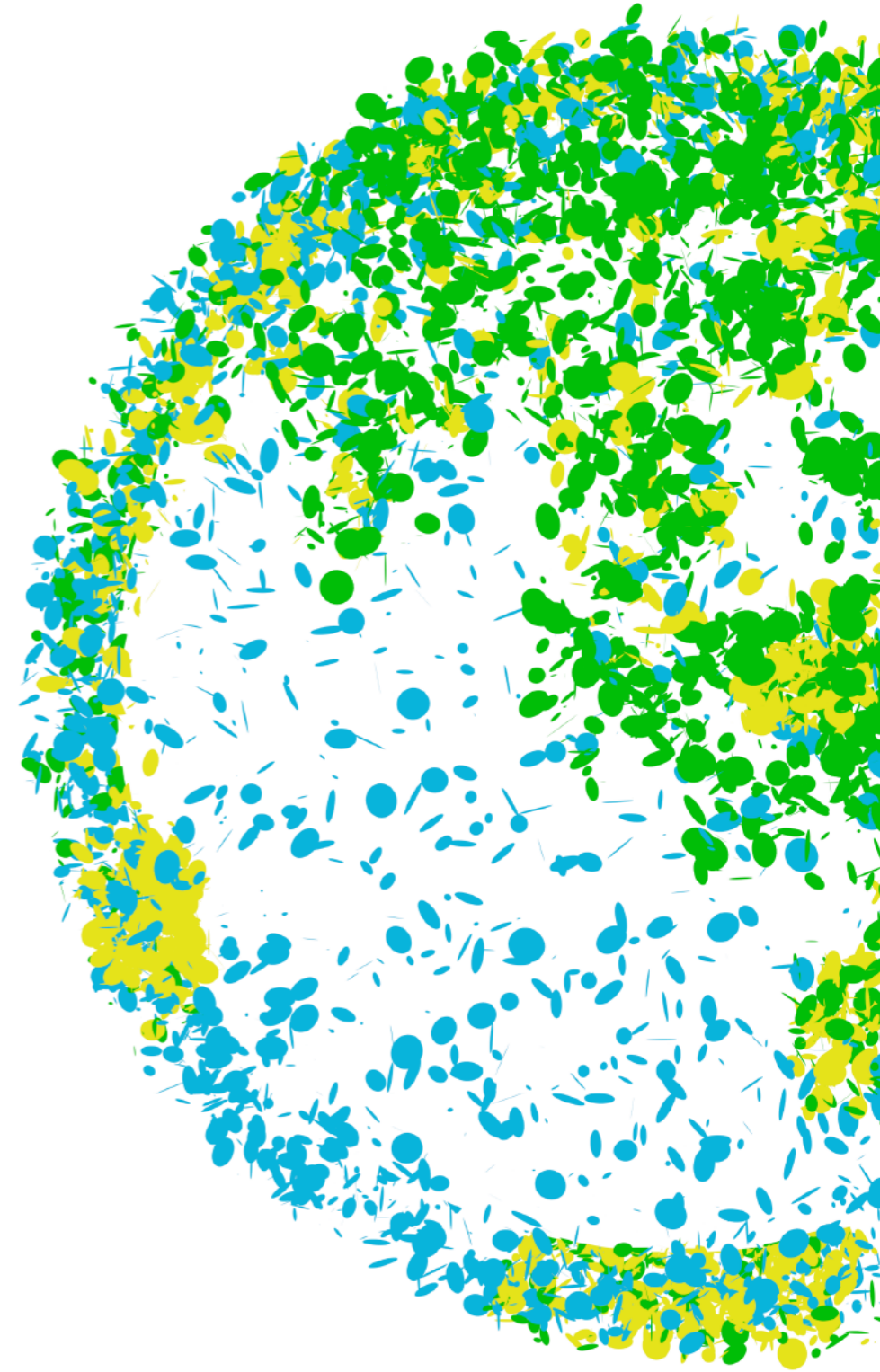


**ECOVE Environment Corp.
2020 3rd Institutional
Investor Conference**

2020.09.29



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 2020**
- **Future Outlook**
- **Summary of Financial Report**

Review of 2020



Honor and Recognition

Corporate Governance



- Top 5% in FSC Corporate Governance Evaluation for 5 consecutive years
- Top 10% among the listed non-financial electronics companies with a market value of more than 10 billion NTD, and the only one that has been awarded a ranking for 2 years in a row

Environmental Sustainability



- Evaluated as Advanced in 2019 EfW Plant Performance Annual Audit by EPA
- The 1st solar power investor in Taiwan that has been awarded Green-e® Energy certification
- Gangshan Plant' s incinerated waste amount, sold electricity, and power production reached a record high in ten years, making us awarded by the client

Social Co-prosperity



- Top 3 in Commonwealth Magazine 2020 CSR Award – Medium Enterprise (5 years in a row)
- Awarded by MOST for excellent performance in occupational H&S
- Awarded by MOHW for building a positive and healthy working environment

ESG Criteria

Economical

10	EPS above 10 NTD for 8 years in a row
2	The 2 nd among 650 biggest enterprises in environmental industry
TOP 5%	Top 5% in corporate governance

Environmental

14 kW	Including domestic and overseas plants, 840,000 tons of CO2 was deducted
28 million tons	Annual wastewater treatment (Linkou and New Taipei City project)
W-IPA	1,400 tons of WIPA reused and 1,500 tons of CO2 deducted
NO.1	Obtained 1 st BS8001 circular economy certificate

Social

0	Occupational accident recorded
5 plants	Certified environmental education facilities (Keelung, Miaoli, Houli, Tainan, and STSP)
208	Environmental education classes
4,056	Volunteer hours

ESG Criteria

EfW

Power Generation from 2020.1 to 2020.8

Around 890 million kW

Carbon Deduction from 2020.1 to 2020.8

Around 450,000 tons of CO₂, which equals to annual carbon absorption of 1,157 Daan Forest Park

Household Power Supply from 2020.1 to 2020.8

Around 240,000 households

Photovoltaics

Power Generation from 2020.1 to 2020.8

Around 50 million kW

Carbon Deduction from 2020.1 to 2020.8

Around 26,000 tons of CO₂, which equals to annual carbon absorption of 67 Daan Forest Park

Household Power Supply from 2020.1 to 2020.8

Around 14,000 households

Wastewater Treatment

Treatment from 2020.1 to 2020.8

Around 6.2 million tons

Carbon Deduction from 2020.1 to 2020.8

Around 844 tons of CO₂, which equals to annual carbon absorption of 2 Daan Forest Park

Water Usage for Household from 2020.1 to 2020.8

Water treatment for 49,000 households

Waste Solvent Recycling and Reuse

Recycling from 2020.1 to 2020.8

Around 6,000 tons

Carbon Deduction from 2020.1 to 2020.8

Around 6,000 tons of CO₂, which equals to annual carbon absorption of 15 Daan Forest Park

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New Investment In 2020

Changhua Coastal Industrial Park Resource Treatment Center BOT Project

- ✓ SPC, 崑崙 Green Energy Technology, will be established, and ECOVE ESC will hold 30% of shares.
- ✓ After EIA, there will 22 years of construction and O&M by CTCI and ECOVE ESC respectively



✓ Things to Know

- It includes pre-treatment, EfW, reuse and landfilling.
- Capacity: 150 TPD of sludge (including 26 industrial park), 100 TPD of waste liquid, and 450 TPD of industrial waste
- Power generation efficiency above 25%, in accordance with relevant regulations
- Following Taoyuan Biomass Center, it's another advance waste treatment facility constructed and operated by us, enabling us to keep our leading role

Key Awarded Tenders in 2020

Waste Management and Incineration

Domestic

- ✓ Tainan Chengxi EfW Plant Extended O&M Project
- ✓ Taoyuan Municipal Waste Outsourced Treatment Project



Overseas

- ✓ Contract extension of Macau Special and Hazardous Waste Treatment Plant
- ✓ Beijing Haidian 3rd Party Supervision Project



Key Awarded Tenders in 2020

Renewable Energy

● PV

- ✓ Based on current project, annual power generation is 76 million kW, enough for 20,902 households for a year, and the annual carbon deduction is 38,864 tons
- ✓ Investment
 - 12 projects
HSR Taoyuan Station, Kaohsiung Metro Northern Depot, Qingliao Landfill, Fengli Landfill 2nd Phase, Taiwan International Port Corporation projects, etc.
 - 8 projects under construction or application
Taoyuan Qingpu Depot, Keelung Port, Hualien Port, Daling A6 Plant, Kaohsiung Daliao Depot, Hualien Yuli, Tri-Services Hospital, Hualien Winery, etc
- ✓ O&M
 - 55 Projects



Key Awarded Tenders in 2020

Recycling and Reuse

- **Waste Solvent**

Recycle and purify waste solvent as raw materials for markets

- ✓ More and more semi-conductor companies has moved into STSP
- ✓ Goals before the end of this year
 - Qualification to generally reuse waste solvent within STSP
 - Cooperate with companies outside of STSP to apply limited reuse of waste solvent from external source



Key Awarded Tenders in 2020

Other Fields

- ✓ Equipment Upgrade, Improvement and Renew Project
 - Songshan Airport Terminal Power Supply Upgrade Project
 - Kaohsiung Central Region Wastewater Treatment Equipment Improvement Project
 - Pintung Agriculture Bio-tech Park Water Resource Center Renew Project

- ✓ Supervision and O&M
 - Macau LRT Supervision Project
 - Danhai LRT System Water & Power Supply, and Environment Control O&M Project
 - Taoyuan and Kaohsiung Metro Equipment O&M Contract Extension



環保、生態、景觀、遊憩、教育

Future Outlook



Business Future Outlook

Waste Management and Incineration



Domestic

- ✓ For the next 5 years, 13 EfW plants will face contract expiration, leading to 75 billion NTD business
- ✓ Hazardous and special waste treatment market accounts for 3.6 billion NTD per year, we will step in at a perfect time

Expected EfW Plant Contract Expiration for the Next Five Years

No.	Plant Name
1	Taitung EfW Plant
2	Changhua Xizhou EfW Plant
3	Kaohsiung Renwu EfW Plant
4	Tainan Chengxi EfW Plant
5	Taichung Wenshan EfW Plant
6	Taichung Houli EfW Plant
7	Pingtung Kanding EfW Plant
8	Chiayi Lucao EfW Plant
9	Kaohsiung Gangshan EfW Plant
10	Hsinchu EfW Plant
11	New Taipei City Bali EfW Plant
12	Chiayi EfW Plant
13	Taichung Wujih EfW Plant

Business Future Outlook

Waste Management and Incineration

Overseas

- ✓ In accordance with Southbound Policy, we will keep importing ECOVE's technology into countries in Southeast Asia, such as Vietnam, Malaysia, etc.
- ✓ Keep Track EfW supervision business in China



Business Future Outlook

Renewable Energy

PV

Renewable energy is now a global trend, and Taiwan has set a goal to reach 25GW PV capacity and 20% renewable energy in total power consumption by 2025.

- ✓ Keep organic growth, and make use of Group resource and our O&M experience to secure investment opportunity
- ✓ Keep evaluating large-scale projects in the US, Australia, and Southeast Asia countries
- ✓ Expand O&M business through our rich experience and advance tools



Business Future Outlook

Recycling and Reuse

Semi-conductor waste and chemicals

- ✓ Follow Taiwanese technology enterprises to establish plants in the US, and secure waste reuse business opportunity using Group resource in the US

Organic Waste

- ✓ Due the swine fever, the government has been promoting kitchen waste treatment, including anaerobic digestion to generate electricity, or aerobic treatment to generate organic fertilizers



Business Future Outlook

Recycling and Reuse

Water Treatment

In conjunction with Group's business development and equity transfer plan, we participated PPP projects of Fengshan River Water Reclamation Plant, Linhai Water Reclamation Plant, and Chongli Wastewater Treatment Plant

- ✓ Central and local government plans to establish 7 wastewater treatment plants, and 1 desalination plant, accounting for 480,000 tons CMD. We will cooperate with Group to secure the O&M services.
- ✓ In addition to the expansion and O&M services of current water treatment plants, we will also be focused on O&M opportunities of other outsourced water treatment plants.



Business Future Outlook

Other Fields

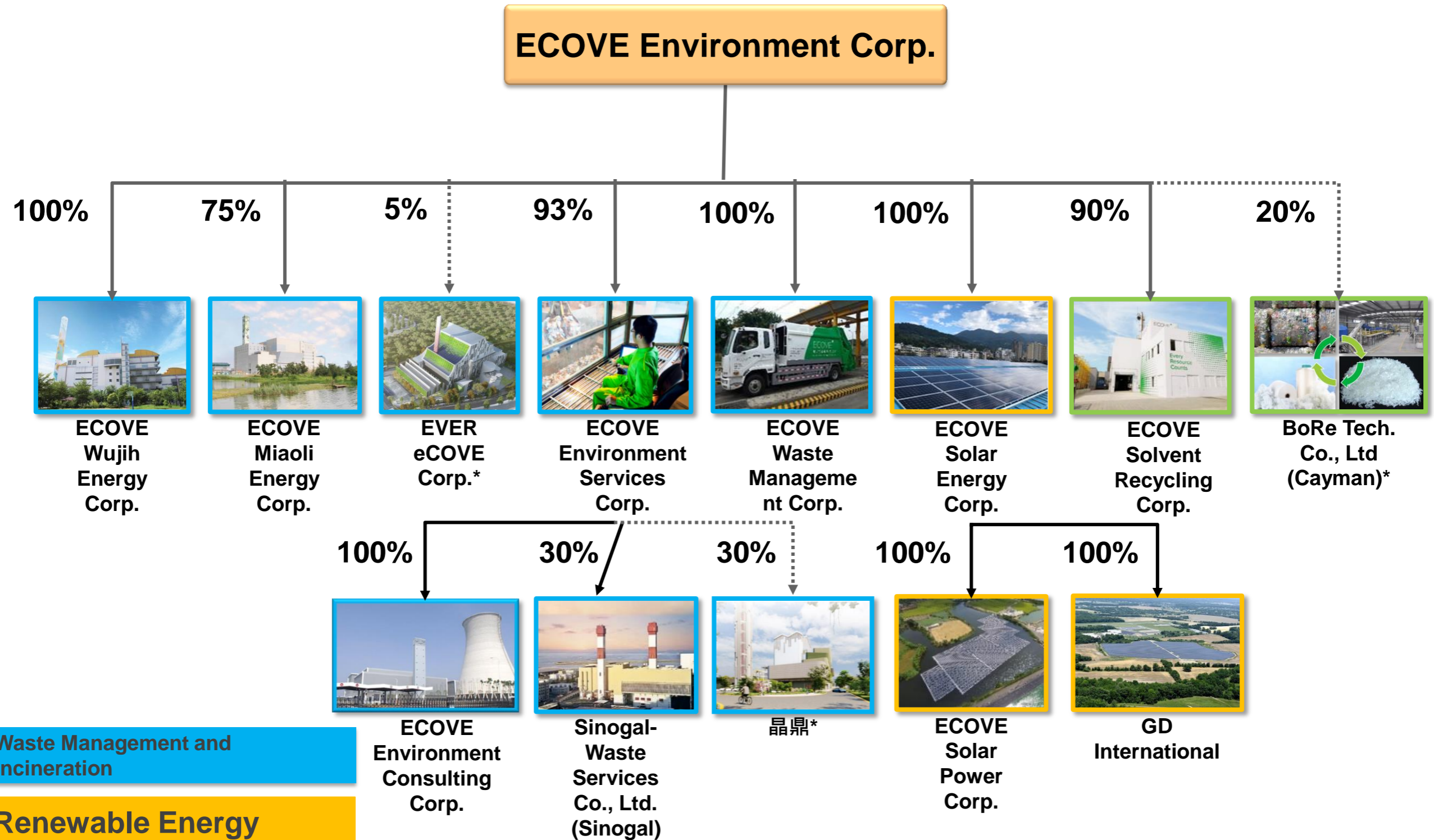
- **Transportation Stations and Trails**



- ✓ For the next five years, there will be many newly constructed metro lines, including Taichung, Taipei, Taoyuan, and New Taipei City, with many opportunities of dynamic test and depots maintenance
- ✓ With our current maintenance experience, we will cooperate with Group to secure the O&M services of the 12 LRT
- ✓ Within five years, there will be 500 million NTD business of air bridge, air-conditioning, and power supply. We will cooperate with current supplier for the above

Summary of Financial Report

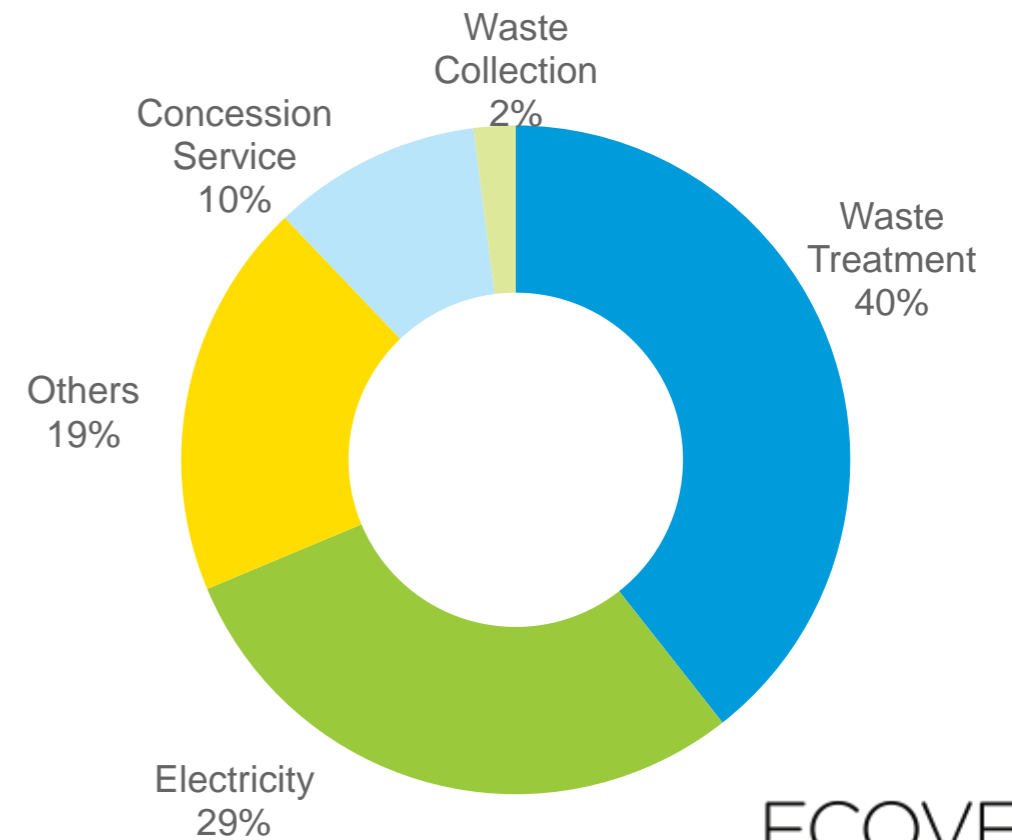
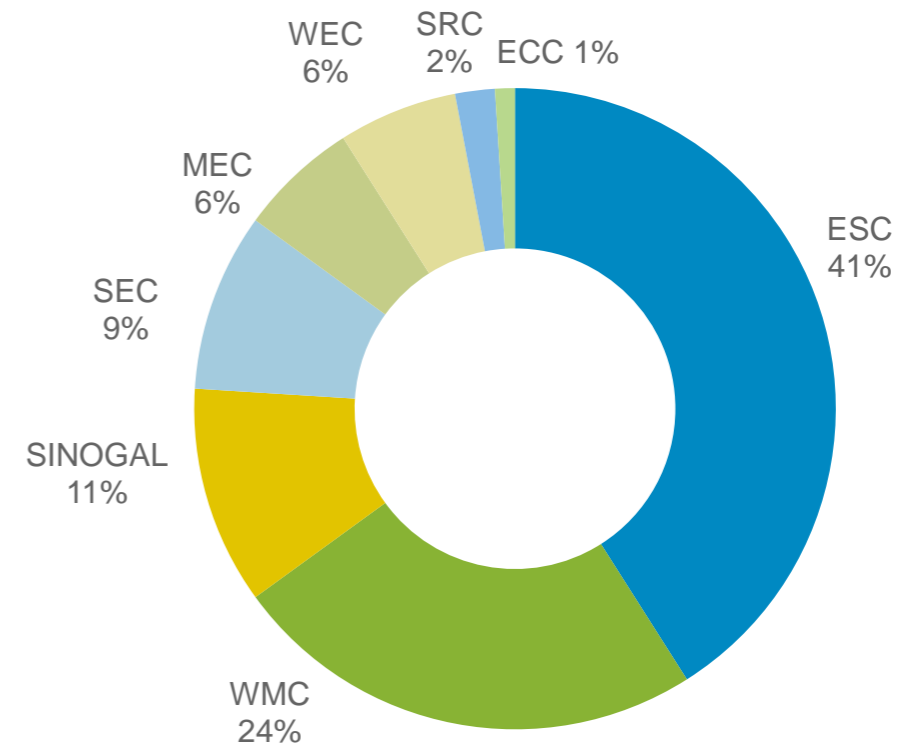
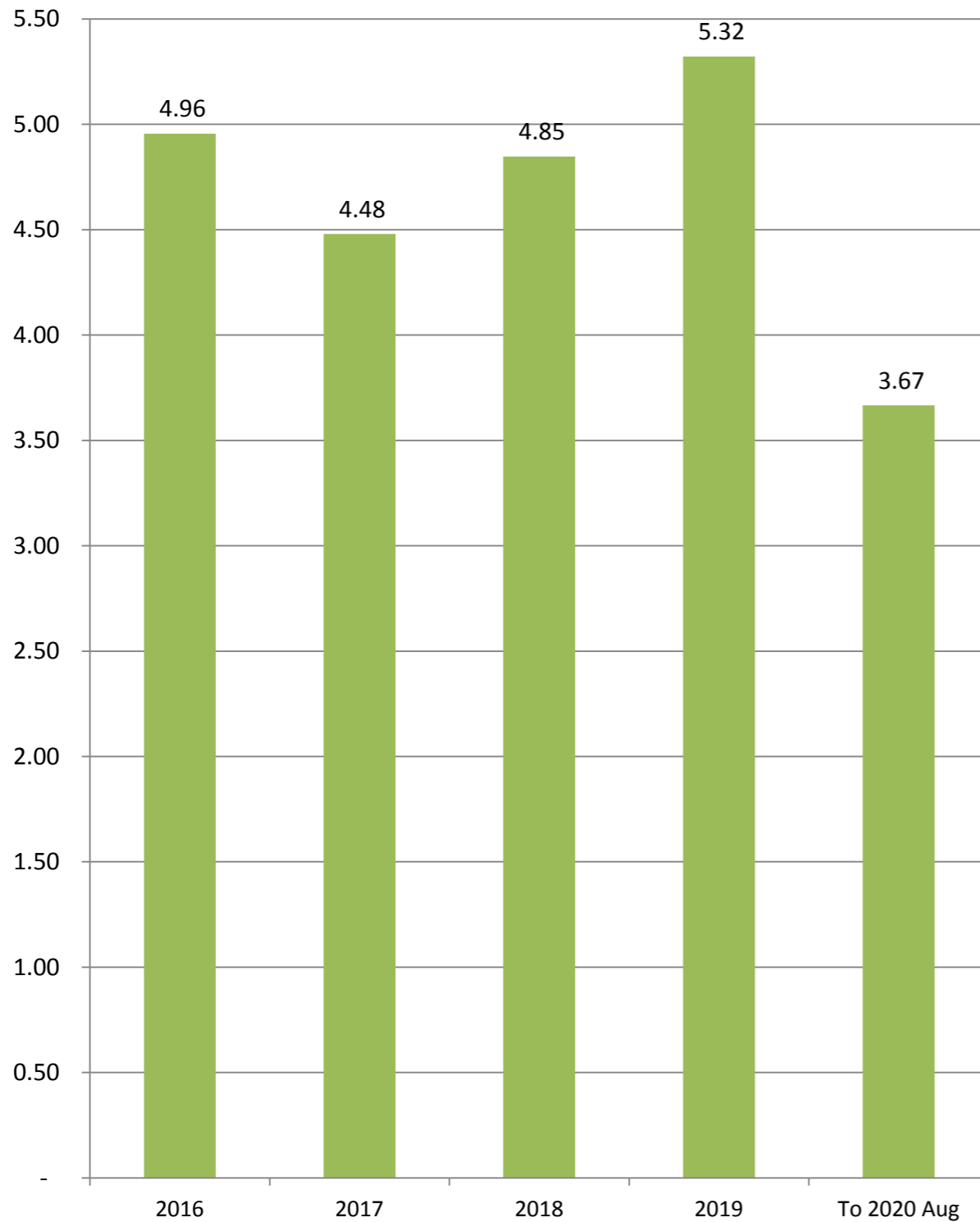
Investment Structure



*By Equity Accounting Method

Consolidated Revenue Breakdown

Unit: NT\$, Billion



2020Q2 Consolidated Income Statement

Unit: NT\$, Thousand

	<u>2020Q2</u>		<u>2019Q2</u>		<u>YOY</u>
Operating Revenue	2,648,694	100.0%	2,539,391	100.0%	4.3%
Operating Costs	(1,984,861)	-74.9%	(1,885,076)	-74.2%	5.3%
Gross Profit	663,833	25.1%	654,315	25.8%	1.5%
Operating Expenses	(88,931)	-3.4%	(80,427)	-3.2%	10.6%
Operating Profit	574,902	21.7%	573,888	22.6%	0.2%
Total Non-Operating Income and Expenses	29,746	1.1%	30,594	1.2%	-2.8%
Profit before income tax	604,648	22.8%	604,482	23.8%	0.0%
Income Tax Expense	(113,898)	-4.3%	(103,284)	-4.1%	10.3%
Profit for the period	490,750	18.5%	501,198	19.7%	-2.1%
Profit attributable to Owners of the parent	407,609	15.4%	402,617	15.9%	1.2%
Earnings Per Share	6.07		6.00		1.2%

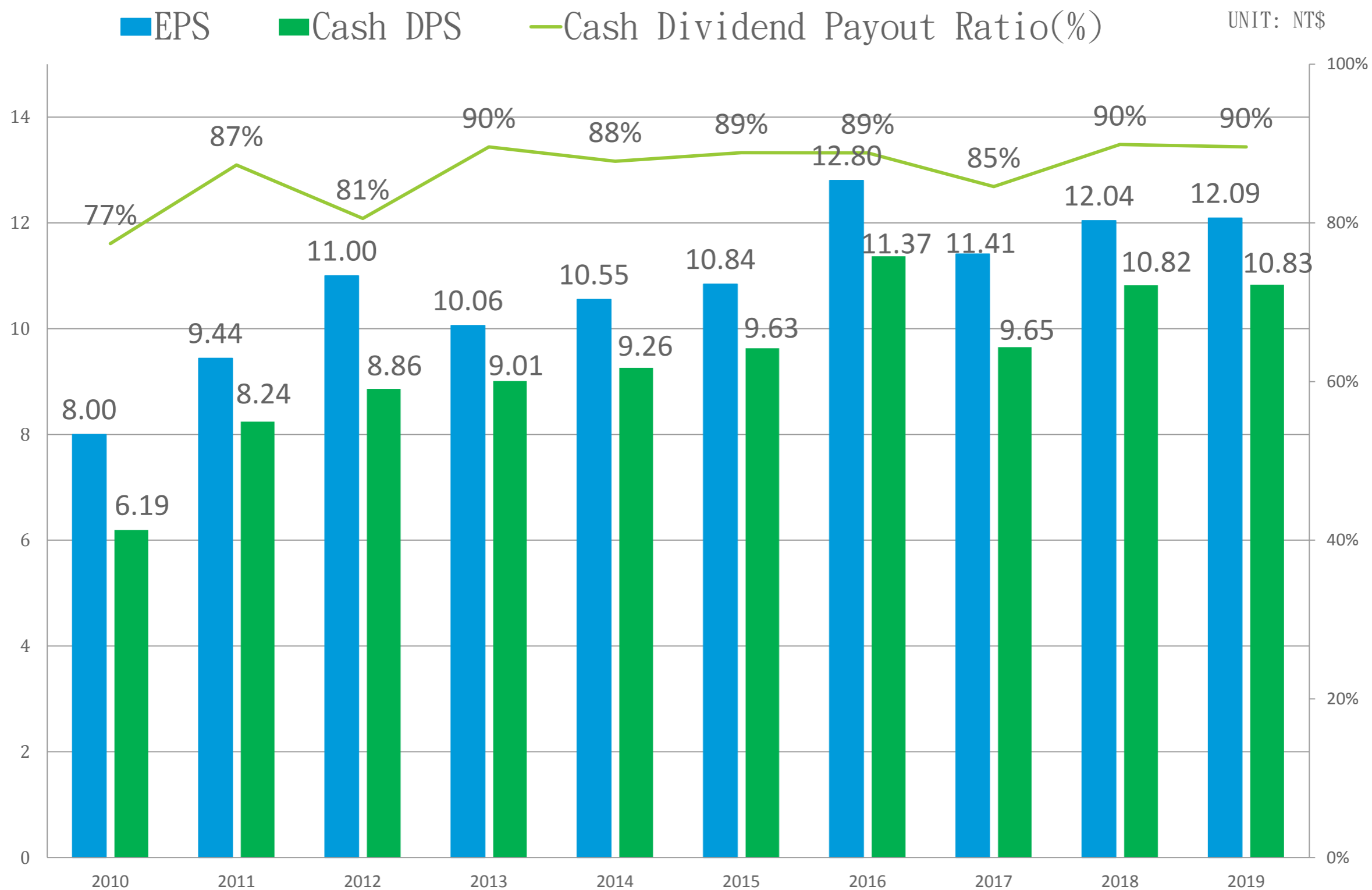
2020Q2 Consolidated Balance Sheet

Unit: NT\$, Thousand

	2020/6/30		2019/6/30	
Current assets*	3,882,995	40%	3,959,024	40%
Non-current assets	5,926,768	60%	5,937,924	60%
Total assets	9,809,763	100%	9,896,948	100%
Current liabilities	2,708,964	27%	2,532,865	26%
Non-current liabilities	2,030,797	21%	2,326,581	23%
Total Liabilities	4,739,761	48%	4,859,446	49%
Equity attributable to owners of the parent	4,657,454	47%	4,578,676	46%
Non-controlling interest	412,548	5%	458,826	5%
Total equity	5,070,002	52%	5,037,502	51%
Total liabilities and equity	9,809,763	100%	9,896,948	100%

* Cash and cash equivalents:NT\$0.40bn.

Dividend Payout



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