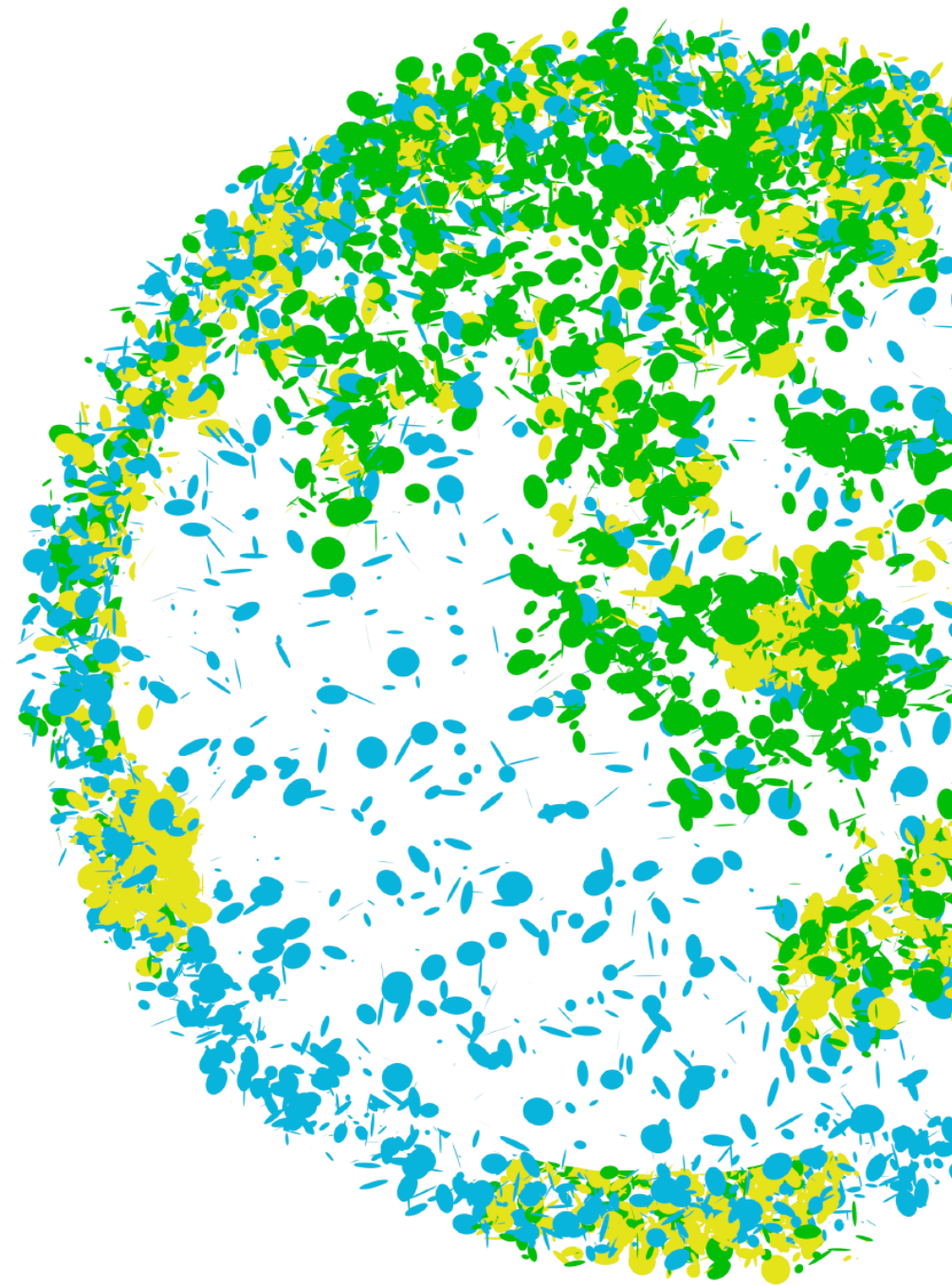


**ECOVE Environment Corp.  
2023 1<sup>st</sup> Institutional  
Investor Conference  
2023.03.08**



# Disclaimer

- The consolidated financial statement is hereby based on International Financial Reporting Standards (IFRS) and reviewed/ audited by CPA.
- This presentation may include forward-looking statements with respect to the operations and business of the company other than the historical results. The actual results may differ from those indicated forward-looking statements due to unknown risks and uncertainties. Investors should make their own judgement and control the investment risk.



# Agenda

- Operation Review
- Financial Highlights
- Future Outlook

# Operation Review

# Awards & Honors



# ESG



- The high Distinction Award of 2021 Incineration Plant Audit & Evaluation by EPA.
- The 4<sup>th</sup> Bronze Medal of Enterprises Environmental Protection Award by EPA.
- The 9<sup>th</sup> Excellent Roof-mounted Photovoltaic System Award of the 9<sup>th</sup> by the Ministry of Economic Affairs.
- The 1<sup>st</sup> place of the environmental hygiene service category within 650 largest service enterprises surveyed by CommonWealth Magazine.
- Excellent Unit Award of 2022 Occupational Safety and Health by MOL
- Merit Award of 2022 Outstanding staff in Occupational Safety and Health by MOL
- 2 million hours of MOL non-disaster working hours (for 16 consecutive years).
- The Chinese Institute of Environmental Engineering “Outstanding Engineer Award”
- Ranked among Top 5% of the TPEX listed companies in Corporate Governance Evaluation by FSC for 8 consecutive years.
- Ranked among Top 10% of the TPEX listed non-electronics companies with market value of 10 billion or more in Corporate Governance Evaluation by FSC (the only listed company for 4 consecutive years).
- 2021 Excellent Private Enterprise Green Procurement Award by Keelung & ChangHua City Governments.

# Greenhouse Gas Management

13 氣候行動



- **ECOVE and its consolidated subsidiaries have completed the greenhouse gas inventory for 2022 and expect to complete external verification by the end of March (4 years ahead of the regulatory requirement set by the Financial Supervisory Commission)**
- **ECOVE headquarter aims to achieve net-zero carbon emissions by 2030, while its production sites with complete operational control are expected to achieve net-zero carbon emissions by 2050.“**





# Energy-from-Waste

- Currently operating 10 large urban incineration plants (8 in Taiwan + 2 in Macau). Assisting owners to properly dispose of waste and turn it into energy.
- Acquiring the environmental protection land in the Lunwei West Second Zone of Changhua Coastal Industrial Park and handling the environmental impact assessment (EIA) process.
- Our partner has won the best applicant for the Melaka case in Malaysia and is currently in the negotiation process.



## Energy Contribution

Incineration plants dispose **2.57 million tons of waste**.



Energy-from-Waste generates **1.43 billion kWh** of electricity, which is equivalent to replacing **550,000 tons of fossil fuels**.



Reducing CO2 emissions by **730,000 tons**, which is equivalent to the annual carbon absorption approximately **1,900 Daan Forest Parks in Taipei**.



About **390,000 house holds** annual electricity consumption.



# Renewable Energy

- Solar power development of over 154MW capacity has been obtained
  - ✓ Around 102MW has been connected to the national grid
  - ✓ Around 52MW has been under construction.
- The total maintenance quantity is 476MW with steady expansion of our own projects. Will continuously strive for large-scale external maintenance projects.
- Energy-heavy industries are active for green energy procurement. Currently, the signed green energy supply contracts account for 10% of our total development capacity.
- A power sales agreement of U.S. New Jersey Phase II expansion project has been signed with a public unit. It is in the process of getting permission from the U.S. state government .



## Energy Contribution

Solar power plants generate **110 million kWh** of electricity, which is equivalent to replacing **40,000 tons** of fossil fuels.



Reducing CO2 emissions by **60,000 tons**, which is equivalent to the annual carbon absorption approximately **150 Daan Forest Parks** in Taipei.



About **31,000 house holds** annual electricity consumption.





# Recycling and Reuse (1/2)

## Waste Isopropanol Recycling

- After obtaining the reuse license from the Ministry of Science and Technology and the Ministry of Economic Affairs, all waste isopropanol sources in Taiwan can be accepted.
- New source has been expanded and is about 20% of incoming quantity. The capacity utilization is already full.
- The purity of our waste isopropanol product has been increased from 99.5% to 99.9%, which has increased the value of the product.



## Circular Economy Contribution

Recycled around **14,660 tons** of W-IPA. **3,450 tons** of industrial grade of IPA were reproduced.

Our process can reduce the use of raw materials and cut carbon emissions by approximately **14,000 tons**, which is equivalent to the annual carbon absorption approximately **36** Daan Forest Parks in Taipei.



# Recycling and Reuse (2/2)

## Water Treatment

- Operation of New Taipei City Linkao and Pingtung Agricultural Biotechnology Park Water Resource Fields.
- Operation of New Taipei Yingge, Sanxia and Jinshan contact bed treatments.
- Participating in SPC operations of TSMC Southern Taiwan Science Park, Kaohsiung Fengshan River and Linhai Reclaimed Water Plants.

Note: In the future, the construction of sewerage system in water resource recycling center of CTCL grZhongli area and North Taoyuan oup will all join the field of wastewater purification after completion.



## Circular Economy Contribution

The sewage disposal capacity is around **26.85 million** tons. It's equivalent to the annual sewage treatment of **327,000** people.



The wastewater treated by the CTCL Group's reclaimed water is approximately **26.5** million tons.



# Mechatronic Maintenance

- Expansion of international fabs' self-built solvent recovery system.
- Installation of waste solvent recycling equipment for international fabs.
- Maintenance of international high-tech manufacturers' public facilities.
- The improvement of EfW plant equipment performance and replacement of old equipment (e.g. STSP, Gangshan, and Xizhou EfW plants)
- Maintenance project for electromechanical equipment in transportation stations (e.g. KRTC, Taoyuan Metro)



## Complete maintenance / preserving / repair experience

Introduced high-tech factory utility system with our O&M experience and value of running incineration plants.

Leveraging experience in maintenance of EfW plants, initiate upgrading and maintenance operations for aging equipment.

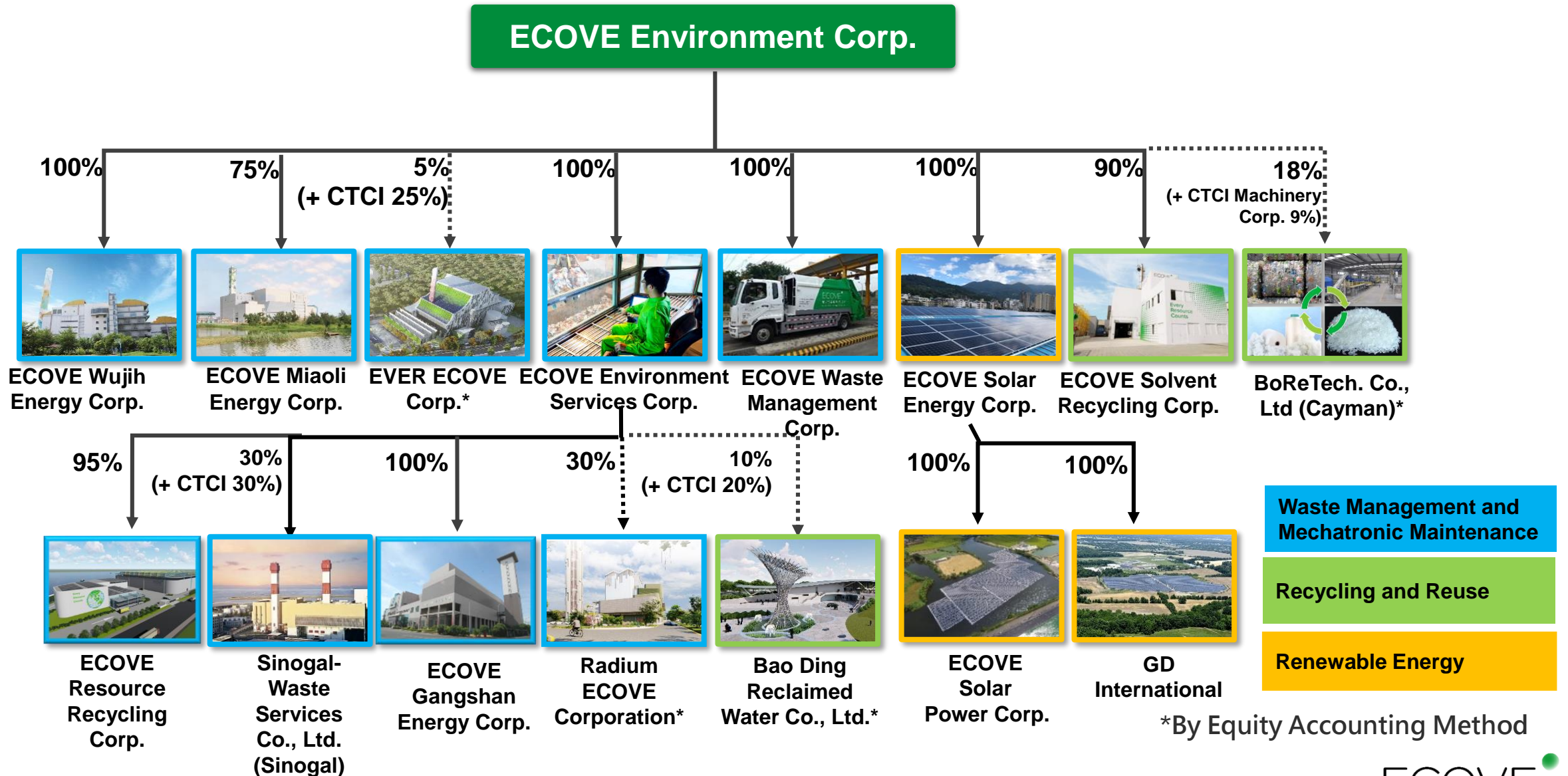


# Financial Highlights



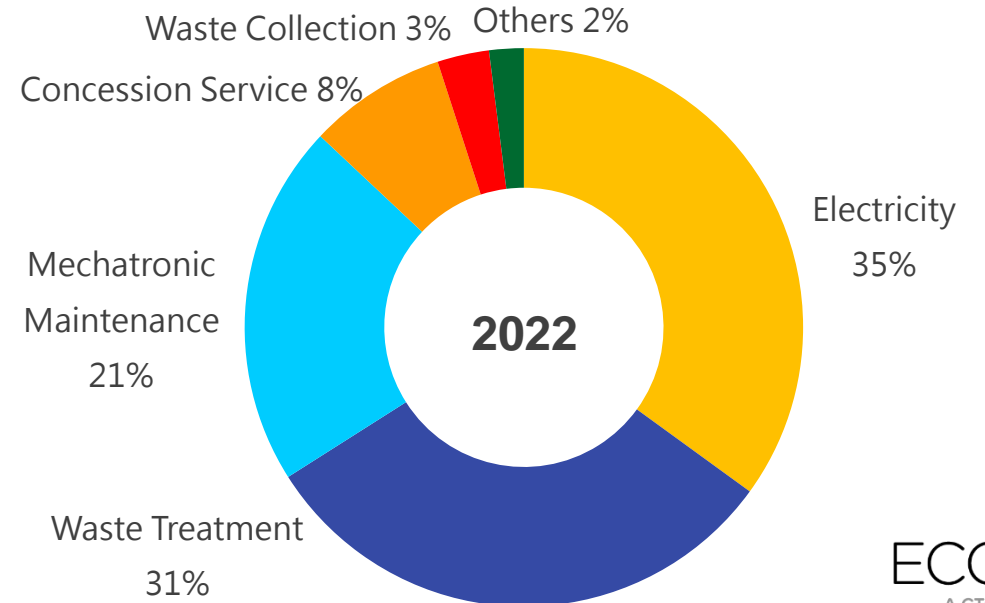
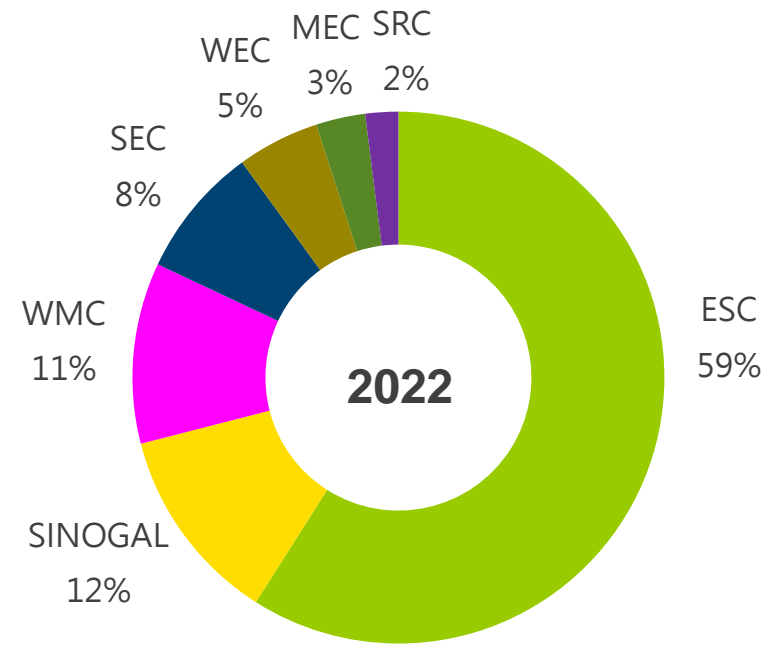
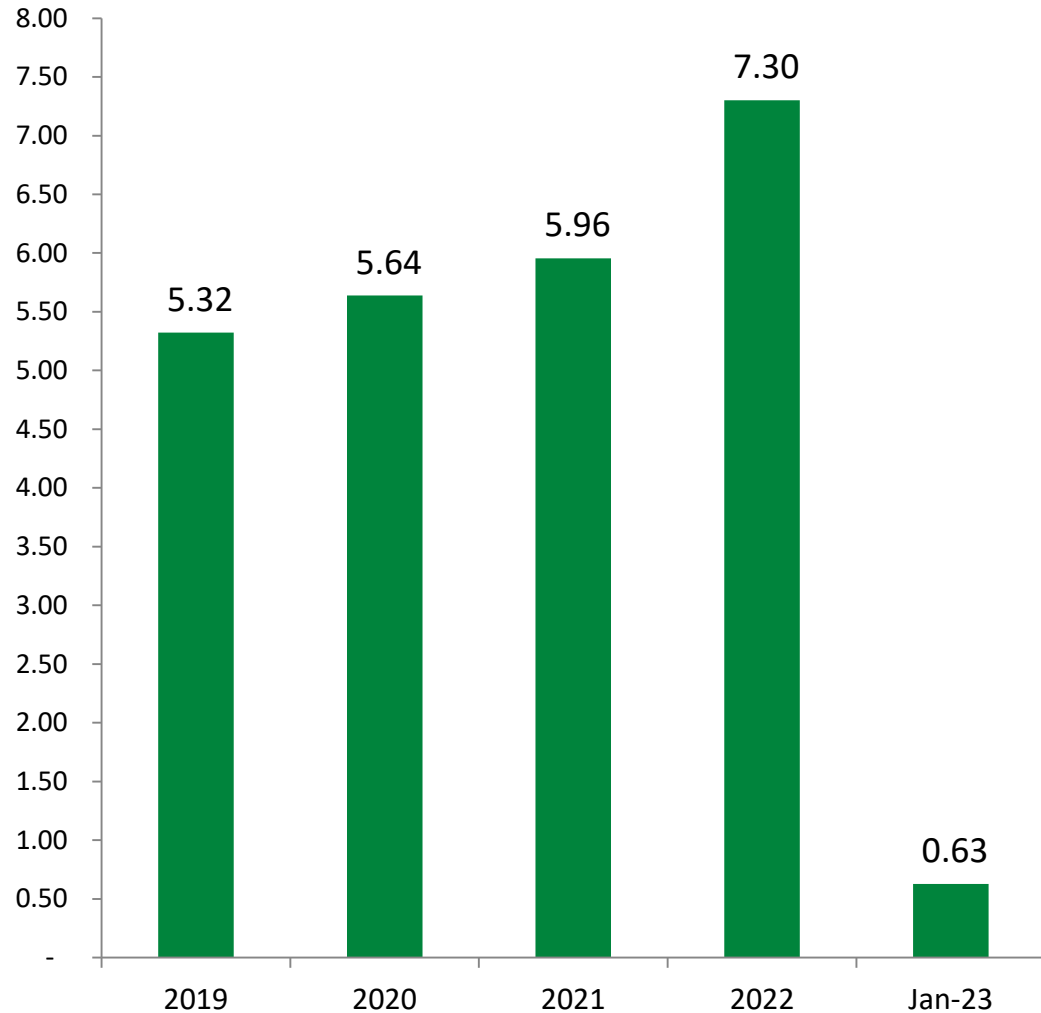


# Investment Structure



# Consolidated Revenue Breakdown

Unit: NT\$, Billion





# 2022 Consolidated Income Statement

Unit: NT\$, Thousand

	2022/1/1~12/31		2021/1/1~12/31		YOY
	Amount	%	Amount	%	%
Operating Revenue	7,030,160	100.0%	5,955,250	100.0%	18.0%
Operating Costs	(5,444,710)	-77.4%	(4,511,035)	-75.7%	20.7%
Gross Profit	1,585,450	22.6%	1,444,215	24.3%	9.8%
Operating Expenses	(165,428)	-2.4%	(174,178)	-3.0%	-5.0%
Operating Profit	1,420,022	20.2%	1,270,037	21.3%	11.8%
Total Non-Operating Income and Expenses	98,071	1.4%	82,785	1.4%	18.5%
Profit before income tax	1,518,093	21.6%	1,352,822	22.7%	12.2%
Income Tax Expense	(239,931)	-3.4%	(275,075)	-4.6%	-12.8%
Profit for the period	1,278,162	18.2%	1,077,747	18.1%	18.6%
Profit attributable to Owners of the parent	1,045,026	14.9%	910,816	15.3%	14.7%
Earnings Per Share	<b>14.91</b>		<b>13.15</b>		13.4%

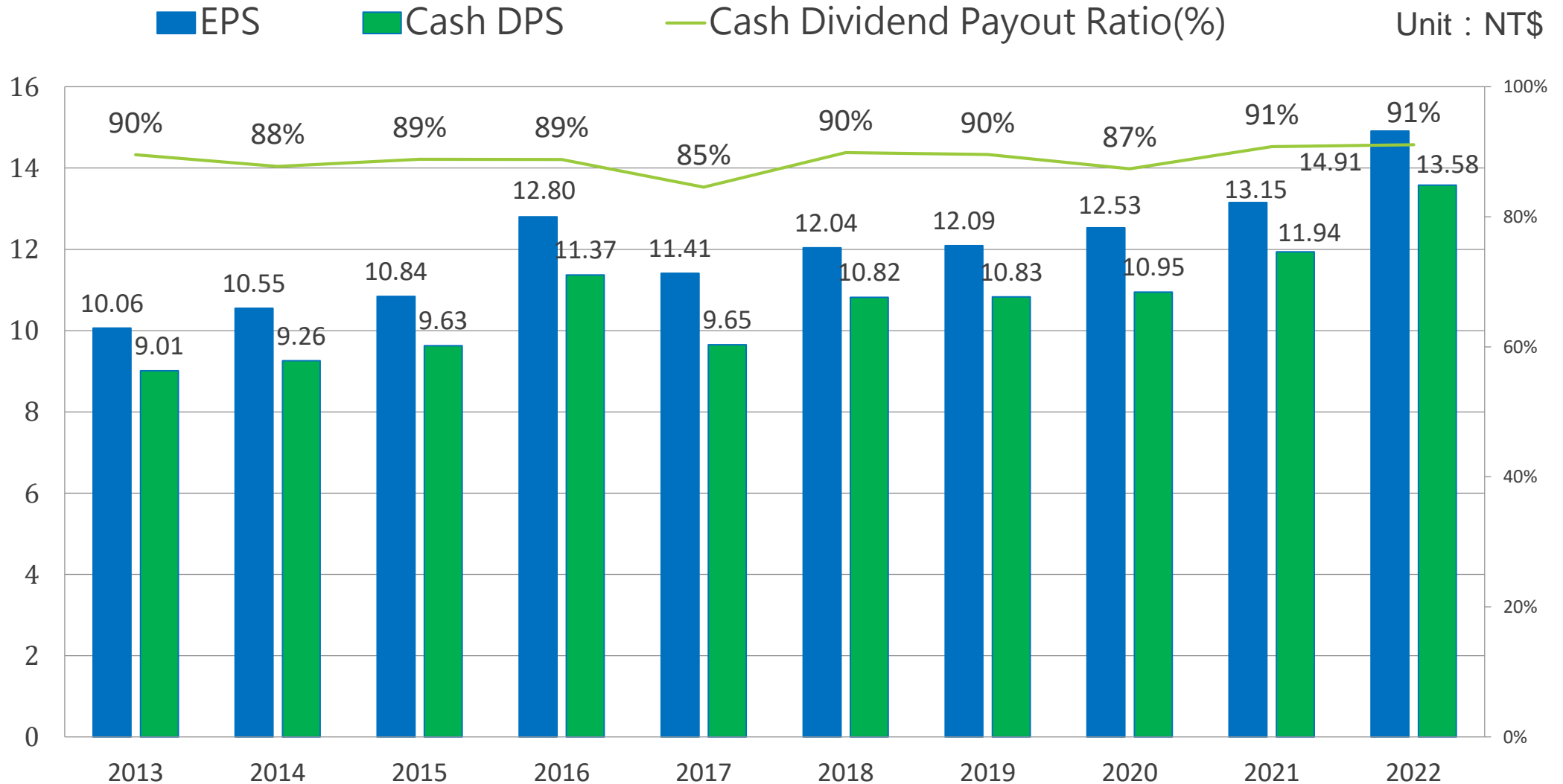
# 2022 Consolidated Balance Sheet

Unit: NT\$, Thousand

	2022/12/31		2021/12/31	
	Amount	%	Amount	%
<b>Current assets*</b>	5,129,375	38.60%	4,970,716	40.46%
<b>Non-current assets</b>	8,159,132	61.40%	7,314,143	59.54%
<b>Total assets</b>	<b>13,288,507</b>	<b>100.00%</b>	<b>12,284,859</b>	<b>100.00%</b>
<b>Current liabilities</b>	2,928,204	22.04%	2,400,201	19.54%
<b>Non-current liabilities</b>	3,930,962	29.58%	3,988,296	32.46%
<b>Total Liabilities</b>	<b>6,859,166</b>	<b>51.62%</b>	<b>6,388,497</b>	<b>52.00%</b>
<b>Current liabilities</b>	5,926,395	44.60%	5,464,081	44.48%
<b>Non-current liabilities</b>	502,946	3.78%	432,281	3.52%
<b>Total Liabilities</b>	<b>6,429,341</b>	<b>48.38%</b>	<b>5,896,362</b>	<b>48.00%</b>
<b>Current liabilities</b>	<b>13,288,507</b>	<b>100.00%</b>	<b>12,284,859</b>	<b>100.00%</b>

\* Cash and cash equivalents:NT\$3.135bn.

# Dividends



# Future Outlook

# Energy-from-Waste

## Domestic

9 EfW plants will be built or need to renew contracts, and we will proactively participate with our resources.

- Cooperate with Group for newly built EfW plants.
- Collectively utilize our project experience of implementation and budgeting from revamping projects in Tainan, Gangshan, Xizhou, etc.
- ECOVE has a way for "fly ash" to enhance bidding advantages.
- To actively pursue opportunities for operating and maintaining self-built incinerators in the high-tech industry.

## Planning Plants

Kaohsiung South Region EfW Plant	Keelung EfW Plant
Taichung Houli EfW Plant	Yilan Lize EfW Plant
Taichung Wenshan EfW Plant	Tainan Yongkang EfW Plant
Chiayi EfW Plant	Miaoli EfW Plant
Taichung Wujih EfW Plant	

## Overseas

- In conjunction with the government's Southbound Policy, we will cooperate with local developers to export our techniques and experience on waste management and EfW.

# Renewable Energy

## Domestic

- Follow the development direction of government policies to steadily expand solar power and energy storage investment.
- We can expand our business and improve efficiency through our accumulating O&M experience and tools of solar photovoltaic project.
- In response to energy-heavy industries and 2050 net zero emission target, enterprises actively purchase green power and expand trading amount.
- In line with the government's long-term energy policy planning and continuing to monitor market trends, we will invest in energy storage and explore related service business opportunities.

## Overseas

- Continuously pay attention to major overseas market trends.
- The U.S. recently passed Inflation Reduction Act to create a favorable environment by increasing tax credit of investment.
- Actively expand the scale of solar power investment in U.S. market, and evaluate investment opportunities in energy storage business.





# Recycling and Reuse

## Hi-tech Industry Waste

- **Negotiate with technology companies about cooperation in waste recycling and reuse of Taiwanese high-tech manufacturers in order to make an effort for recycling business opportunities.**
- **By combining the existing recycling performance and patents to provide more recycling projects to operate in series, and strive for setting up recycling parks in high-tech plants.**

## Water Treatment

- **The government and hi-tech enterprises have planned to build new water reclamation plants with a total capacity of 500,000 CMD. We will keep cooperating with Group to pursue construction and O&M services.**
- **Governments has been promoting the construction of desalination plants with about 850,000 CMD. We will keep cooperating with Group to pursue construction and O&M services.**
- **In addition to pursuing the O&M services and expansion works for current wastewater plants, we will pay additional attention to tendering schedules of treatment plants for industrial wastewater.**



# Mechatronic Maintenance

- In the most recent 5 years, projects of MRT dynamic testing and follow-up mechanical and electrical equipment maintenance will be increased.
- Together with the group, we will develop strategies for the high-tech industry and seek to provide maintenance, operation, and improvement services for the water, gas, and electricity public facilities of existing and future expansion projects of relevant industry owners.



# ECOVE<sup>®</sup>

Every Resource Counts

