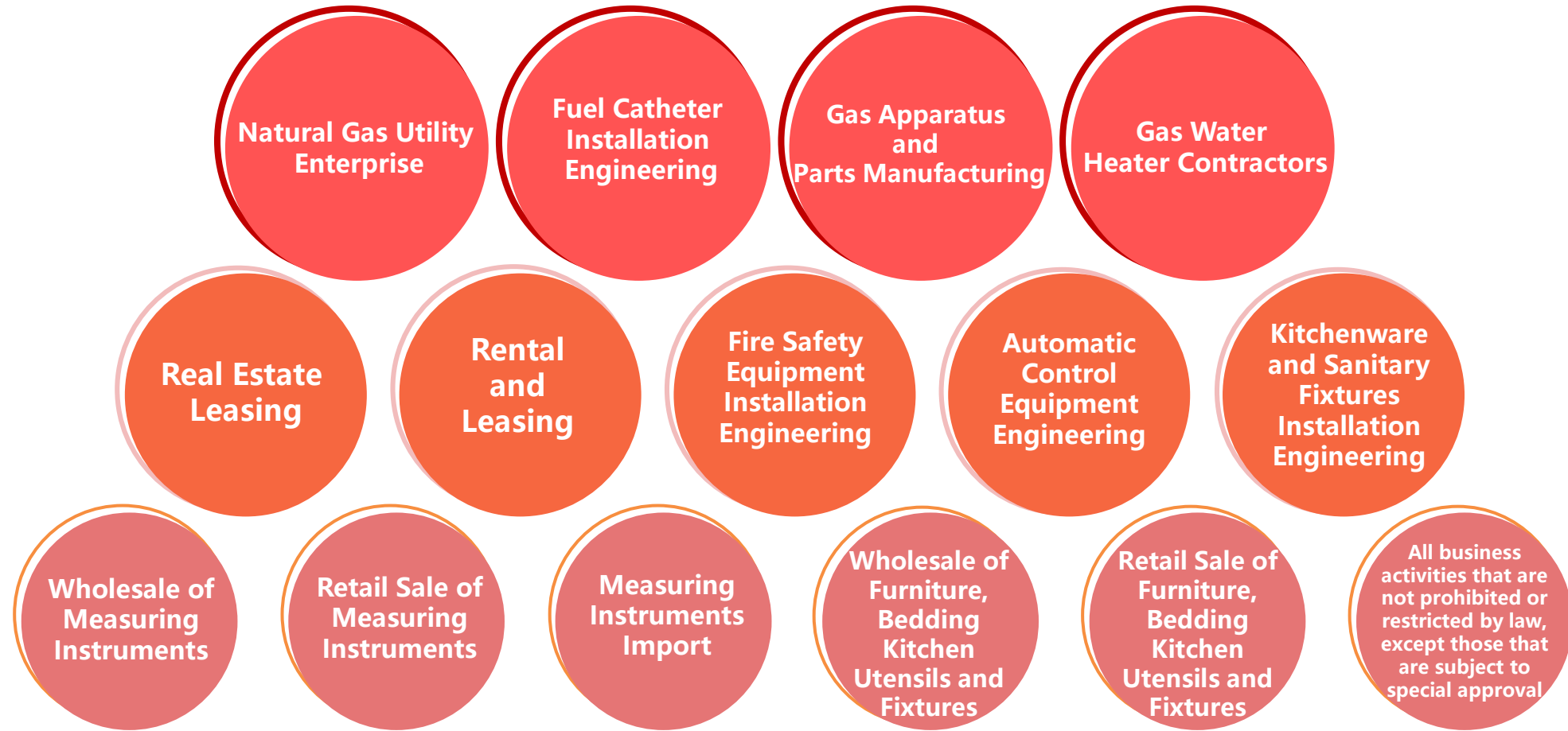
III. Capital Growth





IV. Major business items and service

Company Introduction





I. Operation Overview

As of June 30th, 2023

Date of initial gas supply	1986.09.10		
Amount of Paid-In Capital	\$1,626,524K		
Length of pipelines	2,059,129 meters		
The number of supplying households	265,862 households		
Total number of Employees	169		The number of Engineering Employees 109(64.5%)
The number of qualified pipeline-installation staff	Class A	65	Both Class A & B 65
	Class B	103	





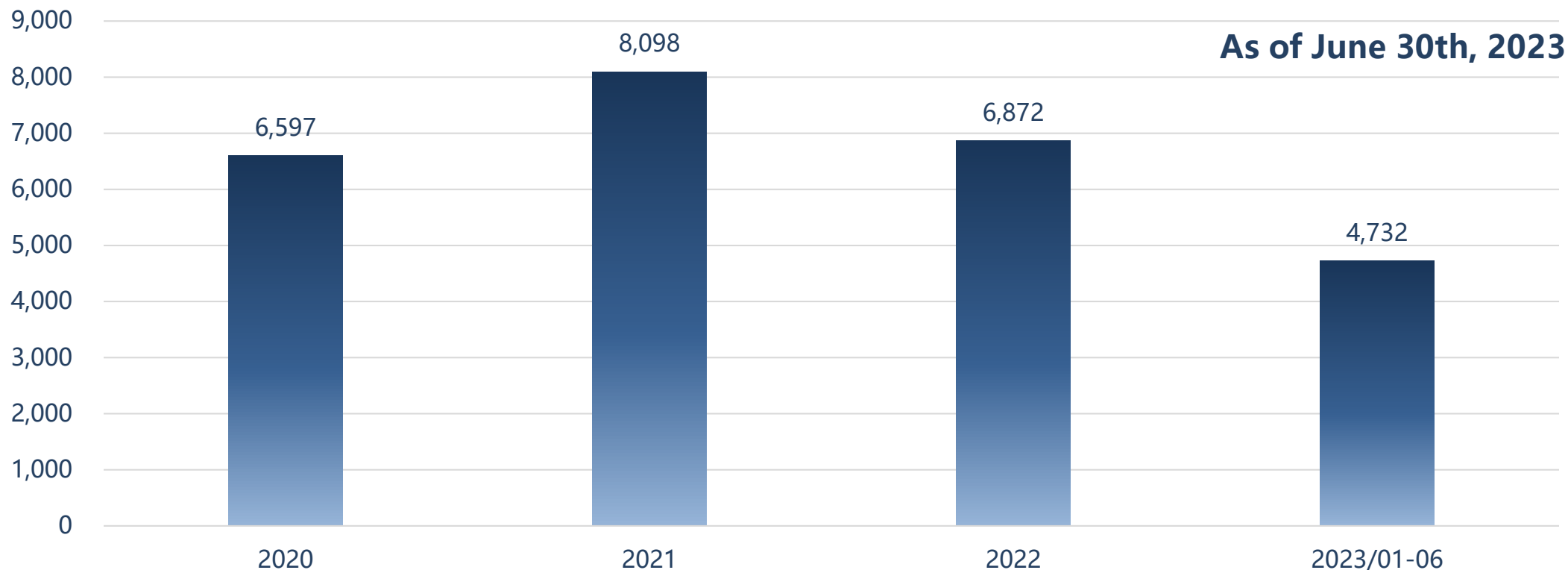
II. Business Areas

Business Areas			
north areas	Bali	south areas	Shulin
	Linkou		Yingge
	Wugu		Tucheng
	Luzhou		Sanxia
	Taishan		Huilong Vil.





III. Prepayment status for installation

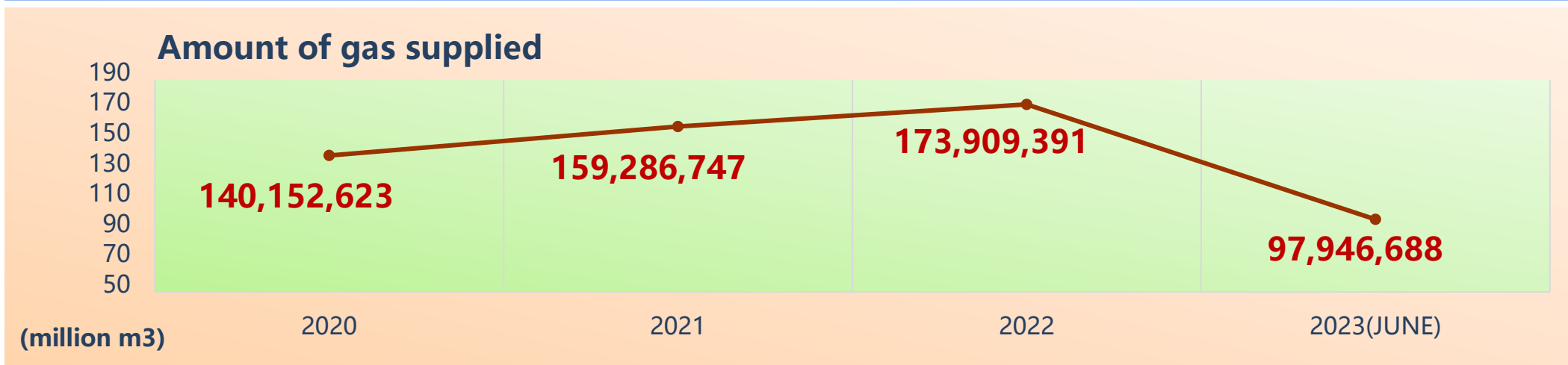
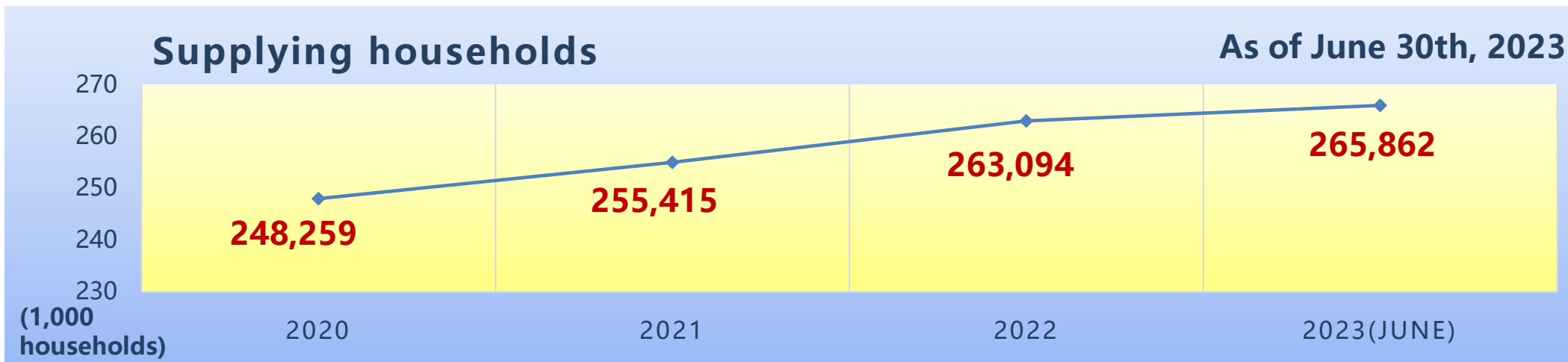


	2020	2021	2022	2023/01-06
Number of prepayment households	6,597	8,098	6,872	4,732
Amount of prepayment installations	477,098,945	474,218,456	489,835,539	256,244,155





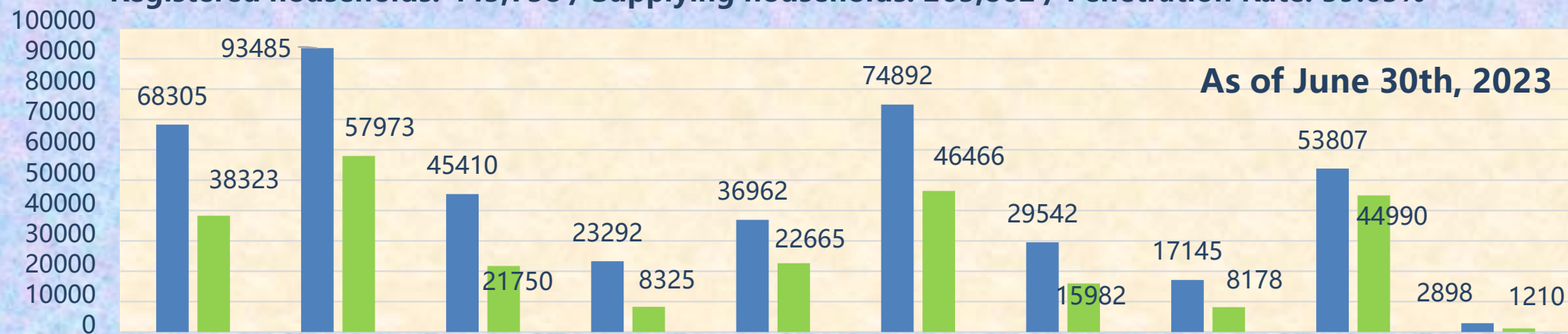
IV. Overview of Gas Supply in recent years





V. Penetration rate

Registered households: 445,738 / Supplying households: 265,862 / Penetration Rate: 59.65%



	Shulin	Tucheng	Sanxia	Yingge	Wugu	Luzhou	Taishan	Bali	Linkou	Huilong Vil.
Registered households	68,305	93,485	45,410	23,292	36,962	74,892	29,542	17,145	53,807	2,898
Supplying households	38,323	57,973	21,750	8,325	22,665	46,466	15,982	8,178	44,990	1,210
Penetration Rate	56.11%	62.01%	47.90%	35.74%	61.32%	62.04%	54.10%	47.70%	83.61%	41.75%
Remark	2021 Households: 434,504 / Supplying households: 255,415 / Rate: 58.78% 2022 Households: 440,687 / Supplying households: 263,094 / Rate: 59.70%									





VI. Transmission and storage Facilities

Operation Overview

In line with national standards or the standards of developed countries.
Establish disaster prevention facilities and maintenance measures.





VI. Transmission and storage Facilities

Regulator stations
Landscaping
Good-neighborliness





VI. Transmission and storage Facilities

Operation Overview



Equipment maintenance



Operation control center



Disaster prevention drill



Pipeline inspection





VI. Transmission and storage Facilities

Operation Overview



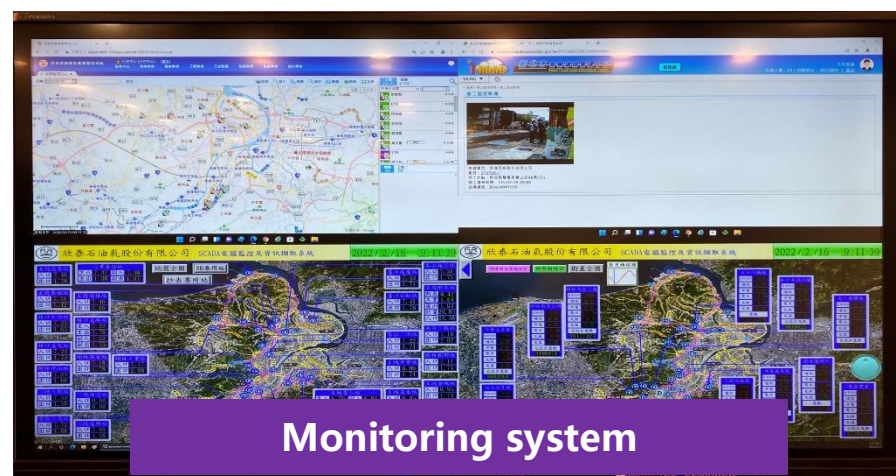
Inspection of odorous Substance



Education Training



Pressure regulating station CCTV



Monitoring system

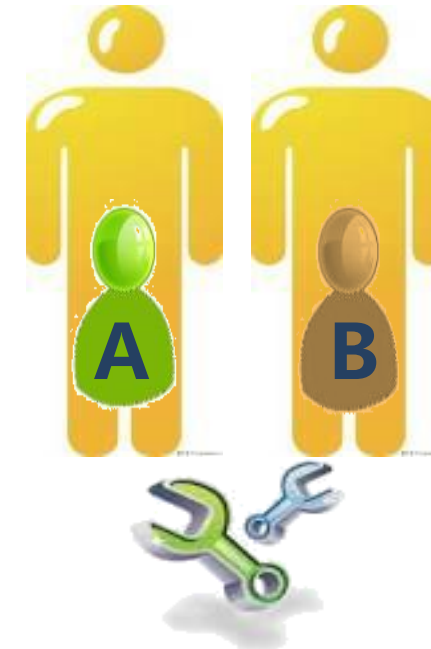




VI. Transmission and storage Facilities

2022 Status of gas transmission pipelines replacement

	2022 Plan for Replacement (A)	Actual amount of achievement (B)	Achievement Rate (B/A)
Length of Pipelines	3,257m	4,853m	149%
Amount of Pipelines	\$10,431,500	\$25,274,409	242%



The qualified natural gas pipeline-installation staff
Class A 65 people, Class B 103 people

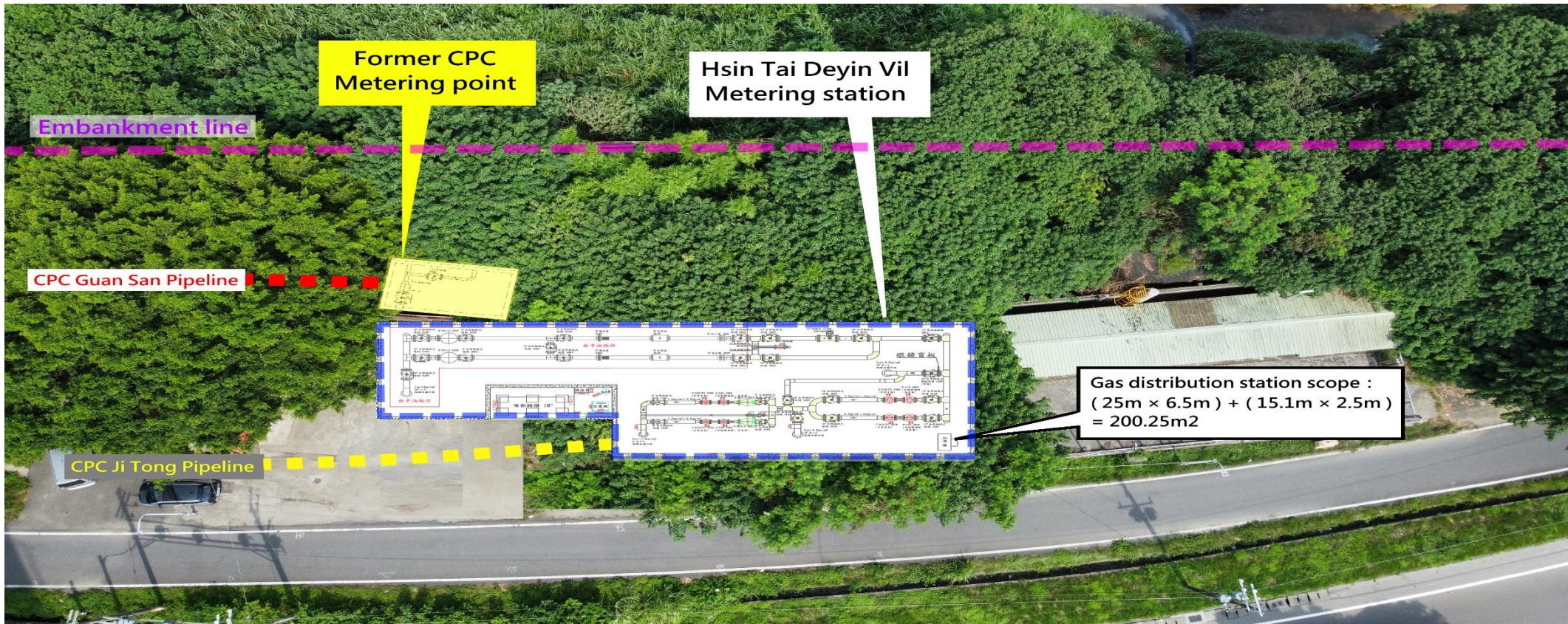




VI. Transmission and storage Facilities

- Metering and regulator station in Deyin Vil, Wugu

It is expected to supply the gas needs of about 230,000 users in Bali, Linkou, Luzhou, Taishan, Wugu, Shulin, Tucheng and other areas.

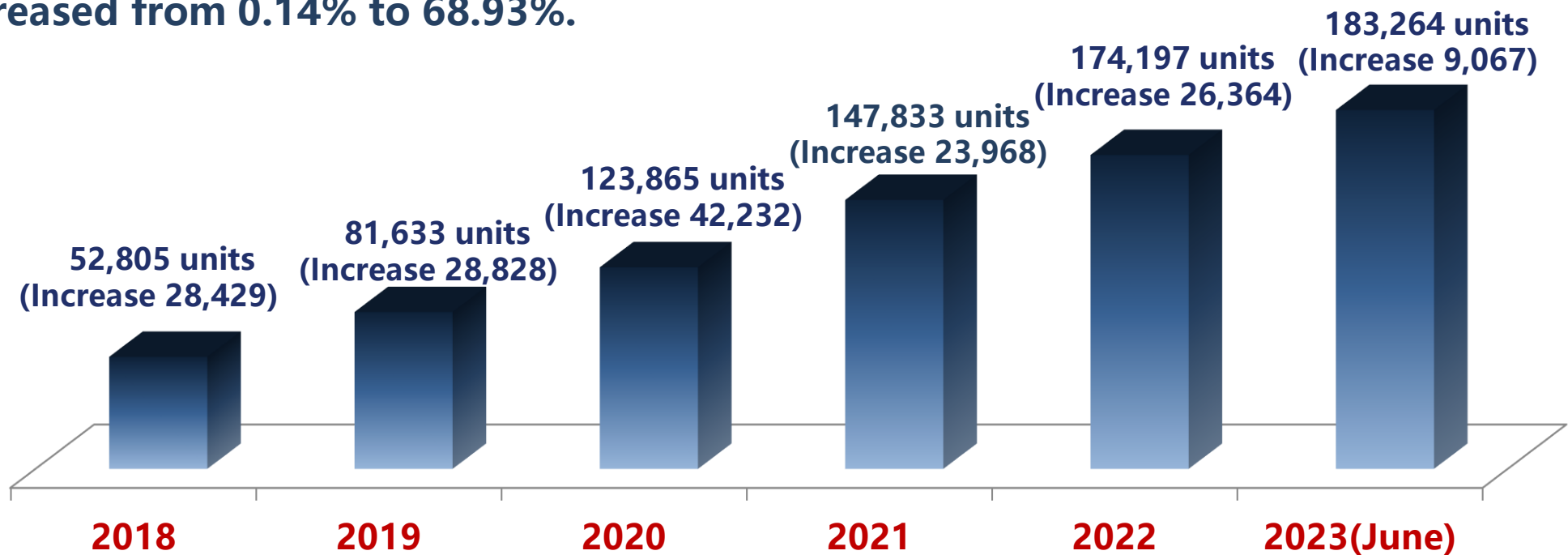




VII. Gas use safety

I. Installation for microcomputer gas meter

Replacement of microcomputer gas meter was implemented from February 2016 (319 units), until June 2011, a total of 183,264 units were replaced, and the replacement rate increased from 0.14% to 68.93%.

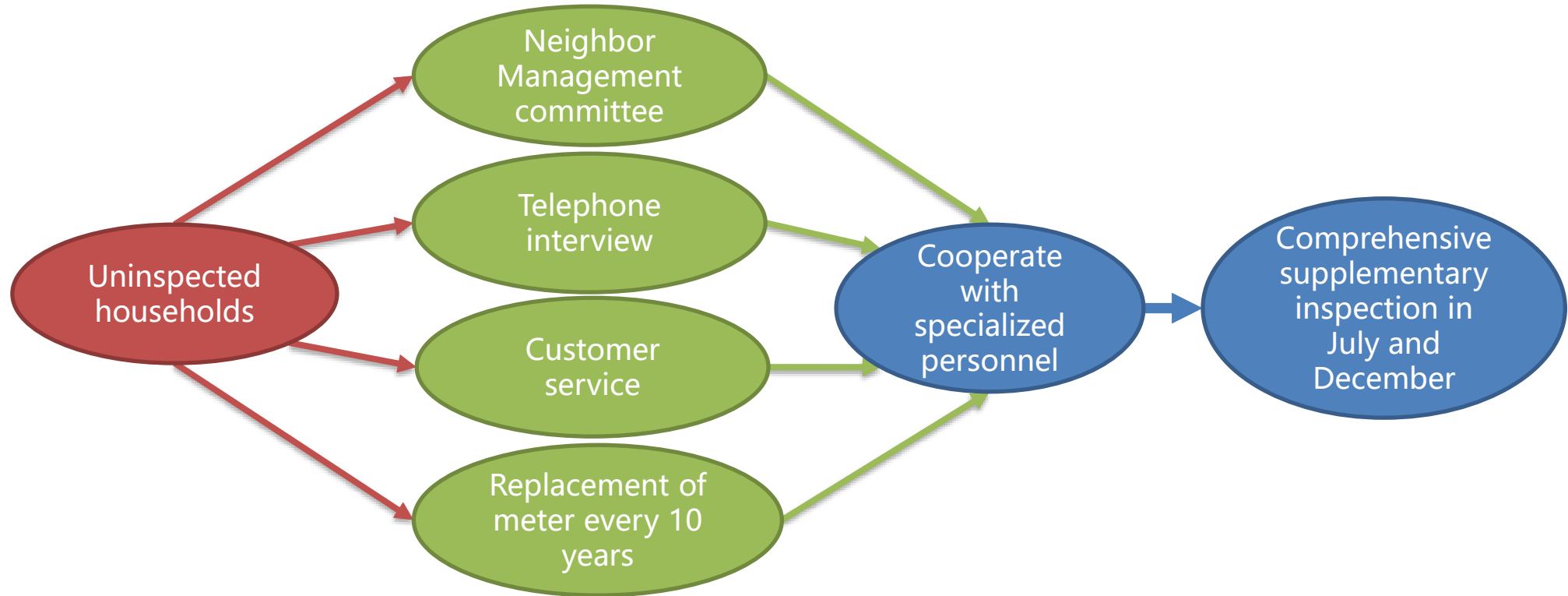




VII. Gas use safety

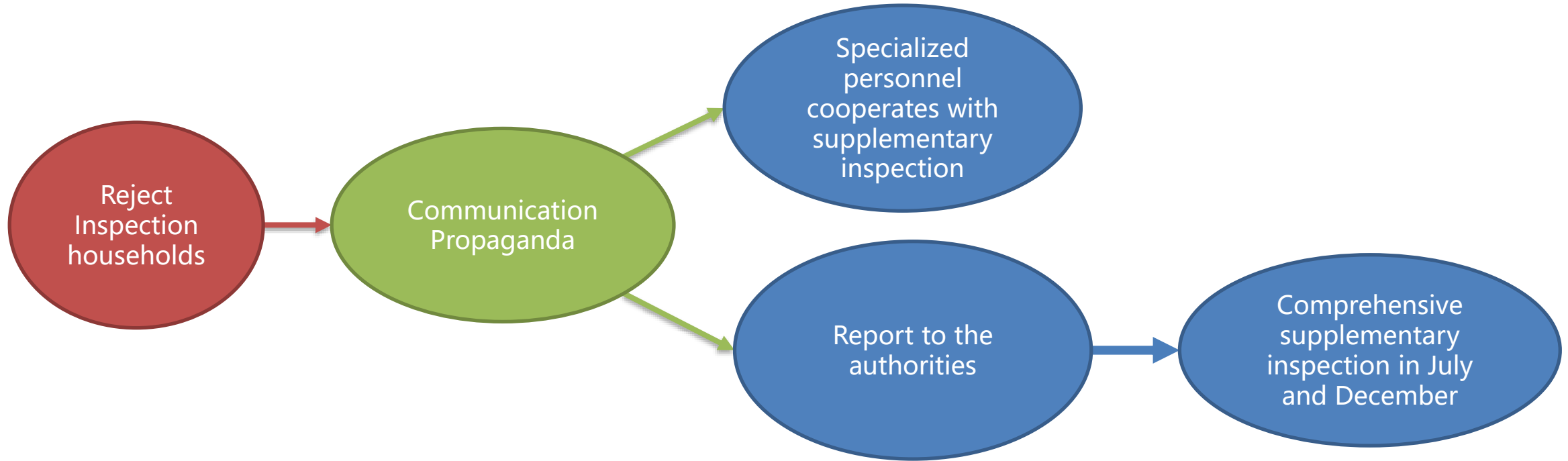
II. Periodical inspection

Households: every two years. Service and commercial businesses sectors : once a year.
How to deal with uninspected households:





VII. Gas use safety





I. Main Business Items

Unit: NT\$ 1,000

Items	2020Q4	2021Q4	2022Q4	2022Q2	2023Q2
Natural Gas Revenue	1,817,963	1,889,398	2,083,675	1,080,648	1,111,806
Installation Services Revenue	314,870	271,120	296,618	176,723	167,348
Other Operating Revenue	173,903	133,554	151,050	71,768	77,772
Rental Income	5,388	4,927	4,715	2,438	1,918
Total	2,312,124	2,298,999	2,536,058	1,331,577	1,358,844





II. Condensed Consolidated Statement of Comprehensive Income

Financial Position

Unit: NT\$ 1,000

Items	2020Q4	2021Q4	2022Q4	2022Q2	2023Q2
Operating Revenue	2,312,124	2,298,999	2,536,058	1,331,577	1,358,844
Operating Costs	(1,776,504)	(1,788,853)	(1,971,563)	(1,019,798)	(1,033,760)
Operating Gross Profit	535,620	510,146	564,495	311,779	325,084
Operating Expenses	(130,884)	(120,412)	(127,217)	(61,763)	(61,594)
Operating Income	404,736	389,734	437,278	250,016	263,490
Non-operating Income And Expenses	(838)	14,798	20,135	2,137	17,564
Income Before Income Tax	403,898	404,532	457,413	252,153	281,054
Income Tax Expense	(79,865)	(78,174)	(89,462)	(50,771)	(54,666)
Net Income	324,033	326,358	367,951	201,382	226,388
Earnings Per Share (NTD)	2.41	2.21	2.26	1.36	1.39





III. Condensed Consolidated Balance Sheet

Financial Position

Unit: NT\$ 1,000

Items	2020Q4	2021Q4	2022Q4	2022Q2	2023Q2
Total Assets	4,860,342	5,173,689	5,457,807	5,404,435	5,666,176
Cash and Cash Equivalents	402,086	396,235	479,154	658,102	682,654
Financial Asset at Amortized Cost	785,002	878,002	1,026,596	842,002	1,017,929
Notes and Trade Receivables	223,267	240,445	260,348	210,710	241,303
Property, Plant and Equipment	2,612,964	2,761,386	2,823,451	2,764,606	2,826,289
Total Liabilities	2,577,554	2,759,575	2,813,953	2,926,368	3,111,883
Contract Liabilities	654,201	691,947	711,737	691,407	728,345
Notes and Trade Payables	169,384	209,556	185,311	144,924	148,385
Other Payables	152,303	158,954	161,855	* 303,152	*451,150
Deferred Revenue	1,345,703	1,429,141	1,496,290	1,509,673	1,519,028
Total Equity	2,282,788	2,414,114	2,643,854	2,478,067	2,554,293

* Including Dividend Payables \$325,305 thousand and \$162,652 thousand.

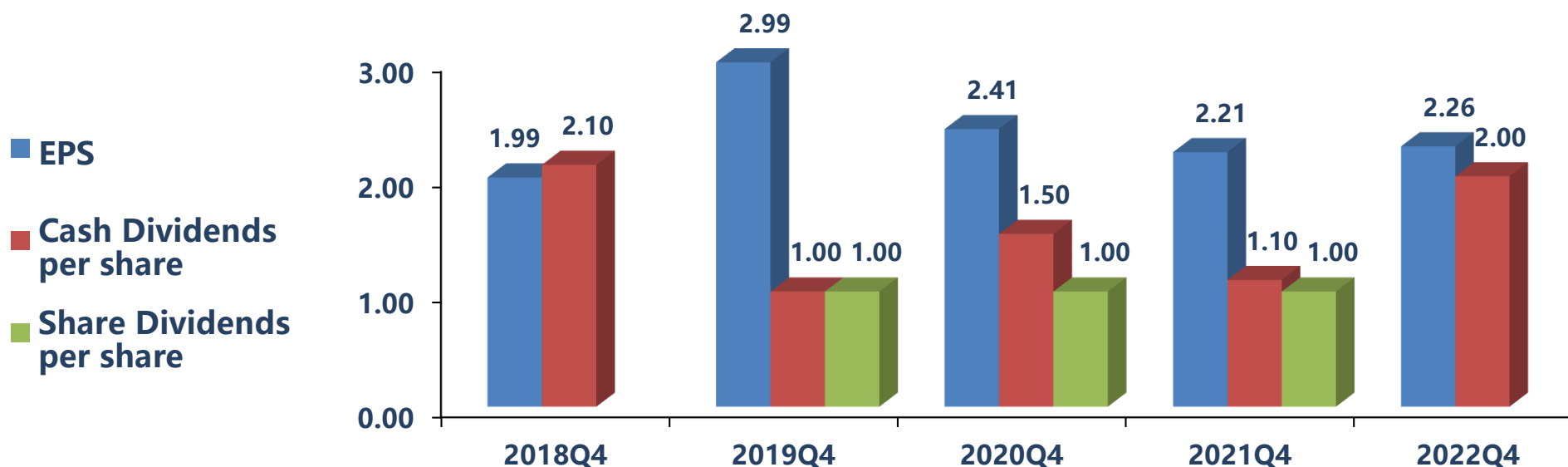




IV. EPS & Dividend

Unit: NTD

Items	2018Q4	2019Q4	2020Q4	2021Q4	2022Q4
EPS	1.99	2.99	2.41	2.21	2.26
Cash Dividends per share	2.10	1.00	1.50	1.10	2.00
Share Dividends per share	-	1.00	1.00	1.00	-



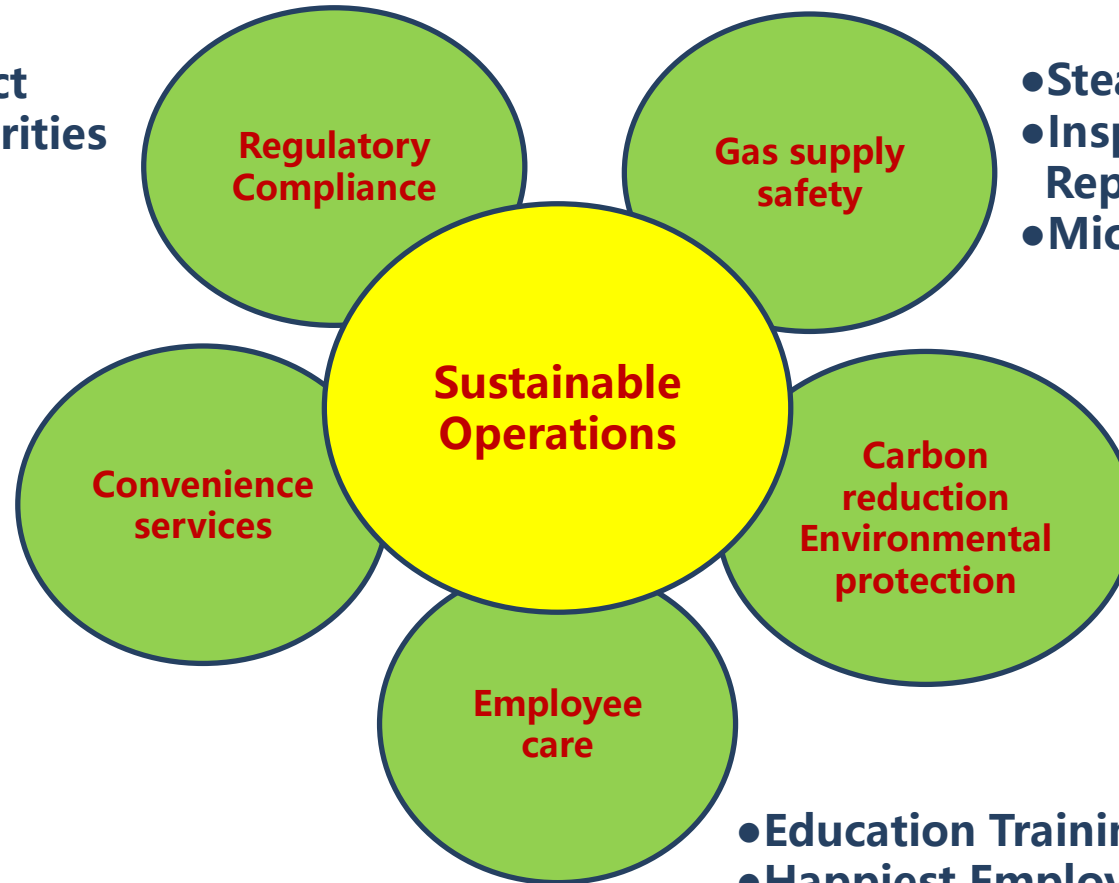


Development opportunity

Business Prospect

- Natural Gas Enterprise Act
- Supervision by the authorities
- Cooperate with policy implementation

- Online application
- Customer service line full-day.
- Accident exclusion



- Steady gas supply
- Inspection of pipelines
- Replace obsolete pipelines
- Microcomputer gas meter

- e-billing
- APP : meter reading and inspection

- Education Training
- Happiest Employees



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Thank you for your attention

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