



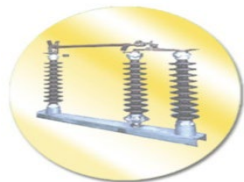
Allis Electric Co., Ltd.

Investor Conference

James Jan

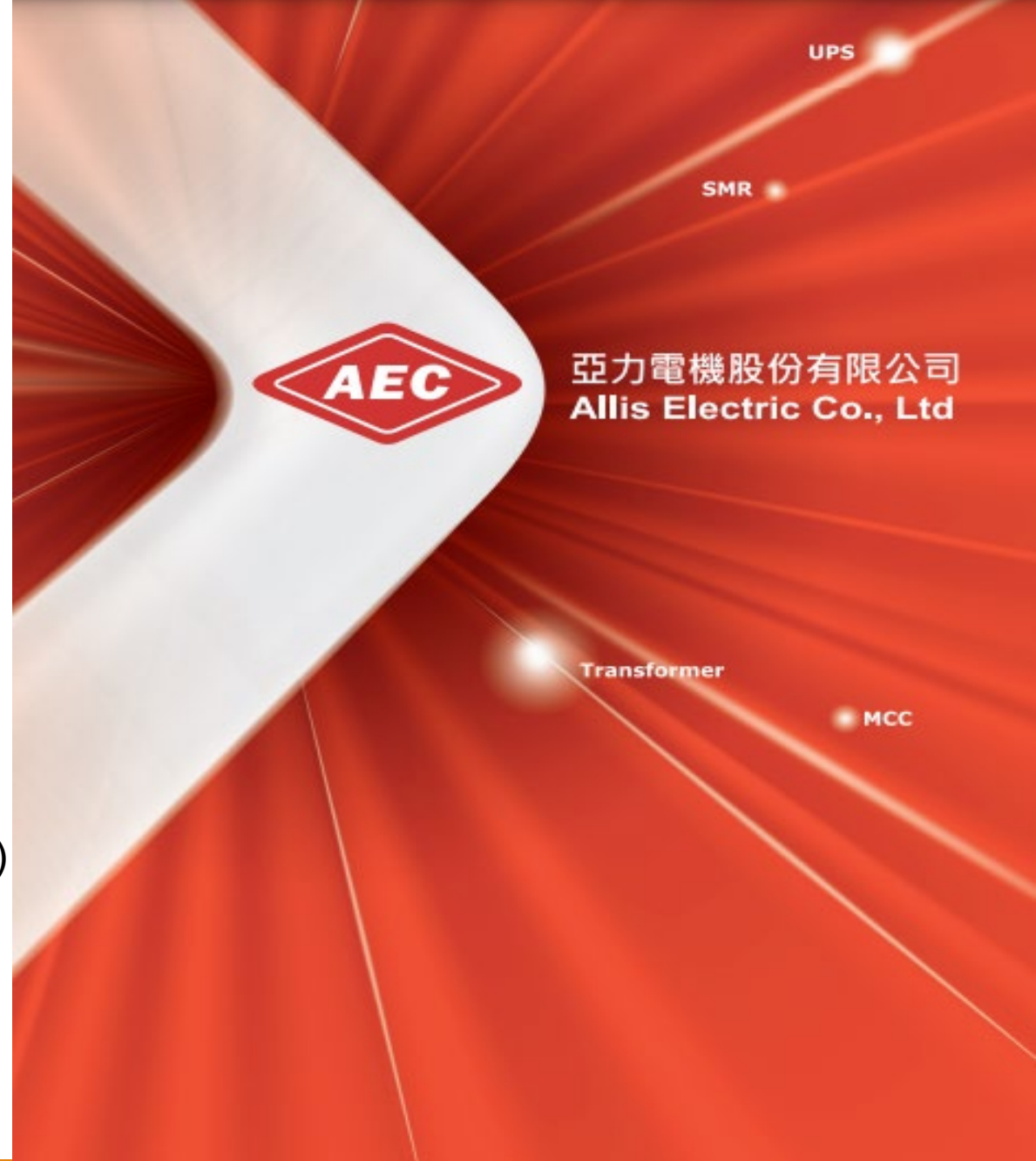
Director of Finance Division

Date: JUN 12, 2025



Company Overview

- **Company Establishment:** September, 1968
- **Headquarter:** Taipei Nangang Software Park
- **TWSE listed year:** 1994
- **TWSE Code:** 1514
- **Paid-in Capital:** TWD 2.67 Billion (until JUN 04, 2025)
- **Convertible Bond:**
 - 1st issue: TWD 1 Billion (Aug, 2023, converted 100%)
 - 2nd issue: TWD 1.2 Billion (Jan, 2025)
- **Employee Headcount:** 700



Company Overview – Manufacturing Sites

■ Yangmei Plant (36,300 square meter)

- Transformer plant 1(Oil-immersed, Cast resin, Amorphous core)
- Transformer plant 2(Focus on Taipower, Semiconductor requirement)
- Grid plant(Intelligent Transmission & Distribution Apparatus)
- Switchgear(Enclosed Switchgear and Controlling Device, High/Low Voltage, MCC, GIS)



■ Xinzhuang Plant (11,880 square meter)

- PV Inverter
- 3-Phase Uninterruptible Power Supply Systems
- Switching Power Supply for Telecom Equipment (SMR)
- Batter Charger for Railway & EV Charger for Electric Vehicles
- Quad.-Conductor Line Conductor Spacer,/ Twin-Conductor Line Conductor Spacer (Extra high voltage Transmission Line Hardware)

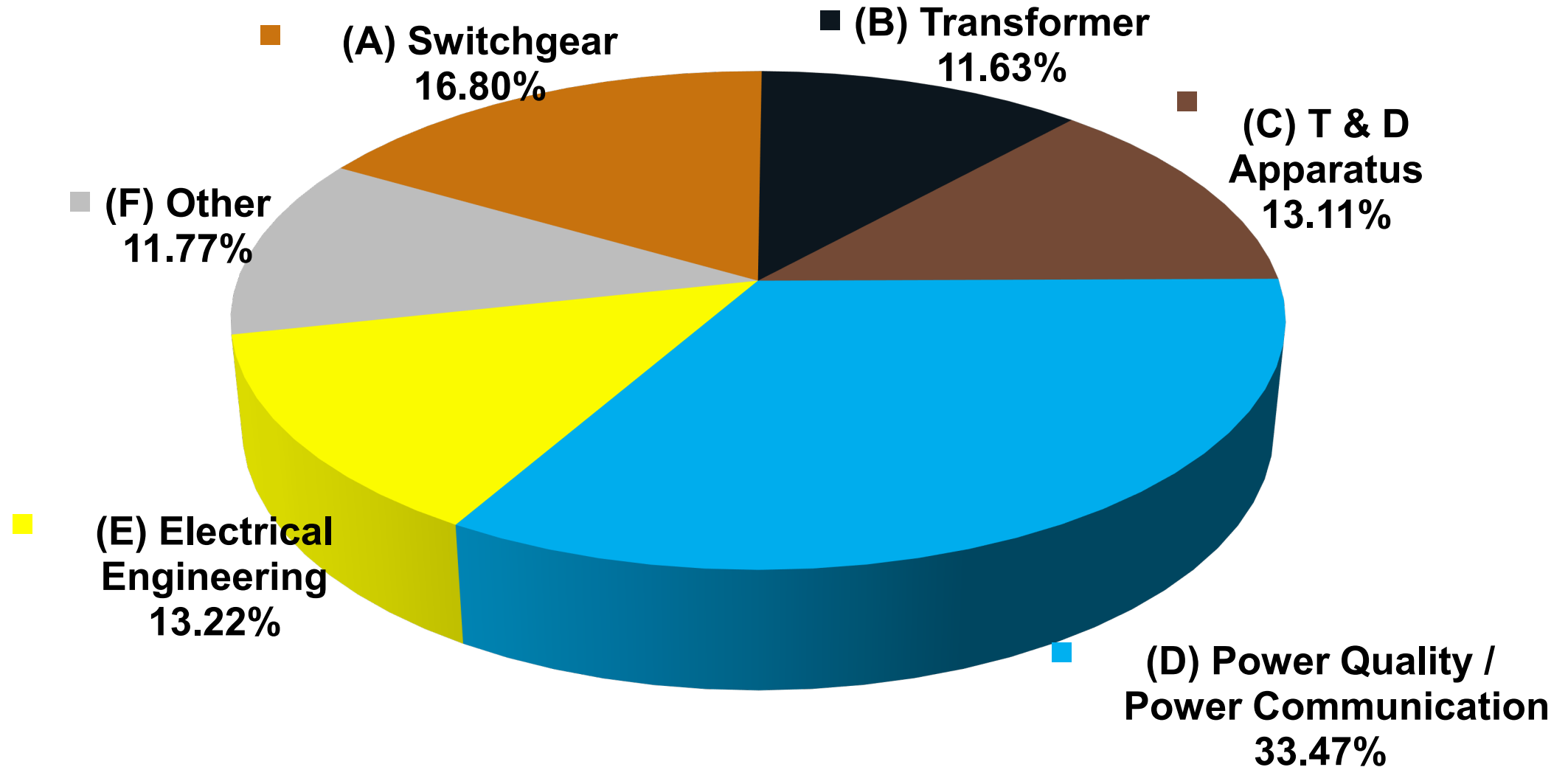


■ Xizhi Plant (ARES Technology)

- Specific Purpose of Uninterruptible Power Supply



Product Portfolio – Until Q1, 2025



Market Demand

1. **Electrical Market** : Taipower Grid Resilience Strengthening Construction Plan
2. **Telecommunication**: AI/IDC, 5G/6G Data Center Power Supply
3. **High-tech industries**: Semiconductor and Optoelectronics site expansion
4. **Power plant, petroleum, steel, and public Infrastructure**
5. **Rail Transport**: Taiwan railway, MRT, Taiwan High Speed Rail, Light railway
related equipment and engineering

Customer Reference

✦ Public sectors:

- Taiwan Power Company
- Taoyuan International Airport
- Taiwan High Speed Rail(THSR)
- Taiwan Railways Administration(TRA)/MRT

✦ High Technology Industry & Heavy industry:

- TSMC, UMC, Micron, Macronix
- China Steel Corp.
- Chinese Petroleum Corp.
- Taiwan Cement Corp.
- J&V Energy Technology
- Lien Hwa Industrial Holdings Corp.
- EVERGREEN Group
- Amazon

✦ Communication:

- Chunghwa Telecom / Taiwan Mobile / FarEasTone



Research & Development – Grid Resilience Plan

Field 1: Taipower Grid Resilience Strengthening Construction Plan

1. Leading by succeed development by Automation of power distribution product series has generated overall TWD 1 billion orders with following items



Automation of power distribution underground
4-way Pad Mounted Automatic Load Break Switch
(2B2S) Entry-level type and Standard type



Automation of power distribution underground 2-
way Pad Mounted Automatic Load Break
Switch(2B2S)

Research & Development – Grid Resilience Plan

- 2. After the completion of the new second plant for, it is estimated to secure annual orders worth approximately TWD 1 to 1.5 billion for improved and kiosk-type transformers**
- 3. Gas-insulated substations: Allies and its affiliated companies secure orders worth TWD 1 to 1.5 billion annually, with a steady increase expected each year.**
- 4. Secured the Zhuwei STATCOM turnkey substation project worth 2 billion (200 MVA). In the future, there are an additional 6 substations (200–300 MVA) with a total market demand estimated at TWD 15 to 16 billion.**

Research & Development – PV Inverter and engineering

Field 2: Solar photovoltaic inverters and photovoltaic engineering

Revenue Growth Potential

The government's solar photovoltaic policy aims to achieve 20 GW of installed capacity by 2026, driving significant annual revenue growth.

In recent years, the scale of solar projects has continuously expanded. In addition to developing high-capacity PV inverters, Allis Electric is also leveraging opportunities in solar energy, energy storage, and microgrid systems.



PV Inverter

Research & Development – Rail Transport

Field 3: Railway industry infrastructure (Taiwan Railways, High-Speed Rail, Metro, and Light Rail) **IS** the largest segment of the forward-looking infrastructure development program. Allis Electric is the 1st Taiwan company entering this field.

Revenue Growth Potential

We have secured orders for the Chiayi Railway Elevation, Tainan Railway Undergrounding projects, Hualien-Taitung railway dual-tracking (with AEC's share valued at TWD 1 billion).

Future projects, including the Taiwan Railways' third-generation CTC (Centralized Traffic Control), and the construction of smart substations across Taiwan (In February 2025, we have received orders exceeding TWD 1 billion), present significant potential business opportunities for our company.



Signal control & monitoring system

Research & Development – Rail Transport

Revenue Growth Potential

- Allis Electric has secured over TWD 4 billion in orders from Taiwan Railways and the New Taipei Metro Corporation, establishing a solid foundation in the technical capabilities of overhead catenary system engineering for railways, including high-speed rail, Taiwan Railways, and light rail systems.
- Ongoing projects currently under construction include the Changhua and Yilan sections of Taiwan Railways, as well as the upcoming Hualien-Taitung railway dual-tracking project.



O.C.S. cantilever supporting devices and installation construction for railway

Research & Development – Switch & Charging Device

Field 4: For the ICT market, including AI / IDC server rooms, switch rooms with high-performance power protection, and the electric bus/electric vehicle charging market, the following development projects have been completed:

Revenue Growth Potential

It has contributed approximately TWD 200 to 300 million in annual revenue. In the future, driven by the domestic and international market demand for AI and big data applications, it is expected to experience explosive growth.



IDC server room power equipment
(low and high-voltage distribution panels, molded-type/non-crystalline transformers)

Research & Development – Switch & Charging Device

Revenue Growth Potential

We actively promoting for the domestic and international 5G/6G markets

We have secured orders from major telecommunications companies in Taiwan and continue to provide high-quality products.



Telecommunications switch rooms
(DC high-frequency power supply switch for base stations)

Research & Development – Switch & Charging Device

Revenue Growth Potential

The government has declared a goal to achieve full electrification of urban buses by 2030, with a total demand of approximately 10,000 electric buses.

The demand for electric buses is expected to grow significantly over the next decade, driving the demand for charging equipment and energy storage systems as well.

We have actively expanded the market and have successively obtained the overall planning and installation of charging stations for major domestic bus operators. Future growth is expected.



Electric Bus Charging Equipment

Research & Development – Switch & Charging Device

Revenue Growth Potential

The government is promoting the full electrification of passenger vehicles by 2040. Currently, the penetration rate of new electric vehicles is around 10%, while the overall adoption rate is less than 2%. The demand for the installation of charging stations across Taiwan continues to grow.

Allis Electric has independently developed and launched 160kW and 240kW DC fast charging stations to meet the charging needs of electric vehicles.

Additionally, we are the distributor of the well-known Spanish brand Wall Box, which produces AC slow charging stations, to cater to the diverse charging needs of the rapidly growing electric vehicle market.



Electric Vehicle Charging Equipment

Research & Development – Switch & Charging Device

Revenue Growth Potential

In response to the extensive demand for the replacement and upgrading of rail vehicle carriages, Allis Electric is the exclusive domestic developer successfully meeting this need.

We have provided a shipment of approximately 3,000 units to Taiwan Railways, the MRT, and Shanghai intercity trains, among others.

Under the government's active promotion of rail infrastructure development, the demand for the replacement and upgrading of Taiwan Railways' carriages is also expected to grow in the future.



Rail vehicle-specific charging equipment

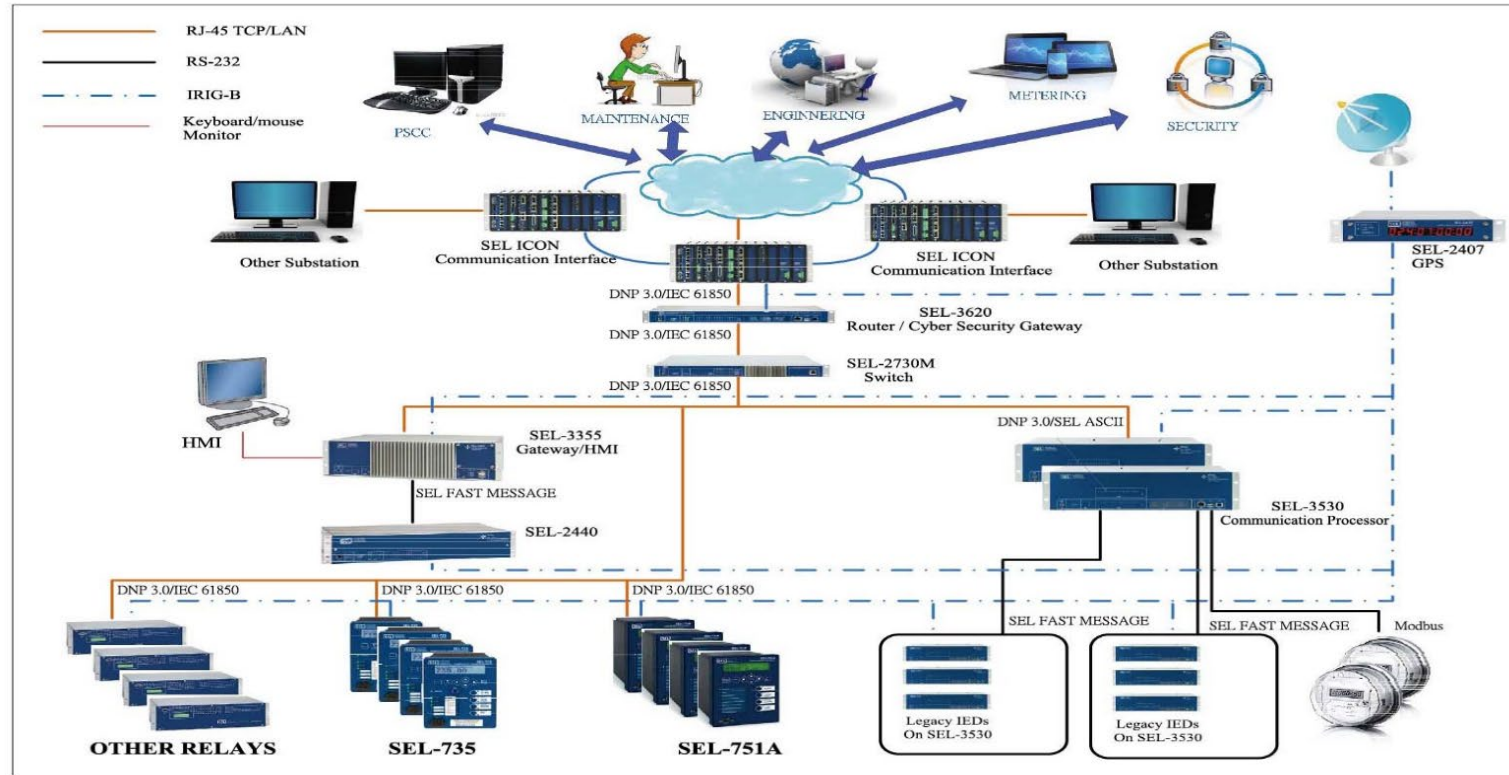
Research & Development – SCADA System Integration

Field 5: Smart grids are the development trend for the future of the power market.

Revenue Growth Potential

Smart grids are the development trend for the future of the power market.

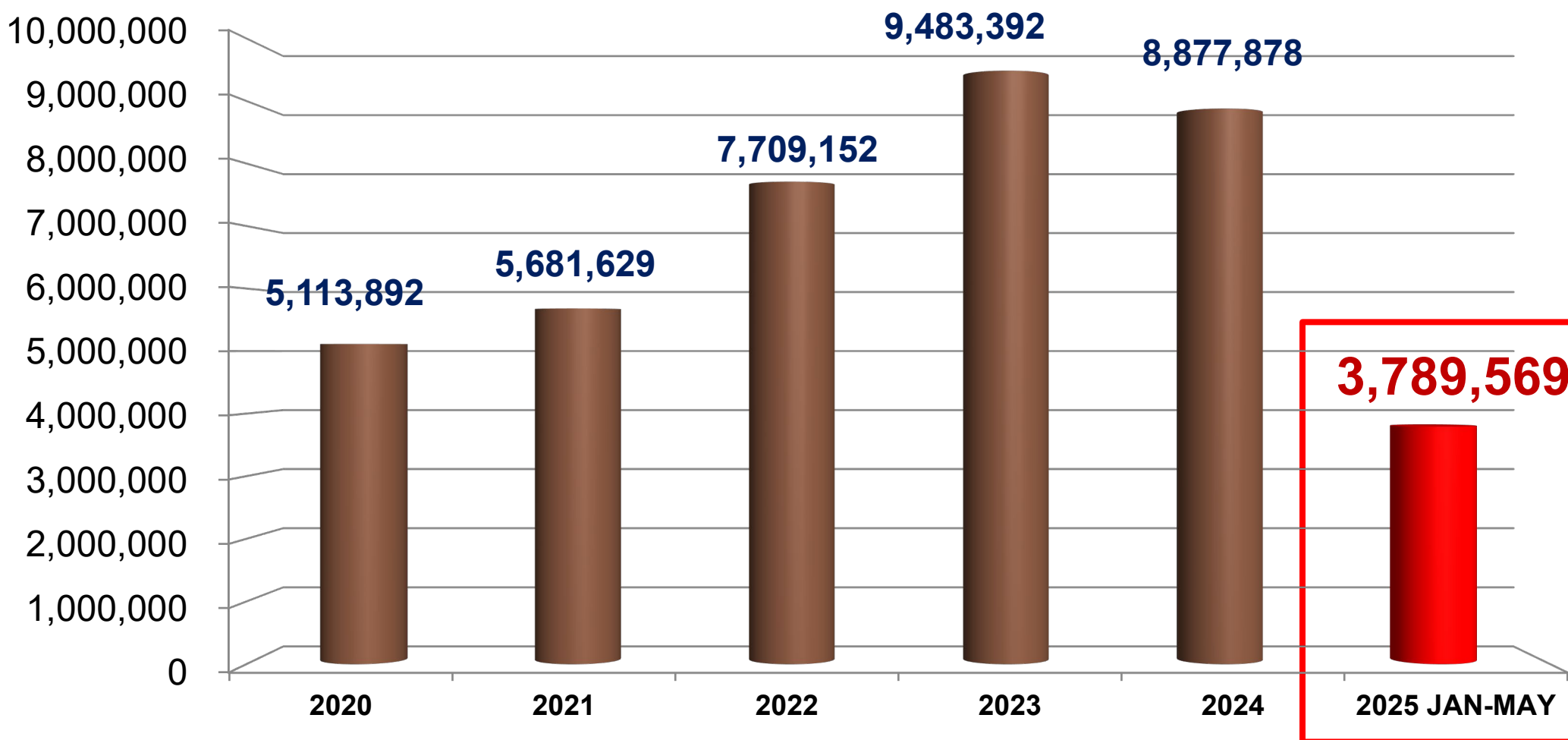
After years of research and development, Allis Electric has integrated the ability to autonomously detect, isolate, protect, reset, restore power, and monitor electricity through its smart distribution equipment.



AEC SCADA Diagram

Operation Status – Consolidated Revenue Statements for the past Five Years

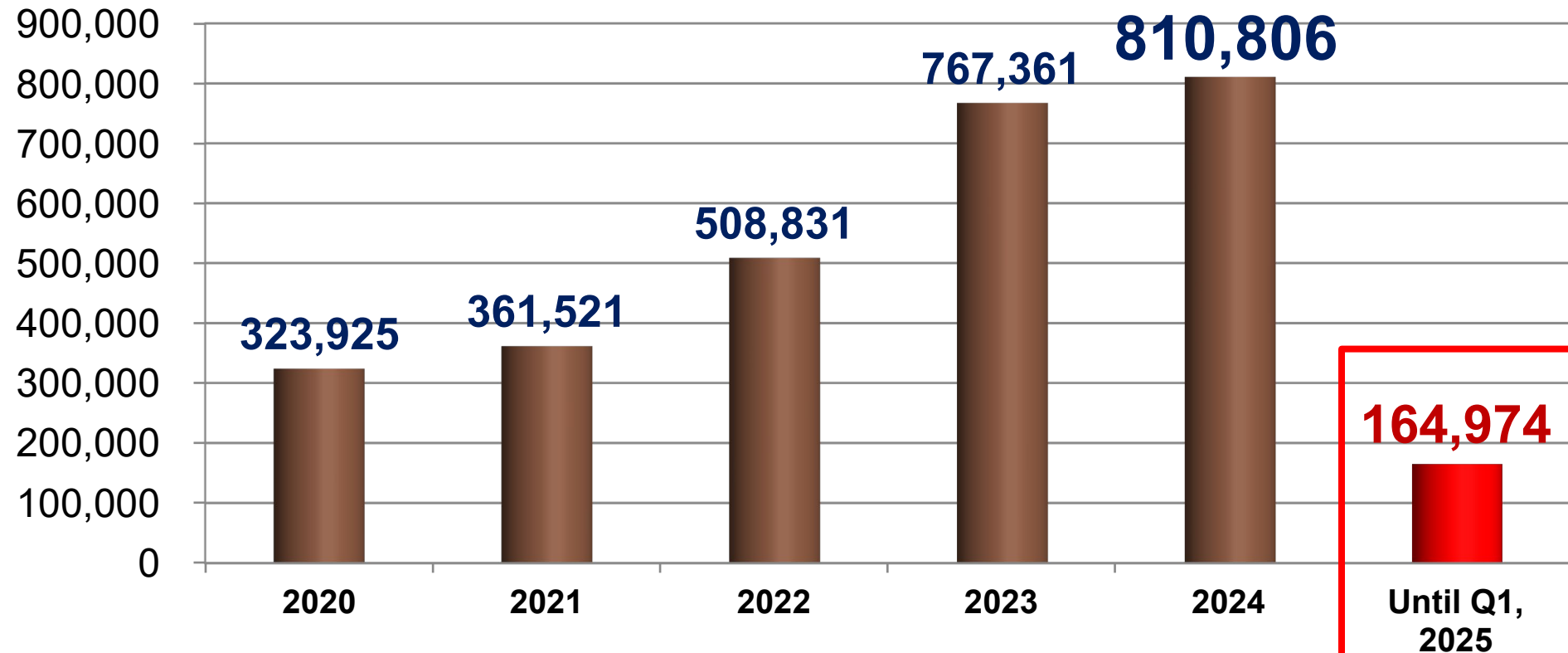
Unit: thousand(TWD)



Operation Status – Growth of Net Income

Unit: thousand(TWD)

Current Period Net Income



EPS

1.44

1.51

1.60

2.15

3.08

0.61

Operation Status – Analysis

The main reasons for continued growth in net income after tax despite a decline in revenue in 2024 are as follows

- 1 **Increasing ratio of self-manufacturing product**; on the other hand, engineering tender deals ratio decreased compared with same period last year
- 2 **Expansion of T&D apparatus production line equipment in Yangmei factory** streamlining manufacturing process and producing value-added products.
- 3 **Increasing ratio of Switchgear sales in power plant market sector**, which demands complex design and production process, resulting in higher profit margin.

Operation Status – Analysis

4

Top 500 corporations comprise of the majority of Allis Electric's customer base

4.1

With **active awareness of ESG standards** including human rights and work safety protocols, most of Allis Electric's customers are willing to comply with ESG standards, leading to higher profit margin.

4.2

Railway electrification project presenting high degree of engineering difficulty and acceptance criteria, resulting in higher employee wage and expenditure that comes with higher profit margin.
(e.g.; Equipment can be only deployed after business hours at night, must be completed before next business hours at dawn.)

Operation Status – Quarterly Performance Review

2025 Q1 Gross margin and Net income comparing with same financial period last year.

Item	2025Q1	2024Q1	Annual Growth Rate
Gross margin	18.73%	18.70%	+0.16%
Net income	164,974	228,548	-27.92%

Operation Status – Analysis

The main reasons for the differences in net profit after tax are as follows:

- 1 **Foreign exchange gains** decreased by approximately TWD 40 million compared with the same period last year.
- 2 **Gross profit** from operations decreased by approximately TWD 13 million, mainly due to a 3% decline in revenue.
- 3 **Share of profit (loss) of associates and joint ventures accounted for using equity method** decrease roughly TWD 7.2 million in non-operating income.

Key Business Strategy – Semiconductor Market

1. Semiconductor market

Allis Electric is a key supplier in the semiconductor market, providing high and low voltage distribution panels and transformers as essential equipment for semiconductor plants.

Since last year, several major semiconductor companies have started expansion plans in the USA, Singapore, Japan, Germany, etc. Consequently, our company's export performance has significantly increased as our transformers and distribution panels are also being sold abroad.

Key Business Strategy – AI Development

2. AI development opportunities in the future

Allis Electric has accumulated many years of experience in providing GIS and transformers for several IDC substations of CHT-Chunghwa Telecom Co., Ltd. in domestic IDC computer rooms.

Since AI (Artificial Intelligence) is a highly energy-consuming industry, its AI data centers require more substantial electrical energy to support high-speed and high-efficiency computing. Therefore, in the foreseeable future, the supply and transmission of electrical energy will require more GIS and transformers in substations for protection and voltage transformation.

These phenomena are expected to bring another wave of business opportunities to the heavy electrical industry.

Recent Data Centers Projects of Chunghwa Telecom

No.	Location	Capacity	Remarks
1	Banqiao IDC	24MW	■ Amount: TWD 202 million ■ Duration: Feb 2022 – Dec 2023
2	Taitung Dawu	1.14MW	■ Amount: TWD 171.8 million ■ Duration: Dec 2023 – Dec 2024

*There are three upcoming projects with a total estimated amount of approximately TWD 1 to 1.5 billion.

Key Business Strategy – Grid Resilience Plan

3. Taipower Grid Resilience Plan

The 10-year Grid Resilience Plan of TWD 564.5 billion is closely related to the company's future growth. President Lai ordered Taipower to speed the Plan up and complete it four years ahead of schedule (before 2028).

Its main products include GIS for substations, various switchgear for intelligent distribution lines, pole and pavilion transformers, the addition of turnkey substations, and STATCOM to improve the quality of ultra-high voltage power.

Key Business Strategy – Solar Energy, storage, EV charger

4. Promotion of solar energy, energy storage, EV charger

AEC will launch large-scale solar inverters such as 110KW, 136KW and 225KW in solar energy this year, and will also actively participate in the construction of solar farms to increase operating income

(1) Energy storage: 20” and 40” containers storage and a supporting alliance with well-known manufacturers Delta Electronics for domestic and foreign markets.

(2) EV charger: 90KW、160KW fast charger certified by VPC, and 240KW super charger will soon be certified by VPC, planned to be launched in the second half of the year for electric bus and electric vehicle markets.

Key Business Strategy – Solar Energy, storage, EV charger

(3) Microgrid development:

AEC build a holistic industrial and commercial-grade microgrid system (0.5~5MW) by utilizing Delta Electronics' batteries and energy storage systems, combined with the company's self-developed energy management system (EMS), self-produced GIS, and amorphous transformer. We are actively promoting this microgrid energy storage system to help customers achieve net zero carbon emissions and green energy transformation.

Key Business Strategy – Rail Market

5. Rail Market

Among the four major rail systems – High-Speed Rail, Taiwan Railways, Metro, and Light Rail - many new construction projects and equipment upgrades will continue to accelerate throughout 2025 and onwards.

Key components such as OCS (Overhead Catenary System), substation equipment, and AC/DC chargers are core strengths of AEC. AEC have established a strong reputation and service record within the rail industry and are confident that we will continue to achieve outstanding results in the coming future.

Key Business Strategy – Oversea Market Opportunity

6. Oversea market opportunity

In addition to strengthening the existing foreign distribution system (Europe, the United States, South Africa, Southeast Asia), AEC is actively responding to the rising demand for infrastructure in emerging markets such as Southeast Asia.

By leveraging our experience and competitive products & technologies - including power switching equipment, molded transformers, solar inverters/microgrid energy storage systems, chargers for electric buses & vehicles, and rail vehicles, as well as system integration solutions. AEC aim to rapidly transfer our capabilities and create new business opportunities through local distributors, agents, or strategic alliances.

In addition, the U.S. infrastructure market presents strong demand for the replacement and upgrading of heavy electrical equipment, offering business opportunity that we intend to seize under appropriate trade conditions.



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