



# FOREST WATER ENVIRONMENTAL ENGINEERING CO., LTD.

Stock code : 8473

# 免責聲明

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# Presentation Outline

- 1 Company Introduction & Financial Performance
- 2 Q1 Business Achievements and Future Outlook

# Forest Water Mainly engaged in green energy & environmental protection business

**Forest Water Environmental Engineering** is a professional contractor specializing in environmental protection engineering. Its main projects span six major business segments, with a continued focus on the development of the **circular economy**.

Urban and Industrial Wastewater Sewer System

Reclaimed Water

Biomass Energy

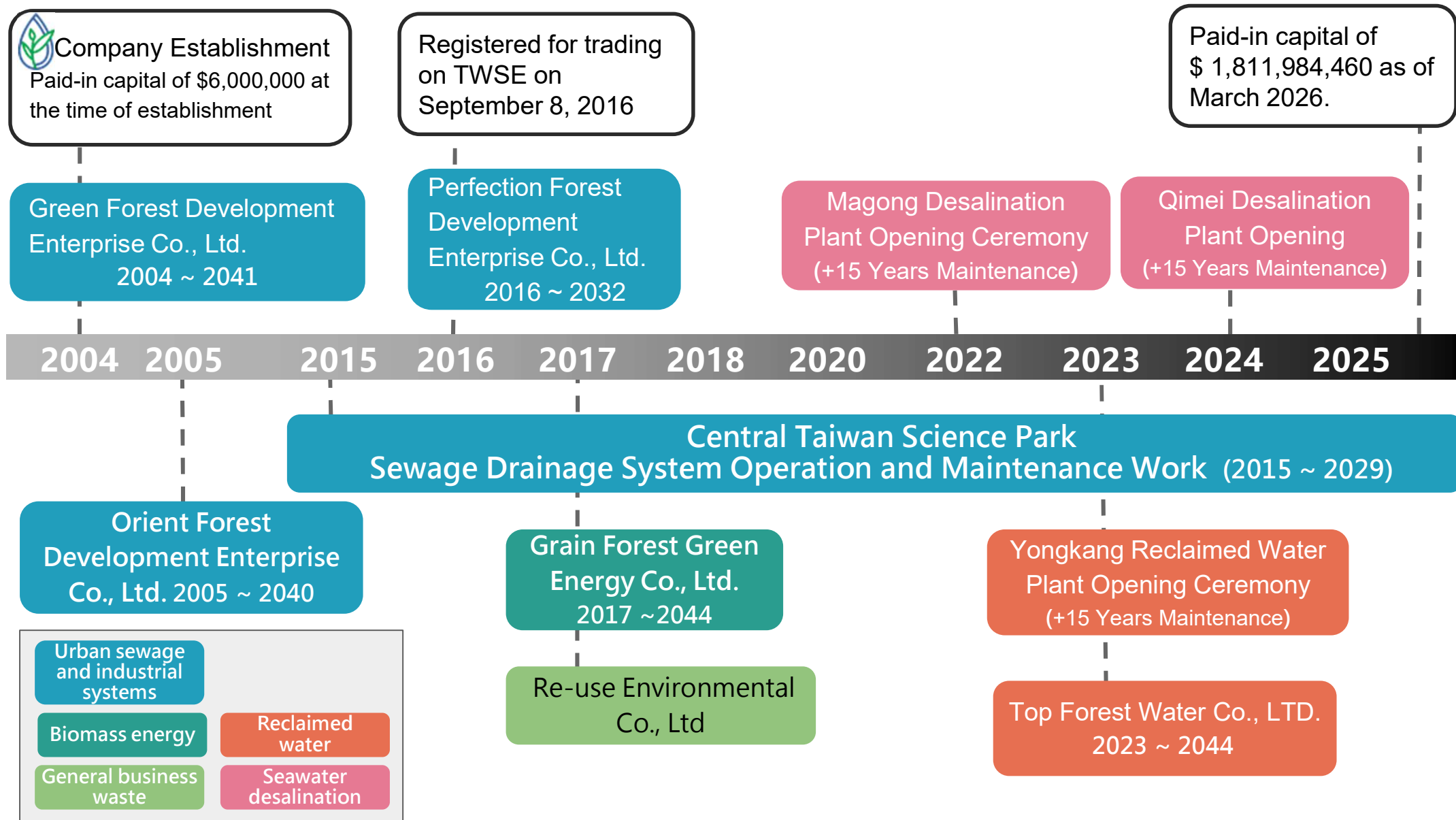
Industrial Wastewater Sewer System

Seawater Desalination

General Industrial Waste

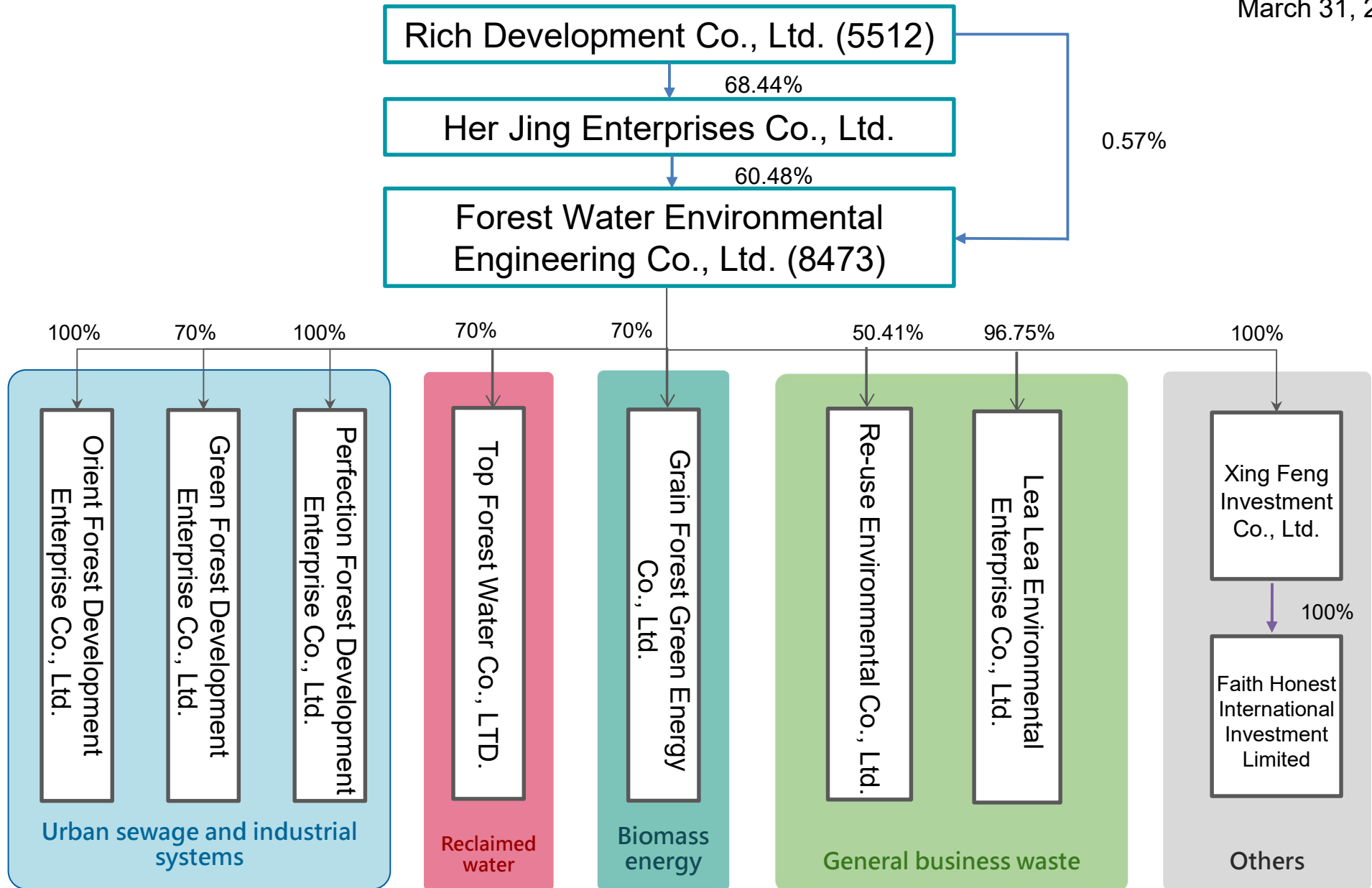


# Key Milestones in 20 Years

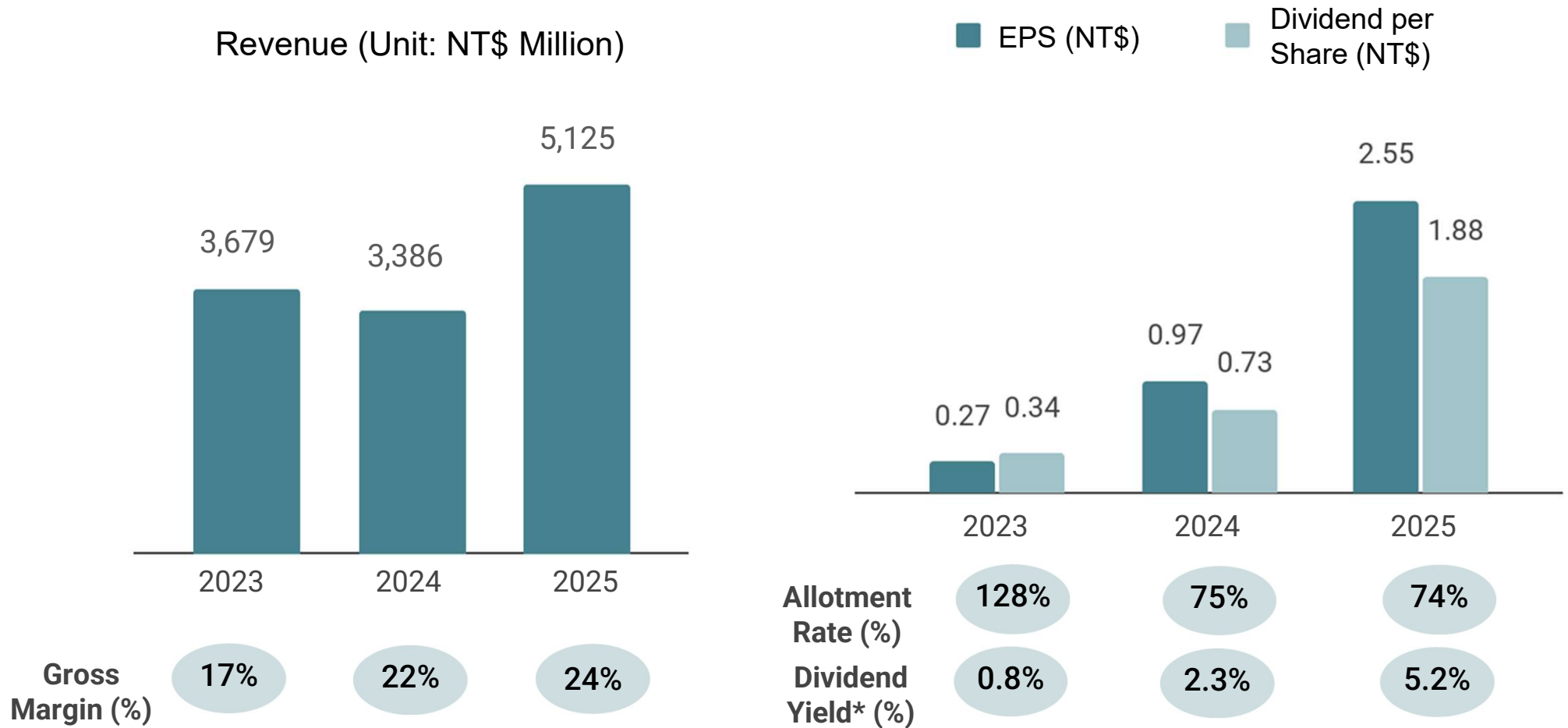


# Organizational structure

March 31, 2026



# 2025: Steady Revenue & Earnings Growth with Stable Dividend Payout



\* Calculated based on the closing price on the trading day prior to the ex-dividend date. For 2025, the calculation is based on the Board resolution date of Apr. 9, 2026 (subject to approval at the shareholders' meeting on Jun. 15).

# 2025: Standalone Profit Turnaround, Stable Performance from Two Major BOT Projects

## Net Income to the Parent Company

(Unit: NT\$ Thousand)

Company /Year		Total/Remaining Contract term (Year)	Shareholding Ratio	2024 Net Income	2024 Net Income Contribution (%)	2025 Net Income	2025 Net Income Contribution (%)
Forest Water Standalone				(201,212)	-120%	139,810 <sup>+</sup>	30%
Green Forest	BOT	35/14	70%	197,175	118%	285,681 <sup>*</sup>	62%
Orient Forest	BOT	35/14	100%	184,261	110%	147,136	32%
Perfection Forest	ROT	15/5	100%	(37,908)	-23%	(53,724) <sup>a</sup>	-12%
Top Forest	BTO	21/18	70%	(3,460)	-2%	(6,888)	-1%
Grain Forest	ROT	25/16	70%	(5,263)	-3%	(24,584)	-5%
Others				33,594	20%	(25,552)	-6%
Consolidated Net Income				<b>167,187</b>	<b>100%</b>	<b>461,879</b>	<b>100%</b>

<sup>+</sup>Forest Water recognized NT\$108,000,000 in losses from loss-making construction contracts (Qimei Desalination and Taiwan Sugar Projects).

<sup>\*</sup>Green Forest 2025 net income includes a one-time service concession gain of NT\$134,550,000.

<sup>a</sup>Perfection Forest 2025 net income includes an impairment loss of NT\$17,100,000.

# 2026 Q1: Sustained Growth Momentum in Revenue and Profitability

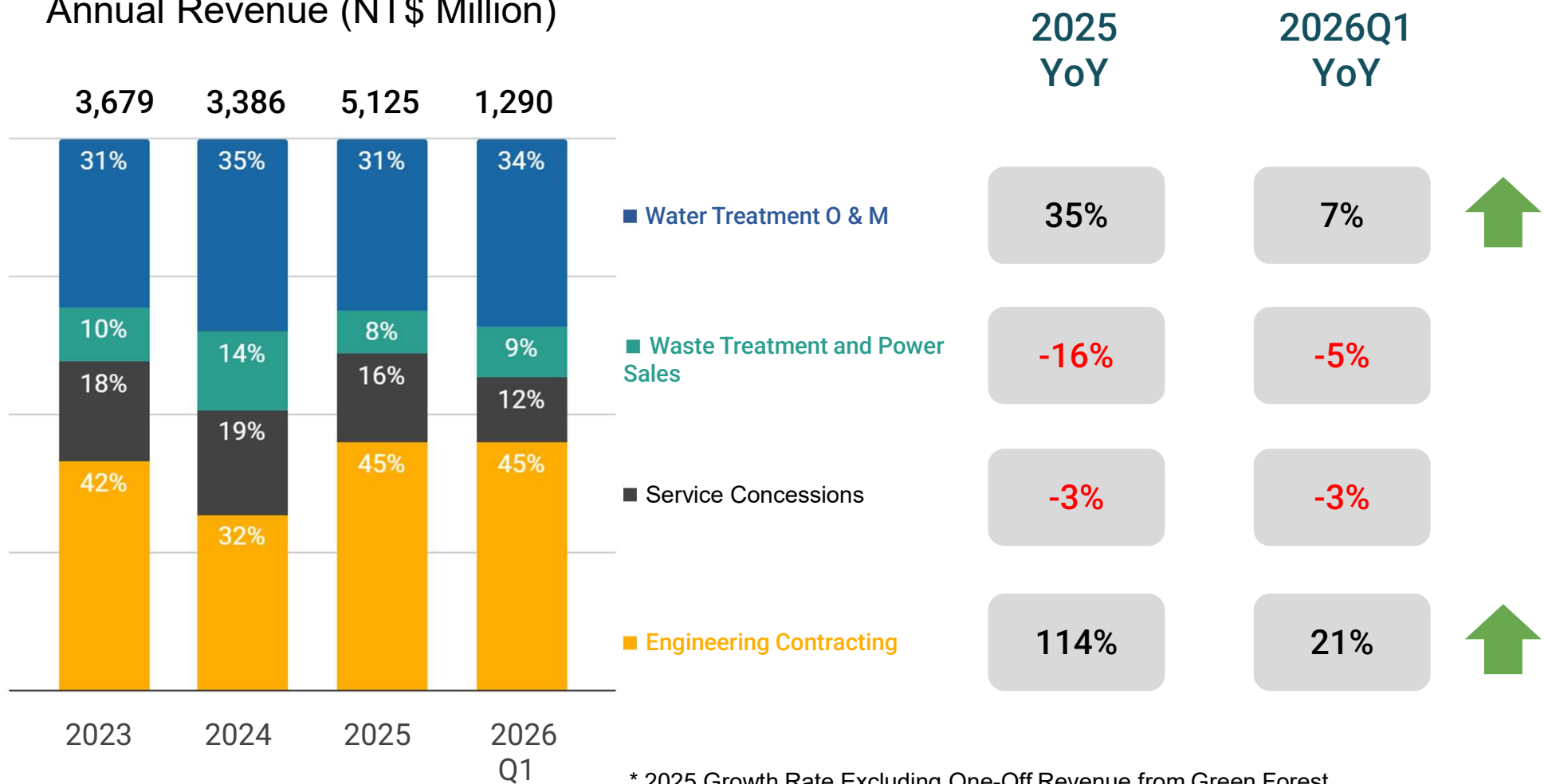
Consolidated Income Statement

Unit: NT\$ Thousand

Item/Year	1~3/2025	1~3/2026	YOY Change
Revenue	1,169,199	1,289,826	10%
Gross Profit	339,755	423,984	25%
Gross Margin	29%	33%	14%
Operating Income	275,666	344,100	25%
Non-Operating Income and Expenses	-36,977	-33,309	-10%
Net Profit After Tax	189,003	244,224	29%
Net Income Attributable to the Parent Company	167,085	222,042	33%
EPS (元)	0.92	1.23	34%

# 2026 Q1: Continuous Growth in Engineering and Water Operations

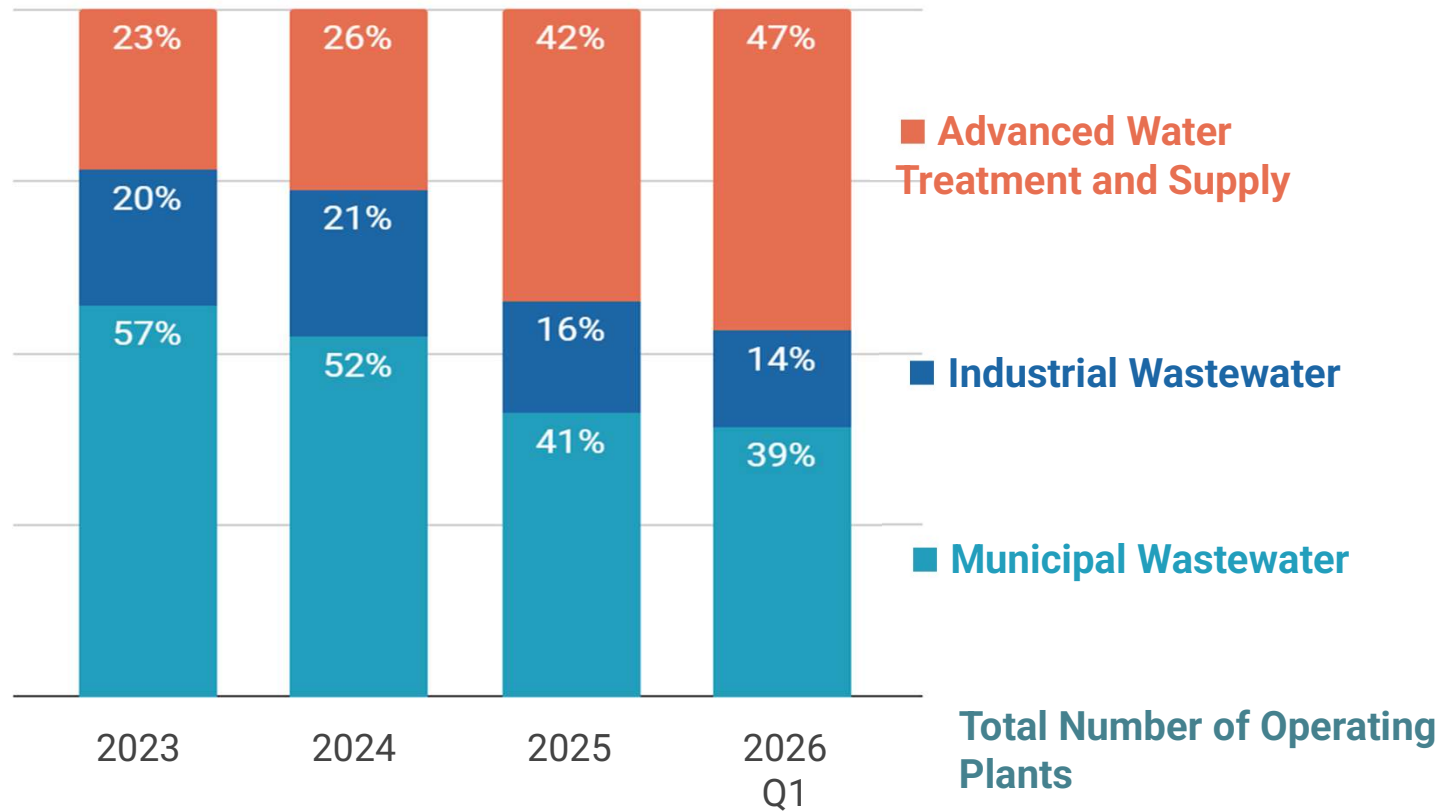
Annual Revenue (NT\$ Million)



\* 2025 Growth Rate Excluding One-Off Revenue from Green Forest

# 2026 Q1: Advanced Water Treatment Continues to Gain a Larger Share

2023-2026 Revenue Contribution from Water Operations(%)



2026 Q1 Number of Operating Plants

7

4

11

22

# Balance Sheet: Supporting the Execution of Large-Scale Projects

## Consolidated Balance Sheet

Unit: NT\$ Million

	2024.12.31		2025.12.31		2026.03.31	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	2,750	18%	3,779	24%	3,622	22%
Contract Assets	1,068	7%	1,411	8%	1,495	10%
Net Receivables	1,232	8%	1,201	7%	1,449	9%
Intangible assets	2,039	13%	1,912	11%	1,884	11%
Long-Term Receivables	6,512	42%	6,444	40%	6,364	38%
<b>Total Assets</b>	<b>15,678</b>	<b>100%</b>	<b>16,692</b>	<b>100%</b>	<b>16,782</b>	<b>100%</b>
Short-Term and Current Portion of Interest-Bearing Liabilities	2,232	14%	2,186	14%	2,003	13%
Contract Liabilities – Current	246	2%	477	3%	515	3%
Notes payable and accounts receivable	1,088	7%	1,692	10%	1,601	10%
<b>Long-Term Loans</b>	<b>3,055</b>	<b>19%</b>	<b>2,861</b>	<b>17%</b>	<b>2,979</b>	<b>18%</b>
Corporate Bonds Payable	249	2%	246	1%	242	1%
<b>Total Liabilities</b>	<b>7,845</b>	<b>49%</b>	<b>8,483</b>	<b>51%</b>	<b>8,324</b>	<b>50%</b>
<b>Total Equity</b>	<b>7,839</b>	<b>52%</b>	<b>7,833</b>	<b>51%</b>	<b>8,063</b>	<b>51%</b>

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# Steady Accumulation of Revenue Backlog

## Total Contract Backlog (2026 Q1)

**NT\$31.8 Billion**

▲ NT\$0.6 Billion (vs NT\$31.2 Billion at 2025)

Projects Under  
Construction

**NT\$8.8 Billion**

Water Treatment  
Operations

**NT\$23 Billion**

## Recent New Engineering Contracts

### **Erlin Phase II | Nov. 2025 | NT\$0.28 Billion**

Expansion of 5,000 CMD wastewater treatment capacity following Phase I (43% undertaken by Forest Water)

### **Yongkang Phase II | Mar. 2026 | NT\$0.4 Billion**

Taiwan's first semiconductor-grade reclaimed water plant, expanding capacity by 4,500 CMD (to 20,000 CMD).

### **Grain Forest Phase | Apr. 2026 | NT\$0.5 Billion**

Taiwan's first food waste-to-energy plant, expanding capacity by 60,000 tons/year (to 90,000 tons/year)

## Upcoming Operation Contracts

### **Futian Reclaimed Water O&M | NT\$0.87 Billion**

Taiwan's largest industrial reclaimed water plant with a 15-year O&M contract; scheduled to supply 58,000 CMD in 2H 2026.

# Projects Under Construction: Progressing Steadily

Projects 2026	Contract Value (Million)	Recognized 2025 (%)	Recognized 2026 Q1 (%)	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Futian Reclaimed Water Project	299	46%	54%	[Progress bar from 2022 to 2026]					Completion in 2026, Entering O&M				
Baoshan Phase II Wastewater Project	2,074	74%	90%	[Progress bar from 2023 to 2026]					Completion in 2026				
Yilan Water Resources Phase II Project	222	38%	50%	[Progress bar from 2024 to 2026]					Completion in 2026				
Top Forest-Nanzi Reclaimed Water Construction Project	7,761	10%	13%	[Progress bar from 2025 to 2026]					Construction Commenced Ahead in April, Expected to Reach 21% by the End of 2026				
Erlin Phase I, Stage 1 Project*	286	0%	1%	[Progress bar from 2026 to 2028]					Completion Date: February 2028				
Yongkang Reclaimed Water Phase II	407	0%	0%	[Progress bar from 2026 to 2028]					Completion Date: February 2028				
Grain Forest Phase II	500	0%	0%	[Progress bar from 2026 to 2027]					Capacity Expansion in Phases. Completion Date: February 2027				

\* Excluding the disputed Taiwan Sugar Swine Farm Upgrade Project, currently under PCC mediation for schedule disputes. Additional NT\$100 million loss recognized in 2025 (cumulative loss: NT\$630 million). 95% recognized as of Q1; project entered trial operation.

# Baoshan & Futian Entered Trial Operation as Scheduled

Strong Execution Capability for Large-Scale Projects

## Baoshan Phase II Wastewater Project

Contract Value: NT\$2.07 Billion | 10% Revenue Yet to Be Recognized

- WWTP Construction & Advanced Semiconductor Wastewater Treatment (40,000 CMD)
- New Entered Trial Operation in April 2026; Directly Treating TSMC 2nm Fab Process Wastewater
- Scheduled for Completion in 2H 2026

## Futian Reclaimed Water Project

Contract Value: NT\$299 Million | 46% Revenue Yet to Be Recognized

- Taiwan Largest Industrial Reclaimed Water Plant with a Capacity of 58,000 CMD
- System Installation Completed: Entered Trial Operation in May with Stable Water Production. Integrated Testing to Commence Upon Completion of Transmission Pipelines
- Scheduled for Completion in 2H 2026, Followed by 15-Year Reclaimed Water O&M Operations



# Semiconductor Water Supply: Enhancing Engineering and Water Quality Excellence

**No.1 Market Share in Public Semiconductor Water Supply Projects in Taiwan**  
(Based on publicly announced projects as of Apr. 2025)

## Yongkang Reclaimed Water

First Plant Supplying the High-Tech Industry

- Stable Expansion of Capacity
  - 2023 : 8,000 CMD
  - 2025 : Expanded to 15,500CMD
  - 2028 : Planned expansion to 20,000 CMD
- Leading Operational Performance
  - **Water Quality:** Highest national standard (21 quality parameters)
  - **Energy Efficiency:** Lowest energy consumption in Taiwan

## Top Forest – Nanzih Reclaimed Water Plant

The Largest Reclaimed Water Plant in Southern Taiwan Science Park

- Supplying 70,000 CMD to Support Southern Taiwan’ s Semiconductor S-Corridor
- 7-year project development and construction management, covering the intake system, transmission pipelines, and reclaimed water plant located within the wetland area
- Planned Phased Water Supply  
Capacity:20,000 CMD (2028) → 35,000 CMD (2029) → 70,000 CMD (2030)



# Grain Forest: Supporting Policy Initiatives and Expanding Diversified Treatment Capacity

Taiwan's First Commercial Food Waste-to-Energy Plant with Proven Technical Stability and Scalability

Four circular economy systems

## Original Phase I

- Annual Treatment Capacity of 30,000 Tons (Food Waste)
- Biogas Power Generation of 3 Million kWh
- Stable Operations for Nearly 7 Years

## Phase II Expansion and Upgrade

- Contract Amendment Completed in Apr. 2026;  
Construction Commenced in May 2026 with Phased Capacity Expansion. Completion Scheduled for Feb. 2027.
- Expanded to 90,000 Tons (Raw & Cooked Food Waste)
  - Biogas Power Generation Increased to 10 Million kWh
  - Introduction of Advanced Food Waste Treatment Technologies to Achieve Full Circular Utilization



Food Waste Oil Recycling  
Fertilizer Production

Biogas Green Power  
Digestate Liquid Return to  
Farmland

# Driving Innovation and Operational Excellence

## Taiwan's First Carbon-Neutral Demonstration Plant – the Qimei Wastewater Treatment Plant

- Forest Water collaborated with the National Land Management Agency and the Kaohsiung City Government Water Resources Bureau to establish Taiwan's first carbon-neutral wastewater treatment demonstration plant.
- Through equipment optimization, smart management, renewable energy integration, and carbon offset mechanisms, the plant achieved its carbon neutrality target in 2025.
- Carbon emissions decreased by 42%, from 316 tons in 1H 2024 to 183 tons in the same period of 2025. Power consumption was reduced by approximately one-third, significantly improving energy efficiency.
- Key carbon reduction strategies include:
  - Greenhouse gas inventory and emission source management
  - Equipment replacement and process optimization
  - Solar power generation and smart monitoring systems
  - Renewable energy certificates and international carbon credit mechanisms
- The project demonstrates the transition of wastewater treatment plants toward low-carbon operation, smart water management, and sustainable development.

# Full-Lifecycle Integrated Environmental Engineering Solutions

Cumulative Water Treated

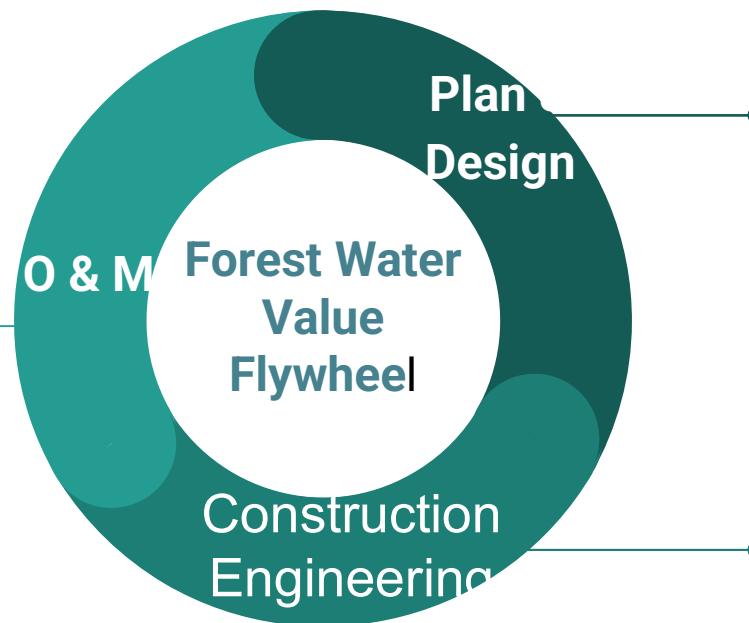
**3.5b m<sup>3</sup>**

**Plant Share: 25%**

24 wastewater plants / 1.20 million tons treated (in 5 years)

Operational Evaluations:

**147** Excellence Ratings



- **Major Investment Program Management**  
5 PPP Projects
- **Master Planning and Detailed Design**  
25 Turnkey Projects

Cumulative Project Achievements:  
**NT\$30 Billion in Contract**  
**1.38 Million m<sup>3</sup> of Capacity**

Public Construction  
**Commission as an Outstanding Contractor**  
**4 Golden Quality Awards**  
**2 Golden Thumb Awards**

Outcome-Oriented and  
Operations-Driven

# 2026 Outlook

Net Income Attributable to Parent Company

Unit: NT\$ Thousand

Company /Year		Total/Remaining Contract term (Year)	Shareholding Ratio	2026 Q1 Net Income	2026 Q1 Net Income Contribution (%)	2026 展望
Forest Water Standalone				147,346	66%	Steady Execution of Existing Contracts, Continuously Pursuing 100% Renewal Rates, Facility Upgrades, and Capacity Expansion Opportunities at Existing Plant Sites
Green Forest	BOT	35/14	70%	43,117	19%	Continued Investment in Facility Upgrades to Support Expanded Supply for the Nanzih Technology Industrial Park (Including Treatment of TSMC Wastewater); Ownership Increased from 70% to 100% to strengthen long-term operational returns and advanced water treatment capabilities.
Orient Forest	BOT	35/14	100%	35,385	16%	
Perfection Forest	ROT	15/5	100%	(698)	0%	
Top Forest	BTO	21/18	70%	(2,236)	-1%	
Grain Forest	ROT	25/16	70%	(5,393)	-2%	Phase I Kitchen Waste Intake Expected to Commence Officially in Q4; Increased Treatment Capacity and Higher Biogas Production/Power Generation Expected to Narrow Losses
Others				4,521	2%	
Consolidated Net Income				222,042	100%	

**Thank You and  
We Look Forward to  
Your Continued Support**



**山林水環境工程股份有限公司**  
FOREST WATER ENVIRONMENTAL ENGINEERING CO., LTD.