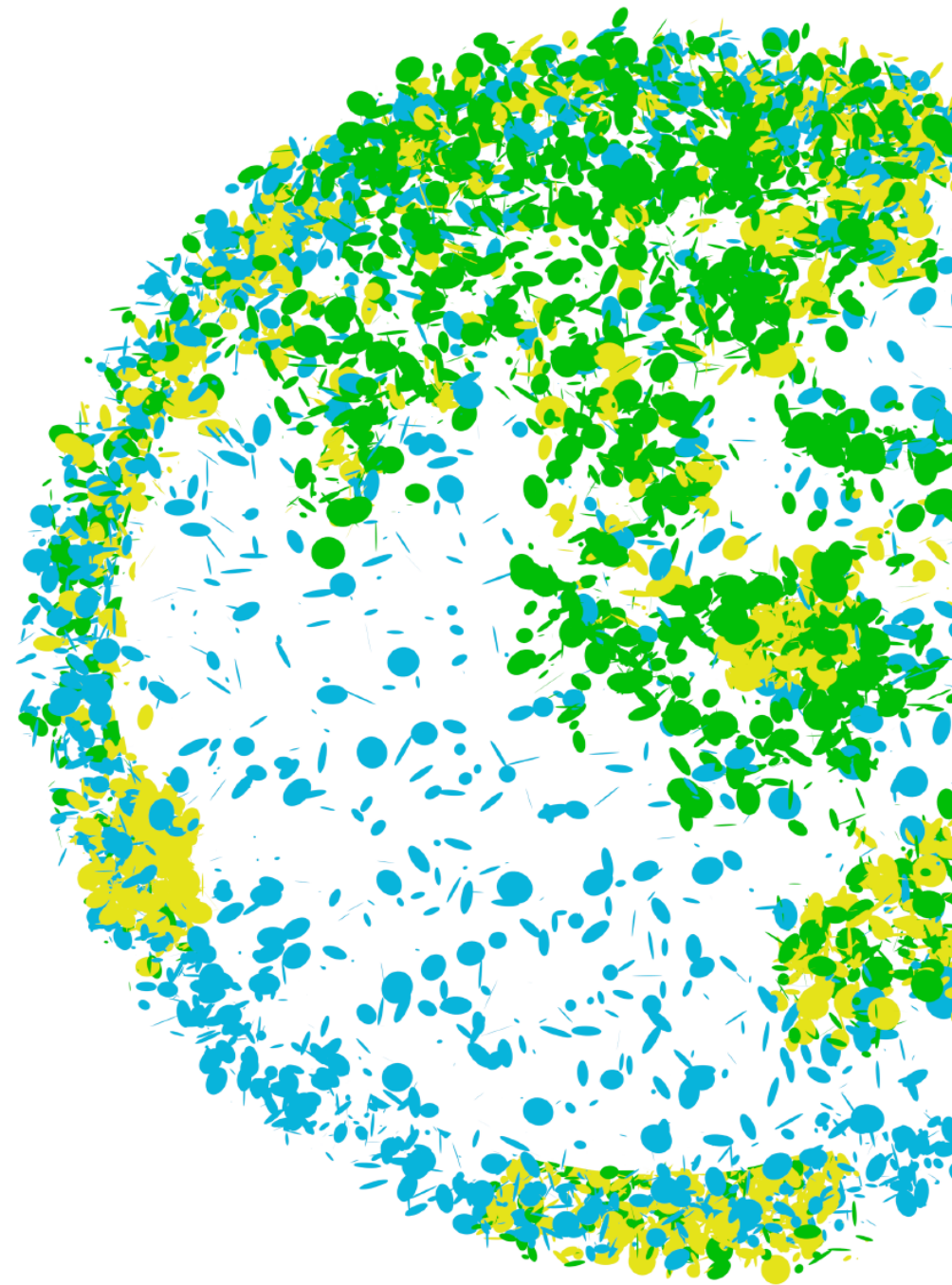


**ECOVE Environment Corp.  
2023 2<sup>nd</sup> Institutional  
Investor Conference  
2023.05.09**



# 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

## Environment (E)

- The high Distinction Award of 2021 Incineration Plant Audit & Evaluation by EPA.
- Greenhouse gas emissions inventory passes external verification

## Social (S)

- Certification of Health Workplace by the Ministry of Health and Welfare

## Governance (G)

- Ranked among Top 5% of the TPEX listed companies in Corporate Governance Evaluation by FSC for 9 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).



# Greenhouse Gas Management

## Net-zero emissions target

- Office: achieve net-zero emissions by 2030
- Office and production sites: achieve net-zero emissions by 2050

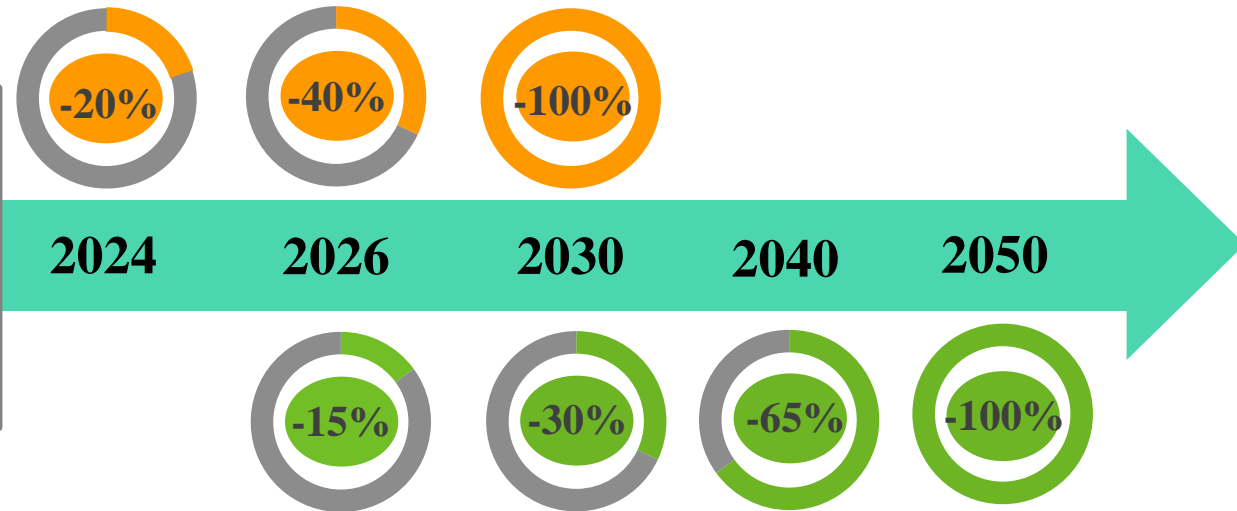


Office

Office & Production Sites



- Setting 2022 as the base year
- ECOVE completed the external verification of its greenhouse gas emissions for the year 2022 in March 2023 (5 years ahead of the requirement by the FSC).



# Energy-from-Waste



- 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.
- 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.



Environmental protection land in the Lunwei West Second Zone of Changhua Coastal Industrial Park (schematic diagram)

## Contribution to Circular Economy

- In 2023, incineration plants is expected to handle approximately **2.6 million tons** of waste.
- In 2023, Energy-from-Waste is expected to generate **1.43 billion kWh** of electricity, about **390,000 house holds** annual electricity consumption, which is equivalent to replacing **550,000 tons** of fossil fuels.
- In 2023, it is expected to reduce CO2 emissions by **730,000 tons** , which is equivalent to the annual carbon absorption approximately **1,871** Daan Forest Parks in Taipei City.

# Renewable Energy



## Contribution to Circular Economy

- Solar power development of over 154MW capacity has been obtained
  - ✓ Around 104MW has been connected to the national grid
  - ✓ Around 52MW has been under construction.
- 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 .
- Will continuously strive for large-scale external maintenance projects. The total maintenance quantity is 477MW with steady expansion of our own projects.
- Acquired 5MW frequency modulation reserve auxiliary service business development rights from Taiwan Power Company, and is expected to be completed and launched in July.
- Energy-heavy industries are active for green energy procurement. Currently, the signed green energy supply contracts account for 10% of our total development capacity.

- In 2023, solar power plants are expected to generate **132 million kWh** of electricity, about **36,000 house holds** annual electricity consumption, which is equivalent to replacing **51,000 tons** of fossil fuels.
- In 2023, it is expected to reduce CO2 emissions by **67,000 tons**, which is equivalent to the annual carbon absorption approximately **173** Daan Forest Parks in Taipei.



THSR Yanchao Solar Power Project



# Recycling and Reuse (1/2)



## Waste Isopropanol Recycling

- 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.



ECOVE SRC Waste Isopropanol Recycling Plant

### Contribution to Circular Economy

- 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 TSMC Southern Taiwan Science Park, Kaohsiung Fengshan River and Kaohsiung Linhai Wastewater Treatment and Reclaimed Water SPC Plants.
- 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.

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



TSMC Southern Taiwan Science Park Reclaimed Water Plant

### Contribution to Circular Economy

- In 2023, the expected sewage disposal capacity is around **27.58 million tons**. It's equivalent to the annual sewage treatment of **340,000** people.
- In 2023, the wastewater treated by the CTCL Group's reclaimed water is expected to be approximately **31** million tons.

# Mechatronic Maintenance

- Acquired the establishment and O&M project of waste solvent recovery and reuse equipment for a high-tech plants.
- Execution of expansion work for self-contained solvent recovery system in international fabs.
- Operation of international high-tech manufacturers' public facilities.
- The improvement of EfW plant equipment performance and replacement of old equipment (e.g. STSP, Gangshan, Xizhou EfW and Taoyuan Airport EfW plants)
- Execution of annual maintenance of incinerator equipment (Kaohsiung Central Dist. EfW and South Dist. EfW plants)
- Maintenance project for electromechanical equipment in transportation stations (e.g. KRTC, Taoyuan Metro)



UMC Circular Economy Resource Regeneration Center  
Source: <https://www.eettaiwan.com/express/umc-2023031765/>

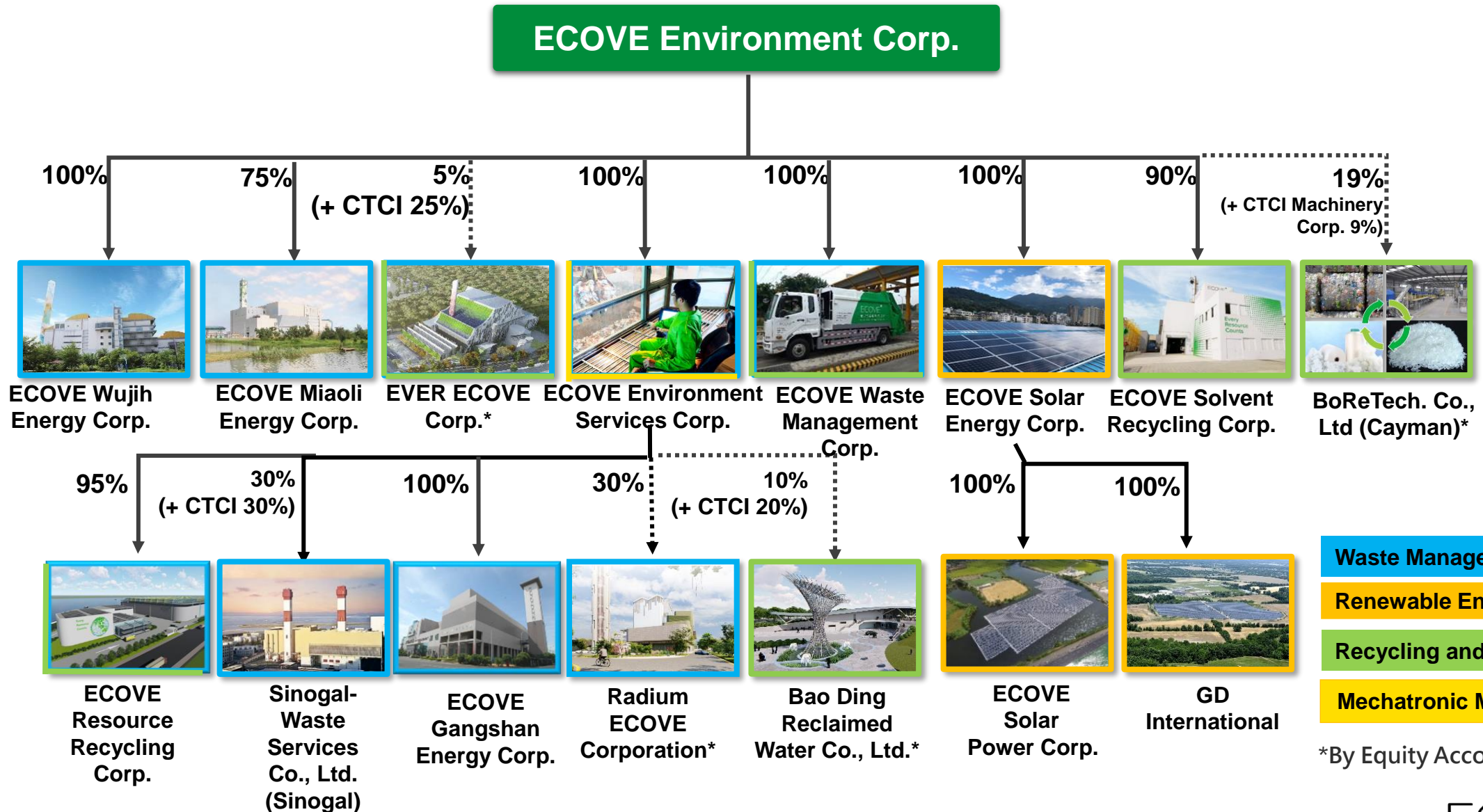
## Complete maintenance / preserving / repair experience

- Leveraging experience in maintenance of EfW plants, initiate upgrading and maintenance operations for aging equipment.
- Utilize the maintenance experience and value of public facilities in high-tech plants to expand opportunities for mechanical and electrical maintenance services in high-tech industries.

# Financial Highlights

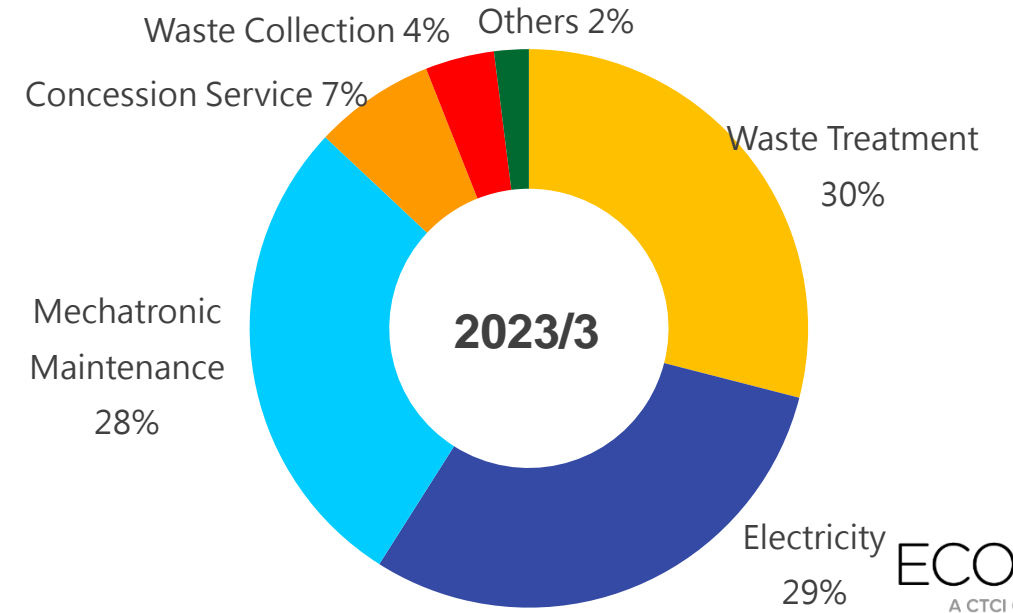
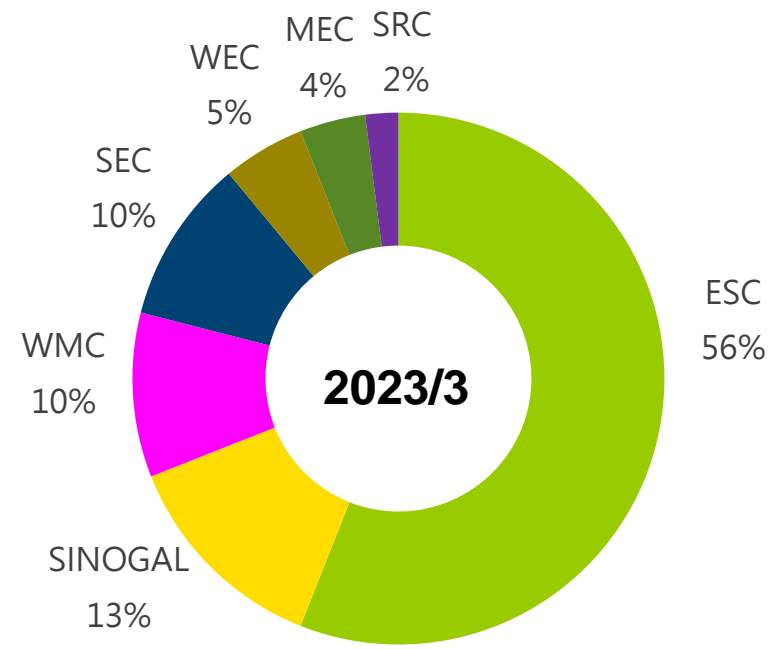
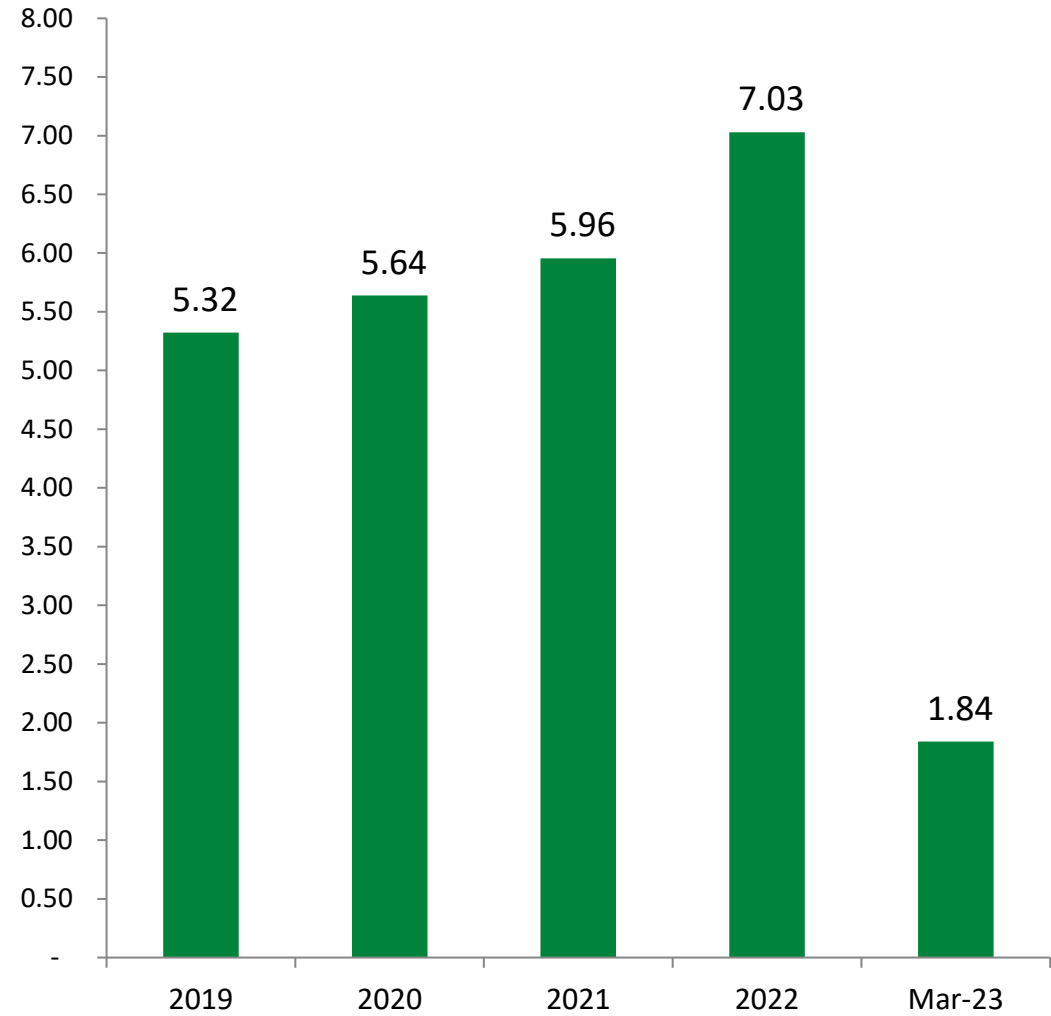


# Investment Structure



# Consolidated Revenue Breakdown

Unit: NT\$, Billion



# 2023 Q1 Consolidated Income Statement

Unit: NT\$, Thousand

	2023/1/1~3/31		2022/1/1~3/31		YOY
	Amount	%	Amount	%	%
Operating Revenue	1,839,593	100.0%	1,587,336	100.0%	15.9%
Operating Costs	(1,392,920)	-75.7%	(1,199,510)	-75.6%	16.1%
Gross Profit	446,673	24.3%	387,826	24.4%	15.2%
Operating Expenses	(38,840)	-2.1%	(41,636)	-2.6%	-6.7%
Operating Profit	407,833	22.2%	346,190	21.8%	17.8%
Total Non-Operating Income and Expenses	22,267	1.2%	9,306	0.6%	139.3%
Profit before income tax	430,100	23.4%	355,496	22.4%	21.0%
Income Tax Expense	(49,544)	-2.7%	(71,469)	-4.5%	-30.7%
Profit for the period	380,556	20.7%	284,027	17.9%	34.0%
Profit attributable to Owners of the parent	283,962	15.4%	227,695	14.3%	24.7%
Earnings Per Share	<b>4.01</b>		<b>3.27</b>		22.6%

# 2023 Q1 Consolidated Balance Sheet

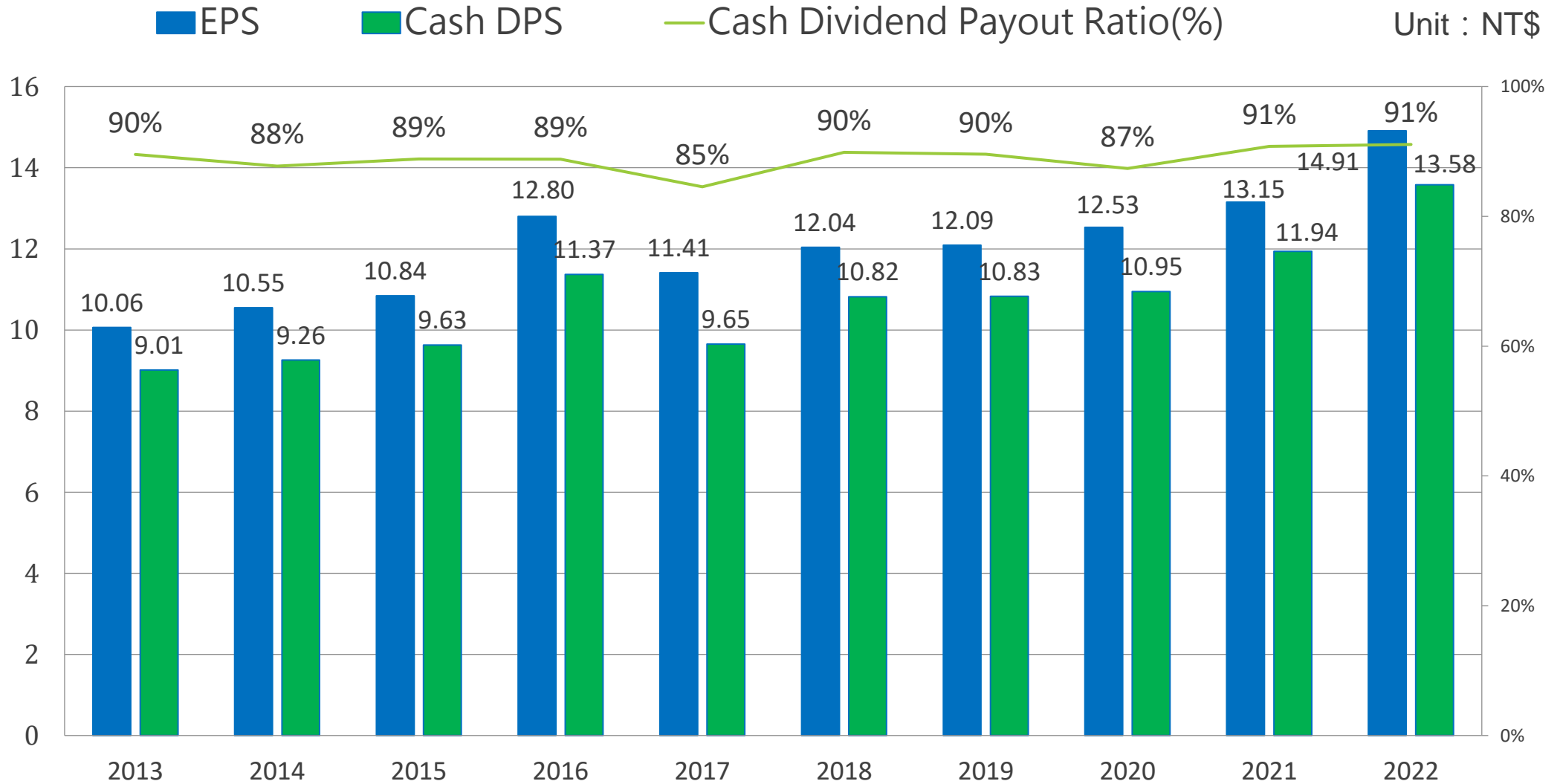
Unit: NT\$, Thousand

	2023/3/31		2022/3/31	
	Amount	%	Amount	%
<b>Current assets*</b>	5,764,355	41.72%	5,447,987	42.28%
<b>Non-current assets</b>	8,053,103	58.28%	7,438,084	57.72%
<b>Total assets</b>	<b>13,817,458</b>	<b>100.00%</b>	<b>12,886,071</b>	<b>100.00%</b>
<b>Current liabilities</b>	4,044,455	29.27%	2,540,327	19.72%
<b>Non-current liabilities</b>	3,914,112	28.33%	4,099,453	31.81%
<b>Total Liabilities</b>	<b>7,958,567</b>	<b>57.60%</b>	<b>6,639,780</b>	<b>51.53%</b>
<b>Current liabilities</b>	5,299,697	38.35%	5,751,516	44.63%
<b>Non-current liabilities</b>	559,194	4.05%	494,775	3.84%
<b>Total Liabilities</b>	<b>5,858,891</b>	<b>42.40%</b>	<b>6,246,291</b>	<b>48.47%</b>
<b>Current liabilities</b>	<b>13,817,458</b>	<b>100.00%</b>	<b>12,886,071</b>	<b>100.00%</b>

\* Cash and cash equivalents: NT\$3.364bn.



# Dividends

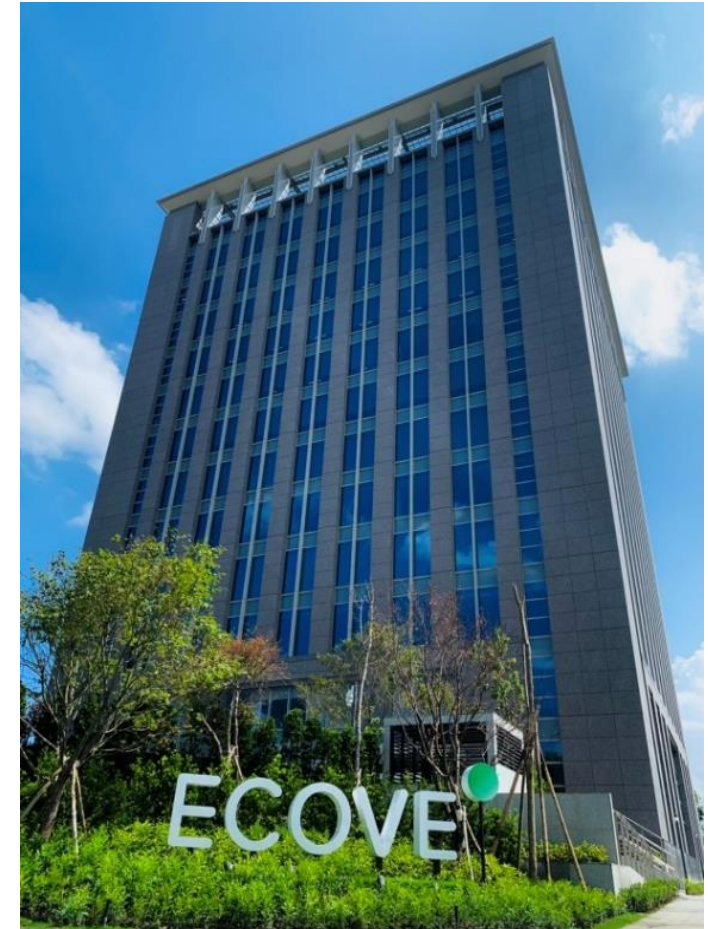


# Future Outlook



# Company Name Change

- **ECOVE's revenue comes from waste management, renewable energy, recycling, and other related fields, which are certified as green and environmentally friendly by the certified public accountant.**
- **In addition, the government tender is awarded through BOT (Build-Operate-Transfer), and according to the Promotion of Private Participation in Infrastructure Projects Act, shareholders are entitled to related incentives. However, since ECOVE is an investment holding company, it is unable to fully apply for these incentives.**
- **Therefore, in response to the current revenue situation of the company and to adapt to business development, it is proposed to change the company name to “ECOVE Environmental Corporation.” and add new business items. This was approved at the 22<sup>nd</sup> meeting of the 8<sup>th</sup> Board of Directors of ECOVE and will be submitted to the competent authority for approval after being passed at the 2023 Annual Shareholders' Meeting.**



**CTCI Group Headquarter II**  
**ECOVE**

# Energy-from-Waste



## Domestic

Continue to monitor the planning of new municipal waste incineration projects in counties and cities, and actively allocate resources to pursue these opportunities.

- Cooperate with Group for newly built or operation of EfW plants.
- Leverage the experience gained from the remediation of various plants, such as Tainan, Xizhou, and Gangshan, to enhance the competitive advantage in bidding for new remediation projects.

## Planning Plants

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

## Overseas

- Combining with the government's southbound policy, we aim to collaborate with local developers abroad to export our experience and technology in waste management and incineration, and seek business opportunities.

# Renewable Energy

## Domestic

- Follow the development direction of government policies to steadily expand solar power and energy storage investment.
- Currently in negotiations for several green energy procurement contracts in response to the needs of large electricity consumers and the 2050 net-zero emissions target.
- Paying attention to the government's energy storage policy planning and closely following relevant businesses such as E-dREG frequency regulation assistance services.
- Expanding maintenance business scale by leveraging accumulated maintenance experience and implementing tools to continuously improve efficiency.

## Overseas

- Continuously pay attention to major overseas market trends.
- Prioritize selecting mature markets and actively expanding the investment scale in the U.S. solar photovoltaic market. At the same time, also evaluate opportunities to combine energy storage business development.



Taipei Changxing Solar Power Plant



Hualien Fenglin Solar Power Plant



# 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

- Will continue to pay close attention to the trend of promoting reused water resource, including the government and high-tech companies planning to build new reclaimed water plants of approximately 500,000 CMD, and the government's promotion of seawater desalination plants of approximately 850,000 CMD. Will work with Group to strive for the construction and operation of these projects.

Planned to strive for	
Reclaimed Water Plants	Sea Water Desalination Plants
Taipei Binjiang	Taoyuan
Taichung Futian	Hsinchu
Kaohsiung Nanzi	Chiayi
Hsinchu Keya River	Tainan
Hsinchu Zhubei	Kaohsiung
Hsinchu Zhutong	Pingtong
Hsinchu Science Park	

# Mechatronic Maintenance

- Continuously seeking opportunities for the maintenance of the mechanical and electrical equipment of completed MRT facilities in recent years.
- Actively seeking opportunities to provide maintenance, repair, operation, and improvement services for water, gas, and electricity utilities in high-tech industrial parks.



Inspection of Chiller Room



MCC equipment maintenance and power outage operation



Maintenance of cleanroom process equipment.

# ECOVE<sup>®</sup>

Every Resource Counts

