



# TRK Corporation

Stock Ticker: 1432

## 2022 Investor Conference

# SAFE HARBOR STATEMENT

This presentation contains forward-looking statements that based on current expectations subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements.

The information posted on the Market Observatory Post System shall prevail in case of any future changes or adjustments.

# OUTLINE



Company  
Profile



Business  
Achievements  
& Honors



Future  
Development  
Directions



## Company Profile

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- III. Subsidiaries and Shareholdings**
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# COMPANY PROFILE

TRK Corporation was founded in 1973 and taken public in July, 1982 (ticker: 1432). Shopping malls and sports & recreation are TRK's two main areas of business at present.

In addition to Taroko batting ranges, bowling alleys and a karting track, we have also invested in the American Village resort on Yangmingshan. TRK has been active in developing innovative niche projects as well. In 2020, we opened the retro American-style Roller186 skating rink, which has become an Instagram hotspot, and in 2021, Taiwan's first Japanese-style hot stone spa in Hsinchu, which was an instant hit.

Paid-in capital: **NT\$900 million**

Chairperson: **Ms. Mun-li Lin**

General Manager: **Mr. Kuo-Tung Hsieh**



Services Headcount | 619 ( Fulltime 371 , Parttime 258 )

# DEVELOPMENT MILESTONES

2016

- Dec.** -Opened 6th China location at Wanke Plaza in Shanghai
- July** -Opened 5th China location in Chongching's Daping District
- May** -Opening of flagship Taroko Park
- March** -Confirmation of 3rd mall, Taroko Square in Hsinchu, to be built by RT-Mart, commencement of Taroko Mall (later spun off from Taroko Development Corp. in 2017) lease and operation

2017

- July to Dec.** -Transferred 67% of equity to Shin Kong Mitsukoshi (Taroko Park business)
- July** -Relisted as retail stock and changed company name to Taroko Co., Ltd.
- June** -Opened 7th China location at Baolong City Plaza in Hangzhou's Binjiang District

2018

- Sept.** -Transfer of Ji Chuang Co. assets and operations approved at Brilliant Co. subsidiary board meeting
- May** -Opening of Taroko Square in Hsinchu
- April** -Repayment of 2nd Taroko CB
- Feb.** -Repayment of 1st Taroko CB



# DEVELOPMENT MILESTONES

2019

- Nov.** -Merger with Taroko Mall subsidiary approved at board meeting
- Moving of company headquarters to Taichung City approved at board meeting
- June.** -Merger of Taroko Mall subsidiary and Brilliant Co. approved at Taroko shareholders' meeting

2020

- Sep.** -Surplus capital return of NT\$4 cash per share
- Aug.** -Sale of 14.82% equity interest in Taroko Development Corporation to Shin Kong Mitsukoshi
- June** -Company carries out 55.340566% capital reduction, leaving share capital of NT\$750,000,000
- May** -Sale of Suzuka Circuit Park assets
- March** -TRK changes registered address to: No. 186, Section 4, Fuxing Rd., East District Taichung City, 401
- Jan.** -Opening of Roller186 skating rink at Taroko Mall Taichung

2021

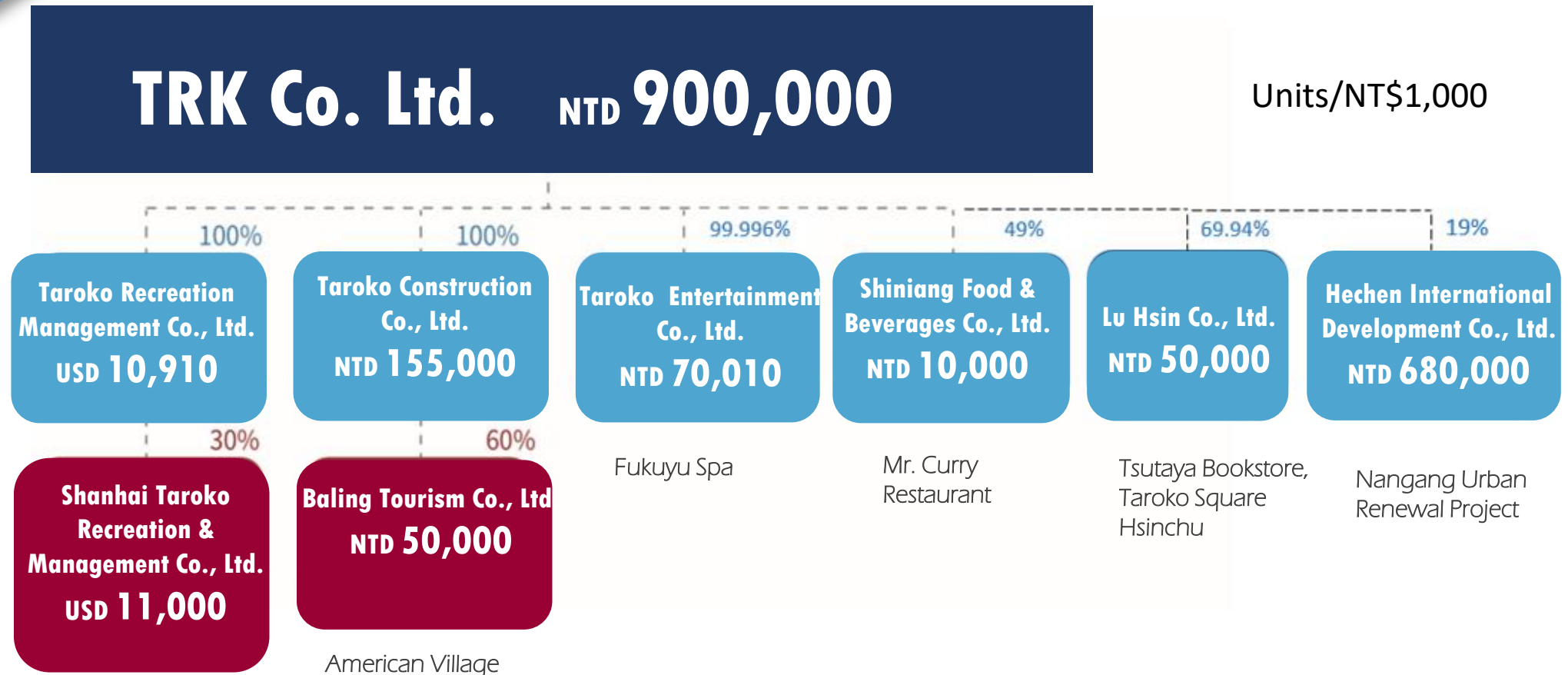
- Dec.** -Transfer of earnings to capital of NT\$165,000,000, resulting in share capital of NT\$900,000,000
- May** -Opening of Formosa Stone Spa at Taroko Square Hsinchu and Roller186 skating rink at TS Mall Tainan

2021

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- May** -Opening of Formosa Stone Spa at Taroko Square Hsinchu and Roller186 skating rink at TS Mall Tainan



# SUBSIDIARIES AND SHAREHOLDINGS





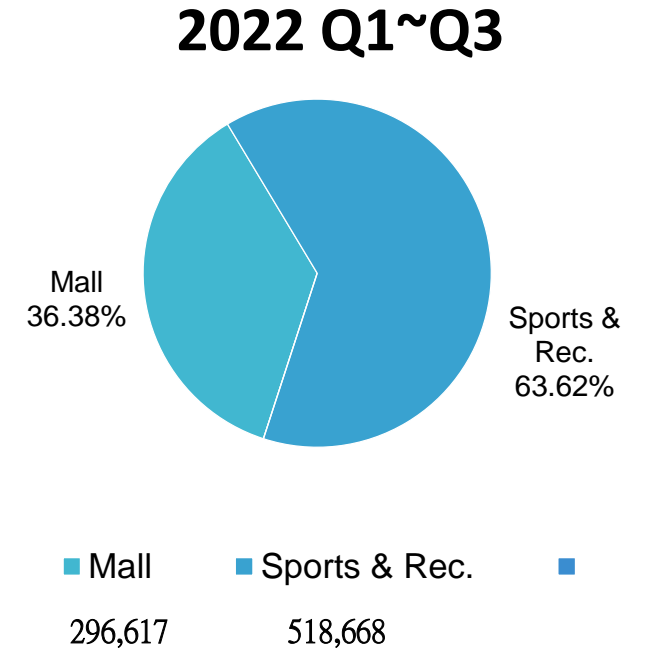
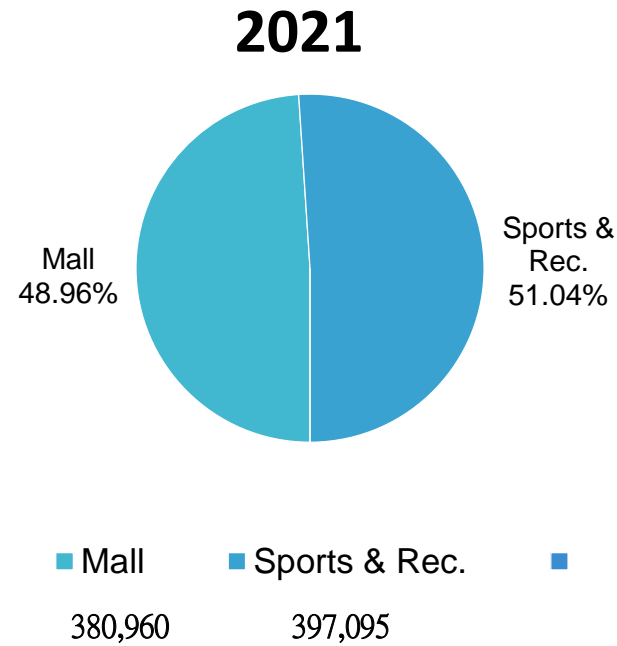
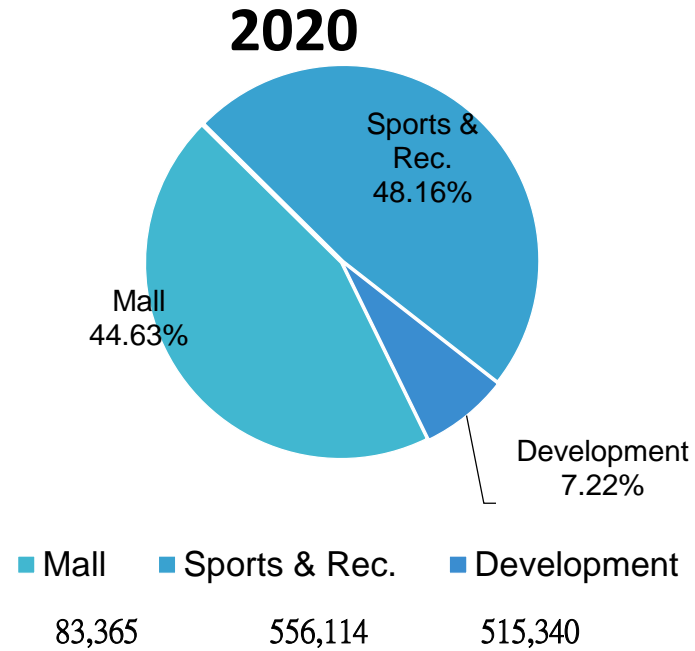
# ORGANIZATIONAL STRUCTURE



# REVENUE BY SECTORS

Units: NTD 1,000

	2020		2021		2022 Q1~Q3	
	Profit	Margin	Profit	Margin	Profit	Margin
Mall	515,340	44.63%	380,960	48.96%	296,617	36.38%
Sports & Recreation	556,114	48.16%	397,095	51.04%	518,668	63.62%
Construction & Development	83,356	7.22%	-	-	-	-
<b>Total Revenue</b>	<b>1,154,819</b>	-	<b>778,055</b>	-	<b>815,285</b>	-



# MALL DIVISION-Taroko Mall Taichung



Taroko Mall Taichung	
Owner	Fubon Life
Operation	Management rights obtained July 2015
Rental area	106,000 sqm
Layout	11 floors, 6 basement levels
Lease term	20 years+option on 10 more



- August 8, 2022: Vieshow Cinemas reopens
- With the recovery from the pandemic in 2022, business has steadily grown
- Prospects for 2023: Continue to cultivate the local consumer base in the sports and leisure industry, create differentiation as a walkable experiential mall, and work together with our industry partners to revitalize the Taichung Train Station business district



# MALL DIVISION-Taroko Square Hsinchu



Taroko Square Hsinchu	
Owner	RT-Mart
Operation	Opened May 2018
Rental area	22.000 sqm
Layout	4 floors, 1 basement level
Lease term	17 years, 6.5 months



- April 2022: Opening of first Tsutaya Bookstore in the Taoyuan-Hsinchu-Miaoli area
- December 2022: Japan Medical and Poya become mall tenants
- 2Q 2023: Scheduled openings for Uniqlo, ABC Mart and Sukiya
- We will continue to expand our reach in the Hsinchu, Taipei and New Taipei area, and become Taiwan's most innovative mixed-use experiential mall



### Features

- The only Tsutaya bookstore in the world with a spacious atrium
- Visually-stunning 2-floor wraparound bookshelves, a first in Taiwan

### Development

- Taroko Square Hsinchu location is slated to open in April 2022, with a floor area of 1,488 sqm.
- We estimate the bookstore will bring an extra 1 million visitors per year to Taroko Mall

### Future Prospects

- We aspire to become one of Hsinchu's most beautiful cultural attractions, and be a key growth driver for TRK Corporation
- By providing a diverse range of services, we hope to become a cultural bridge between Taiwan and Japan, and create an innovative gathering space for the people of Hsinchu



# TAROKO SPORTS-Baseball/Bowling/Karting



Brand History

Business Partners

Future Prospects

- Since 2003, we have operated batting ranges, bowling alleys, and go-kart tracks, accumulating abundant experience and resources in the sports and leisure industry
- In Taiwan, we currently have 13 batting ranges, 4 bowling alleys and 1 karting track
- Kinki Cresco、birel Pacific、Qubica AMF
- In Q2 2023, we will open a skating rink and batting range complex in Kaohsiung's Nanzhih District, continuing our goal of providing better and more convenient sports and leisure venues in all regions



**北部**

**棒球打擊場**

- 新莊館 (02)2908-0621  
新北市新莊區中正路621號
- 汐運館 (02)8642-4473  
新北市汐止區沙科路321號8F
- 汐止館 (02)2642-6558  
新北市汐止區大同路一段154-1號
- 桃園中正館 (03)326-1001  
桃園市桃園區中正路1650號
- 壠運館 (03)494-8148  
桃園市中壢區三光路350號7F
- 中壢館 (03)461-0015  
桃園市中壢區環中東路561號

**保齡球館**

- 新竹滿雅館 (03)533-7671  
新竹市北區滿雅街91-2號2樓
- 新竹巨城館 (03)623-8085  
新竹市東區中央路229號8樓
- 桃園中正館 (03)316-0189  
桃園市中正路1650號
- 土城館 (02)2264-1977  
新北市土城區青雲路152號4F
- 新竹巨城館 (03)623-8085  
新竹市東區中央路229號8樓

**大魯閣卡丁車場**

- 桃園中正館 (03)316-0189  
桃園市中正路1650號

**中部**

**棒球打擊場**

- 新時代館 (04)2224-3380  
台中市東區復興路四段186號7樓

**保齡球館**

- 新時代館 (04)2224-3380  
台中市東區復興路四段186號10樓

**南部**

**棒球打擊場**

- 嘉義館 (05)235-1955  
嘉義市西區博愛路二段467號
- 台南中華館 (06)250-5099  
台南市中西區中華西路二段855號

**東部**

**保齡球館**

- 花蓮館 (03)833-2679  
花蓮縣花蓮市國聯五路58號3樓
- SKM Park館 (07) 793-3563  
高雄市前鎮區中安路1之1號大道東3F
- 台南仁德館 (06)270-8849  
台南市仁德區中山路701號

# TAROKO SPORTS-BLD

## Brand History

- Began partnership with Japan's BLD Oriental Yu Kid Island to manage shopping mall playgrounds in 2006; there are currently 18 locations in Taiwan
- Arts and crafts for kids were added in 2018 and are now available at 8 locations; the playgrounds have 500,000 visitors per year

## Future Prospects

- Create new playground intellectual property (IP), improve the play experience, and expand the range of content, including exclusive products, music, dances, puppet shows and performances; by creating IP value, we can become kids' favorite playground and Taiwan's leading playground brand
- Using our island-wide reach, we can roll out high-profit activities like kids crafts, nail art and creative games; by expanding our presence at malls, we can be families' first point of contact with the Taroko Group, helping Taroko tap into new customer segments



# TAROKO SPORTS-Roller 186 Skating Rink



## Features

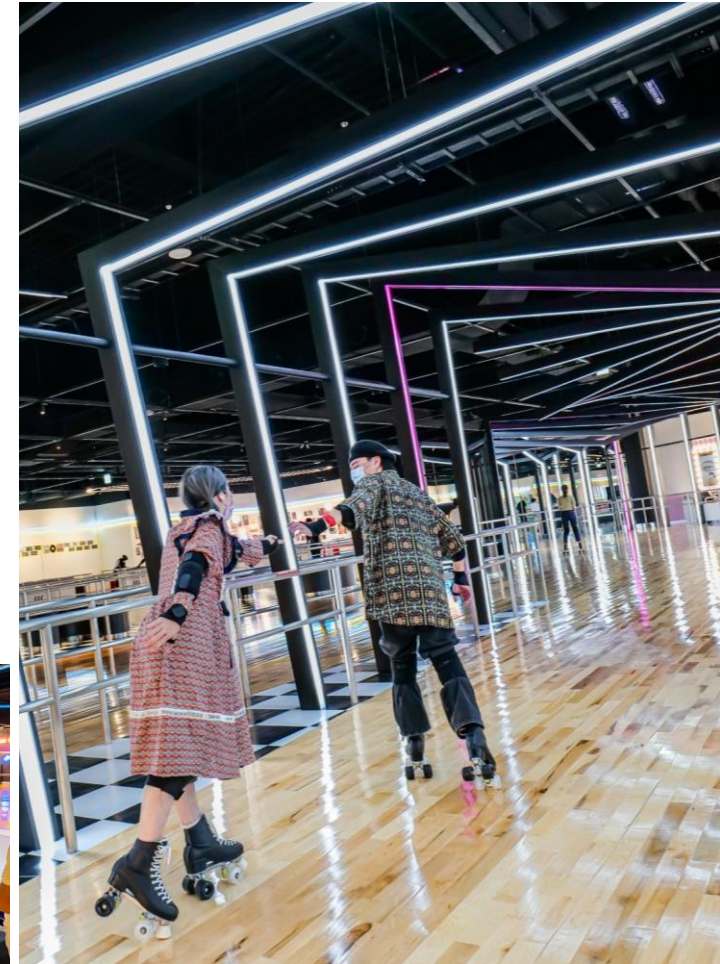
- Established in 2020, the skating rink's retro 80s style has quickly made it an Instagram, Facebook, YouTube and blogger hotspot
- There are currently two rinks: Taroko Mall Taichung & T.S. Mall Tainan

## Expansion Plan

In Q2 2023, we will add a Roller186 skating rink at the Taipei Dome and at the new skating rink and batting range complex in Kaohsiung's Nanzhih District

## Future Prospects

Strive to make Roller186 a synonym for stylish and trendy, and turn roller skating into the recreation of choice for young people





# TAROKO SPORTS-Fuyuku Spa



## Features

- Taiwan's first Japanese-style hot stone spa, planned by Japanese designers
- Boasts a variety of themed heating and cooling rooms and a Japanese-style lounge area, creating a brand new consumer experience

## Expansion Plan

Priority will be given to locations in Taipei City

## Future Prospects

We will strive to adapt to market changes, create new products and services, and become a brand leader in the industry



# TAROKO CONSTRUCTION CO., LTD

## Investment Projects

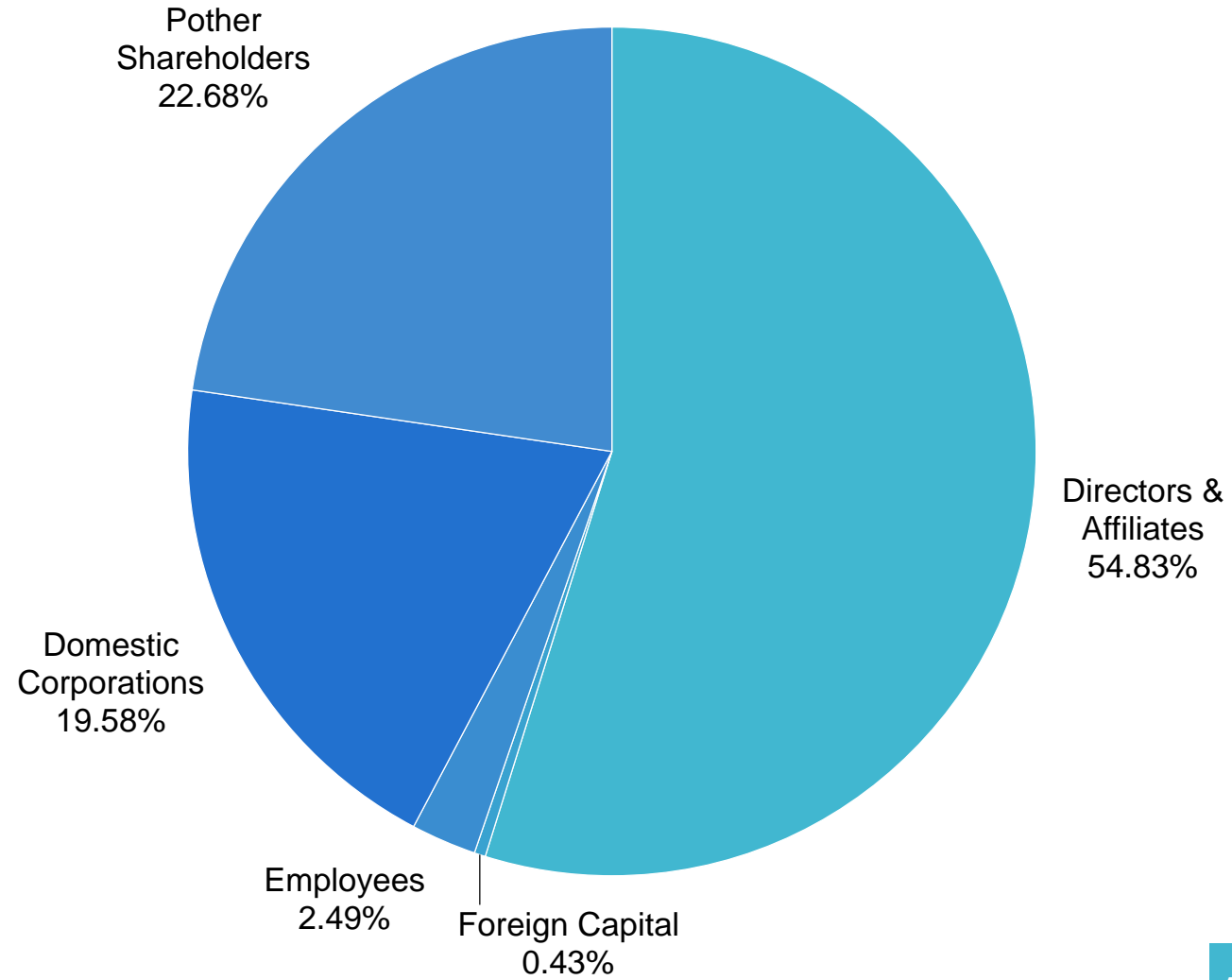
- Investment in Baling Tourism Co., Ltd., which operates American Village on Yangmingshan.
- Participation in urban renewal plan in Taipei City.

## Direction of Development

- Participate in urban renewal projects in Taipei City and New Taipei City (including condemned structures and renewal of existing structures).
- Unite with local and foreign partners to create innovative niche products in the leisure real estate sector.



# SHAREHOLDER STRUCTURE



As of June 1, 2022



# BOARD OF DIRECTORS

Position	Name	Shares Held (June 1, 2022)		Experiences	Additional Positions at TRK & Other Companies
		No. of share	percentage		
Corporate Director	<u>Sacon International Co.</u>	7,202,532	8.00%	-	-
Chairman of the Board (Corporate Director Representative)	Lin Man-li	8,611,313	9.57%	-Shih Chien College -Director, <u>Kuo Yang Construction</u>	Chairman of the Board at TRK, San Sheng, <u>Sacon Leasing</u> , <u>Sacon International</u> , <u>Sacon Industrial</u> , Kong Cheng Enterprises, Hsieh Lin Enterprises, Taroko Entertainment, Taroko Construction, Lu <u>Hsin</u> , G-Run Corporation
Corporate Director Representative	Hsieh <u>Kuo-tong</u>	1,769,521	1.97%	<u>Kyorin University</u> , Japan	President at TRK; Supervisor at San Sheng, <u>Sacon International</u> , <u>Sacon Industrial</u> , Hsieh Lin Enterprises, G-Run Corporation, <u>Sacon leasing</u> ; Director at <u>Hanegi Co.</u> , Kong Cheng Enterprises, Taroko Construction, Taroko Entertainment
Corporate Director Representative	Wang Ying- <u>chih</u>	465,878	0.52%	<u>Gakuin University</u> , Japan	Director at Taroko Entertainment, <u>Sacon International</u> ; Supervisor at Kong Cheng Enterprises, Taroko Construction; Chairman of the Board at <u>Hanegi Co.</u> , <u>La Trinité Naturelle Corp.</u>
Corporate Director Representative	Li Yi- <u>chuan</u>	-	-	-B.A. in International Trade, Shih Chien University -EMBA, National Taiwan University	Executive Vice President at TRK; Corporate Director Representative at TRK; Director at Lu <u>Hsin Co., Ltd.</u> ; Supervisor at Taroko Entertainment, Co., Ltd.
Corporate Director	Tong Ching <u>Hsin Creative Investment Co.</u>	2,728,000	3.03%	-	-



# BOARD OF DIRECTORS

Position	Name	Experiences	Additional Positions at TRK & Other Companies
Corporate Director Representative	Hsu Yong-chang	National Chung Cheng University	Corporate Director Representative at TRK; Vice President and Executive Business Director at Chang Shin Construction & Development Co., Ltd.
Independent Director	Lin Wen-yuan	- Department of Hydraulic Engineering, Tamkang University -M.S. in Civil Engineering, University of Hawaii	Chairman of the Board at Eastern Broadcasting Company, Taiwan Styrene Monomer Corporation, Yangmingshan Tien Lai Resort & Spa; Independent Director at Bank of Kaohsiung; Director at Nanho Industrial Company, Gloria Material Technology Corp., United Renewable Energy Co.; Chairman of the Board at Overseas Investment & Development Corp.
Independent Director	Huang Ming-You	Department of Accounting, Soochow University	Accountant at Zhih Cheng Accounting Firm; Chairman of the Board at Chuan Cheng Investment Consulting Co., Hotai Finance Co., Ltd.; Independent Director at Zinwell Corporation; Director at Chuwa Wool Industry Co., (Taiwan) Ltd., Kuang Hsiu Co., Ltd.
Independent Director	Chou Tsang-hsien	-Ph.D., Jilin University -Master of Law, National Taipei University -Vice Chairman, General Chamber of Commerce of the Republic of China	Partner at LCC Partners Law Office
Independent Director	Chen Chun-chih	- MBA, National Taiwan Sport University -Secretary General, Chinese Professional Baseball League -Vice Chairman, Legal Affairs Committee	General Secretary at Taiwan Indigenous Baseball Development Association



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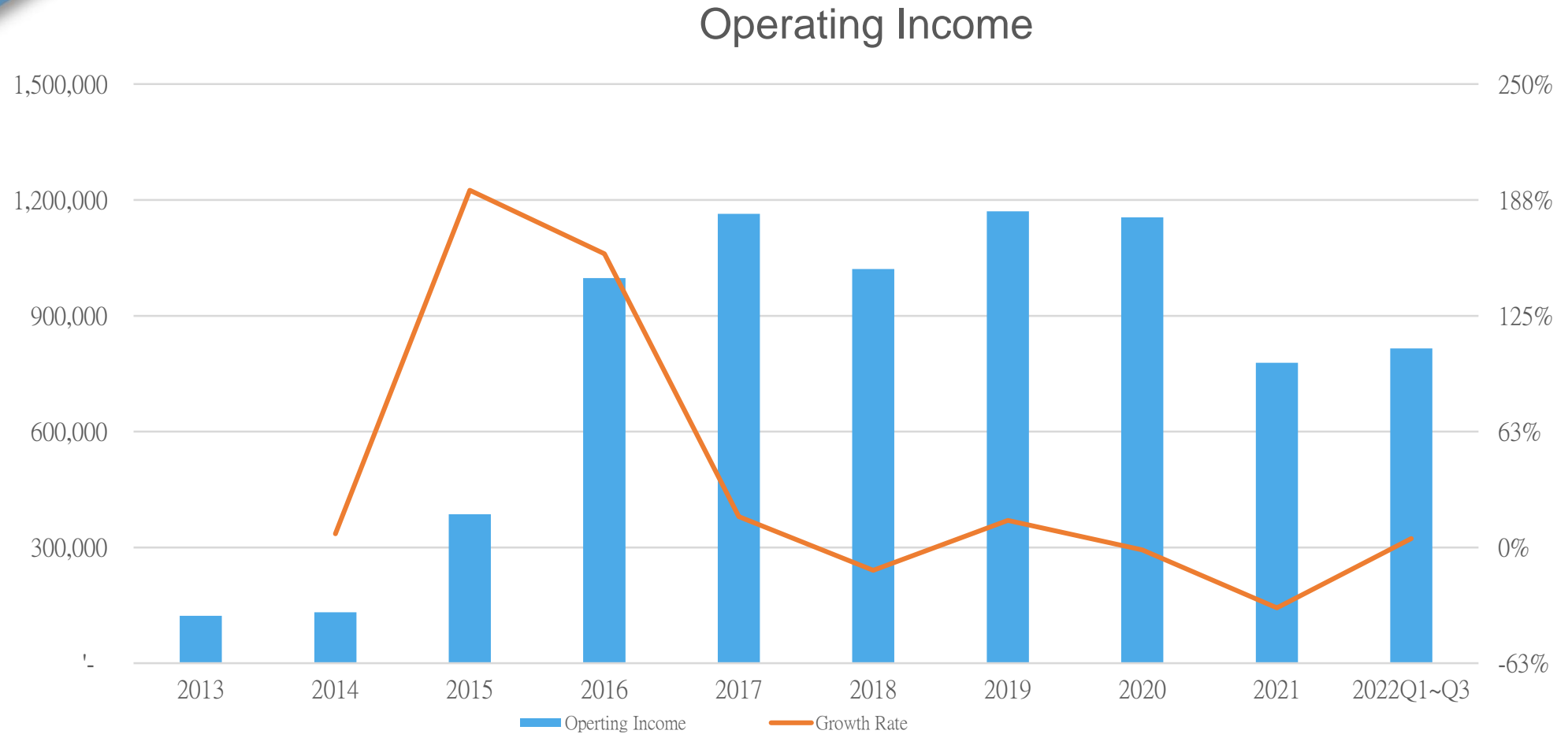
## Business Performance & Achievements

- I. **Operating Income**
- II. **EBDA & EBITDA**
- III. **Operating Profit**
- IV. **Year on Year Profit & Loss Comparison**
- V. **TRK Digital Transformation**
- VI. **TRK Honors**

# OPERATING INCOME

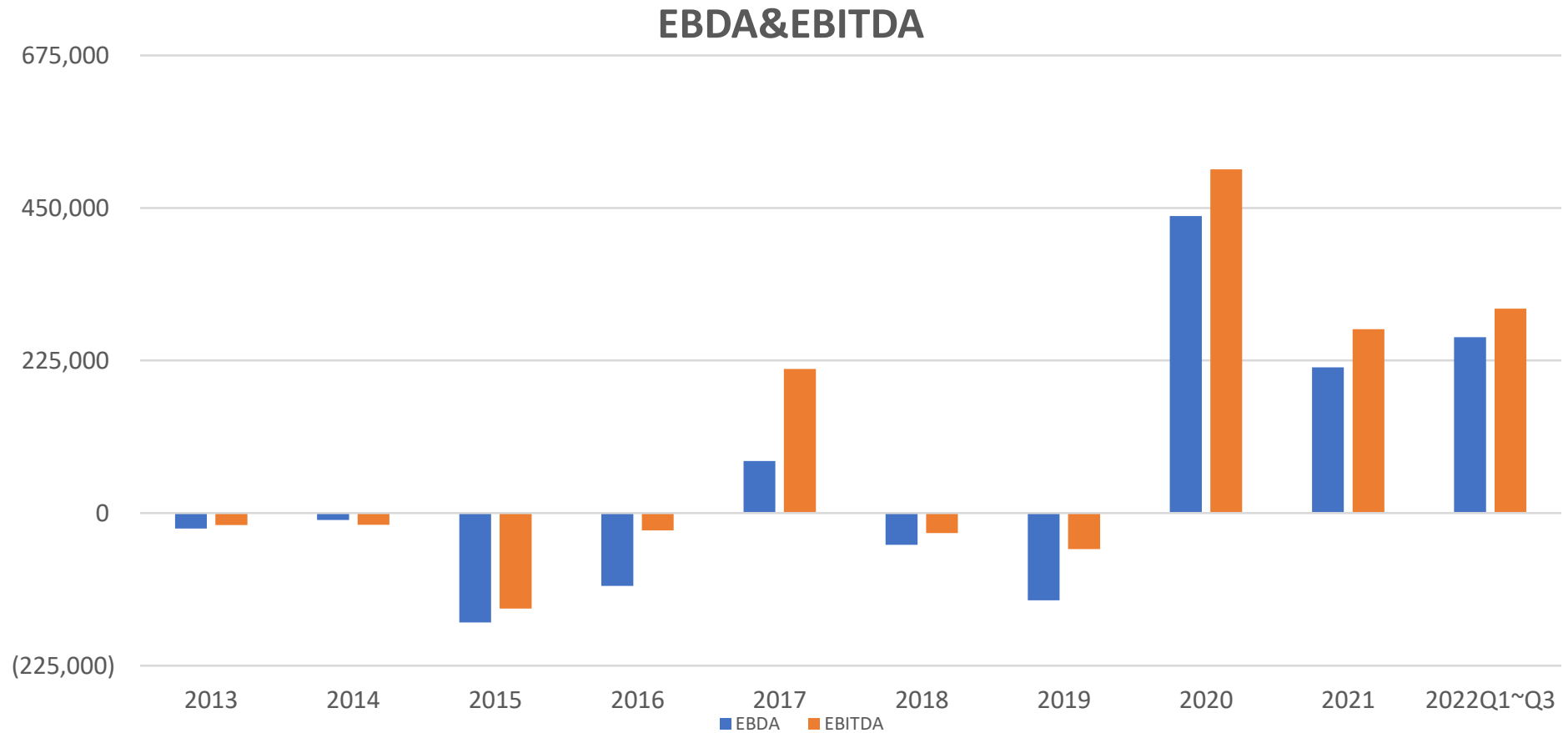
2022 Q1~Q3 YOY 39.71 %

Units: NTD 1,000



# EBDA & EBITDA

Units: NTD 1,000



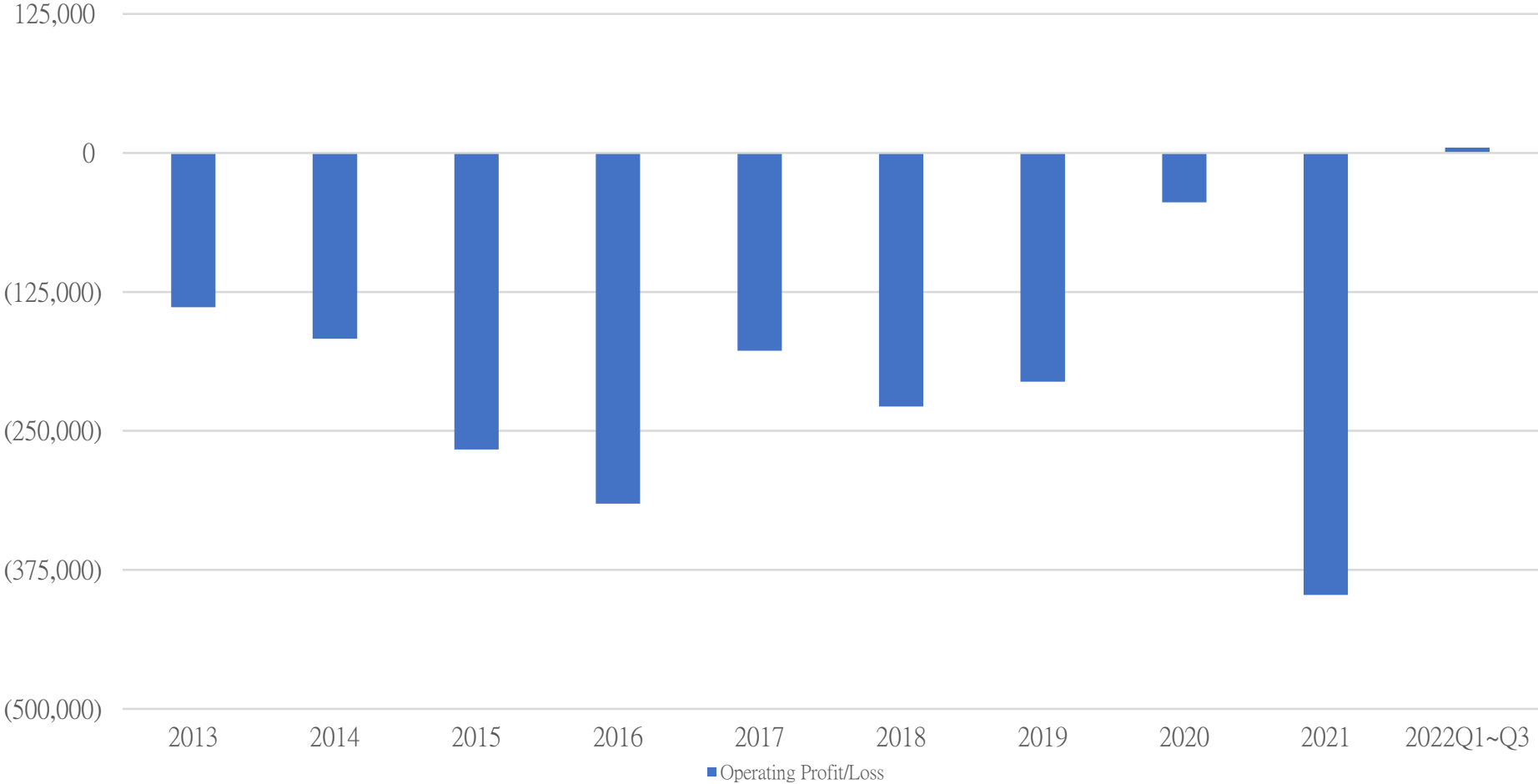


# OPERATING PROFIT

2022 Q1~Q3 YOY 101.57%

Operating Profit

Units: NTD 1,000



# YEAR ON YEAR PROFIT & LOSS COMPARISON

Units: NTD 1,000

		2021					2022			
		Q1	Q2	Q3	Q4	Yearly	Q1	Q2	Q3	Total
Operating Income		233,009	135,918	150,575	258,553	778,055	262,927	224,684	327,675	815,286
Operating Costs		(139,410)	(107,200)	(121,928)	(168,321)	(523,187)	(155,974)	(158,377)	(166,772)	(481,123)
Operating Margin		93,599	28,718	28,647	103,904	254,868	106,953	66,307	160,903	334,163
Operating Expenses		(102,367)	(96,093)	(89,338)	(109,793)	(397,591)	(99,459)	(117,889)	(112,133)	(329,481)
Net Profit		(8,768)	(67,375)	(60,691)	(5,889)	(142,723)	7,494	(51,582)	48,770	4,682
Non-Operating Profit		1,361	(13,046)	11,906	(13,302)	(13,081)	(6,296)	(20,124)	(10,173)	(36,593)
Profit before Tax		(7,407)	(80,421)	(48,785)	(19,191)	(155,804)	1,198	(71,706)	38,597	(31,911)



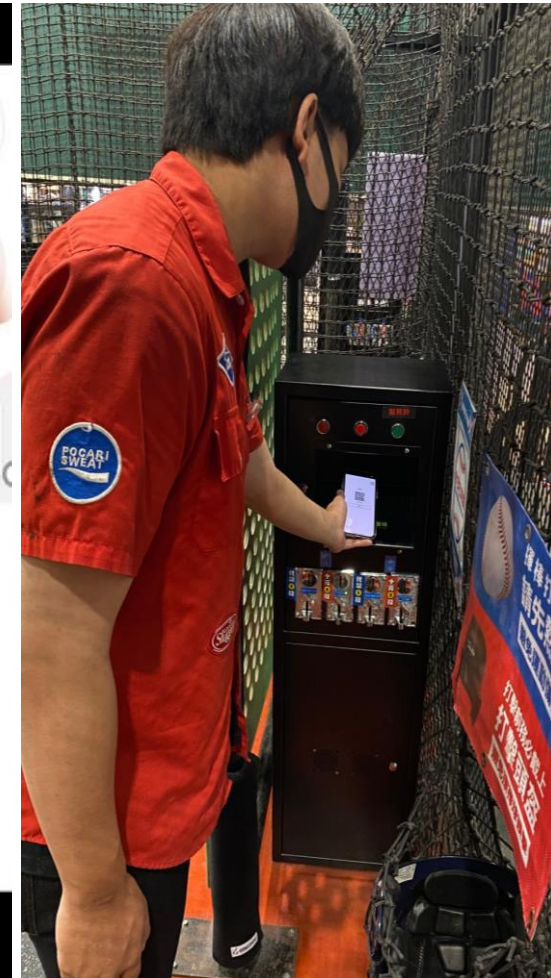
# TRK Digital Transformation

## – Mobile Payment (APP-activated pitching machine)

A mobile payment system for our batting ranges was completed in 2021, allowing pitching machines to be activated through our APP.

This system allows us to better understand our customers spending habits and increase efficiency through analysis of the data produced, resulting in optimized service and a new consumer experience for our customers.

In the future, we will continue to expand our batting range facilities, create multiple uses for our APP, making it more flexible and easier to use, and further integrate the resources of our different business units to create a mobile payment ecosystem.



# TRK Digital Transformation

## – Shareholder Gifts Made Available Through APP

For the first time, shareholder gifts were made available through our APP, which was met with an enthusiastic response from our shareholders. In 2022, more than 80,000 shareholders used our APP to gain convenient access to their gifts.

Shareholders also received discount coupons through the APP, bringing additional crowds and revenue to Taroko sports and leisure venues, while at the same time giving back to shareholders and enhancing brand awareness.



# TRK HONORS

★ ★ ★ ★  
Four-Star Award  
Happy Workplace



TRK received the Four-Star Award for a Happy Workplace from the Taichung City Government, receiving high marks from the judges in five categories: Harmonious Labor Relations, Healthy Workplace Environment, Friendly Employee Policies, Inclusive and Barrier-Free Workplace, and Sustainable Career Development.

In the future we will continue to implement a sustainable ESG strategy, participate in public service and charitable activities, and live up to our CSR standards in the interests of maximizing corporate value and employee satisfaction!



# FUTURE DEVELOPMENT DIRECTIONS





# THANKS

## 感謝您的與會

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