



Tecom – Investor Conference

12/20, 2023

Disclaimer

The information presented and referred herein are based upon the information obtained internally and externally from our company. In light of the forward-looking operational results, financial condition and business results, they might be different from those information expressly or impliedly presented herein due to various factors, including but not limited to market risks, supply chains, market demand and our upcoming high-quality products.

We undertake no obligation to publicly update or revise any statements regarding those information presented and referred herein in the event of any further changes or updates to the information presented herein.

Agenda

- Company Overview
- Major Business and Products
- Innovative Solutions
- Financial Report
- Q & A

Company Overview

Overview

Established	:	1980
Headquarter	:	Taiwan (SBIP, Hsinchu)
IPO	:	1991/11
Chairman	:	C. K. Liu
GM	:	Brian Tien
Capital	:	3.3B

Overview



The No. 1 Motor Manufacturer in Taiwan, established in 1956. Acquired whole Motor Division of Westinghouse, USA in 1995.

- Ranked No.3 Mid-High Voltage Industrial Motors maker in the world.



- A TECO Group Company, world renowned Advanced Communications Equipment Manufacturer, established in 1980.
- Since 2016, TECOM has become the Anchor of TECO Group's Smart Machinery Product Lines, in the capacity of design, manufacturing, marketing and sales.
- Currently, TECOM leads the Smart Machine market in Taiwan.

Headquarters



TECO Headquarters, Taipei



TECOM Headquarters, HsinChu Science Park

Major Business and Products

Product Solution for Small-Medium Enterprise

Business Communication System



KTS (10 ~300 users)
SD632/SD616A



IPKTS (50~200 users)
SDX500



PC-8824
PC EKT Phone

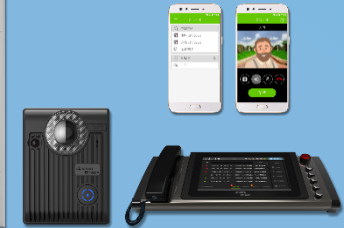


IP500M
App

Converged Business
Phone System
IP1000L



Video Conference Speakerphone



Access Control System

Broadband Access



Fusion Access System for SMB



4G/5G LTE Router



WiFi Router

Product Solution for Consumer

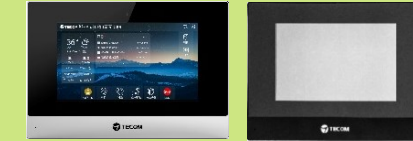
Smart Home System



IP Video
Outdoor Phone



IP Video
Outdoor Phone



7" / 10"
Indoor Phone



Cumulative installed nearly 100,000



APP for
Android, iOS



e-Gateway
Central Management



Security Phone

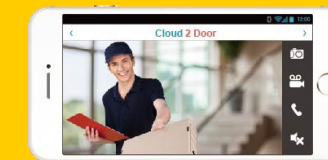
Smart Video Doorbell



IP Video Doorbell



Cloud Video Doorbell



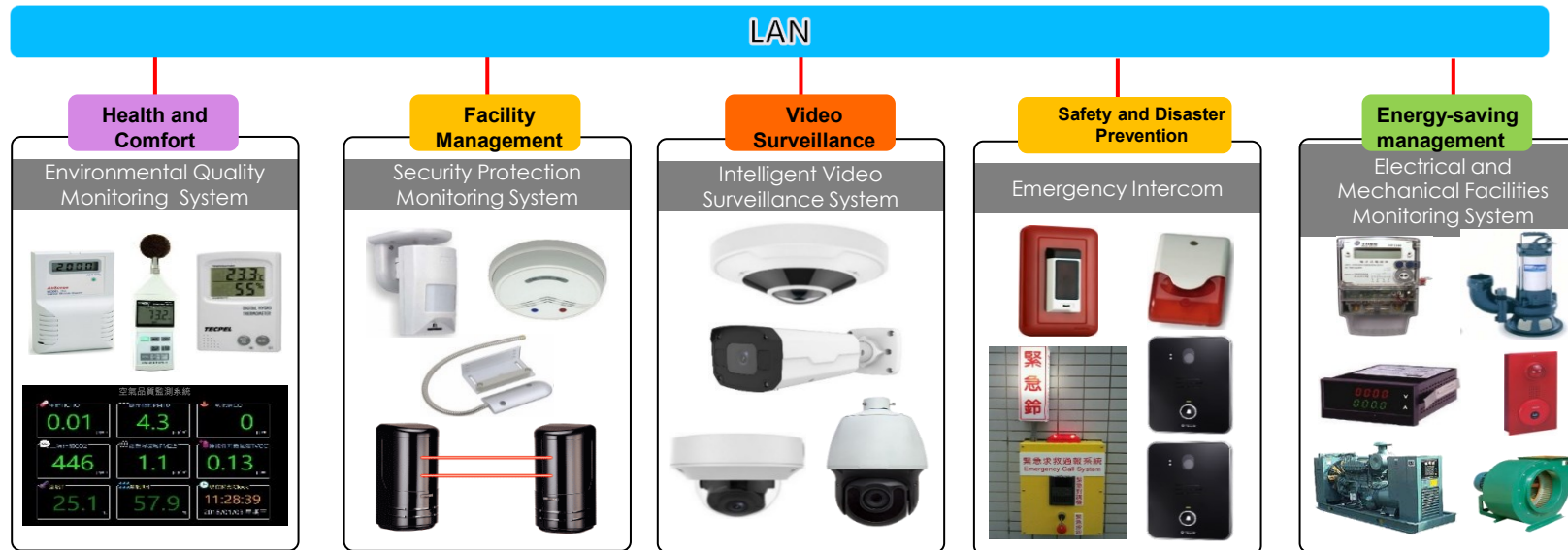
APP for
Android, iOS



Tecom Integrated Building Management System

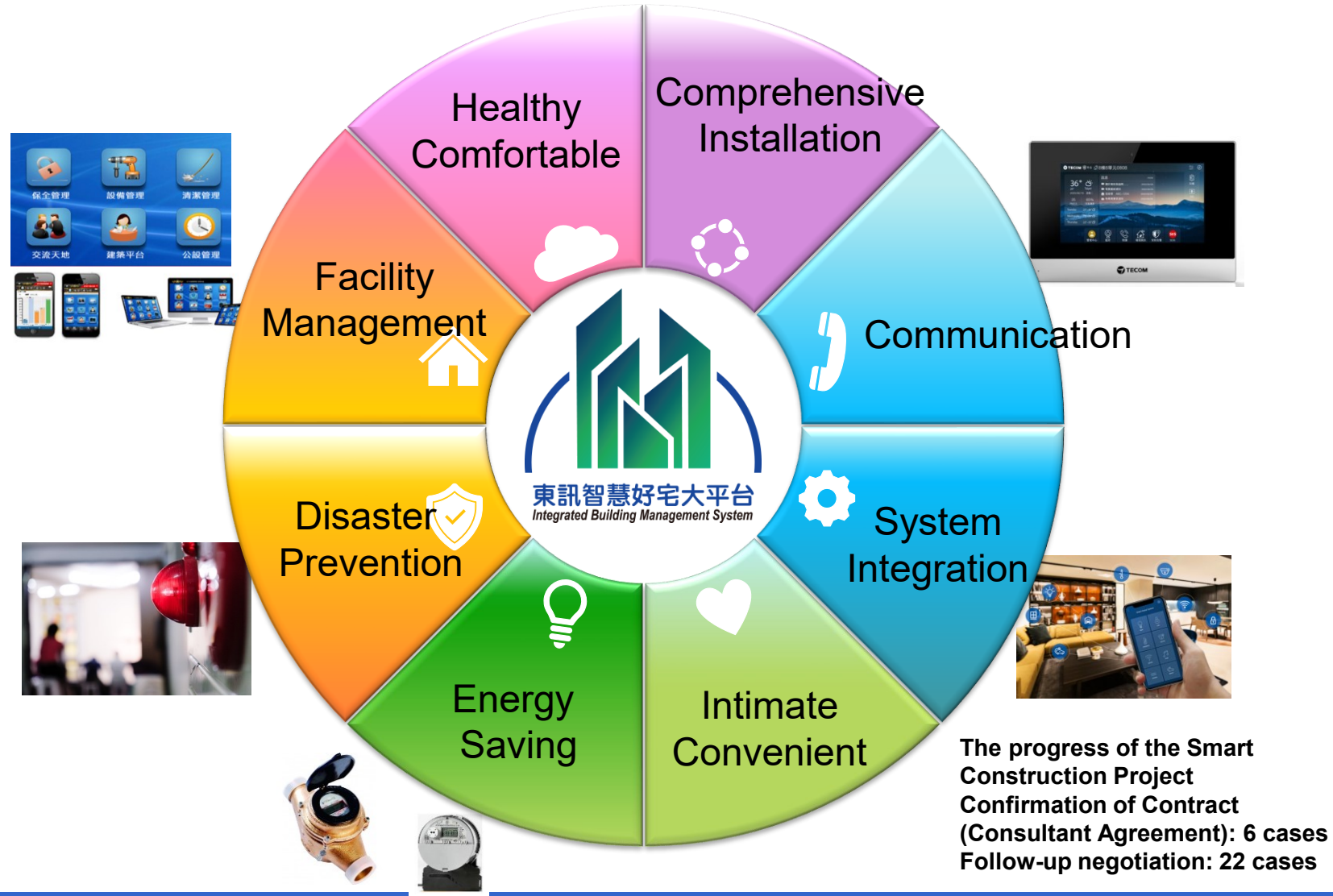


(Integrated Building Management System)



Development Platform, widely used in every Construction Project, Increase Revenue per Project;
Including building access control, IP CAM, BA controller... etc.,

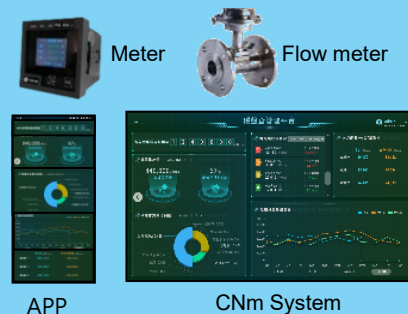
Smart Building Design and Planning



IIoT – Machine Health Managing System and Solutions

Smart value-added

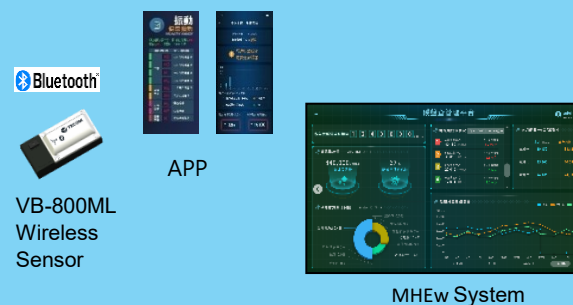
Carbon Neutral Management System (CNm)



Consumption Efficiency Management System (CEm)



Machine Health and Electricity Waste Management (MHEw)



Energy Management System (EMS)

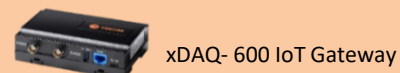


Maintenance

Portable Vibration Diagnosis Instrument Series



IIoT Gateway



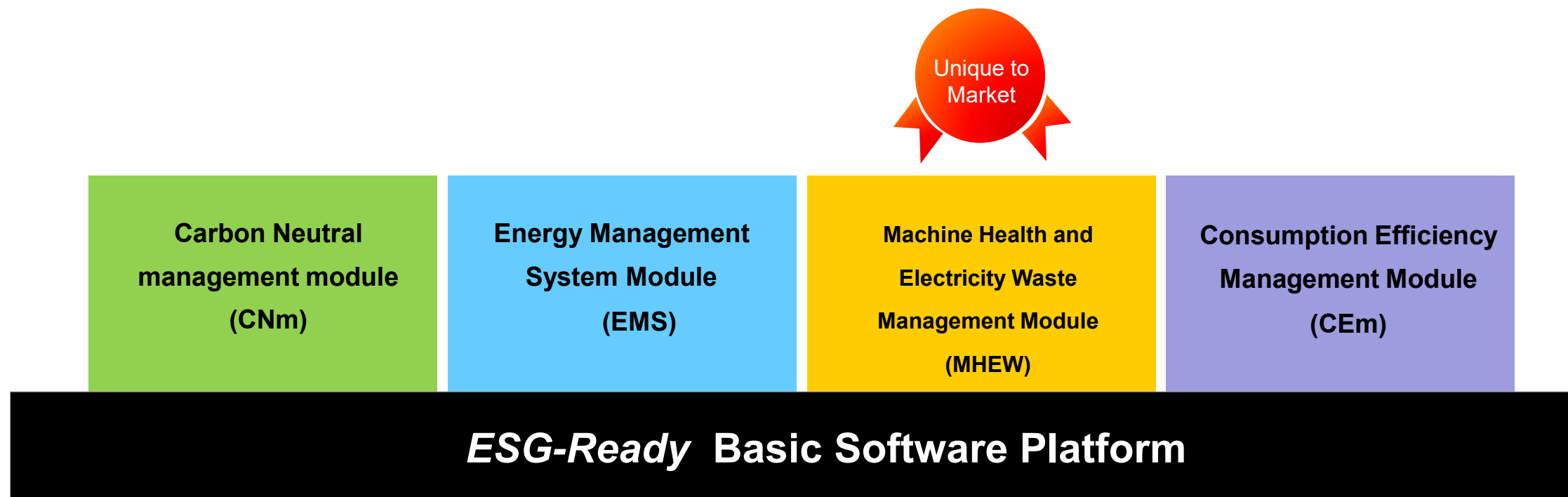
Sensors



2015

2025

TECOM *ESG – Ready* Platform



100% modularized

Enterprises are free to choose what timeframe to deploy the functions they need, building ESG capabilities step by step to achieve the best investment.

Innovative Solution A

Carbon Neutral management and Digital Inventory Tool

There are two categories of energy saving and carbon reduction

1. Manage carbon reduction

(use management mechanisms to achieve carbon reduction)

- Analyze real-time and continuous power consumption data, grasp the power consumption hot zones, use management methods to formulate factory power usage methods, personnel power usage habits, and promote various power-saving measures. Warm plate management (CNm) and traditional energy management (EMS) both belong to the managed carbon reduction category.

2. Equipment carbon reduction

(utilize equipment health, efficiency, and waste control to achieve carbon reduction)

- Use machine learning to calculate the health index (Hx) and energy efficiency index (Ex) of high-energy-consuming equipment, and estimate the % of equipment power waste for control.
- Equipment carbon reduction relies on high operating efficiency, health and actual waste reduction to save carbon emissions. Compared with carbon reduction through management methods, it has more tangible effects and has gradually become the mainstream of carbon reduction.

Tecom Carbon Neutral management

For management carbon reduction, Tecom launched the greenhouse gas inventory plan (CNm), which is introduced as follows:

1. Digital tools for inventory operations
2. Greenhouse gas inventory platform

Inventory management Operation

The difficulties in inventory management are	Tecom solution benefits
<ul style="list-style-type: none">① Generally, enterprises use EXCEL tables and manual inventory methods to generate inventory lists.② Inventory data often has accuracy and completeness issues③ This kind of inventory leads to a certain degree of lack of trust in third-party verifiers, which leads to re-verification of the data, which is time-consuming and may cause secondary distortion.	<ul style="list-style-type: none">1. Data is correct and complete (Data Integrity)2. Operation costs dropped significantly3. Provide additional Internet of Things (IoT) functions that can integrate key data on energy conservation and emission reduction to facilitate refined carbon reduction management.

Introduction to Tecom Digital Inventory Tool

Digital Inventory Tool Description:

This tool is a high-performanace software that includes :

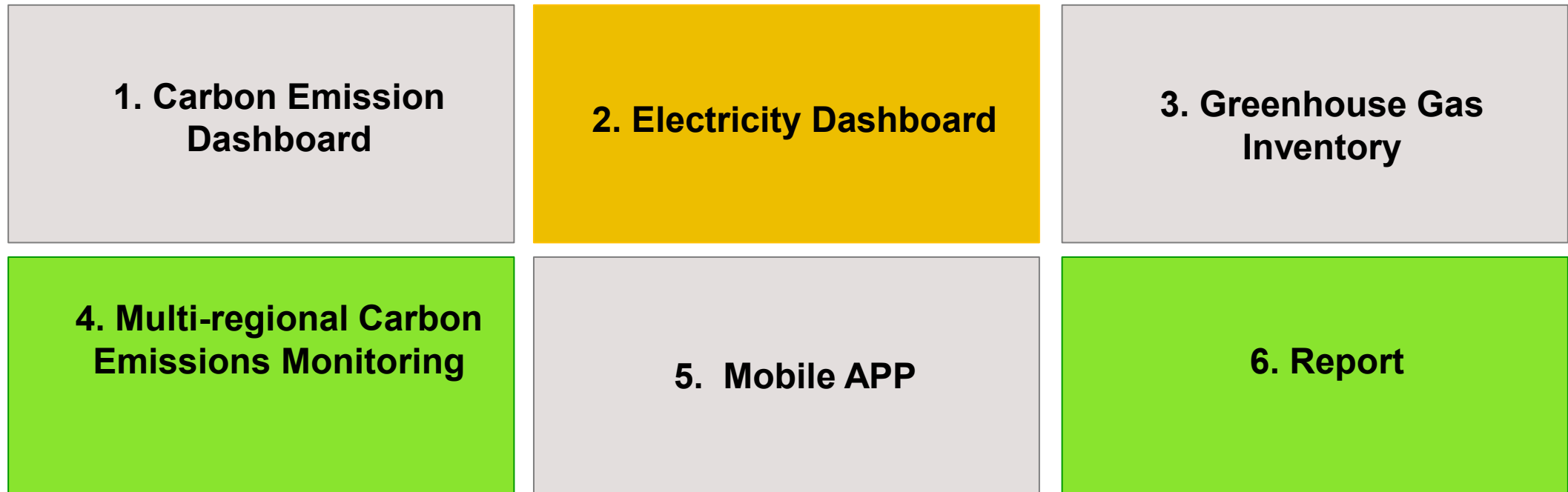
- ① Activity data recognition software
 - QR-Code recognition
 - OCR optical recognition
 - Third-party open API identification
- ② Inventory software
 - Complies with ISO-14064-1 warm plate specifications
 - Fully automated greenhouse gas inventory

The software can be installed in Intel i5 window-based computers.

Tecom greenhouse gas inventory solution (CNm)

Carbon Management

CNm provides many advanced and easy-to-use functions to assist enterprises in reducing emissions.



Innovative Solution B

MHEW Solution

(Machine Health and Electricity Waste management)

Since last year (2022), we developed MHEW (Machine Health and Electricity Waste) management platform.

We deployed the MHEW platform on AWS cloud thus you can use it anywhere in the world.

Intelligent Equipment Operation and Maintenance

Motor Health and Electricity / Carbon Emission Waste Management

- The two major issues of "motor health" and "waste of electricity" in factories are important tasks for intelligent factory operation and maintenance to improve equipment operating efficiency and achieve energy conservation and emission reduction goals.
- **The health of the motor is very important and is crucial to** ① optimizing the availability of electromechanical equipment ② maximizing productivity ③ minimizing unexpected shutdowns. It is also the responsibility of the public works unit.
- At present, the factory can only measure the electricity consumption of the equipment but cannot measure the amount of electricity wasted and cannot control it.
- Factory equipment intelligent operation and maintenance management objects are divided into three categories :
 - 1 Chiller Machine
 2. Air compressor
 3. Motors (pumps, fans, conveyor belts)

MHEW Solution

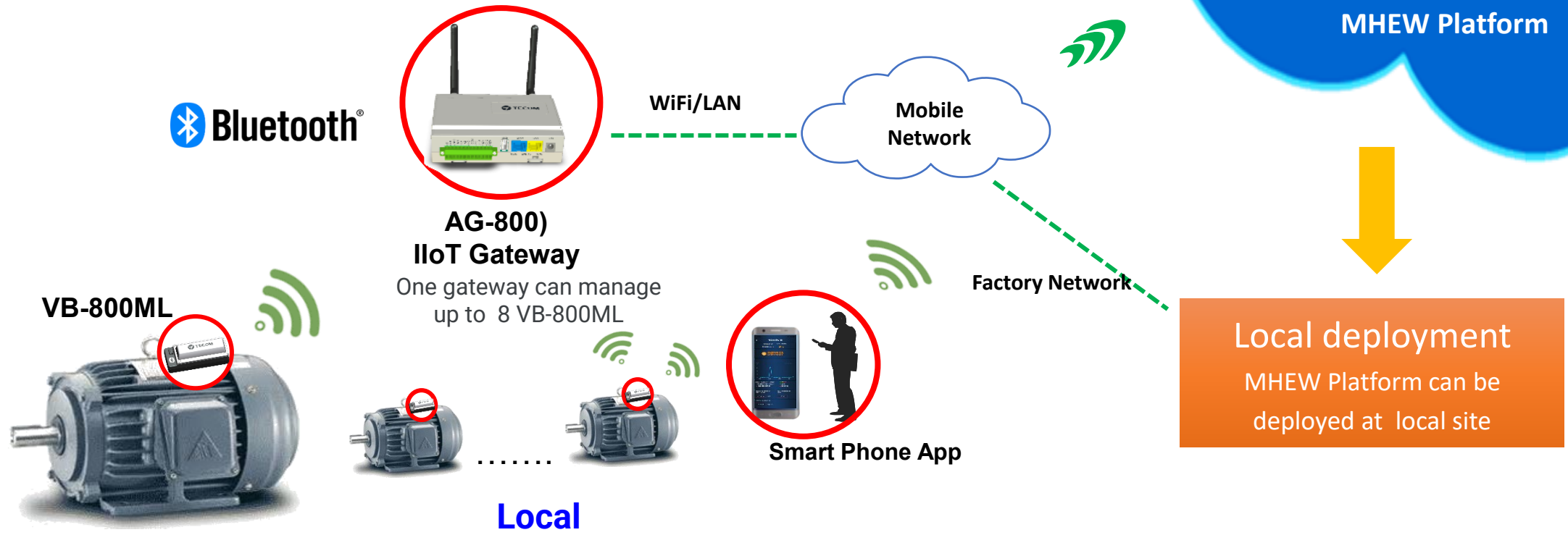
(Machine Health and Electricity Waste Management)

3 major key components:

1. ESG Sensor (VB-800ML)
2. Mobility Management (Mobile App)
3. Management Platform (* MHEW)

* MHEW : Machine Health and Electricity Waste

MHEW Deployment Architecture



Install VB-800ML on motor and gateway AG-800 on-site to communicate via Bluetooth. AG-800 automatically collects VB-800ML measured data at pre-defined intervals and uploads the measured data to the cloud/local MHEW management platform.

* If staff get data directly from VB-800ML via mobile App, AG-800 gateway is not required.
All management functions are provided by cloud/local MHEW management platform.

Financial Report

Financial Report-Consolidated Income Statement

Consolidated Statements of Comprehensive Income-YOY:9 Months

	Unit: NT\$M			
	2023 Jan. ~ Sep.	%	2022 Jan. ~ Sep.	%
Net Operating Revenue	580.7	100	781.6	100
Gross Profit	149.1	26	187.7	24
Operating Expenses	(175.9)	(30)	(183.8)	(23)
Operating Income	(26.8)	(4)	3.9	1
Net Income	(18.2)	(3)	29.3	4
Basic EPS(NT\$)	(2.27)		0.64	

Financial Report-Consolidated Balance Sheets

	Unit: NT\$M			
<u>Assets</u>	<u>2023/9/30</u>	%	<u>2022/9/30</u>	%
Cash and Cash Equivalents	253.5	17	201.8	11
Current Assets	789.1	54	1,000.7	53
Total Assets	1,455.5	100	1,892.7	100
<u>Liabilities and Stockholders' Equity</u>	<u>2023/9/30</u>	%	<u>2022/9/30</u>	%
Short-term Credit	400	28	715	38
Current Liabilities	567.9	39	974.7	51
Total Liabilities	998.1	69	1,426	75
Stockholders' Equity	457.4	31	466.7	25
Liabilities and Stockholders' Equity	1,455.5	100	1,892.7	100

Thank You

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