東訊股份有限公司

TECO 東元集團

Tecom – Investor Conference

12/17, 2025

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.

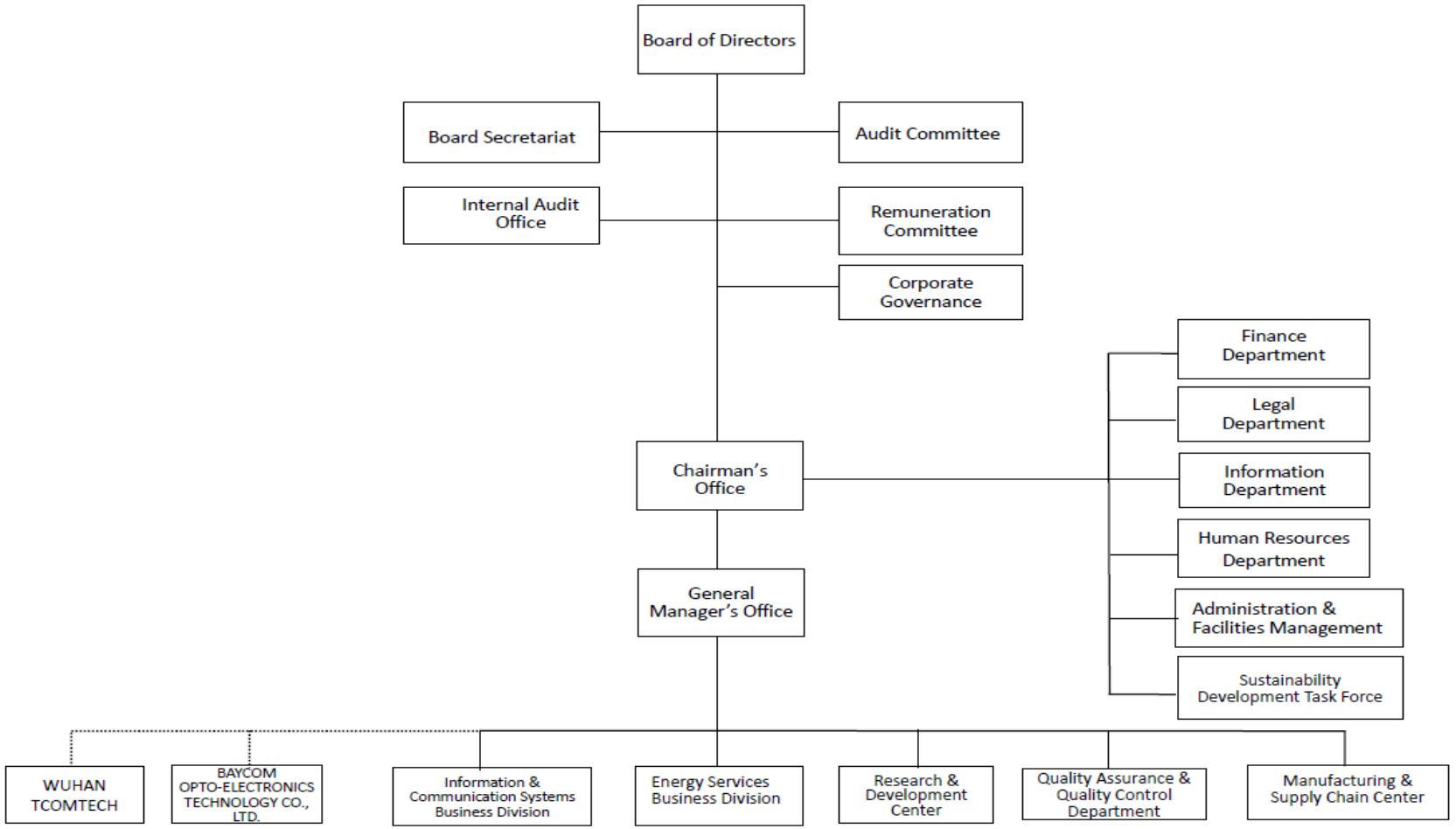
We undertake no obligation to publicly update or revise any statements regarding those information presented and referred herein in the event of any further changes or updates to the information presented herein.

Presentation Agenda

- A Message from the Chairperson
- Q3 2025 Financial Review
- Market Opportunities and Operational Challenges
- Review of Key Events
- Q&A

A Message from the Chairperson

TECOM Organizational Chart



Q3 2025 Financial Review

Financial Report-Consolidated Income Statement

Consolidated Statements of Comprehensive Income-YOY:9 Months

Unit: NT$M

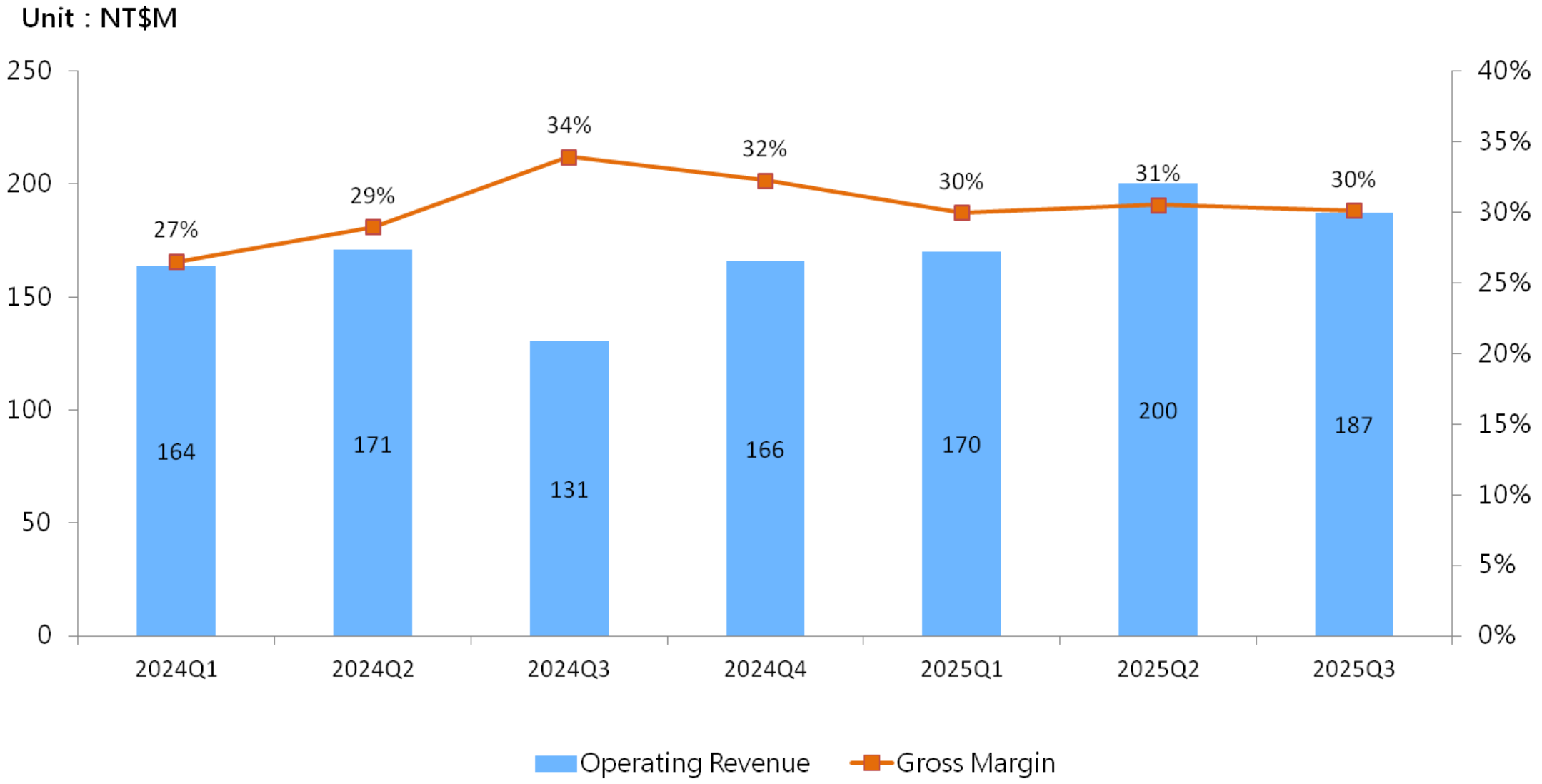
	114年1-9月	%	113年1-9月	%	YoY
Net Operating Revenue	557.7	100	465.3	100	20
Gross Profit	168.5	30	137.2	30	23
Operating Expenses	(165.5)	(29)	(156.5)	(34)	(6)
Operating Income	3.0	1	(19.3)	(4)	116
Net Income	(0.8)	0	(12.3)	(2)	93
Basic EPS(NT$)	(0.3)		(0.8)		63

Financial Report-Consolidated Balance Sheets

Unit: NT$M

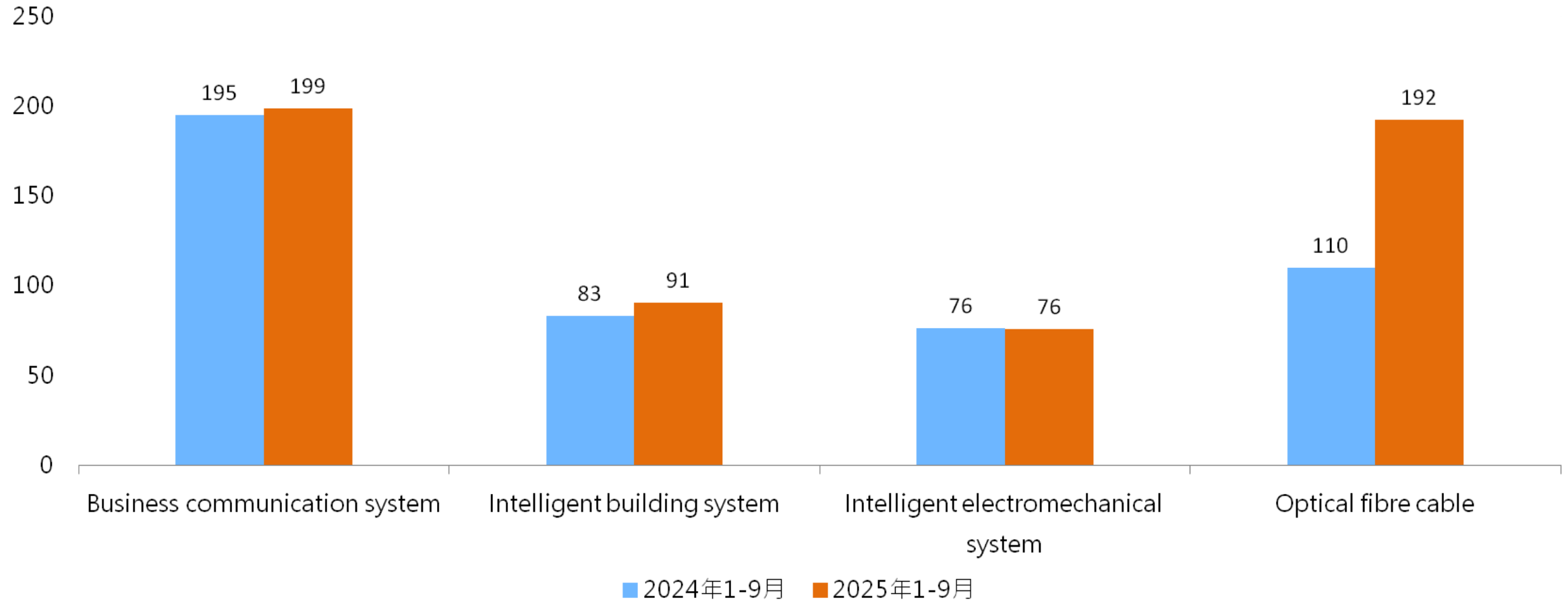
	114/9/30	%	113/9/30	%	YoY
Assets					
Cash and Cash Equivalents	165.0	13	182.1	14	(9)
Current Assets	639.3	51	638.7	49	0
Total Assets	1,252.3	100	1,296.2	100	(3)
Liabilities and Stockholders'					
Short-term Credit	220.0	18	255.0	20	(14)
Current Liabilities	415.3	33	625.0	48	(34)
Total Liabilities	802.7	64	839.4	65	(4)
Stockholders' Equity	449.6	36	456.8	35	(2)
Liabilities and Stockholders’	1,252.3	100	1,296.2	100	(3)

Operating Revenue vs. Gross Margin



Performance of Business Groups-YOY:9 Months

Unit：NT$M



Market Opportunities and Operational Challenges

Market Opportunities and Operational Challenges

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1. Government Regulations Driving Product Upgrades

The full implementation of IFRS and carbon footprint / carbon labeling systems requires enterprises to have verifiable energy and carbon emissions data.The functions of EMS and carbon management platforms must therefore keep pace with these regulatory requirements.

Impact

As carbon data disclosure requirements for listed companies become increasingly stringent, product functions need to be continuously upgraded and data quality must be ensured in order to meet corporate carbon management needs.

2. Government Budget Allocation for 2026

- **The energy-saving budget of NTD 21 billion is clearly allocated to the deployment of energy management systems, energy-efficient equipment, and measurement platforms.**
- **The NTD 15.2 billion carbon reduction flagship programs across six major sectors cover buildings, transportation, water utilities, and industry.**

Impact

✓ Government funding supports enterprises in implementing **deep energy-saving measures**, enhancing market momentum for the deployment of **digital platforms and energy-efficient equipment**.

✓ Penetration rates in key industries are expected to increase, with the **service sector and construction industry** becoming focal areas in **2026**.

3. Power Quality Challenges Driven by Changes in the Power Structure

The increased penetration of renewable energy and the widespread use of variable-frequency equipment have raised power quality risks. Enterprises are no longer focused solely on electricity consumption, but also place greater emphasis on power quality and system stability.

Impact

The integration and dispatch of heterogeneous energy sources, microgrids, and power system quality management present new challenges to the depth and breadth of traditional ESCO services and solutions.This requires the inclusion of power system quality monitoring capabilities and tools.

4. Accelerated Adoption of AI Requires Comprehensive Product Upgrades

AI has become a standard component of energy and carbon management systems. Application areas include forecasting, anomaly detection, energy-saving recommendations, and digital twins.

Impact

✓ AI enablement has made data-driven ESCO energy services an increasingly evident trend.

✓ TECOM needs to comprehensively adopt AI and digital twin solutions at an early stage to strengthen data analytics and predictive capabilities and establish a competitive moat.

Four Key Strategic Focus Areas

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Energy Management System (EMS) Platform Development

- Expand the completeness of EMS solutions by gradually incorporating renewable energy, water resource management, and waste management into the EMS platform, and establish heterogeneous energy coordinated control capabilities.
- Develop energy control and AI decision-making models, as well as digital twin predictive simulation technologies.
- Promote equipment monitoring, load management, and energy anomaly early warning modules.
- Develop industry-specific EMS application solutions (manufacturing, healthcare, commercial buildings, etc.).
- Launch ESG SaaS services to lower the adoption barriers for small and medium-sized enterprises.

ESCO Smart Energy Saving and Carbon Reduction Services

- Integrate TECO electromechanical resources to promote integrated hardware and software solutions for energy-saving retrofits.
- Establish an ESCO ecosystem to provide enterprises with one-stop energy-saving and carbon reduction services, raising market entry barriers.
- Launch managed energy-saving and carbon reduction services and SaaS subscription plans for small and medium-sized enterprises.
- Promote the replication of demonstration sites in industries such as healthcare, manufacturing, and commercial buildings.
- Establish SOPs and technical capabilities for energy-saving retrofit services, and conduct preliminary evaluations for overseas markets.

ICT × Surveillance Solution Integration

- Capture the PBX market gap following the exit of NEC and Panasonic.

Promote PBX IP architecture upgrades, providing mobile extensions and open API integration applications.

- Leverage MIT manufacturing and cybersecurity advantages to enter government, education, healthcare, and other public and private sector tenders.
- Introduce AI applications for CCTV, including people flow analysis, occupational safety detection, fire detection, and helmet recognition.
- Build integrated solutions combining PBX, intercom, access control, and surveillance to enter smart campus, healthcare, long-term care, and social housing scenarios.
- Enter the SME brand reshuffling phase and capture the smart security market through differentiation.

Enhancement of Optical Fiber and Cable Manufacturing Technology and Market Expansion

- Continue to cultivate the domestic telecommunications outdoor cable market to maintain stable cash flow.
- Develop self-branded optical cables and a patch cord subcontracting supply chain to stay close to customers and enter the enterprise and public sector indoor cable project market.
- Strengthen cooperation with CSPs and qualified cable/patch cord suppliers for enterprise data centers, and increase market share in the overseas indoor datacom market.
- Evaluate the introduction of spider-web optical fiber WTR production equipment to assess the feasibility of enhancing production capacity for 4-core, 12-core, 16-core, and other multi-core optical fibers, and establish product differentiation.

2025 Q4 展望

ICT Systems	Revenue Growth Rate	YoY ↑	QoQ ↑
Energy Services	Revenue Growth Rate	YoY ↑	QoQ ↑
Optical Fiber and Cable	Revenue Growth Rate	YoY ↑	QoQ ↑

Estimated Company-wide Gross Margin Level	YoY ↓	QoQ ↓

Review of Key Events

Taipei Metro Air Handling Unit Vibration Monitoring

Project: Installation of bearing vibration sensors and digital power meters for air handling units on the Songshan–Xindian Line

Customer Benefits:

1. Predictive maintenance for HVAC systems, ensuring passenger comfort
2. Energy performance monitoring to improve energy efficiency and reduce carbon emissions

Ministry of Environment Press Conference: Energy-Saving Retrofit of SGS Office Building

Project: SGS White House Building Chillers and EMS Replacement aged chillers and implementation of an EMS platform. The Black Diamond Building project is under planning.

Customer Benefits:

1. Estimated annual electricity savings of approx. 590,000 kWh
2. Estimated annual electricity cost savings of approx. NT$3.6 million, with a payback period of approximately 3.4 years

Extension from the Demo Site to another 9 SGS Buildings in Northern Taiwan

Walsin Lihwa Energy Saving and Carbon Reduction Digital Management Platform

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Project:

Development of Walsin Lihwa Energy Saving and Carbon Reduction ESG Management Platform and Data Middleware.

Customer Benefits:

1. Establishing a digital platform to strengthen data quality management and improve digital governance capabilities

Platform Scope:

Carbon inventory, Carbon footprint, Energy management, Green energy management, Data middleware

Collaboration with TECO AI Division to Support Kuang Ming Industrial Chiller Replacement and Improve Energy Efficiency

Project:

Company-wide EMS implementation and equipment replacement for Kuang Ming Industrial

Customer Benefits:

1. EMS implementation completed in 2024, establishing digital management capabilities in response to requirements from semiconductor supply chain customers
2. Estimated annual electricity cost savings of several millions, with an estimated payback period less than one year

Q & A

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Thank you