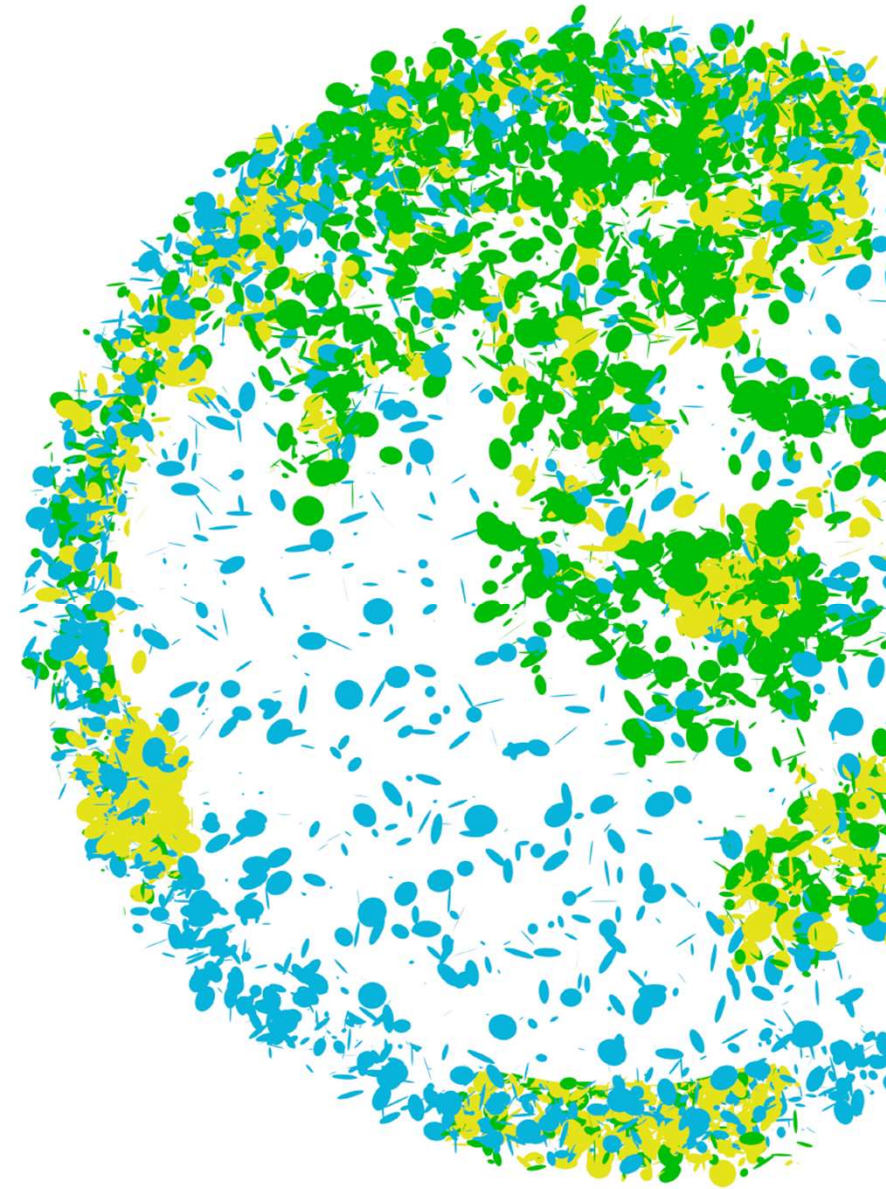


# **ECOVE Environment Corp. 2022 3<sup>rd</sup> Institutional Investor Conference**

**2022.08.17**



# 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.



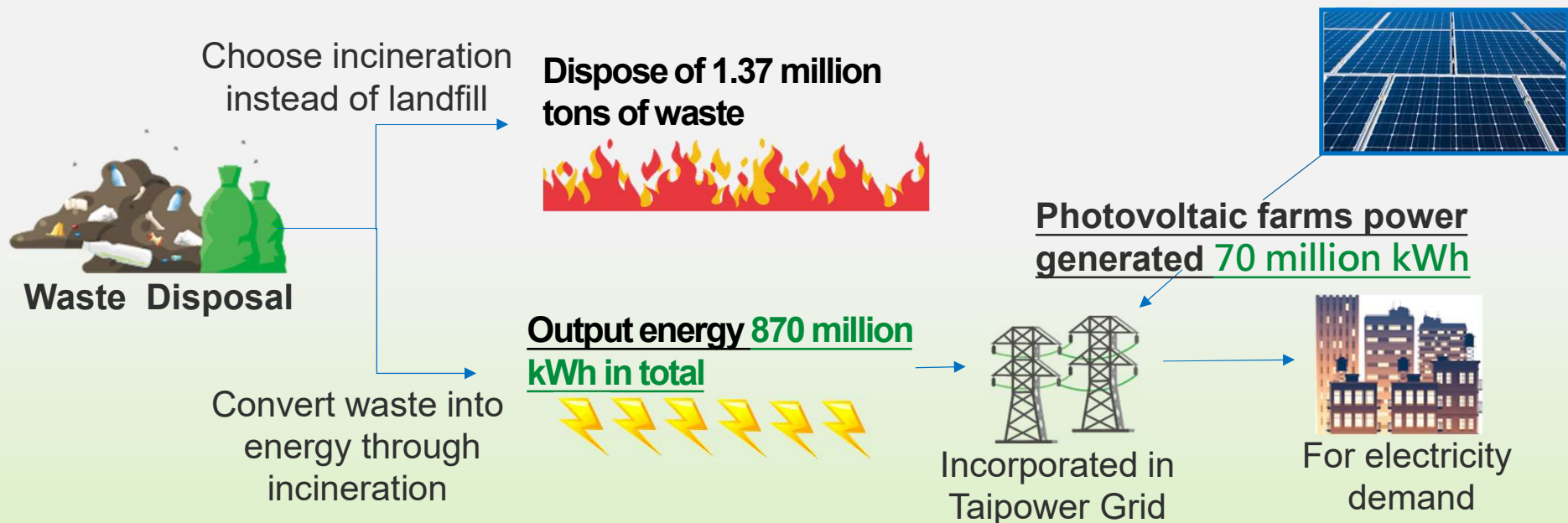
# Agenda

- Operation Review
- Financial Highlights
- Future Outlook

# Operation Review

# Energy Contribution (From Jan. to Jul. of 2022)

Including domestic and overseas EfW plants and photovoltaic farms, we generated around **0.94 billion kWh**, which could offset **360,000 tons** coals burned for power generation



# Environmental Contribution (From Jan. to Jul. of 2022)

- ECOVE SRC recycled around **8,300 tons** of W-IPA
- **600 tons** of industry-grade of IPA were reproduced



Resource reuse

Wastewater purification

- Our wastewater treatment facilities in New Taipei City and Pingtung treated around **15.7 million tons** of wastewater
- In addition, both Kaohsiung Fengshan River Reclaimed Water Plant and Linhai Sewage Treatment Plant of CTCL group treated around **25.99 million tons** of wastewater

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



# Awards & Honors (From Jan. to Jul. of 2022)



# E

## Environmental Sustainability

# S

## Inclusive Society

# G

## Corporate Governance

- 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)
- Around 2 million hours of MOL non-disaster working hours (for 16 consecutive years)
- Excellent in the performance evaluation of Linkou Water Resources Operation by New Taipei City Government
- The 1<sup>st</sup> place of the environmental sanitation service category within 2000 largest enterprises surveyed by Commonwealth Magazine



# Bellwether – Changhua Coastal Industrial Park Lunwei Environmentally Friendly Land

- In recent years, domestic landfill is scarce with insufficient burial capacity, resulting in a large amount of waste being temporarily stored
- In order to alleviate the current situation, the Industrial Bureau released 11.68 hectares of land from the industrial zone to set up burial-based facilities. Acquired jointly by ECOVE ESC (95%) and FGD Recycling Industrial Co., Ltd. (5%). After the EIA is passed, it will be developed into a “Low Carbon Recycling & Sanitary Landfill Center. The main facilities are as follows :
  - ✓ Set up environmentally friendly and safety-conscious landfills.
  - ✓ Set up recycling and photovoltaic power generation facilities.
- Through the development of this case, ECOVE officially entered landfill business to expanded the field of recycling and reuse, and provided one-stop services of waste management from removal, recycling and reuse to incineration treatment and landfill disposal
- Provide a way for "bottom slag" and "fly ash" generated by waste incineration treatment, and enhance the competitiveness of new incineration plants or rectification bidders in the future





# Bellwether – Changhua Coastal Industrial Park Lunwei Environmentally Friendly Land

## Feature

- Considering geological conditions and environmental impact assessment, the maximum designed disposal capacity : about 1.5 million tons
  - ✓ Environmentally friendly landfill
  - ✓ No odor : only non-flammable inorganic waste is acceptable for landfill
  - ✓ No dust : the waste is packed in space bags, closed burial design, with appropriate intermediate and final soil cover
  - ✓ No seepage water : a roof is set up to isolate rainwater, and a double layer of impermeable cloth underground to prevent leakage
- Safety First Landfill
  - ✓ PC piles are built under the structure and around the plant to control subsidence
  - ✓ Install automatic monitoring system to ensure safety



# Energy-from-Waste

- Macao Special & Hazardous Waste Treatment Station Contract Extension Project
- Strive for a short-term O&M case at the end of contract duration of existing incineration plants
- Our partner has won the best applicant for the Melaka case in Malaysia and is currently in the negotiation process



# Renewable Energy



## Photovoltaics

### Domestic

- **More than 100 projects** have been obtained development and in operation, and still growing
- The total maintenance quantity is over 350MW. Steady expansion of our own projects with rich practical experience to gain customer's trust. Will continuously strive for large-scale project maintenance business
- The customer target expanded from high-tech to traditional industries. Will continuously to get green power transfer contracts to make transaction volume increase steadily

### Overseas

- Expansion opportunities of existing projects in the U.S are under active evaluation





# Recycling and Reuse

## Waste Solvent Recycling and Reuse

- After obtaining the reuse license from the Ministry of Science and Technology, in May. 2022, obtaining the reuse license approved by the Ministry of Economic Affairs to expand the source of waste isopropanol.
- New source has been expanded and is about 20% of incoming quantity.



## Water Treatment

- North Taoyuan Reclaimed Water Recycling Center BTO Project.
- After obtaining the O&M project of Pingtung Agricultural Science Park Water Resource Field, the second-phase expansion and operation project of Linkou Water Recycling Center was obtained in Jul. 2022.



# Mechatronic Maintenance

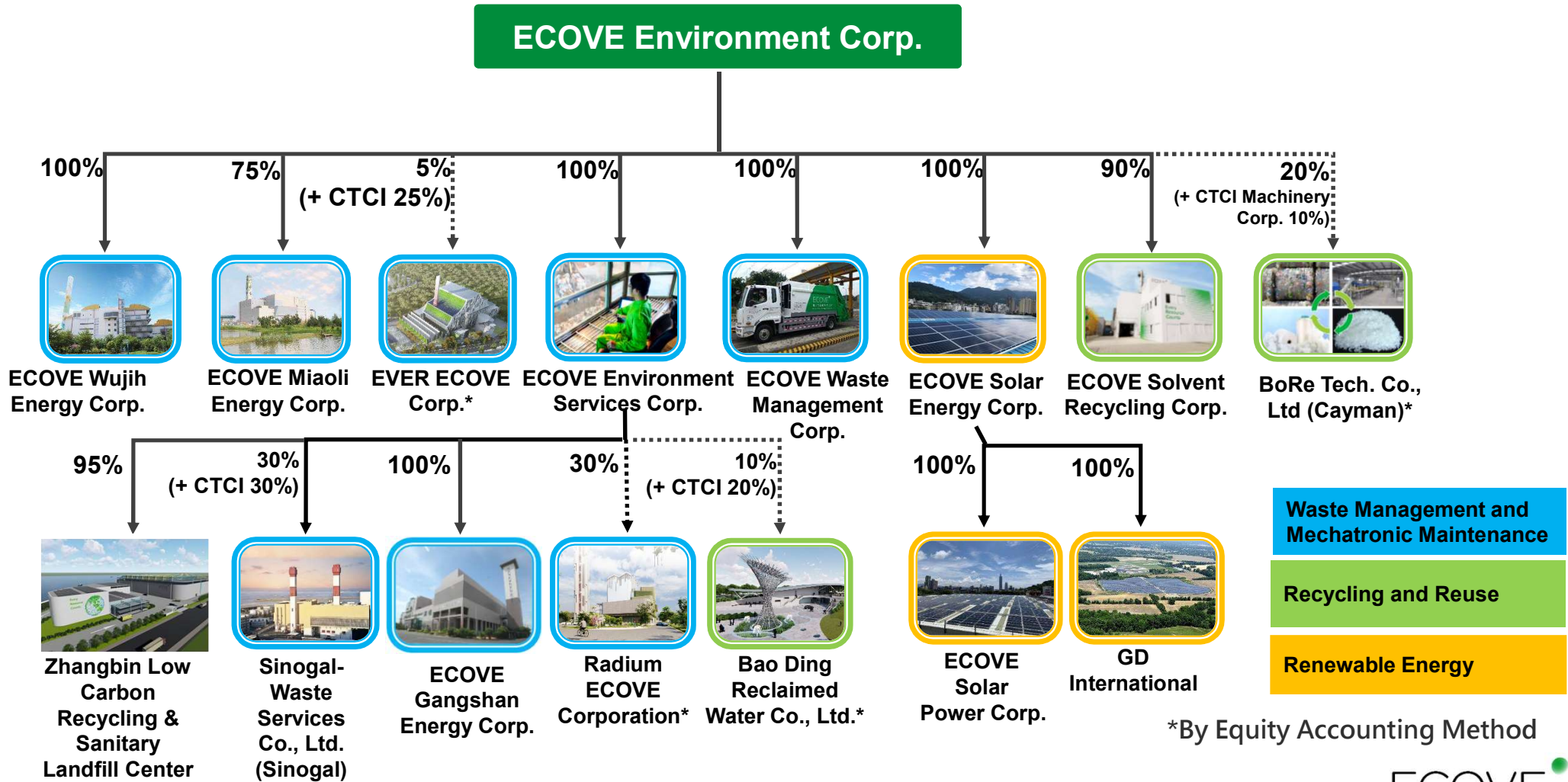
- **Expansion project of self-built solvent recovery system of international semiconductor fabrication plants**



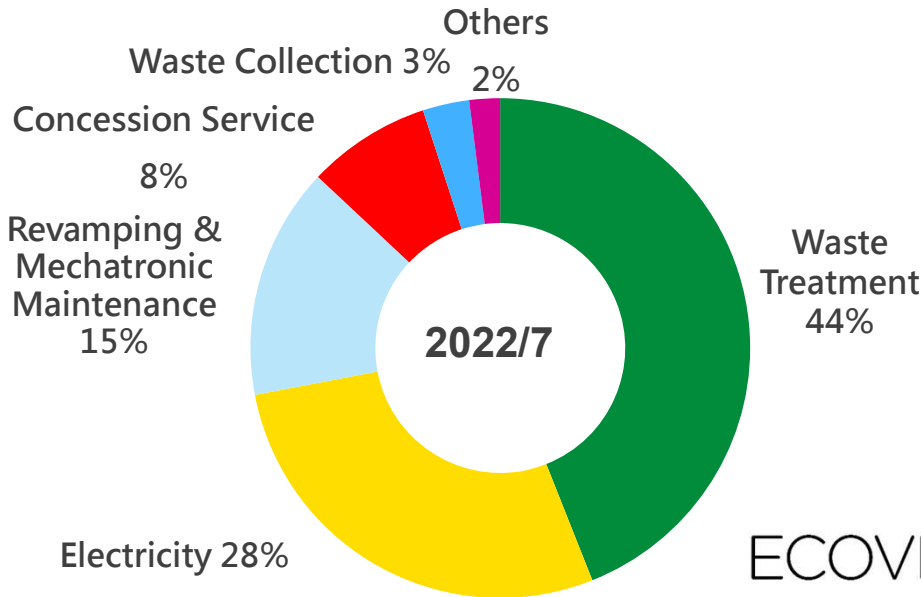
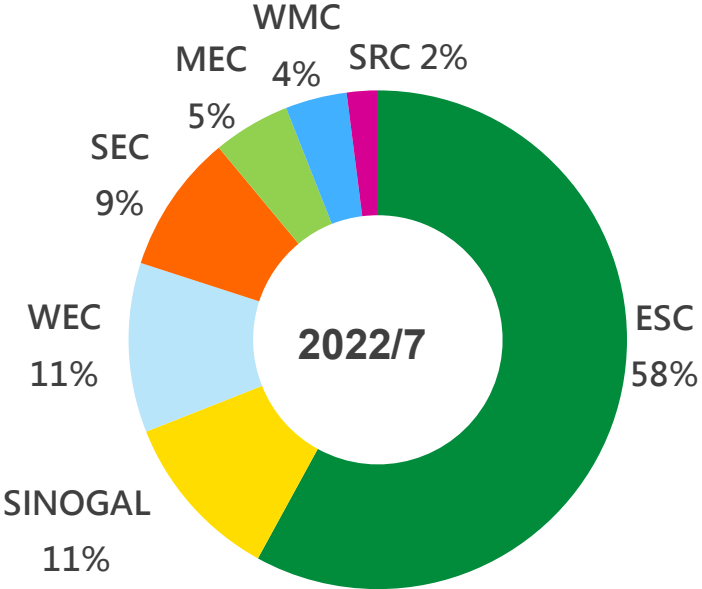
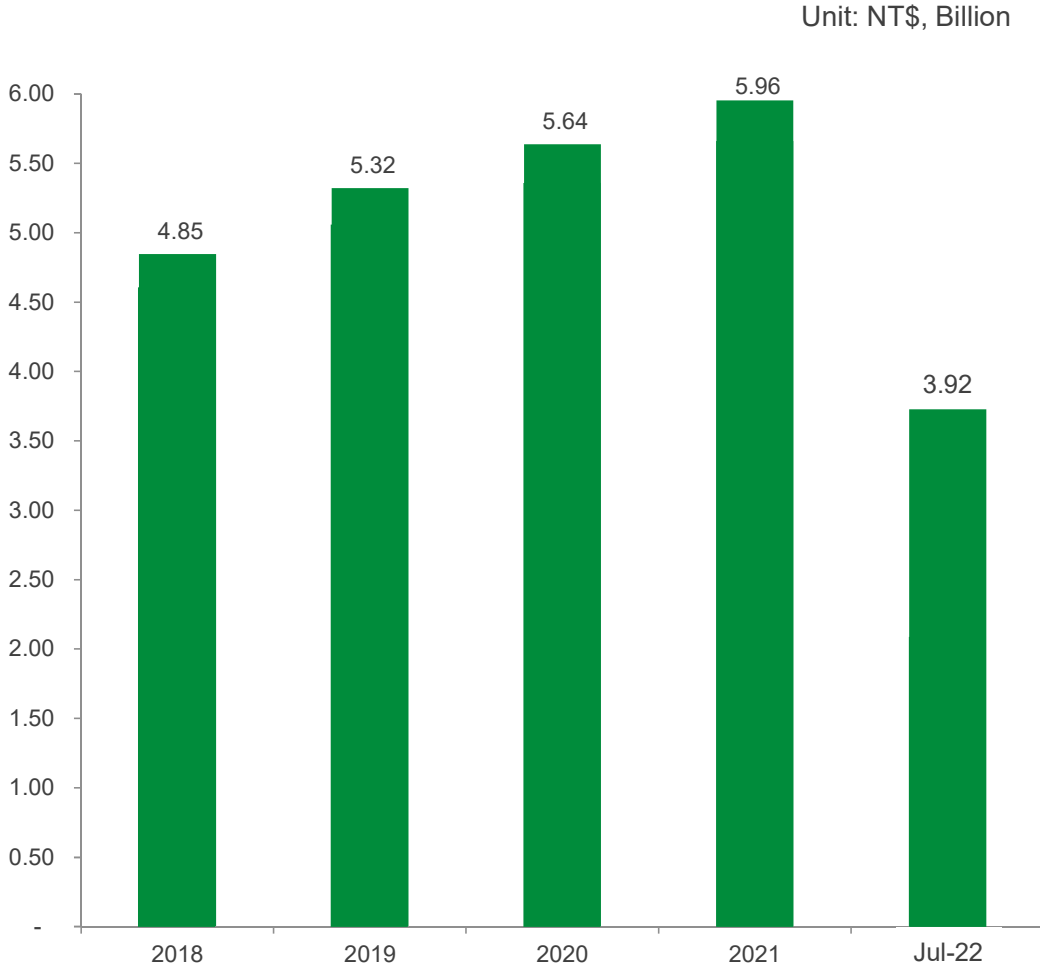
# Financial Highlights



# Investment Structure



# Consolidated Revenue Breakdown





# 2022Q2 Consolidated Income Statement

Unit: NT\$, Thousand

	2022/1/1~2022/6/30		2021/1/1~2021/6/30		YOY
	Amount	%	Amount	%	%
Operating Revenue	3,278,666	100.0%	2,819,897	100.0%	16.3%
Operating Costs	(2,475,045)	-75.5%	(2,106,260)	-74.7%	17.5%
Gross Profit	803,621	24.5%	713,637	25.3%	12.6%
Operating Expenses	(87,698)	-2.7%	(90,344)	-3.2%	-2.9%
Operating Profit	715,923	21.8%	623,293	22.1%	14.9%
Total Non-Operating Income and Expenses	26,004	0.8%	32,723	1.2%	-20.5%
Profit before income tax	741,927	22.6%	656,016	23.3%	13.1%
Income Tax Expense	(153,733)	-4.7%	(140,027)	-5.0%	9.8%
Profit for the period	588,194	17.9%	515,989	18.3%	14.0%
Profit attributable to Owners of the parent	491,604	15.0%	445,786	15.8%	10.3%
Earnings Per Share	<b>7.05</b>		<b>6.45</b>		9.3%

# 2022Q2 Consolidated Balance Sheet

Unit: NT\$, Thousand

	2022/6/30		2021/6/30	
	Amount	%	Amount	%
<b>Current assets*</b>	5,370,955	41.44%	5,480,720	47.59%
<b>Non-current assets</b>	7,590,017	58.56%	6,034,798	52.41%
<b>Total assets</b>	<b>12,960,972</b>	<b>100.00%</b>	<b>11,515,518</b>	<b>100.00%</b>
<b>Current liabilities</b>	3,494,416	26.96%	3,197,610	27.77%
<b>Non-current liabilities</b>	3,894,334	30.05%	3,063,029	26.60%
<b>Total Liabilities</b>	<b>7,388,750</b>	<b>57.01%</b>	<b>6,260,639</b>	<b>54.37%</b>
<b>Current liabilities</b>	5,210,816	40.20%	4,917,453	42.70%
<b>Non-current liabilities</b>	361,406	2.79%	337,426	2.93%
<b>Total Liabilities</b>	<b>5,572,222</b>	<b>42.99%</b>	<b>5,254,879</b>	<b>45.63%</b>
<b>Current liabilities</b>	<b>12,960,972</b>	<b>100.00%</b>	<b>11,515,518</b>	<b>100.00%</b>

\* Cash and cash equivalents:NT\$1.72bn.

# 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
- Taoyuan Biomass Center and Changhua Resource Center will be referred to create advantages
- Collectively utilize our project experience of implementation and budgeting from revamping projects in Tainan, Gangshan, Pintung, etc. At the same time, ECOVE has a way for "bottom slag" and "fly ash" to improve competitiveness

Plant	
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

## Photovoltaic

### Domestic

- Follow the development direction of government policies and grow steadily
- We can expand our business and improve efficiency through our accumulating O&M experience and tools of solar photovoltaic project
- In response to the needs of enterprises' net zero emission planning, continue to expand the green power trading amount

### Overseas

- Seize market trends abroad and actively evaluate investment and development opportunities in the U.S. market with Group's local resources





# 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

- **So far, 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 O&M services after construction<sup>3</sup>**
- **Governments has been promoting the construction of desalination plants (including Taoyuan, Hsinchu, Chiayi, Tainan, and Kaohsiung) with about 600,000 CMD. We will cooperate with Group to create synergy**
- **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 or municipal wastewater**
- **During O&M services, we will use low-carbon chemicals or materials as much as possible**

# Mechatronic Maintenance

- Promote and strive for business opportunities in building recycling facilities to high-tech companies
- For the next five years, there will be opportunities in dynamic testing and O&M services for future MRT main lines and depots



# ECOVE

Every Resource Counts

