



Investor Conference

Nov. 1st 2018



http://www.ecotek.com.tw/cec_csr/index.php

創造對環境友善、讓客戶信賴的全方位工程公司



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Company Introduction: Profile

| | |
|--------------------|---|
| Paid-in Capital | NTD 1.23B |
| Market Cap | NTD 4.33B |
| Major Business | Environmental Engineering M&E Engineering O&M Engineering |
| Number of Employee | 1180 (Admin. 7%, Design 12%, Construction 28%, O&M 53%) |
| Company Location | HQ and Technical Center in Kaohsiung City. Oversea subsidiary company in Vietnam & China |

Company Introduction: Profile

M&E, Plant Engineering

Steel Plant

Aluminum Plant

Biotech & Pharmaceutical Plant

Synthetic Fiber Mill

Industrial Plant

Environmental Protection & Energy

Water Treatment

- advanced water purification
- sewage & waste water treatment and reclamation
- industrial water
- chemical dosing for waste treatment

Air Pollution Control

- de-dust
- de-Nox, de-SOX, de-Dioxin System
- deodorization

Incineration Plant

Energy

- power plant & co-generation plant
- PV plant
- LED

Operation & Maintenance

O&M

- water purification plant & waste water plant
- steel plant
- incineration plant

Mechanical O&M

- heavy rotary equipment
- refractory maintenance
- turnkey maintenance

Electrical Maintenance

- Power system
- Panel control system

Major Repair & Periodical Repair

Operation Overview

M&E



Environmental
Protection



PV



Refractory



Biotech



Oversea



M&E Engineering

- Stable profit earned from group company, e.g., CSC or DSC equipment revamping, site maintenance and O&M, etc.
- Start with the Group and expand outside the Group, we promote turnkey construction for M&E equipment so revenue and profit will increase.

◆ 2018 major on-going projects

- CSC Revamping Project of No. 2 Blast Furnace 3rd Campaign
- CSC Retrofit Project of Conveying Coal/Iron Ore
- CSC RMTP Operation and Maintenance work
- CSC IWI Operation and Maintenance work
- CSC W1 stage 2 Improvement of stone-crushing system
- DSC Retrofit Project of Conveying - RM Storage Yard for wind & dust protection enhancement

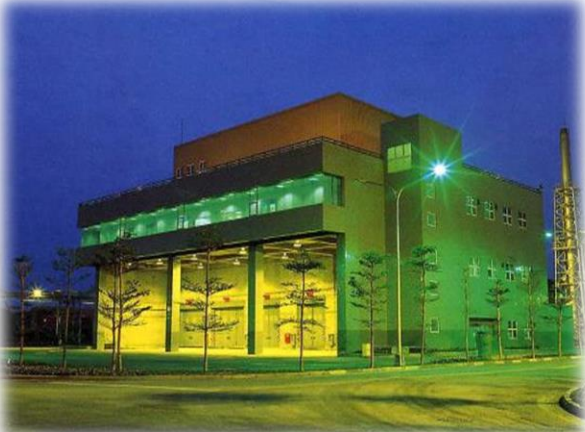


M&E Engineering

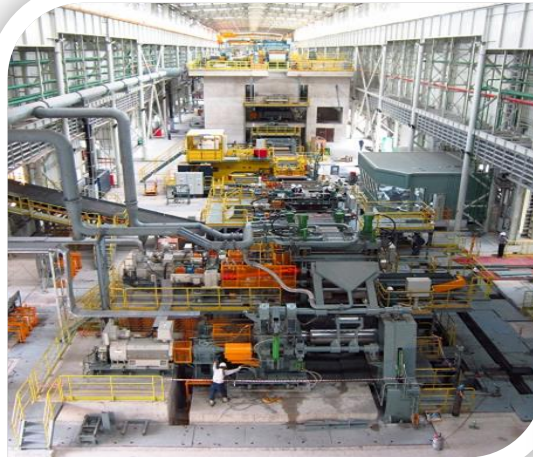
CSC Production Line - M&E Engineering



CSC Recycling Plant O&M



CSC Residual Materials Pretreatment Plant



Environmental Protection Engineering



- Develop the engineering market about recycling and re-using city waste water (reclaimed water). Continuously develop project of waste water treatment, water purification and O&M.
- Upgrade air pollution technique of de-NOX, de-SOX and dust collection. Expand the operation area.

◆ 2018 major on-going projects

- Cheng-Ching Lake Advanced Water Treatment Plant O&M
- Kinmen county, Tai-hu Advanced Water Treatment Plant O&M
- New Taipei City, Sanxia Yingge Water Resources Plant Project
- Kaohsiung City, Kangshan Qiaotou Sewage Treatment Plant Project
- Water Transmission Pipeline Project (from Jin-jiang River, China to Kinmen county)
- CSC Main Transmission Pipeline and Domestic Water Distribution (from Feng-shan stream Wastewater Reclamation Plant)
- Revamping Dust-collecting System for Xin-dian Refuse Incineration Plant and Shu-lin Refuse Incineration Plant
- CSC #2 Indoor Scrap Yard Expansion Project for Dust-collecting
- CSCC Ping-nan Plant SCR project



Environmental Protection Engineering



Water
Treatment

Waste Water Treatment



De-mineral System



Air Pollution Control
Dust
Collection



SCR



FGD





PV Engineering

- Corporate strategy taken between CSC PV Co. and CEC in completing the project of CSC Group 80MWp PV plant installation.
- Mid-to-long term target inside the Group extending to outside the Group, CEC continuously pushes for site turnkey project.

◆ 2018 major on-going projects

- CSC #3 Cold Rolling Mill Plant PV Construction Project.
- CSC Lin-hai Plant PV Construction Project
- CSAC L6/L7 Plant PV Construction Project
- DSC Center Shop PV Construction Project
- CSMC Main Plant and Fong-bi-tou Plant PV Construction Project
- CHS Lu-kang Plant PV Construction Project
- CSSC Yan-chao Plant PV Construction Project





PV Engineering



成品倉庫07庫&條線工場



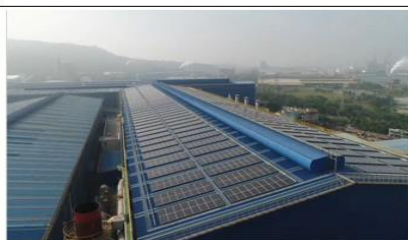
成品倉庫07庫&條線工場



成品倉庫#25



L72-#47#49倉庫



L33連續退火線



中鋼機械



中鋼臨海廠區#83倉庫



中鋼臨海廠區#84#85倉庫



非方向性鋼片往復式冷軋線



茂大冷軋鋼品#88/#89倉庫、輥輪修護工場



第二水平塗覆線&23庫



中鋼第二熱軋鋼帶工場



Refractory Engineering



- By projects of refractory maintenance, we can gain the first-hand/latest information about new-built project and enhance the client's trust to CEC.
- Strengthen the professionals' technique, searching for sources of global refractory materials and expanding business about refractory turnkey construction.

◆ 2018 major on-going projects

- CSC Revamp #3 BFR Refractory Project
- CSC Revamp #3/#4 Hot Stove Refractory Project
- CSC Revamp Y41#2 Heating Furnace
- DSC Refractory Maintenance—Steel-making area
- DSC Repair #21 Hot Stove Connection Pipe
- CSCC Graphitizing furnace - refractory turnkey project



Refractory Engineering



Hot Stove Pipeline



Hot Stove



Lime Burner



Coke Oven



Heating Furnace



Blast Furnace





Biotech & Pharmaceutical

- Biotech construction of whole plant provides complete service for (1) design (2) commissioning (3) liability test, etc.

◆ 2018 major on-going projects

- EirGenix Pharmaceutical Drug Substances Manufacturing Plant
- Intech Biopharma Corporation Manufacturing Plant
- Taimed New Commercial GMP Biopharmaceutical Plant
- New Drug Research and Development Center of Cailway Biopharmaceuticals Co.Ltd
- Design for Fill & Finish Facility of TTY Biopharm
- Design for blood laboratory construction of Mackay Memorial Hospital
- Design for Fill & Finish Facility Project of Formosa Laboratories, Inc.





Biotech & Pharmaceutical

EirGenix (台康生技)



Medigen(高端疫苗)



Taimed (中裕)



Scino(神隆針劑)



Oversea

- Expand business base to Vietnam, in response to governmental New Southbound Policy.
- Actively exploit EPC project of water treatment and pollution control for local steel plant and PET plant.

◆ 2018 major on-going projects

- CSVC M&E Maintenance
- FHS Coke Making Plant M&E Maintenance
- FHS Coke Making Plant Refractory Maintenance
- FHS #1/#2 Sinter Plant FGD, SCR System Project
- FET(VN) 400,000 tons PET Plant Construction Project
- Tung-ho Steel Co.(VN) Rolling Mill Plant M&E Construction and Utility Project

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Interpret: seeviet.net / 阿次



Oversea

FHS M&E Project



Tung Ho Steel M&E Project



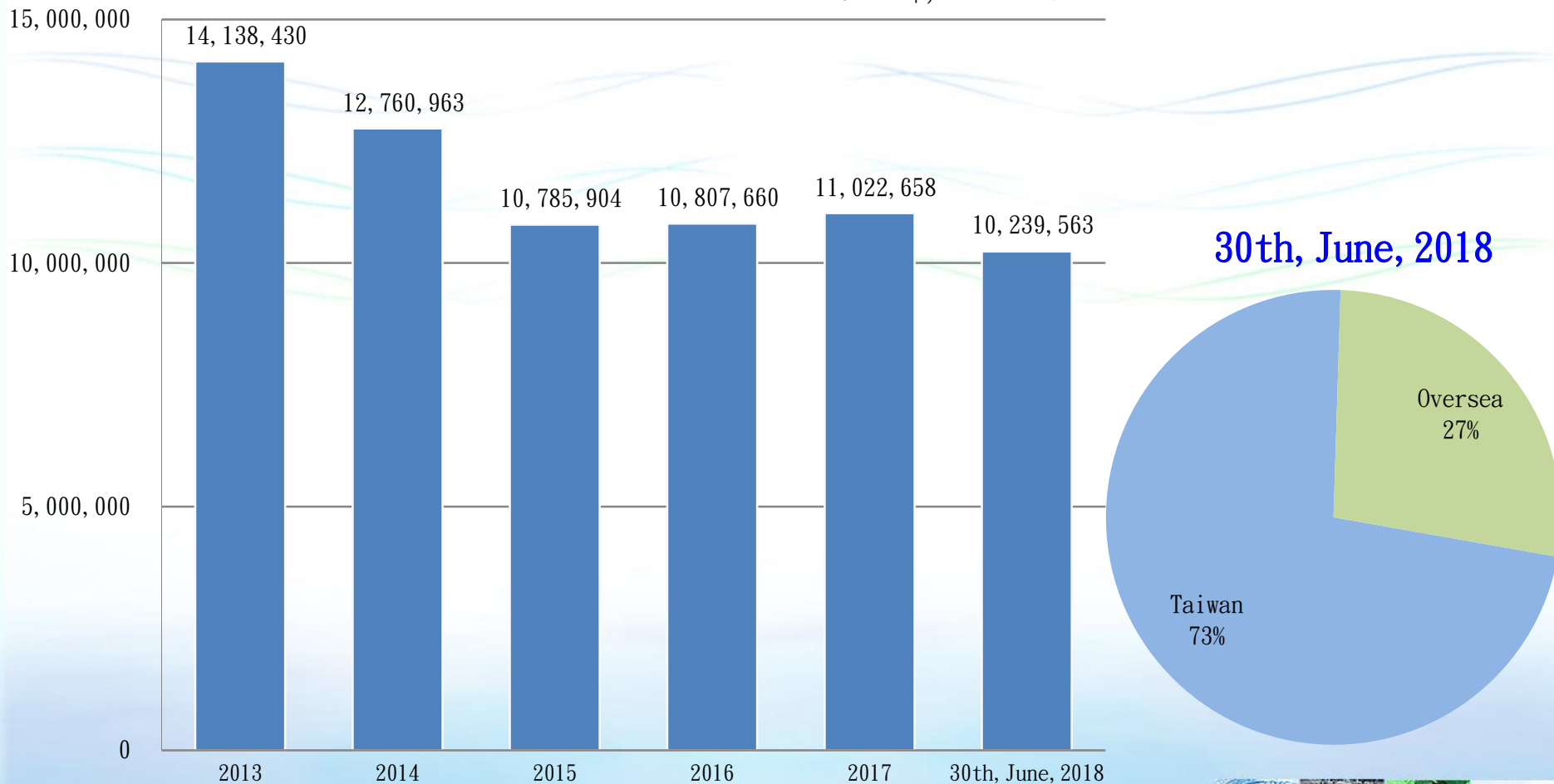
FET(VN) PET Plant Project



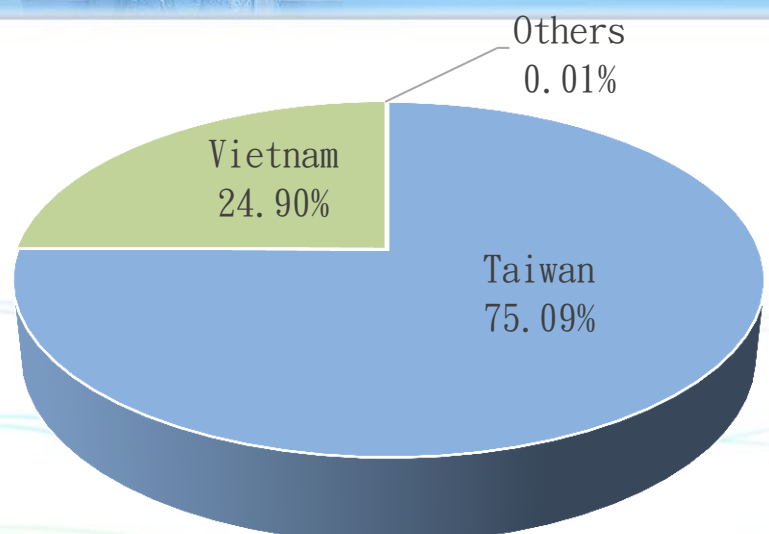
Financial Highlight:

Construction contracts were signed but not yet recorded

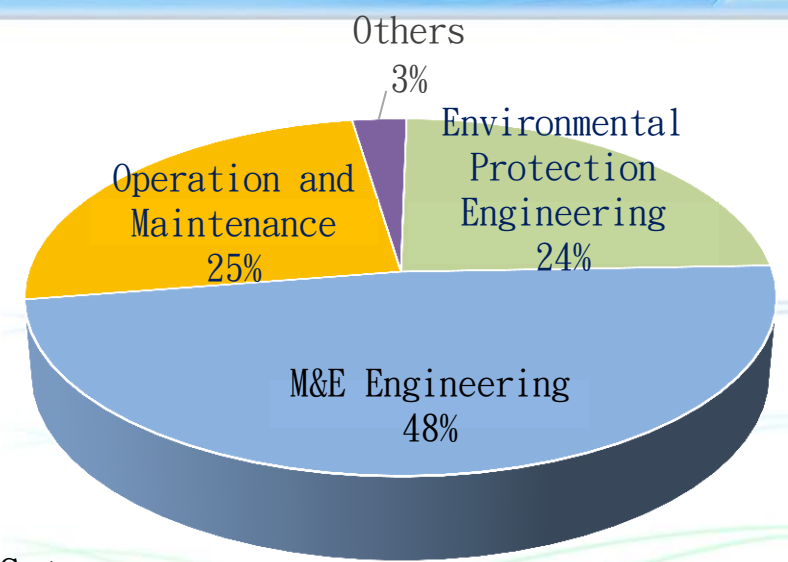
Unit: NT\$, Thousand



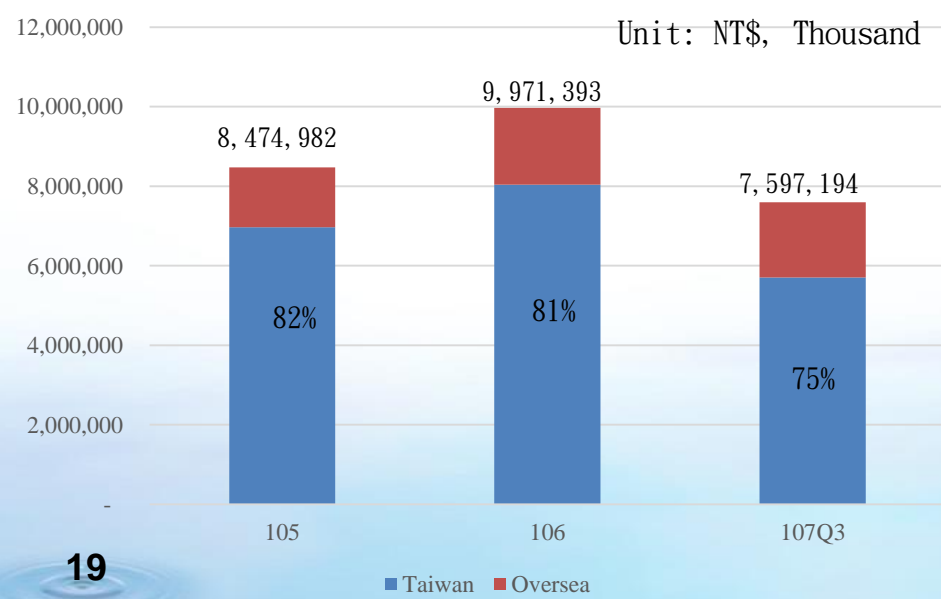
Consolidated Sales Revenues and Breakdown



District : Taiwan 75.09% , Vietnam 24.9%



Category :
M&E Engineering 48%,
Operation and Maintenance 25% ,
Environmental Protection Engineering 24%



1st Half of 2018 Consolidated Income Statement

Unit: NT\$, Thousand

| | 2018/06/30 | | 2017/06/30 | | YOY |
|---|------------|------|------------|------|-------|
| Sales Revenues | 5,021,394 | 100% | 3,939,986 | 100% | 27% |
| Operating costs | 4,732,610 | 95% | 3,610,996 | 91% | 31% |
| Gross Profit | 278,054 | 5% | 328,825 | 9% | -15% |
| Operating expenses | 213,090 | 4% | 192,223 | 5% | 11% |
| Operating income | 64,964 | 1% | 136,602 | 4% | -52% |
| Total non-operating income and expenses | 17,391 | 1% | (63,671) | -2% | -127% |
| Profit before income tax | 82,355 | 2% | 72,931 | 2% | 13% |
| Income tax expense | 36,592 | 1% | 21,304 | 1% | 72% |
| Profit for the period | 45,763 | 1% | 51,627 | 1% | -11% |
| Total basic earnings per share | 0.37 | | 0.42 | | |



1st Half of 2018 Consolidated Balance Sheet

Unit: NT\$, Thousand

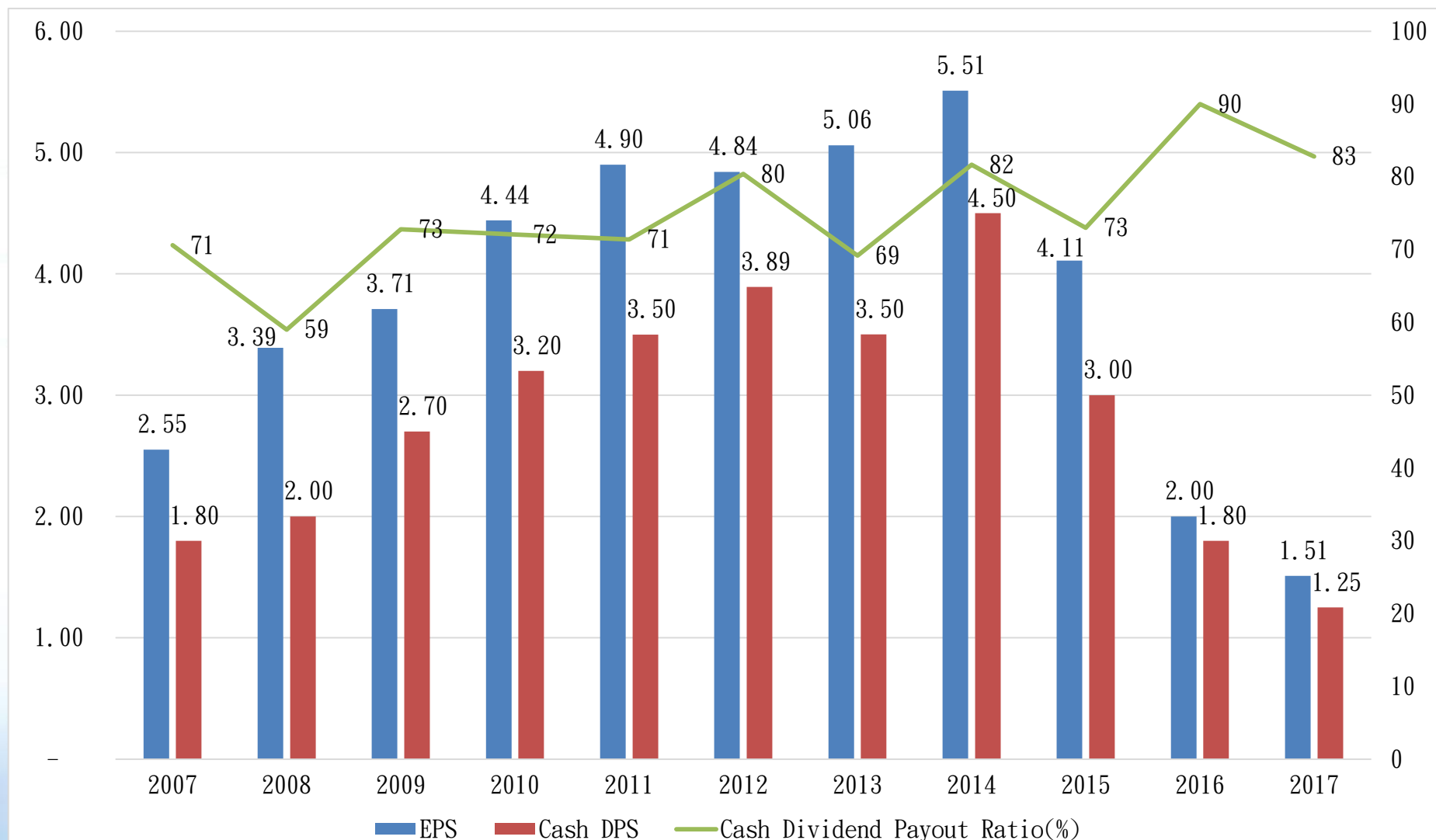
| | 2018/06/30 | | 2017/06/30 | |
|------------------------------|------------|------|------------|------|
| Current assets | 6,237,259 | 83% | 5,965,465 | 84% |
| Non-current assets | 1,234,022 | 17% | 1,138,214 | 16% |
| Total assets | 7,471,281 | 100% | 7,103,679 | 100% |
| Current liabilities* | 4,007,196 | 54% | 3,696,765 | 52% |
| Non-current liabilities | 481,180 | 6% | 454,611 | 6% |
| Total Liabilities | 4,488,376 | 60% | 4,151,376 | 58% |
| Total equity | 2,982,905 | 40% | 2,952,303 | 42% |
| Total liabilities and equity | 7,471,281 | 100% | 7,103,679 | 100% |

* "Contract liabilities-current" NT\$1.62B



Dividend Payout

Unit: NT\$



Future Prospect

1. **New Field Exploitation:** On basis of current M&E, environmental engineering, rebuild internal procedure to reduce cost and to advance core technologies. At the same time, form strategic alliances and cooperate with the government to promote policy of “energy saving & carbon reduction” and circular economy.
2. **Operation & Maintenance:** Boost up the M&E and Refractory by business mode of combining construction procurement with labor, within the Group and outside the Group, in order to increase company' s revenue and profit.
3. **Resources Integration:** Upgrade company competitive by new business mode of participating in projects of development, production and integration, in the field of reclaimed water, green energy and refractory.

Business Profit Potential



1. Revamping Project of CSC No.2 Blast Furnace 3rd Campaign (6.36B)
2. Revamping #1 Power Plant(MB, TG-9, TG-10) (10B)
3. Taiwan has 19 Refuse Incineration Plants which are built over 15 years. 3 of 19 plants have awarded bids in revamping; the rest of 16 plants will also keep up one after another. (15.342B)
4. Effluent Recycling Project of Public Sewage Treatment (pending bid for vender):
Project of Fu-tian Reclaimed Water Treatment (130k ton/per day, 9.3B), Project of An-pin Reclaimed Water Treatment (30k ton/per day, 3.62B), Project of Sui-nan Reclaimed Water Treatment (10k ton/per day, 0.77B) →total: 13.69B
5. In 2020, Taiwan Environmental Protection Admin. will tighten the standard about air pollutants, in order to improve the pollution from current Coal-fired boiler & heavy-oil burner. EX: particular pollutant (30mg/Nm³), SO_x(50ppm) 、NO_x(100ppm)
It means over half of 15 thousand boilers in Taiwan needs revamping. →over 30B potential profits





Thank You for Listening
Your Comments are welcome

