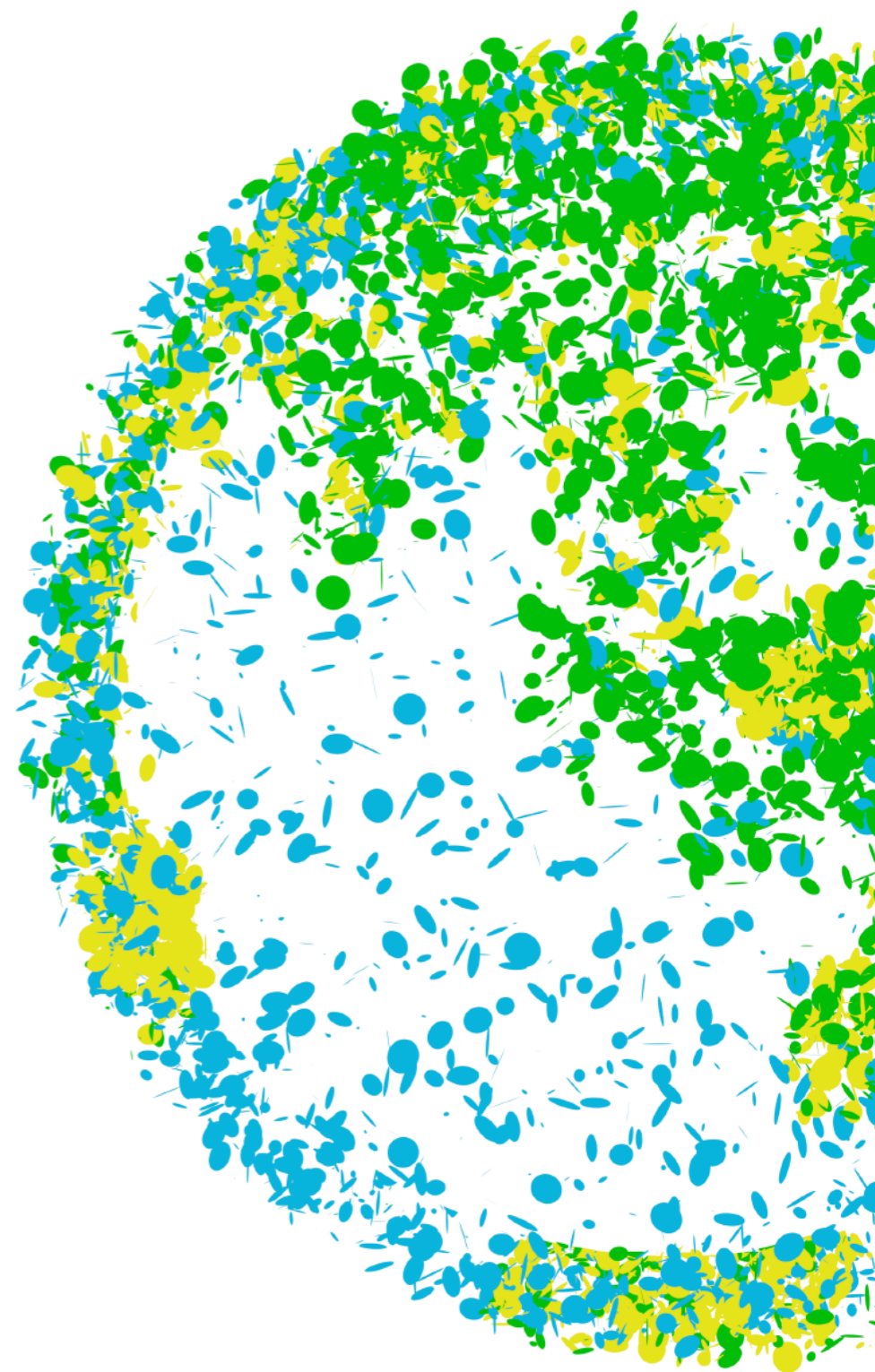


ECOVE Environment Corp. 2020 1st Institutional Investor Conference

2020.03.27



Disclaimer

- The consolidated financial statement is hereby based on International Financial Reporting Standards (IFRS) and 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

- **Review of 2019**
- **Future Outlook**
- **Summary of Financial Report**

Review of 2019



Honor and Recognition

- One of the top 5% companies from the 1st to the 5th “Corporation Governance Evaluation”
- EPB 1st Annual Enterprise Environment Protection Award
 - ✓ Mogul Award
 - ✓ Golden Award
- 2018 Assessment on the Performance of Incinerators
 - ✓ Highly Distinct
 - ✓ Excellent
- 2019 CommonWealth Excellence in Corporate Social Responsibility – 1st in medium-size sector
- Taiwan Corporate Sustainability Award
 - ✓ Corporate Comprehensive Performance Top 50
 - ✓ Reports Platinum Award
 - ✓ Circular Economy Leadership Award
 - ✓ Award for Transparency & Integrity



Honor and Recognition

- ✓ One staff awarded Southern Taiwan Science Park Environment Outstanding Performance Personnel by Ministry of Science and Technology
- ✓ One staff awarded Promotion for Occupational Safety & Health Outstanding Personnel by Ministry of Labor
- ✓ One staff awarded Excellent Youth Engineer by Chinese Institute of Engineers
- ✓ Nine staffs awarded Technical Contributions Award by CTCI Foundation



9 staffs awarded by CTCI Foundation



Excellent youth engineer picture taken with Vice President

Major Projects Awarded and Investment

Energy-from-Waste and Waste Management

- **Domestic**

- ✓ Tainan Chengxi EfW Plant Expansion Project
- ✓ Kaohsiung South Region Annual Overhaul Projects in 2019 and 2020
- ✓ Kaohsiung Central Region Annual Overhaul Projects in 2019 and 2020
- ✓ Taoyuan Household Waste Outsourced Collection and Treatment Project
- ✓ Nantou Household Waste Outsourced Treatment Project



Major Projects Awarded and Investment

Energy-from-Waste and Waste Management

- **Overseas**

- ✓ Macau Refuse Incineration Plant O&M Extension Project
- ✓ Macau Refuse Incineration Plant Aged Equipment Replacement Project
- ✓ Macau Refuse Incineration Plant Sludge and Fly Ash Packing and Treatment Project
- ✓ Macau Special & Hazardous Waste Treatment Plant O&M Extension Project
- ✓ Beijing Haidian EfW Plant Third-Party Consulting Service Extension Project
- ✓ Shanghai Laogang EfW Plant Phase One and Phase Two Third-Party Consulting Project
- ✓ Shanghai Jignshang EfW Plant Third-Party Consulting Project



Major Projects Awarded and Investment

Renewable Energy

- **Photovoltaic**

- ✓ 17 projects in operation including Changxing Water Purification Plant, Taoyuan MRT Luzhu Depot, Tainan Landfill, Hualian Landfill, etc.
- ✓ 17 projects in construction including Taoyuan MRT Chingpu Depot, Port Company 7 campus, Kaohsiung Metro North Depot, and Kaohsiung Metro Daliao Depot Detention Pond, etc.

- **48 solar power farm O&M projects**



Major Projects Awarded and Investment

Recycling and Reuse

- **Waste Solvent**

- ✓ Waste solvent is recycled, purified, and put back to the market as industrial raw material
- ✓ ECOVE has started receiving and reusing waste IPA from semi-conductor manufacturers in science parks.
- ✓ We expect to cooperate manufacturers outside of science parks to apply for MOEA's projects, increasing our sources of waste IPA.

Other Areas

- ✓ Kaohsiung Metro plumbing and environmental control system maintenance project
- ✓ Taoyuan International Airport Metro plumbing system maintenance project
- ✓ Taipei International Airport electrical control room replacement and equipment upgrade project
- ✓ Linkou Water Recycling Center sludge dryer upgrade project
- ✓ Kaohsiung Veteran General Hospital air-con system O&M project

Future Outlook



Future Outlook

Waste Management and Energy-from-Waste

● Domestic

- ✓ To pay attention to and put efforts to winning government-pushed service extension and revamping projects for EfW plants
- ✓ Waste multi-disposal plans, newly constructed total-solution facilities, MBT/MT, etc
- ✓ For special waste treatment plants, we will be focused on efficiency improvement, revamping, and expansion.

● Overseas

- ✓ In conjunction with the government's Southbound Policy, we will proactively bid for tenders in southeast Asia, such as Vietnam, Malaysia, etc.
- ✓ EfW consulting business in China will be continuously developed.



Future Outlook

Renewable Energy

- **Photovoltaic**

- ✓ **Domestic**

- Efforts will be put to secure tenders, such as metro stations, landfills, etc.
- Following the government's platforms, we will vigorously go after large-scale projects, such as unfavorable agriculture areas, aquaculture lands, etc.
- To expand business opportunities with our O&M experience.

- ✓ **Overseas**

- Large-scale enterprises and their supply chains, one after another, have promised that 100% of energy use will come from renewable energy.
- Policies in the US and southeast Asia strongly support renewable energy, so we will constantly observe the development in those areas

- **Wind Power**

- ✓ With Group's business development plan, we will be focused on construction and investment opportunities in offshore wind power.



Future Outlook

Recycling and Reuse

- **Water Treatment**

- ✓ With Group's business development plan, after one to two years, we will take part in the investment and O&M services for Fengshan and Linhai water reclamation BTO projects.
- ✓ Combining Group's resources, evaluation will be done on the possibility of going after recent DBO or BOT water treatment projects.

- **Bottom Ash Reuse**

- ✓ To cooperate with companies with mature technologies and rich O&M experience.
- ✓ To keep close watch on governments' bottom ash reuse tenders.

- **Organic Waste**

- ✓ Due to the swine flu, the government has been actively promoting kitchen waste treatment, including anaerobic digestion system or aerobic-treatment-produced fertilizers.
- ✓ To explore poultry feces composting, and to promote chicken farms setting up composting devices and marketing their homemade fertilizers.

Future Outlook

Other Areas

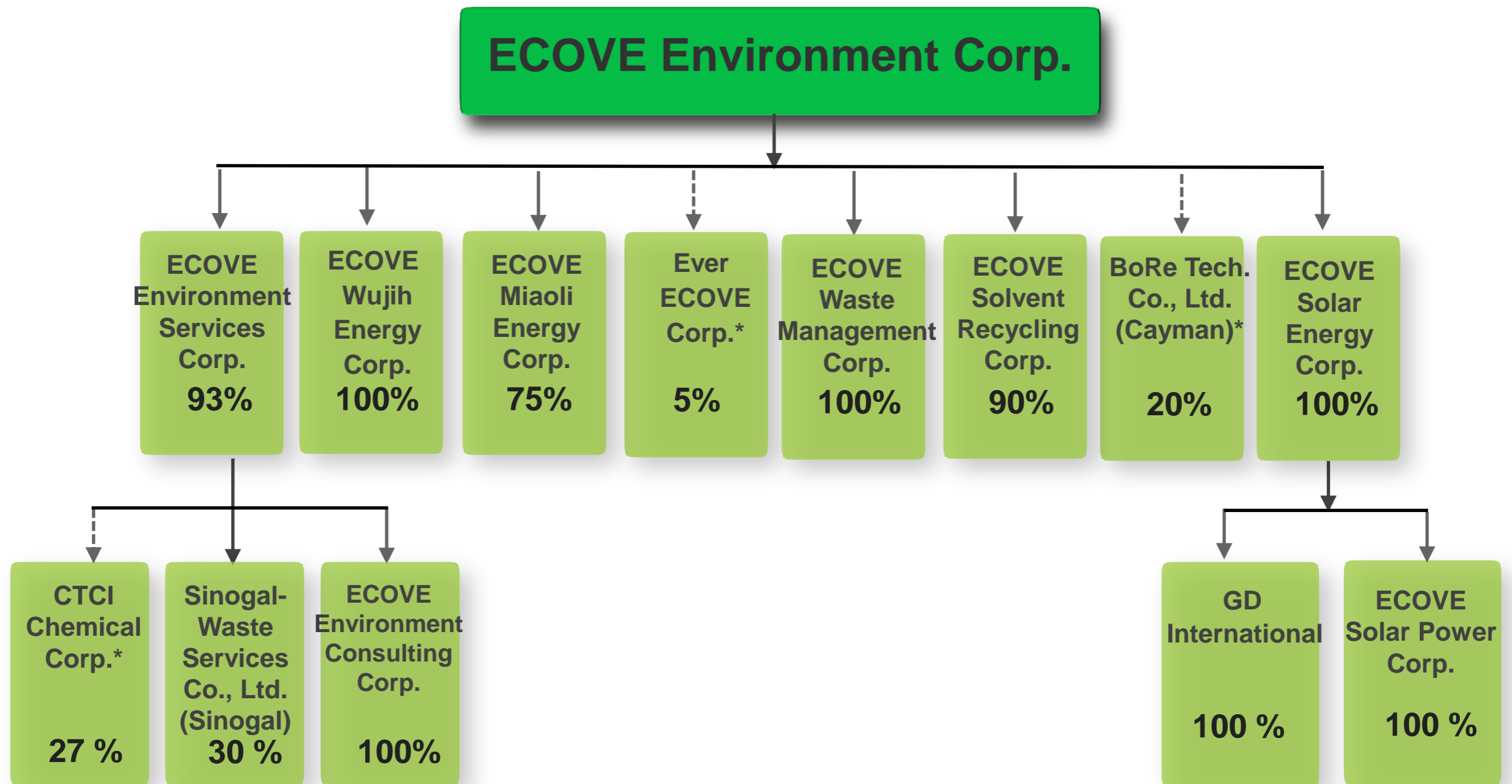
- **Stations and Railways**

- ✓ Many cities have been actively developing their own railway facilities, like Taoyuan, Taichung, New Taipei City, so sources of O&M opportunity will be sufficient. And we will expand to overseas markets in accordance with Group's plan.
- ✓ Using our air bridge business model in Taoyuan International Airport Terminal 1 and 3, we will extend to other airports and other core equipment.



Summary of 2019 Financial Report

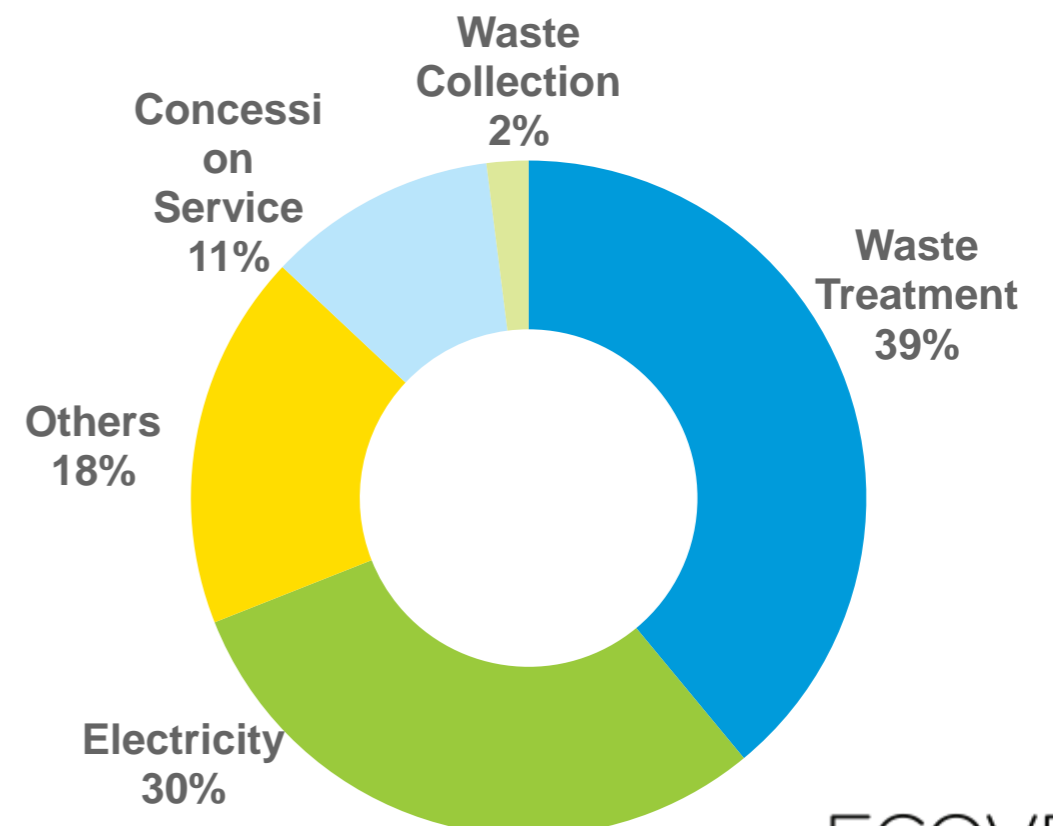
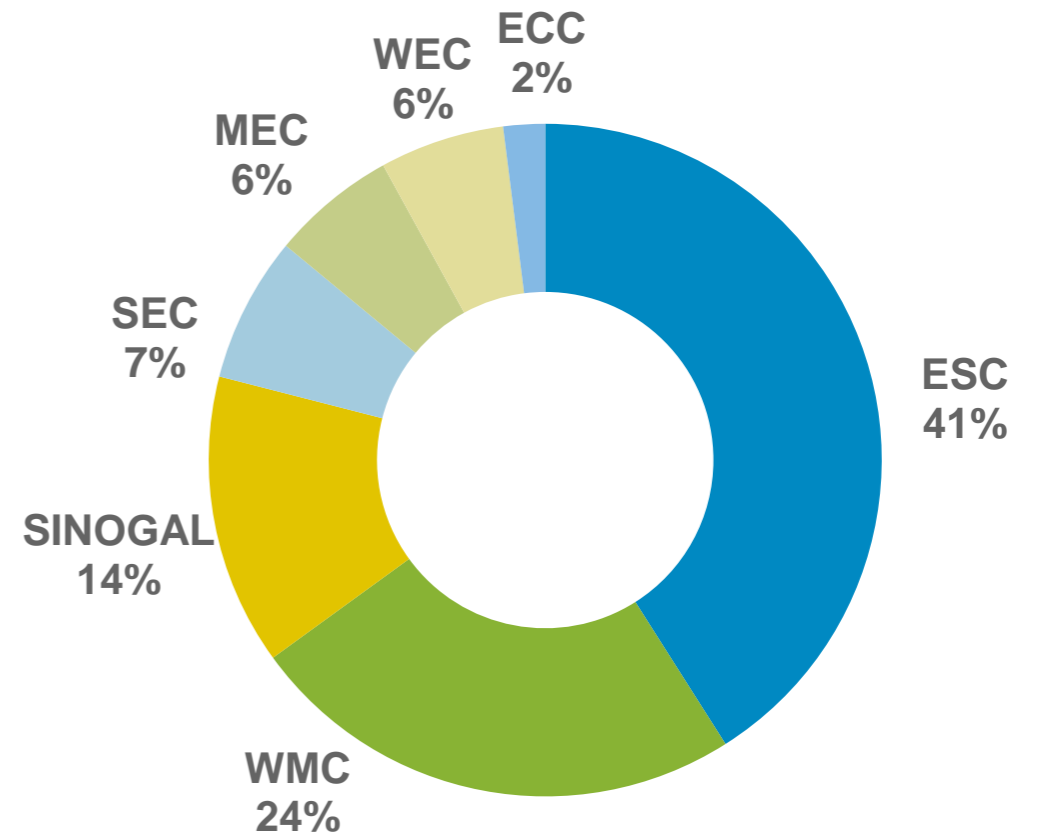
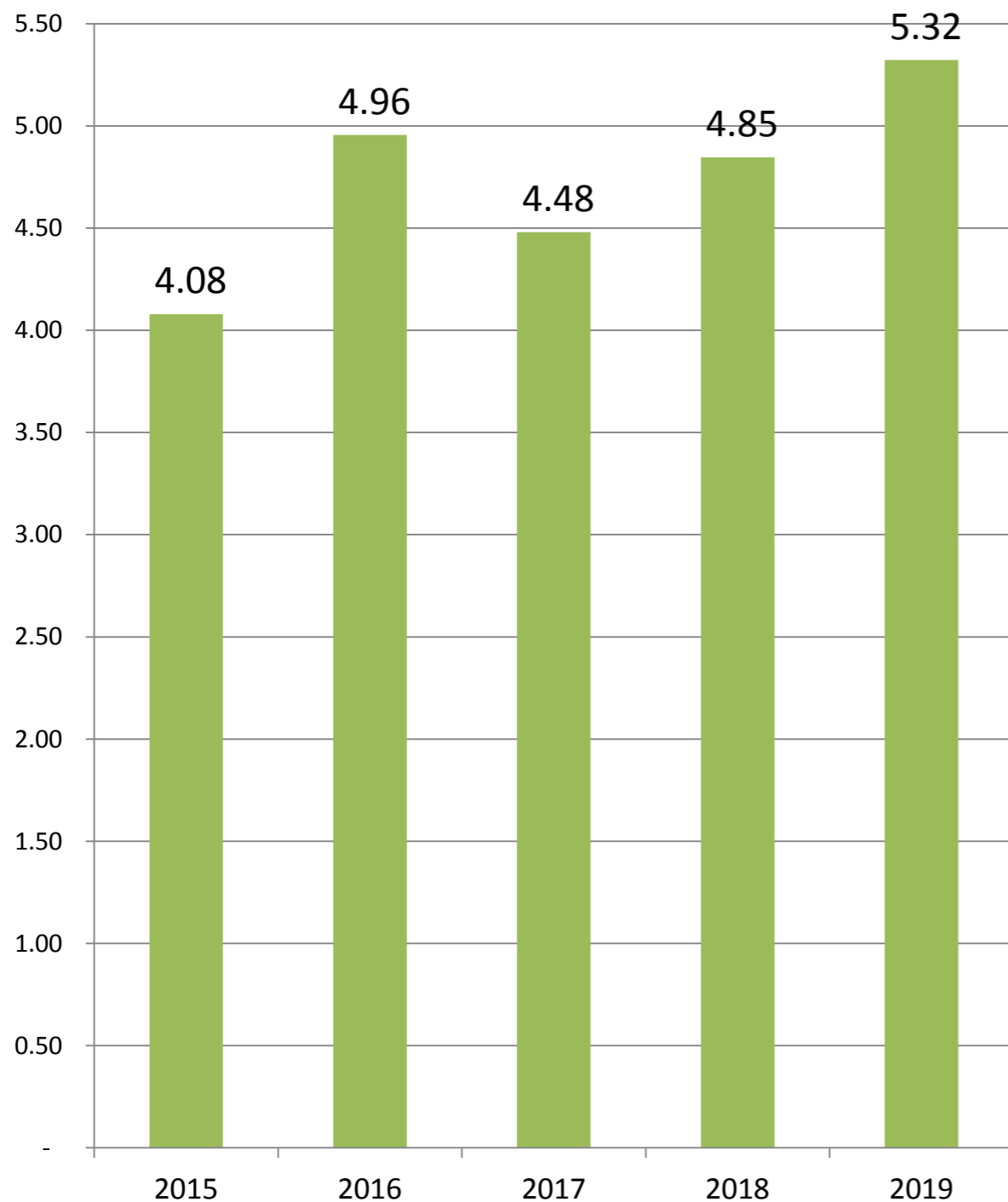
Investment Structure



*By Equity Accounting Method

Consolidated Revenue Breakdown

Unit: NT\$, Billion



2019 Consolidated Income Statement

Unit: NT\$, Thousand

	<u>2019</u>		<u>2018</u>		<u>YOY</u>
Operating Revenue	5,321,559	100.0%	4,847,096	100.0%	9.8%
Operating Costs	(3,977,155)	-74.7%	(3,539,458)	-73.0%	12.4%
Gross Profit	1,344,404	25.3%	1,307,638	27.0%	2.8%
Operating Expenses	(172,357)	-3.2%	(178,722)	-3.7%	-3.6%
Operating Profit	1,172,047	22.1%	1,128,916	23.3%	3.8%
Total Non-Operating Income and Expenses	102,788	1.9%	105,854	2.2%	-2.9%
Profit before income tax	1,274,835	24.0%	1,234,770	25.5%	3.2%
Income Tax Expense	(212,685)	-4.0%	(254,298)	-5.3%	-16.4%
Profit for the period	1,062,150	20.0%	980,472	20.2%	8.3%
Profit attributable to Owners of the parent	811,312	15.2%	806,912	16.6%	0.5%
Earnings Per Share	12.09		12.04		0.4%

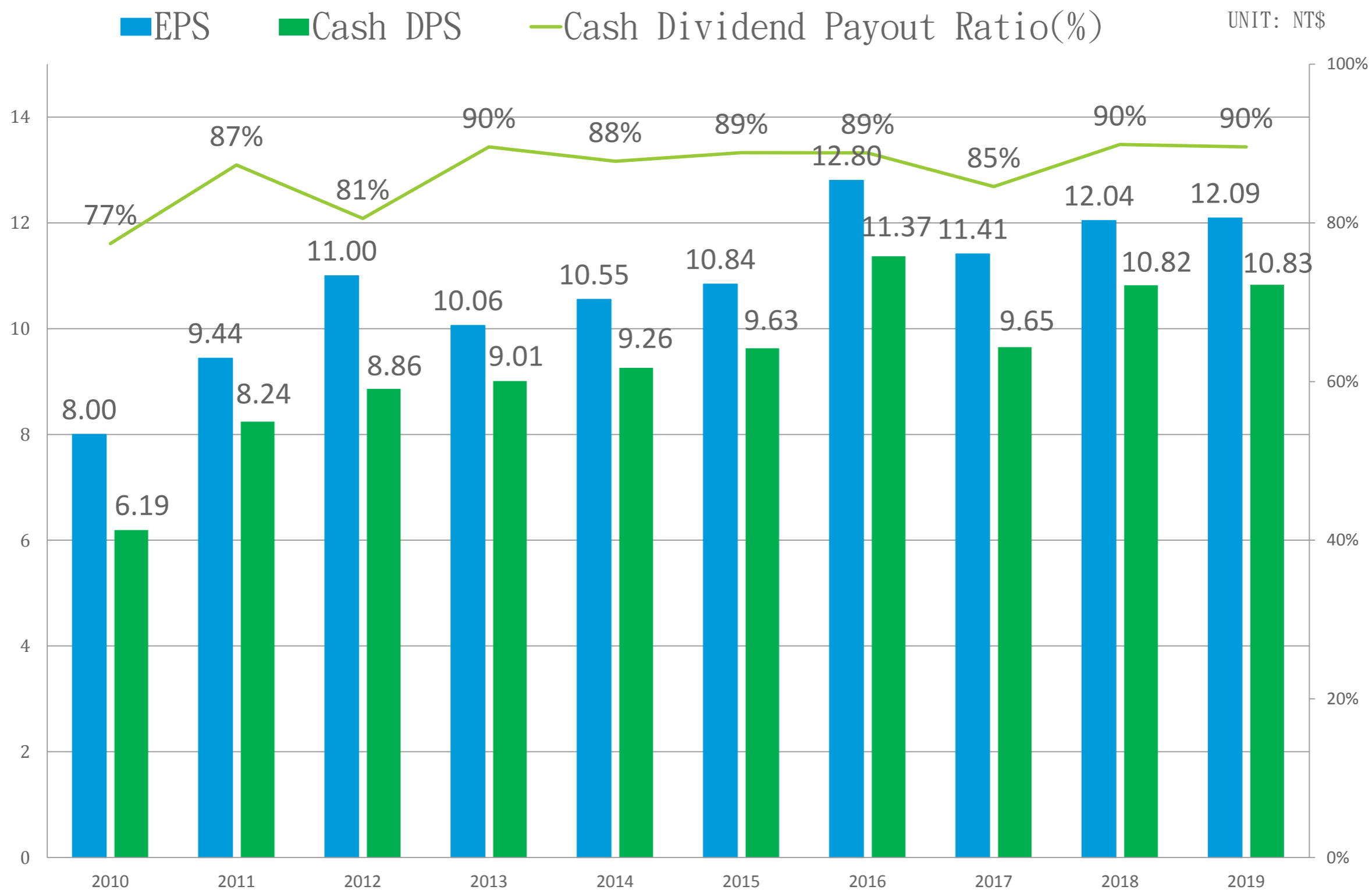
2019 Consolidated Balance Sheet

Unit: NT\$, Thousand

	2019/12/31		2018/12/31	
Current assets*	3,555,853	37%	3,574,782	39%
Non-current assets	5,984,964	63%	5,500,925	61%
Total assets	9,540,817	100%	9,075,707	100%
Current liabilities	1,734,603	18%	1,496,920	16%
Non-current liabilities	2,213,411	23%	2,157,428	24%
Total Liabilities	3,948,014	41%	3,654,348	40%
Equity attributable to owners of the parent	4,986,366	52%	4,878,238	54%
Non-controlling interest	606,437	7%	543,121	6%
Total equity	5,592,803	59%	5,421,359	60%
Total liabilities and equity	9,540,817	100%	9,075,707	100%

* Cash and cash equivalents:NT\$1.68bn.

Dividend Payout



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