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Content

1. Operation Overview

2. Financial Highlight

3. Future Prospects



1. Operation Overview



Business Scope

M&E, Plant Engineering

Steel Plant

Aluminum Plant

Biotech & Pharmaceutical Plant

Synthetic Fiber Mill

Industrial Plant

Environmental Protection & Energy Resource

Water Treatment

- Advanced Water Purification
- Sewage & Waste Water Treatment and Recycling
- Industrial Water
- Chemical dosing for waste treatment

Air Pollution Control

- De-dust
- De-Nox, De-SOX, De-Dioxin System
- Deodorization

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

- Mechanical Equipment
- Heavy Rotary Equipment

Electrical Maintenance

- Power system
- panel control system

Major Revamping & Periodical Repair

Refractory O&M



Operation Overview

M&E Engineering



Green Energy & Ecological Engineering



Refractory Engineering



Operation & Maintenance



Biotech & Pharmaceutical Engineering



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.

◆ 2019 Major On-going Projects

- CSC No. 2 Blast Furnace 3rd Campaign Revamping Project
- CSC Coal/Iron Ore Retrofit Conveying Project
- DSC Shape Steel Plant 3.3KV Electricity System Revamp Project
- CSC RH Processing Tank Revamp Project
- SinDa Marine Structure Co. Utility Facility EPC Project
- CSC Crusher System Revamp Project
- (VN) FET Chemical Fiber Plant 400,000 tons Construction EPC Project
- (VN) Tung-ho Steel Hot Strip Mill M&E Installation and Piping Project

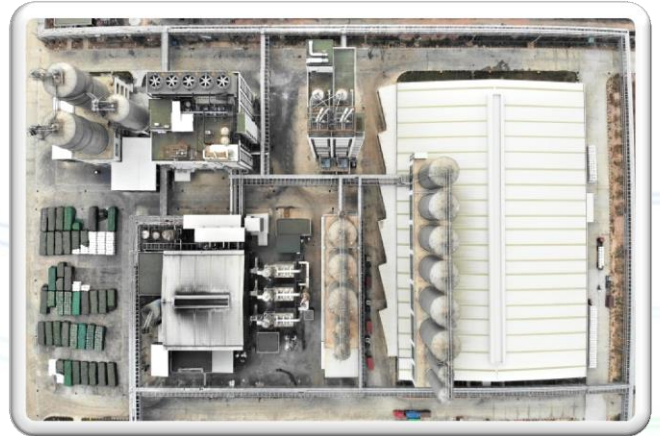


M&E Engineering

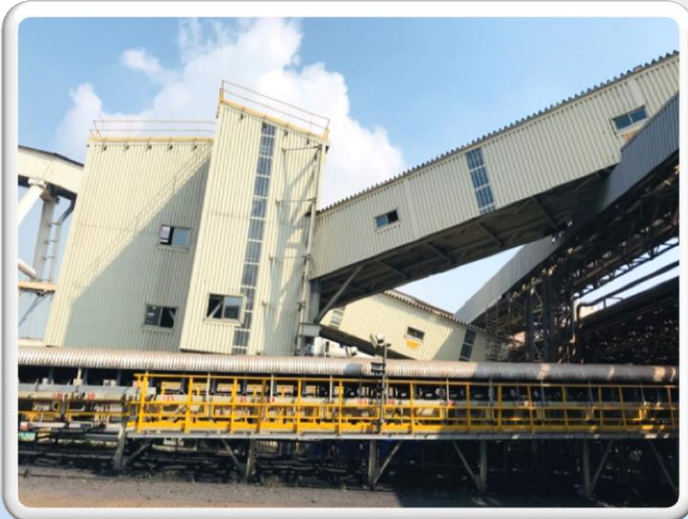
SinDa Marine Structure Co.



FET (VN) Chemical Fiber Plant



CSC Coal Iron Conveyor System



Tung-ho Steel Co. Hot Strip Mill



Operation & Maintenance



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

◆ 2019 Major On-going Projects

- CSC RMTP & Recycling Plant Operation
- CSC Industrial Waste Incinerator O&M
- 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
- New Taipei City San-ying Recycling Center O&M
- Kaohsiung City, Kangshan Qiaotou Sewage Treatment Plant O&M
- (VN) CSVC M&E O&M



Operation & Maintenance



Cheng-ching Lake
Water Treatment Plant



San-ying Water Recycling Center



Gang-Shan Sewage Treatment Plant



King-men Tai Lake Water
Treatment Plant



Green Energy & Environmental Protection Engineering



- Upgrade air pollution technique of de-NOX, de-SOX and dust collection. Expand the operation area.
- PV System Engineering targets on the Group projects and extends to others outside the Group, CEC continuously pushes for site turnkey project.
- Continuously develop sewage and pure water treatment project.

◆ 2019 Major On-going Projects

- CSC Group PV Construction Project
- CSC #1SP EP Revamp Project
- CSC #1SP FGD EPC Project
- DSC #1SP Flue-Gas EP Project
- CSC Iron-making Plant De-dust Project
- CSC Coke-making Plant COD Removal Pool Project
- (VN) FHS Coke-making Plant FGD&SCR Project



Green Energy & Environmental Protection Engineering



De-SOx



Electrostatic Precipitator



De-NOx



De-Dust



PV



Refractory Engineering



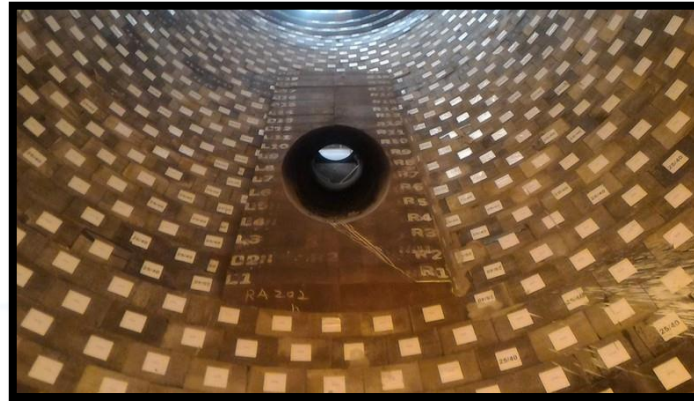
- Strengthen the professional technique, searching for sources of global refractory materials and expanding business about refractory turnkey construction.

◆ 2019 Major On-going Projects

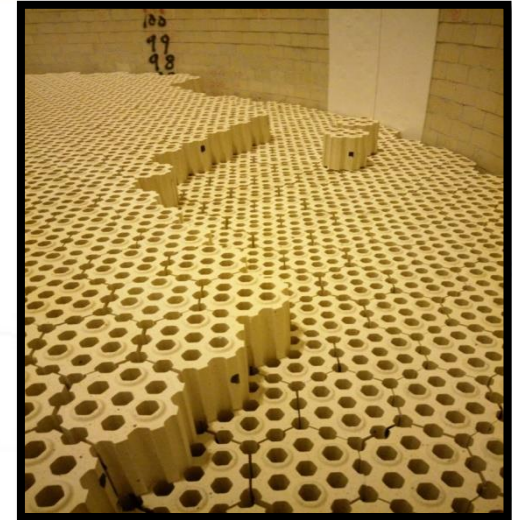
- CSC No.2 SB #3 BFR Refractory Revamp Project
- CSC #31/#34 Hot-air Furnace Revamp Project
- DSC Electric Furnace Material with Labor Project
- DSC Converter Furnace Liner Refractory Revamp Project
- (VN) FHS Converter Furnace Refractory EPC Project



Refractory Engineering



Furnace Liner Revamping



Air-heating Furnace



Reheating Furnace



Blast Furnace





Biotech & Pharmaceutical Engineering

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

◆ 2019 Major On-going Projects

- EirGenix Pharmaceutical GMP Plant EPC
- Taimed New Commercial GMP Biopharmaceutical Plant EPC
- Calaway Biopharmaceutical Pilot Plant EPC
- Formosa Laboratories Co. Plant Design Project
- ScinoPharm Injectable Plant Filling Room M&E System Project



Biotech & Pharmaceutical Engineering



Caliway Biopharmaceutical Co



Formosa Laboratories, Inc.



TaiMed Biologics



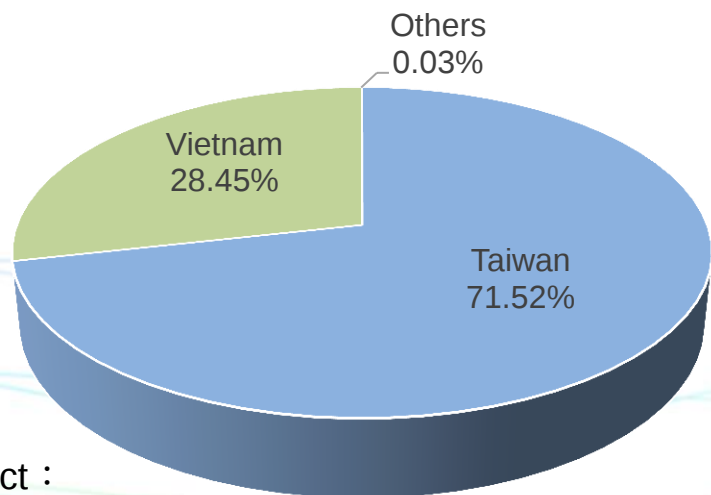
ScinoPharm
Injectable Plant



2. Financial Highlight

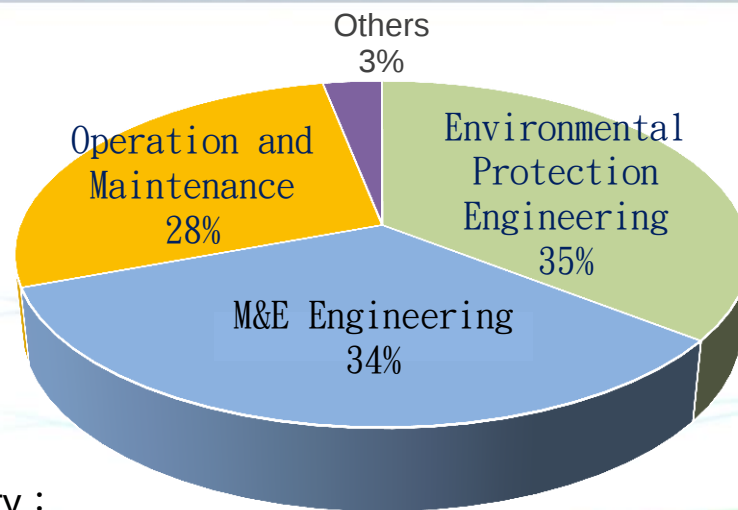


Consolidated Sales Revenues and Breakdown



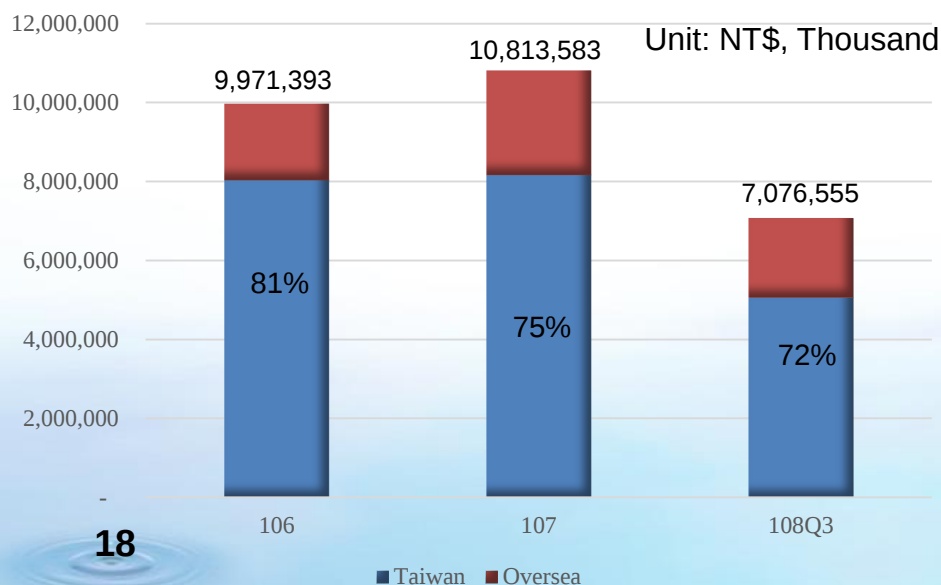
District :

Taiwan 71.52% , Vietnam 28.45%

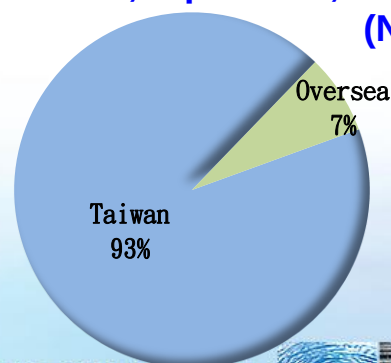


Category :

M&E Engineering 34%,
Operation and Maintenance 28% ,
Environmental Protection Engineering 35%



Construction contracts were signed but not yet recorded on 30th, September, 2019 is 6,632,598. (NT\$, Thousand)



Financial Highlight--Consolidated Income Statement (2019 Q1~Q3)

Unit: NT\$, Thousand

	2019/9/30		2018/9/30		YOY
Sales Revenues	7,076,555	100%	7,597,194	100%	-7%
Operating costs	6,682,466	95%	7,215,703	95%	-7%
Gross Profit	380,060	5%	367,831	5%	3%
Operating expenses	359,953	5%	326,855	5%	10%
Operating income	20,107	0%	40,976	0%	-51%
Total non-operating income and expenses	94,857	2%	53,619	1%	77%
Profit before income tax	114,964	2%	94,595	1%	22%
Income tax expense	28,343	1%	36,510	0%	-22%
Profit for the period	86,621	1%	58,085	1%	49%
Total basic earnings per share	0.70		0.47		



Financial Highlight--Consolidated Income Statement (2019 Q1~Q3)

Unit: NT\$, Thousand

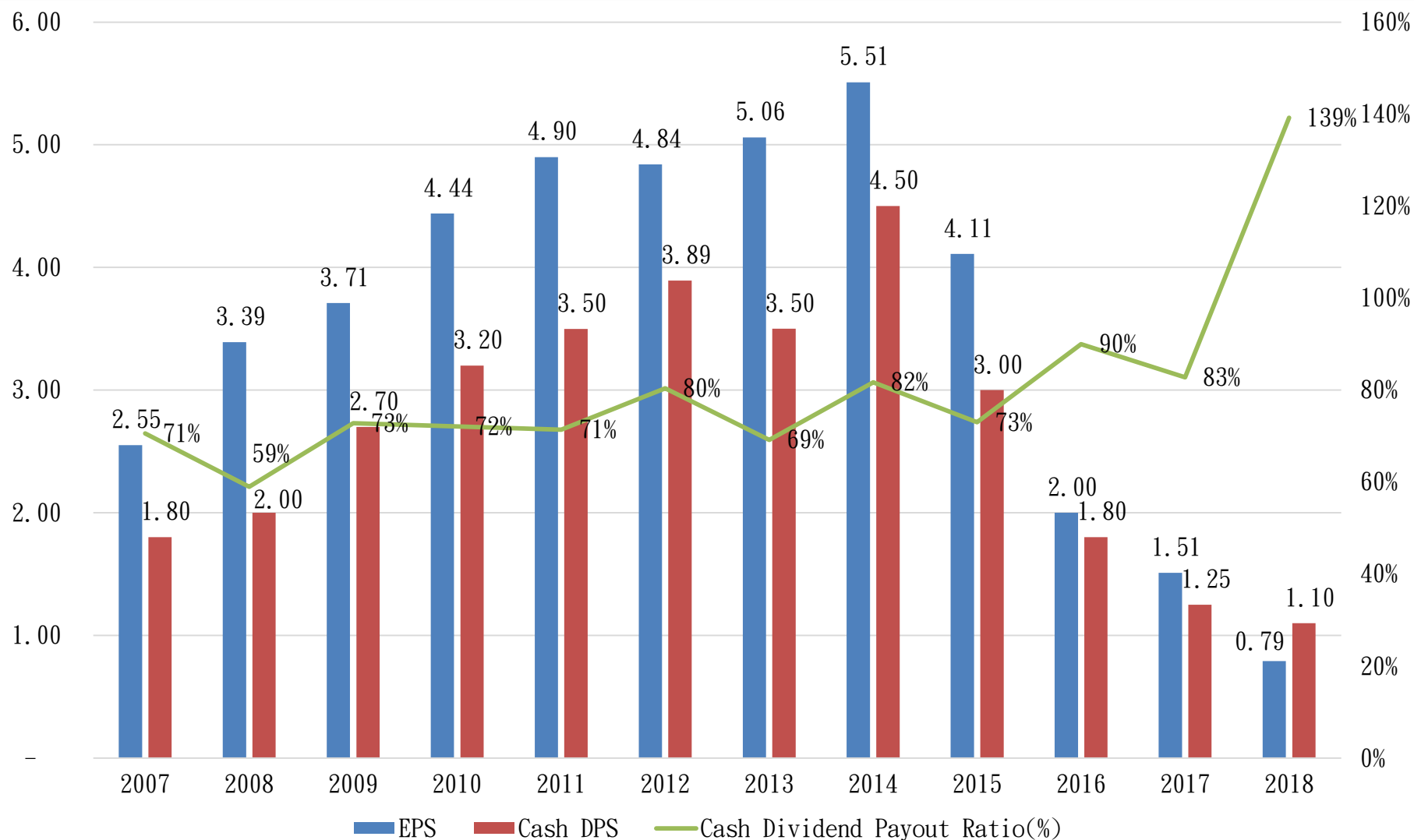
	2019/9/30		2018/9/30	
Current assets	5,084,340	78%	6,005,216	83%
Non-current assets	1,464,824	22%	1,266,515	17%
Total assets	<u>6,549,164</u>	<u>100%</u>	<u>7,271,731</u>	<u>100%</u>
Current liabilities*	3,130,185	48%	3,818,690	52%
Non-current liabilities	464,507	7%	488,444	7%
Total Liabilities	3,594,692	55%	4,307,134	59%
Total equity	2,954,472	45%	2,964,597	41%
Total liabilities and equity	<u>6,549,164</u>	<u>100%</u>	<u>7,271,731</u>	<u>100%</u>

* "Contract liabilities-current" NT\$1.25B



Dividend Payout

Unit: NT\$

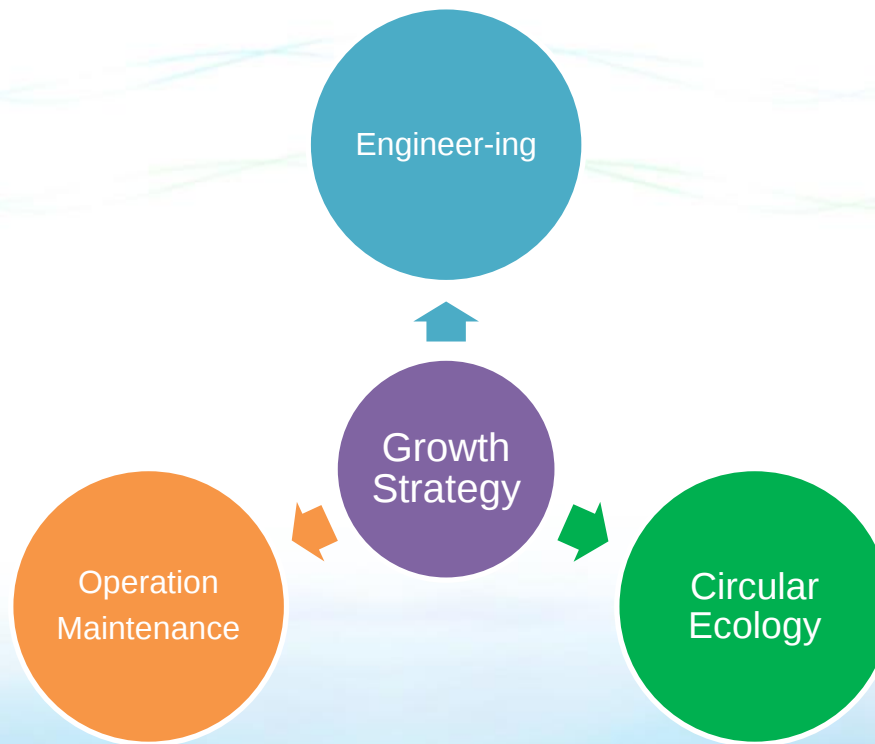


3. Future Prospects



Business Strategy

Engineering, Operation & Maintenance, Circular Economy
as “Power of Triple Balance” Strategy



Strategy & Action Plan



Upgrade Engineering Management Efficiency

- Strengthen execution ability and increase profit
- Enhance the technology of refractory material selection and cultivate refractory supervisor & manpower



Business Expansion

- Strive for business of equipment revamping work within the Group.
- Exploit refractory business (material with labor) and circular ecology such as air pollution control.



Enforce Technical Research & Development

- Elevate the ratio of independent design through the design integration platform within the Group.
- Unite CSC R&D department and improve the technology of energy-saving, water and air pollution control.



Future Operation & Business Opportunities

01 M&E Engineering

- CSC Coke Plant Revamp Project
- CSC Coal Ore Enclosed Plant Phase #1 Conveyor Project
- CSC No2 Blast Furnace 3rd Reconstruction Project
- CSC No1 Hot Strip Plant #3 Furnace Equipment Revamp Project

02 Green Energy & Environmental Protection Engineering

- CSC TG9、TG10 Project
- CSC PV Project
- Waste Water Treatment Revamp, Air Pollution Control FGD&SCR System and Dust Control Equipment Revamp Project
- Off-shore Wind Energy, on-shore facilities

05 Biotech & Pharmaceutical

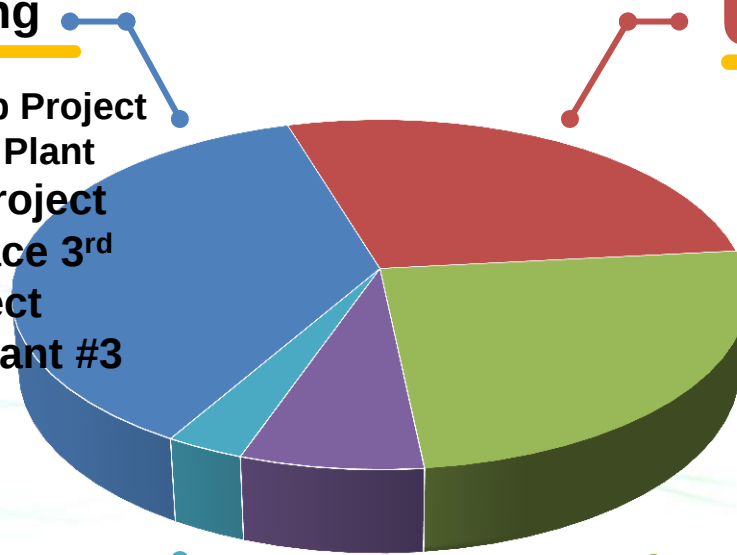
- National Biotechnology Research Park, Taipei NeiHu Technology Park, New Taipei City Industry Park
- Hsinchu Science and Industrial Park
- Central Taiwan Science Park, South Taiwan Science Park

04 Refractory Engineering

- CSC Coke Plant & CDQ Revamp, Hot-air Furnace Revamp, Blast Furnace Revamp etc.
- FHS Refractory Project

03 Operation & Maintenance

- CSC On-site Maintenance
- Incinerator O&M
- RMTP O&M
- Water Treatment Plant O&M (CSC, DSC, Cheng-ching Lake, Kinmen, San-ying, Gang-xiao)



Future Prospects

1. **Construction Scope:** On the basis of current M&E proficiency and environmental protection engineering, endeavor to contract EPC projects and refractory project with material and labor, so as to increase business energy.
2. **Operation & Maintenance Scope:** Stabilize the source of business and benefits, so as to sustain the operation roots.
3. **Circular Ecology Scope:** Take part in developing constructions about water recycling and green-energy power generation. Seek for chances of business regrowth.





Thank you for listening
Your comments are welcome

