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#### CHINA ECOTEK CORPORATION Investor Conference 2024.05.24

http://www.ecotek.com.tw/cec\_csr/index.php

Eco-friendly and Trustworthy Company with Comprehensive Business in Engineering







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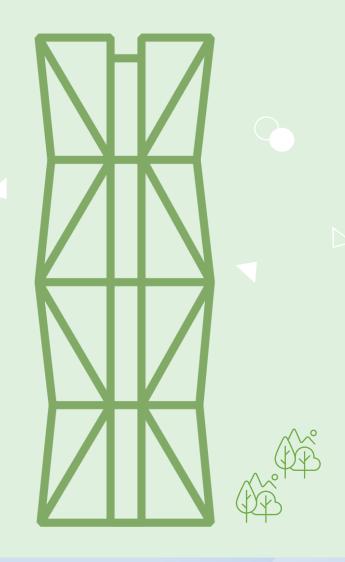
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## Agenda



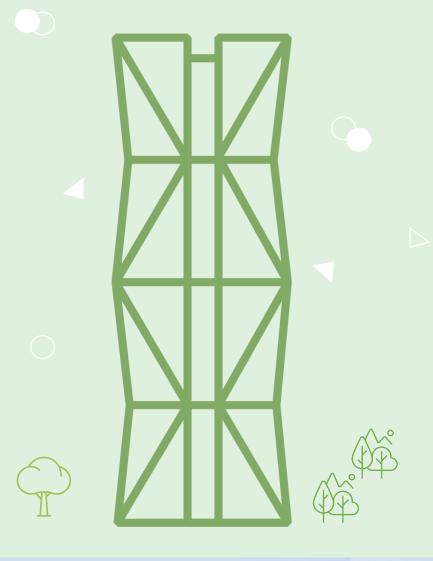




Financial Highlights

Operational Prospects







#### **Business Overview**

### **Business Overview**





M&E Engineering



**Green Energy & Environmental** 

**Engineering** 



**Operation & Maintenance** 



**Refractory Engineering** 



**Biotechnology Engineering** 

### **M&E Engineering**





#### **Business strategy**

- Upgrade M&E technical level. Cooperate with massive subcontractors. Extend the business range of M&E engineering.
- Proactively expand the engineering capacity inside and outside the Group, contracting EPC projects so the revenue and profit can increase.

#### Major ongoing Projects during 2024. Q1

- DSC 1BFR1 Blast Furnace & Coke Plant, Revamping Project
- DSC No.1&No.2 Sintering Equipment Revamping Project
- CSC Coke Conveying & Handling System, new-built Project
- CSC W1 New Coal Enclosed Building Conveyor System, renovation work, Ph. 2 Project
- CSCC Ph. 2 Graphitizing Furnace, Power Station Expansion Project
- POLYPLASTICS TAIWAN CO. TLP-1(LCP) Plant Project

### **M&E Engineering**



CSC Coal Iron Ore, Conveyor System Reconstruction Project



CSC New Coal Enclosed Building Conveyor System, renovation work, Ph. 2 Project



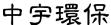
POLYPLASTICS TAIWAN CO. TLP-1(LCP) Plant Project

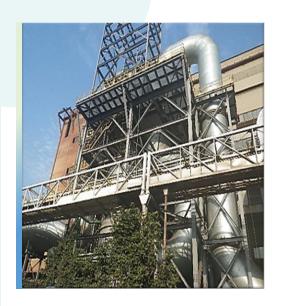




### Green Energy & Environmental Engineering







#### **Business strategy**

- Bid to undertake air pollution control EPC project such as de-NOX, de-SOX and dust-collecting device.
- Promote EPC project for PV system engineering, targeting on the Group projects and extends outside the Group.
- Continuously develop sewage and pure water treatment.
- Develop Construction Project about Circular Economy.

#### Major ongoing Projects during 2024. Q1

- CSC Energy Storage System, Microgrid System Project and PV System Construction Project
- CSC #3 Coke Plant EP Revamping Project
- CSC DC-13B &15A Dust-collecting Machine Revamping Project
- CSC Power Plant No. 11 Boiler FGD System Project
- DSC Futian Reclaimed Water Plant Project
- Caotun Water Purification Plant Construction Project

## Green Energy & Environmental Engineering





### **Operation & Maintenance**





#### **Business strategy**

- On-site O&M work at CSC and DSC provides stabilized profit.
- Keep up O&M work at public construction for sewage and advanced water treatment.

#### Major ongoing Projects during 2024Q1

- CSC Raw Material Preparation Treatment Yard (RMTP) O&M
- CSC Industrial Waste Incinerator(IWI) O&M
- CSC Industrial Wastewater Purification Yard, Operation & Maintenance
- DSC Water Treatment Plant O&M
- Cheng-Ching Lake Advanced Water Treatment Plant O&M
- Kinmen county, Tai-hu Advanced Water Treatment Plant O&M

### **Operation & Maintenance**



Cheng-Ching Lake Advanced Water Treatment Plan

**DSC Waste Water Treatment Plant** 



Kinmen county, Tai-hu Water
Treatment Plant

CSC Industrial Waste Water Treatment Plant



### **Refractory Engineering**





#### **Business strategy**

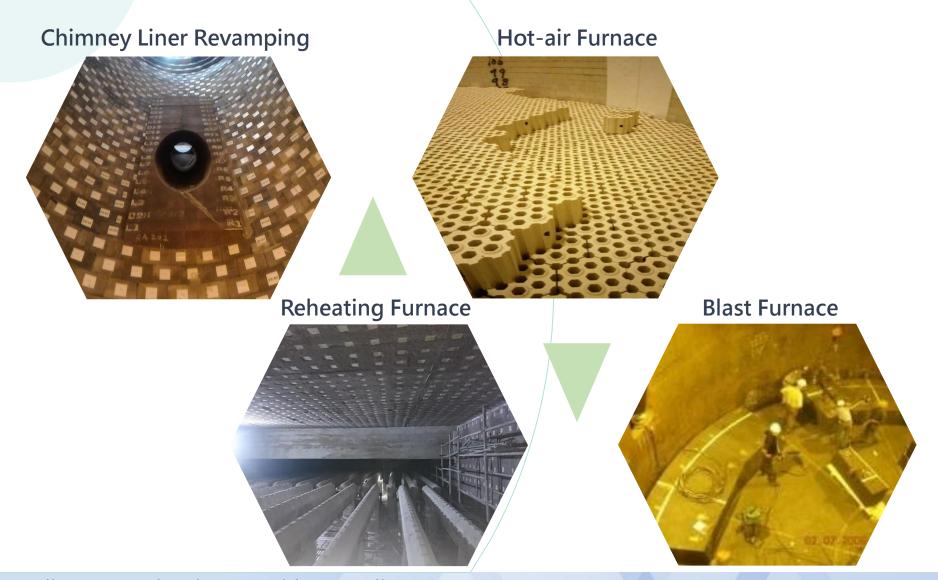
- Strengthen the professional technique, searching for sources of global refractory materials and expanding business about refractory turnkey construction.
- Install self-own factory. Develop & invest refractory formula. Train engineering team, and enhance value chain.

#### Major ongoing Projects during 2024Q1

- CSC New Ph. 1&2 Coke Oven Plant(COP) Refractory Construction Project
- CSCC Ph. 2 Graphitizing Furnace, Refractory Material Supplies.
- DSC Furnace Lining, Refractory Material Restoration Work(R01)
- DSC 1BFR1 Blast Furnace Lining Refractory Brick Restoration Work

### **Refractory Engineering**





### **Biotechnology Engineering**





Building Interior

> Air-con& Ventilation

#### **Business Strategy**

Biotechnology Engineering includes services such as: (1)Design Engineering (2)Construction (3)Validity Test

#### Major ongoing Projects during 2024Q1

- Acepodia Company, Nan-gang Biotechnology Research Park, GMP Lab Construction Project
- BeiGene Ltd. Company Lab Installation Project in Nei-Hu District
- Pharmosa Biopharm Inc. Company, GMP-Compliant Fill-finish Plant, M&E Work
- Intelligene Inc. Company, Taipei Bio-innovation Park, new-built Factory Project

Light Current Firefighting

Drainage & Wastewater Treatment

Utility

Pipeline Cleaning

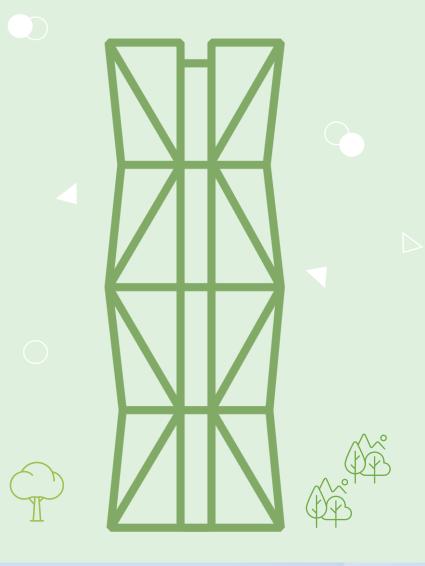
### **Biotechnology Engineering**







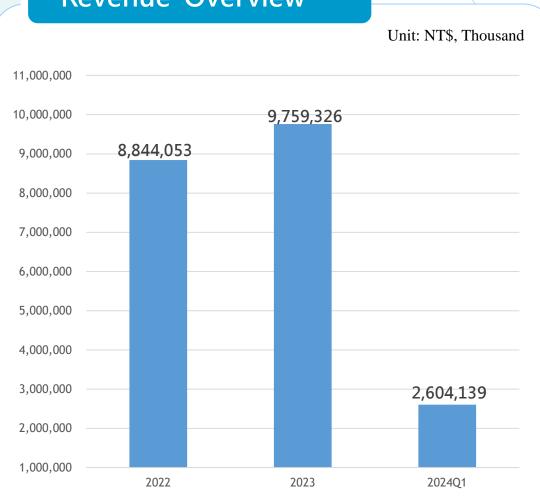












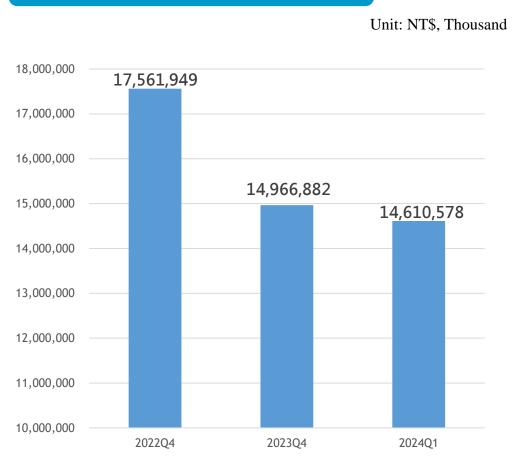
#### 2024Q1 Category Biotechnology **Engineering** 1% **Others** Refractory 2% **Engineering** 14% M&E **Engineering** 37% **Green Energy & Environme**ntal **Engineering** 18%

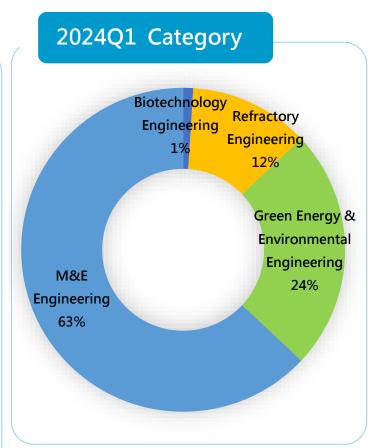
Operation&

Maintenance 28%









Note: exclude from Operation & Maintenance



#### **Consolidated Income Statement**

Unit: NT\$, Thousand

	2024/01/01-03/31		2023/01/01-03/31		YOY
Sales Revenues	2,604,139	100%	2,006,509	100%	30%
Operating costs	2,359,488	91%	1,827,868	91%	29%
Gross Profit	245,059	9%	179,520	9%	37%
Operating expenses	135,597	5%	122,890	6%	10%
Operating Income Total non-operating income	109,462	4%	56,630	3%	93%
and expenses	41,314	2%	80,132	4%	-48%
Profit before income tax	150,776	6%	136,762	7%	10%
Income tax expense	31,082	1%	21,373	1%	45%
Profit for the period	119,694	5%	115,389	6%	4%
Total basic earnings per share	0.97		0.93		

<sup>\*</sup>Remark: Above data is reviewed by accountant/



#### **Consolidated Income Statement**

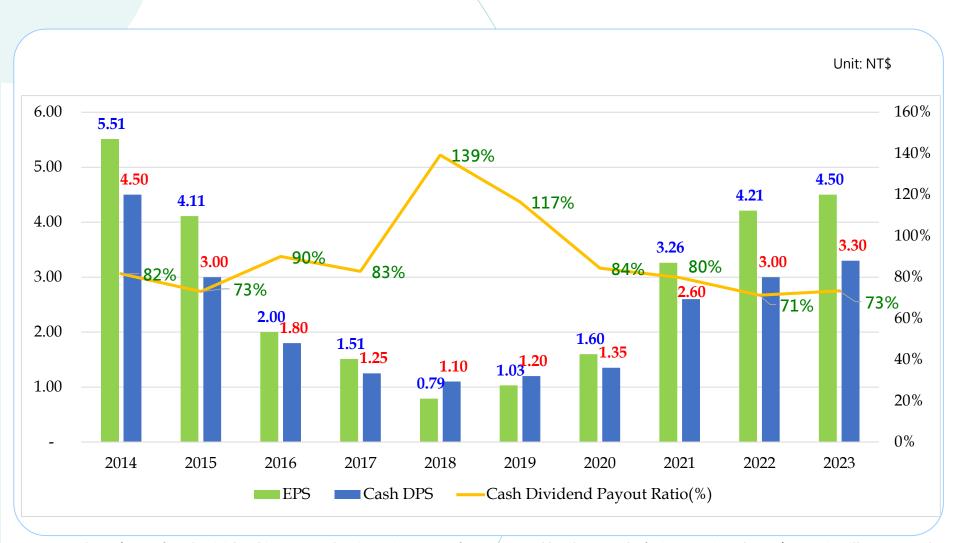
Unit: NT\$, Thousand

	2023/01/01-12/31		2022/01/01-12/31		YOY
Sales Revenues	9,759,326	100%	8,844,053	100%	10%
Operating costs	8,786,581	90%	8,031,190	91%	9%
Gross Profit	974,118	10%	812,742	9%	20%
Operating expenses	509,162	5%	480,109	5%	6%
Operating Income Total non-operating income	464,956	5%	332,633	4%	40%
and expenses	220,904	2%	279,269	3%	-21%
Profit before income tax	685,860	7%	611,902	7%	12%
Income tax expense	128,968	1%	91,383	1%	41%
Profit for the period	556,892	6%	520,519	6%	7%
Total basic earnings per share	4.50		4.21		

<sup>\*</sup>Remark: Above data is approved & reviewed by accountant

# 中字環保

#### Financial Highlights-Dividend Payout Ratio



\*Remark: NT\$ 3.3 of Cash Dividend is expected to issue in 2023. After approved by the Board of Directors in Feb. 27<sup>rd</sup> 2024, it will report and have rectification in the Shareholders Meeting in June 25<sup>th</sup> 2024. Besides, 2023 EPS is NT\$4.5 and is approved and reviewed by accountant.







**Operational Prospects** 

### 經營策略











#### Develop Circular Economy

- Expand PV engineering outside the Group and energy storage system
- CSC steel & chemistry cogeneration \* (Circular Economy) project
- CSC carbon capture and storage (CCS) engineering project
- Reclaimed Water Development Project
- Expand sales items about energy saving and carbon reduction, such as business LED and air purifier.

#### Enlarge Business Domains

- Combine R&D inside & outside the Group
- Enhance techniques of air pollution control and water treatment
- Participate in the Group's Integral Design
- Increase proportion of independent design
  - Labor with material in Refractory Engineering

### Develop Digital Transformation

- Import smart wear for construction work
- Optimize management of pipeline and materials
- Import the design of smart material management
- Strengthen operational execution ability to support administration system

### Strengthen Core Technology

- Strengthen professional skill
- Introduce crucial technology team
- Develop manpower with professional skill

#### **Future Operation & Business Opportunities**





#### M&E Engineering

- **CSC Coke Oven Plant Revamp** Project
- CSC Stock-yard & Conveyor system Revamp Project
- CSC 2<sup>nd</sup> Acid Pickling Cold-rolling Line, PLCM Project
- DSC #1BF Blast Furnace Major Overhaul Project

#### **Sales Business**

- air purifier, activated carbon adsorption
- LED, industrial socket
- refractory materials
- auxiliary chemicals for water treatment

Sales Business

M&E

**Engineering** 

Operation & Maintenance

#### **Operation & Maintenance**

- **CSC Site Maintenance**
- CSC Industrial Waste Incinerator(IWI) O&M
- CSC Raw Material Preparation Treatment Yard (RMTP) **Operation Work**
- Water Treatment Plant O&M (CSC, DSC, Cheng-

#### Green Energy & **Environmental Engineering**

- Air Pollution Control, Dustcollecting work, FGD&SCR System Engineering
- Public Works(Purified Water, Reclaimed Water)
- PV Installation Project
  - Energy storage system
  - CSC cogeneration for steel and chemical, carbon capture & storage (CCS) project



Refractory

**Engineering** 

**Green Energy &** 

**Environmental** 

**Engineering** 

#### **Biotechnology Engineering**

- Taipei Biotechnological Area
- Hsinchu Biomedical Science Park
- South Smart Biomedical Industrial
- Ping-tung Agricultural Biotechnology Park

#### Refractory Engineering

Biotechnology

Engineering

CSC & DSC Refractory Revamping for Heating Furnace, Reheating Furnace, and Converter

Excellence • Technology • Faith • Quality

### **Expand Sales Business**



New model launches on March, 2024



customized filter and R&D for filter materials





### **Expand Sales Business**









22W LED Panel Lighting
Certificated energy label (140LM/W)with highest energy sufficient standard

100W LED Streetlight Certificated energy label (140LM/W)

100/120/150/250/300/600W LED Bay Lighting

In progress of energy sufficient test

Auxiliary Chemicals for water treatment



Refractory Material **ESG** Practice & Performance





Ongoing inventory of GHG emission and constant survey of the 3<sup>rd</sup> party verification



### Social Responsibility

 CEC 31<sup>th</sup> Anniversary Party with charitable event: donation for welfare group on the topic of environmental protection and sustainable energy



### overnance of Company

 Company Governance Evaluation TOP 6-20% in four consecutive years.





Q&A