Chief Company Introduction

Stock Code：6561

Mar. 5, 2025
https://www.chief.com.tw

CHIEF | 是方

CHAPTER 1
Company Profile

1. Chief Profile

Founded   Jan. 19, 1991

Capital   NT$779,513,700

Major Products IDC Services
Cloud Services
Data Network Services
Voice Services
Exchange Services

**Telecom Operational License**
ISP、Internet 、LLC
VPN 、070 VoIP 、IPLC
Submarine Cable Leasing License

World-class Carrier Neutral IDCs
LY、HD 、TF ：30,000 sqm
LY2 ：16,500 sqm

➤ **Chief ESG Report Certified in 2022~2023**
➤ **Awarded "CommonWealth Sustainable Citizen Award Top 100" in 2023~2024**
➤ **Awarded "Best IT Employer Award" in 2023~2024**
➤ **Ranked in the top 5% of TPEx listed company for corporate governance evaluations in 2023~2024**

CHIEF | 是方

2.1 Company Unique Positioning – Carrier Neutral

Platform+　Connectivity+　Value +
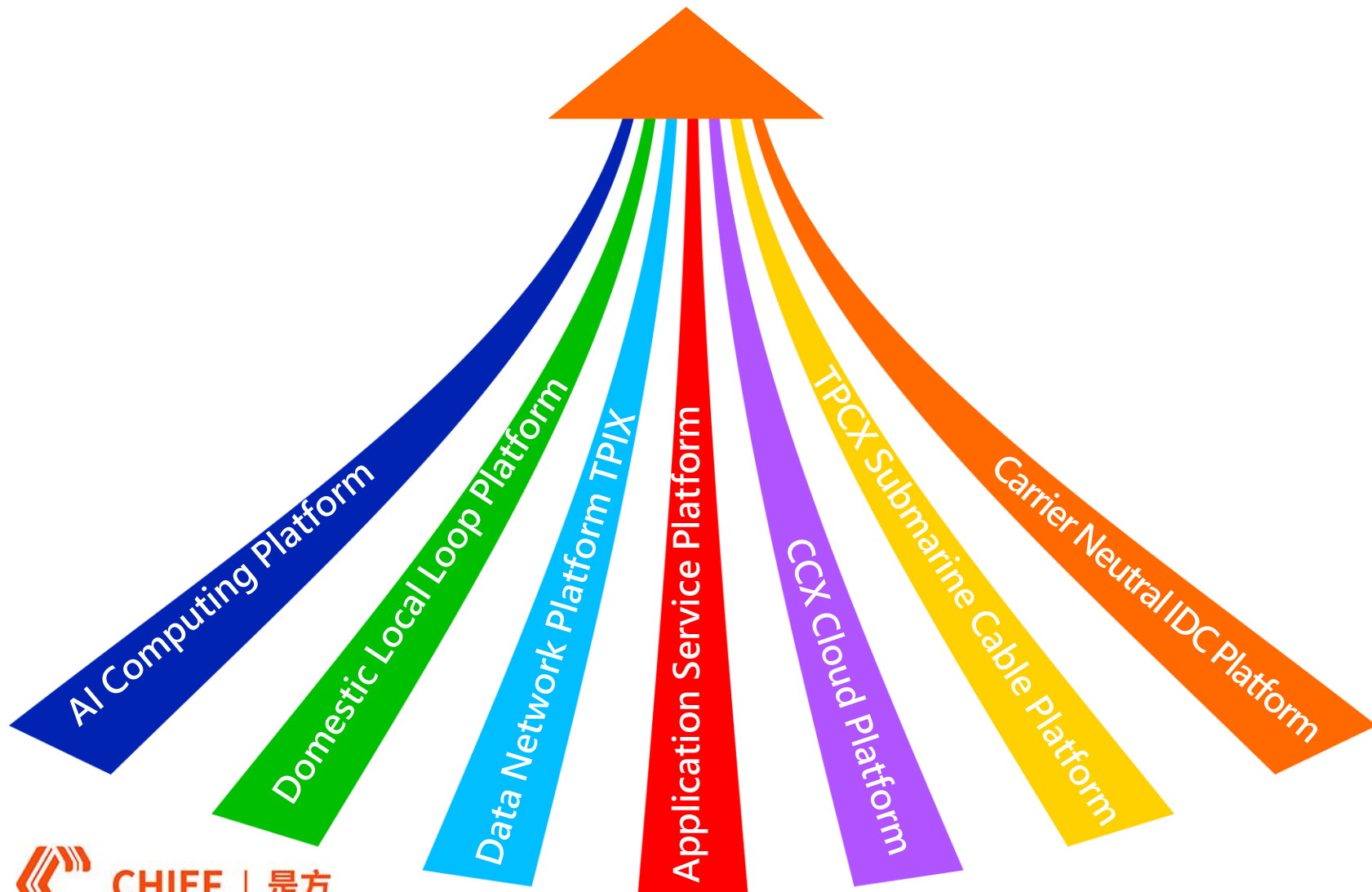
Carrier Neutral IDC+

CHIEF | 是方
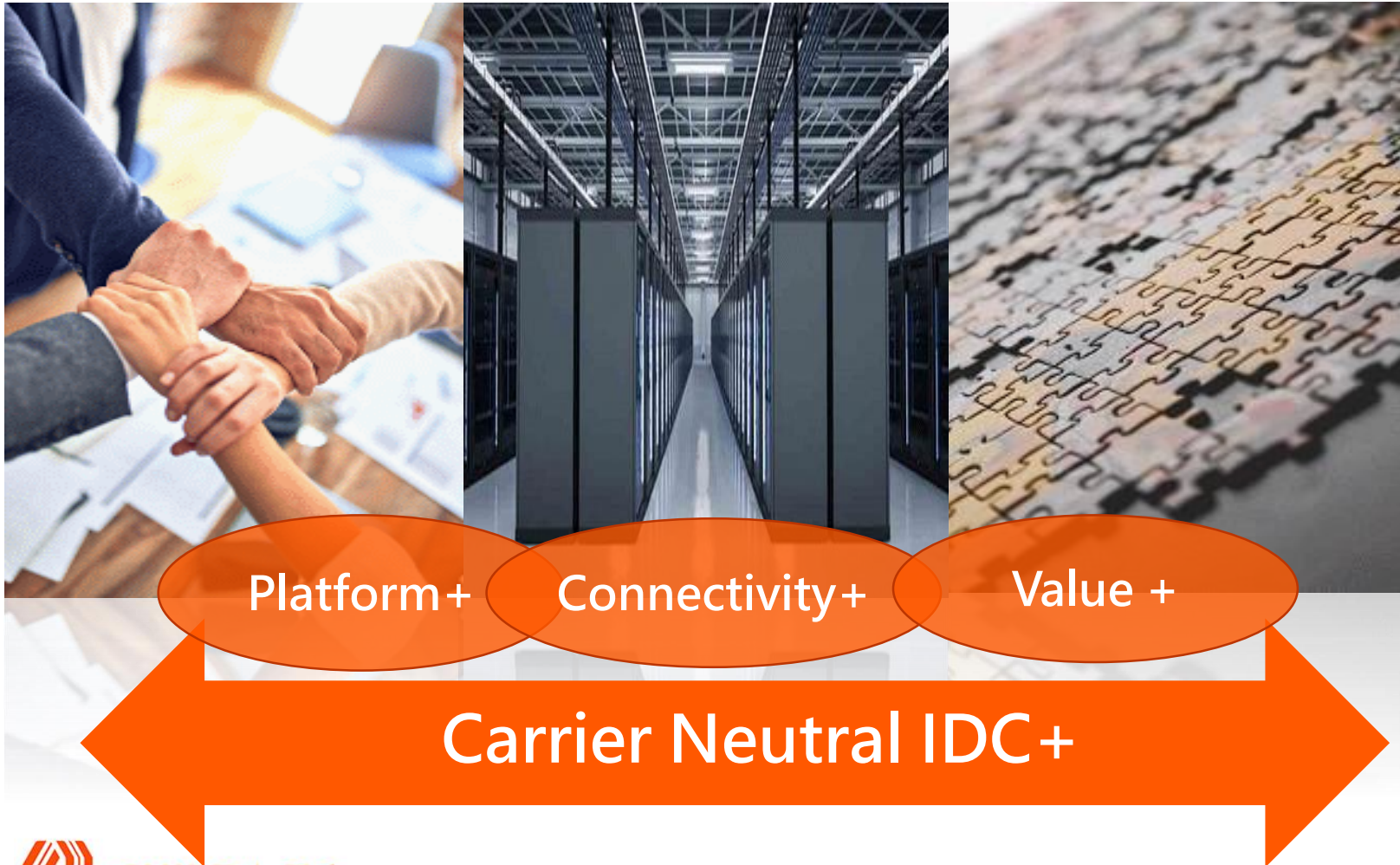
2.2 IDC+

Cluster magnetic attraction global customers, bring continuous growth

◆ Based on IDC cluster magnetic attraction effect, focusing on network, cloud, AI computing, and security application services, pursuing business growth via diversified data and application services.

◆ Based on **TFNC** (Triple Fiber Network Connectivities) to extend Chief services for competitiveness improvement (just like enjoying free shipping service for buying goods).

Chief IDC Campus

CHIEF | 是方

Taipei Internet eXchange

Taiwan No. 1 IX(TPIX)

Chief Cloud eXchange

Taiwan Public Cloud Exchange Gateway

Cloud Service Providers

AI Service Providers

Finance/Insurance Companies

OTT Content Providers

E-Commerce Service Providers

4
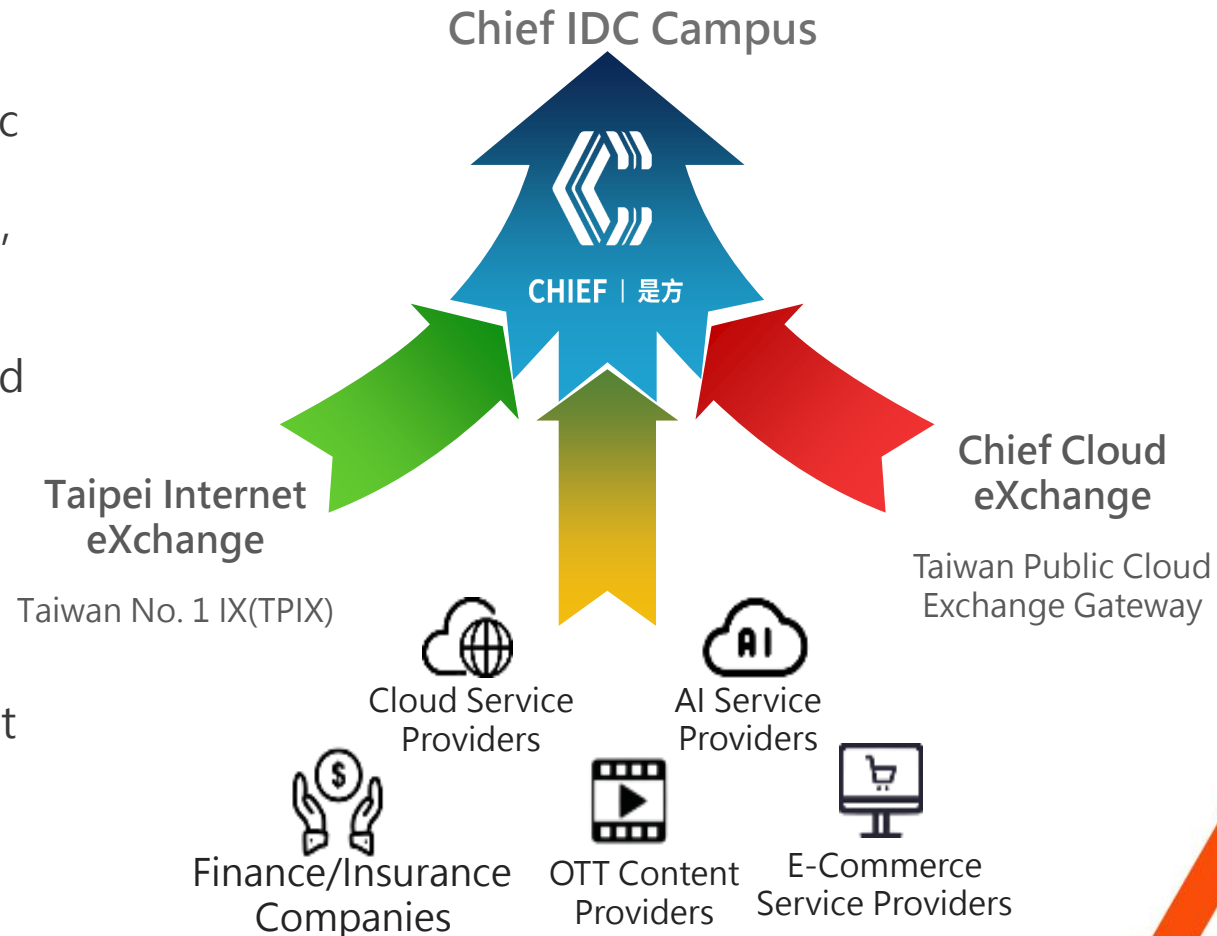
2.3 Platform+
(Specialization/ Resource Sharing/ Collaboration/ Multi-winners)

AI Computing Platform

Domestic Local Loop Platform

Data Network Platform TPIX

Application Service Platform

CCX Cloud Platform

TPCX Submarine Cable Platform

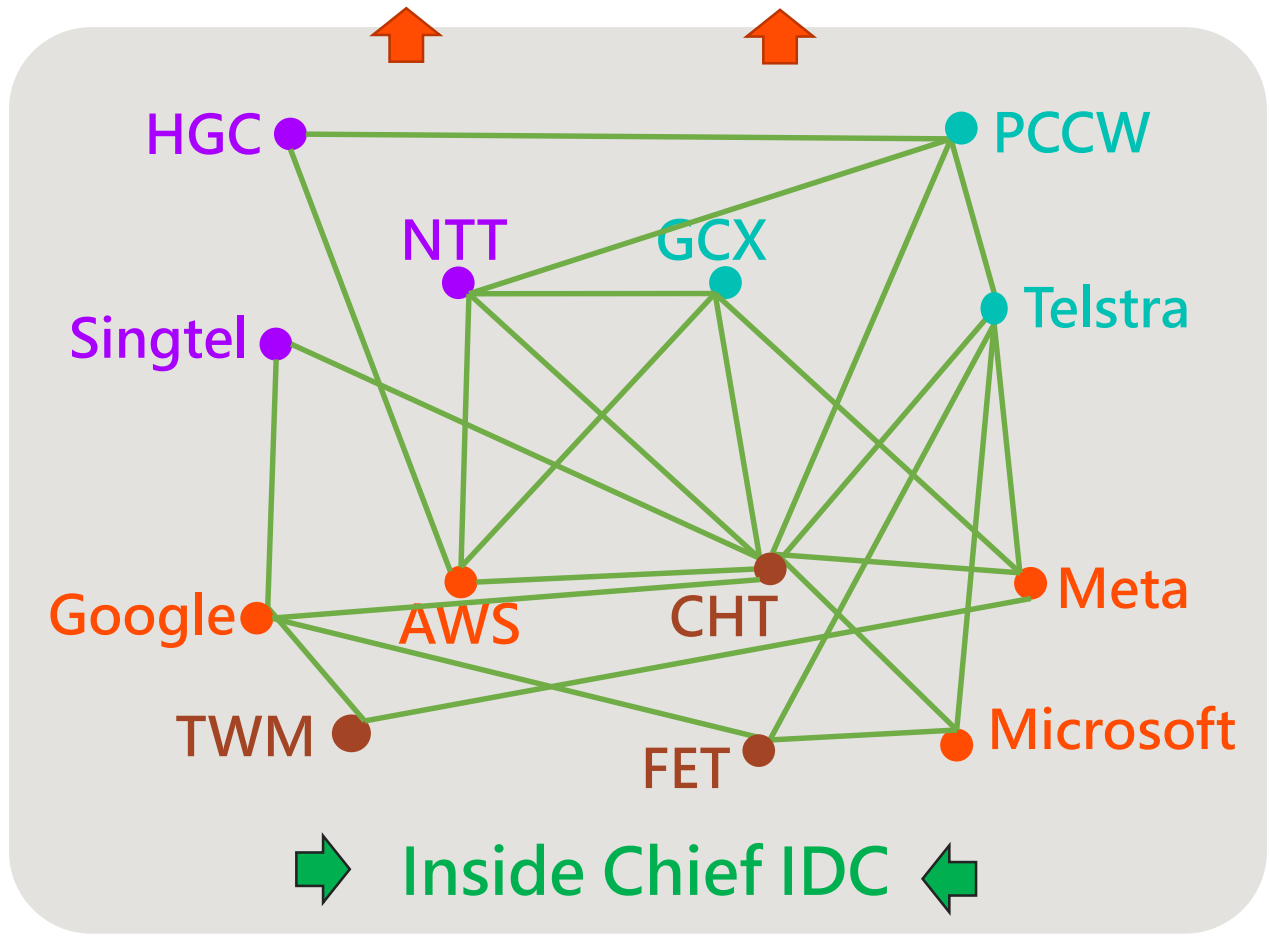Carrier Neutral IDC Platform

CHIEF | 是方

2.4 Connectivity+

Ultra-wideband direct connect to HK, Japan, Singapore, etc.

Type I :
Int'l Carriers

Type II :
Submarine Operators
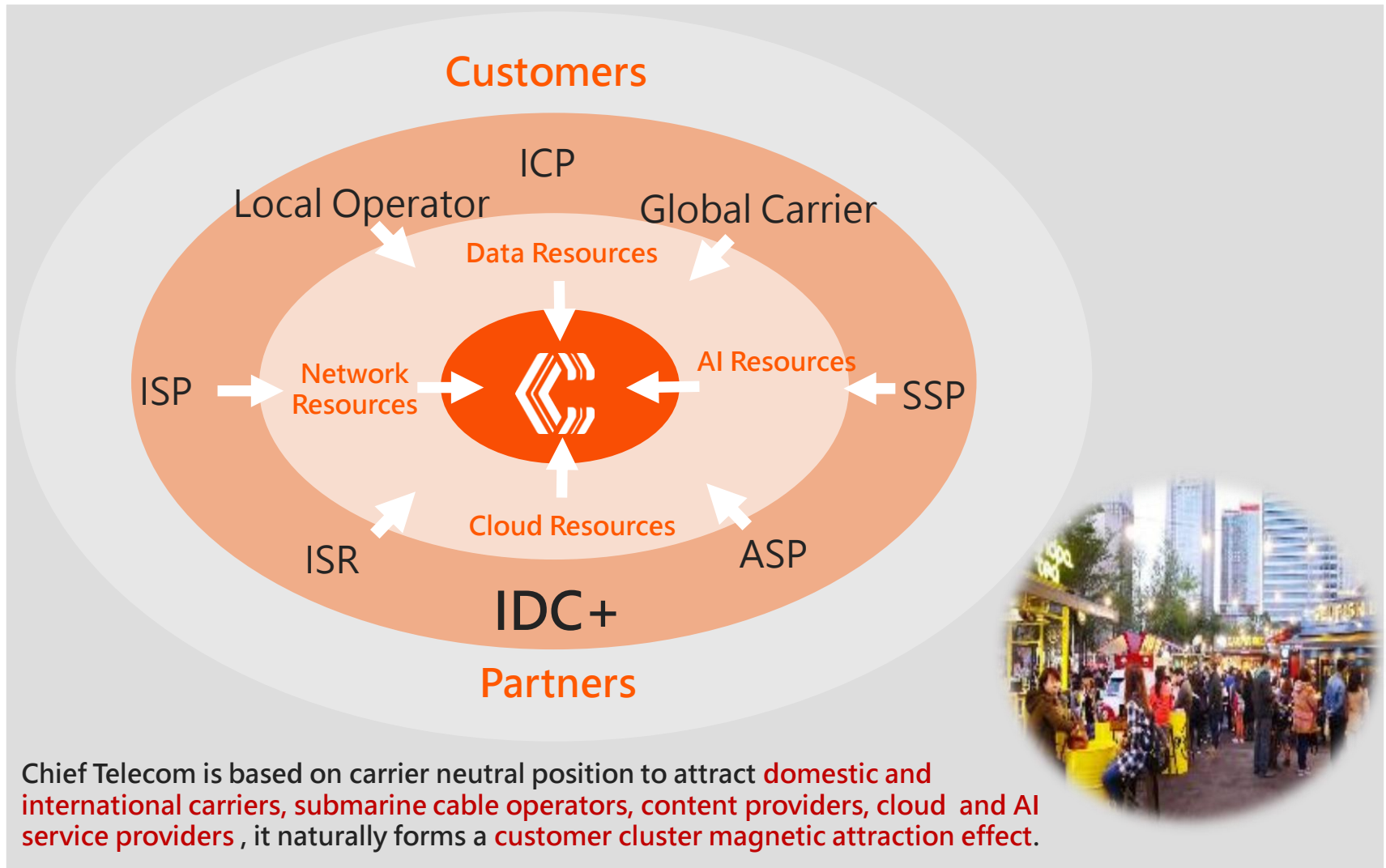
Type III:
ICP/Cloud/AI&
Network Service provider

Type IV:
Domestic Carriers &ISP

HGC   PCCW
NTT   GCX
Singtel   Telstra
Google   AWS   CHT   Meta
TWM   FET   Microsoft

Inside Chief IDC

Data、 network、cloud、 AI related customers use fiber optic connections among IDCs _ Multiplier Effect

CHIEF | 是方

6

2.5 Value+

Customers

ICP
Local Operator   Global Carrier
Data Resources

ISP → Network Resources → AI Resources ← SSP

Cloud Resources

ISR   ASP

IDC+

Partners

Chief Telecom is based on carrier neutral position to attract domestic and international carriers, submarine cable operators, content providers, cloud and AI service providers , it naturally forms a customer cluster magnetic attraction effect.

CHIEF | 是方 ● Ecosystem + Cluster Magnetic Attraction Effect

3. Major Customers

Chief Solution

Domestic Carriers & CSPs

International Carriers

Enterprise Customers

Global Cloud and AI Service Providers

TPIX Members
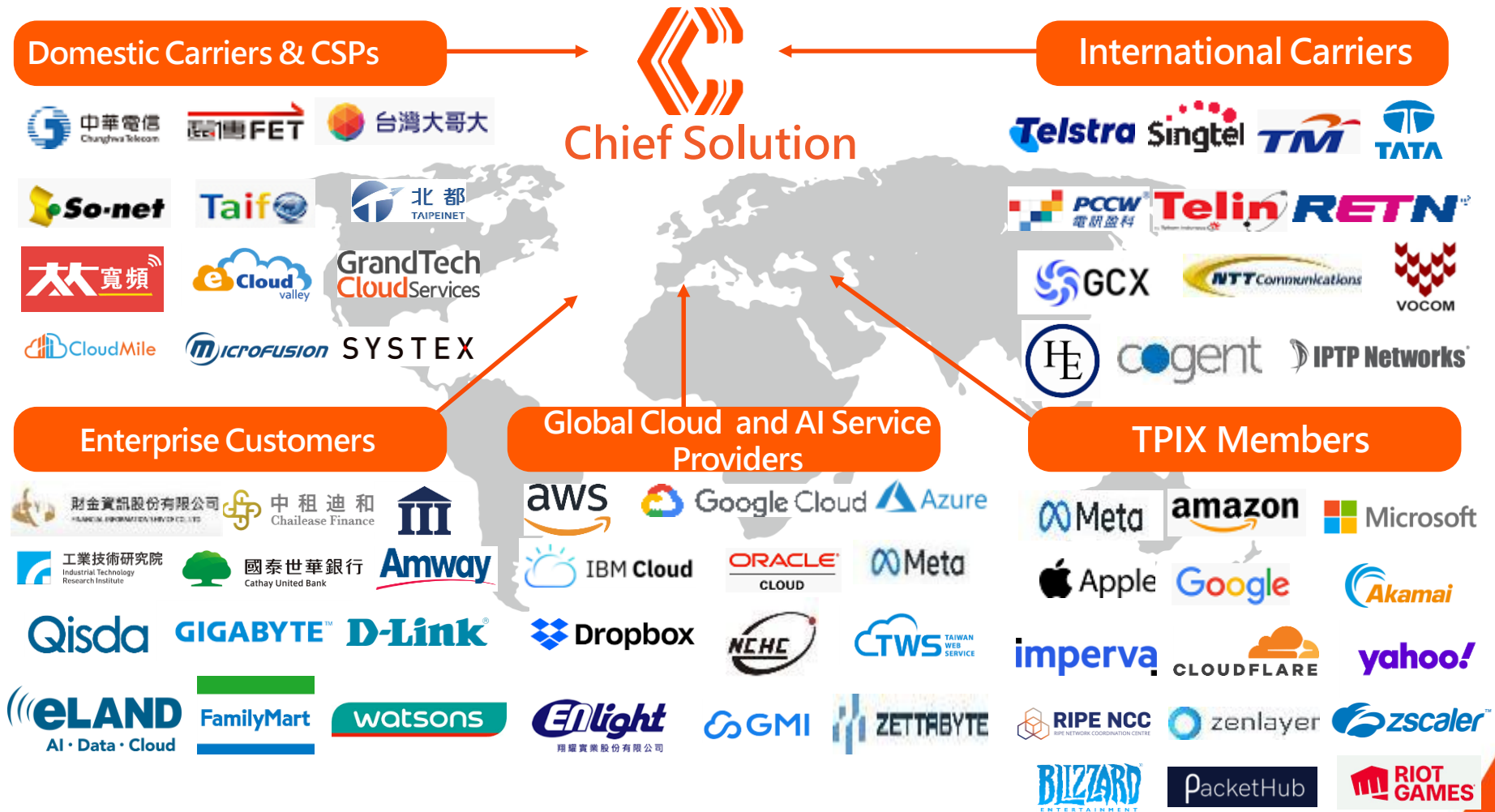
CHAPTER 2
Product Introduction

Product Introduction
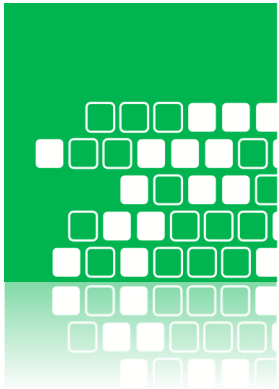
IDC Service	Data Service	Cloud Service	Voice Service	Exchange Center
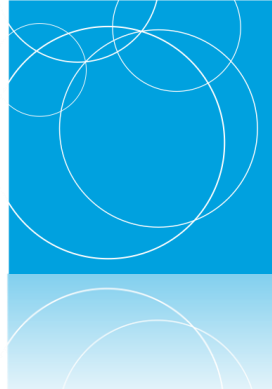
ISO 27001   ISO 27011   ISO 27017   ISO 27018   DCOS-4 Managed Operations & Maintenance
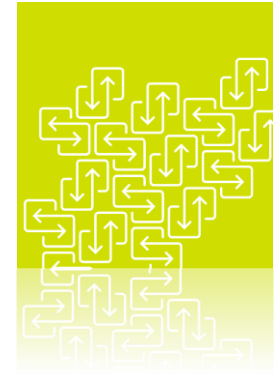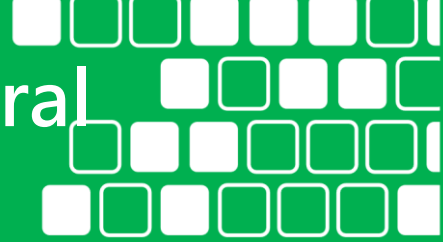
ISO Information Security Quadruple Certification & DCOS-4 Certification
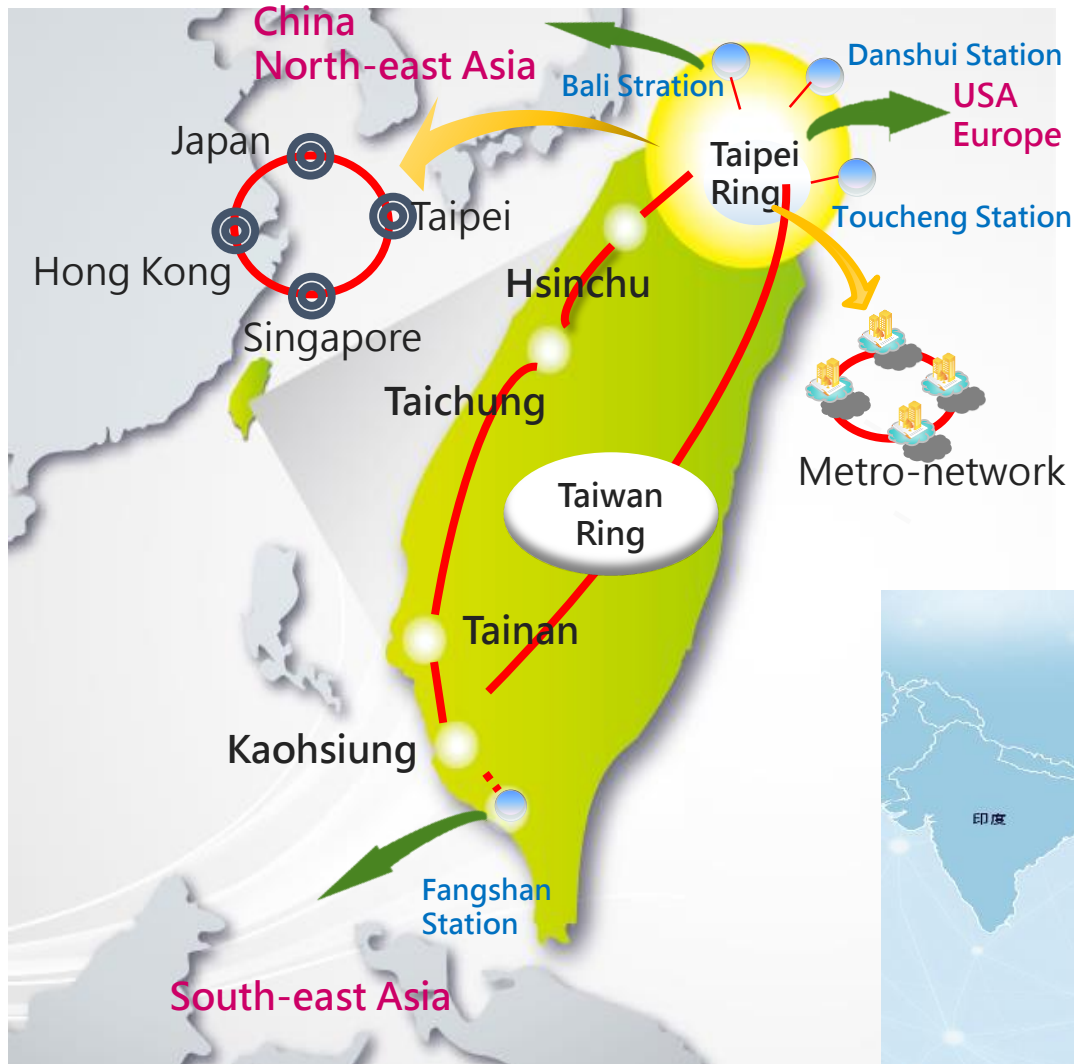
CHIEF | 是方

10

1. IDC Colocation Services – Carrier Neutral

- **World-class carrier neutral IDCs to provide high quality IDC services**
  - ➤ World-class IDC SLA
  - ➤ Customized design and deployment
  - ➤ 7X24hrs NOC & **ISO & DCOS certified**

- **Complete connection for domestic/international optical network , 1st choice for foreign customers to enter Taiwan**
  - ➤ Fiber ring among buildings
  - ➤ International submarine cable connection center
  - ➤ Richest resources for local loop access
  - ➤ Telecom/Network/Cloud/AI data centers

- **Similar foreign IDC service providers:**
  - ➤ **Equinix、Digital Realty 、QTS、 KINX、 Coresite 、Cyrusone 、Colt 、Global Switch 、Sify 、 ST Telemedia 、GDC**

L.Y.

H.D.

FIBER RING

L.Y.2

CHIEF | 是方

2. TFNC (Triple Fiber Network Connectivities)

China
North-east Asia
Japan
Taipei
Hong Kong
Singapore
Hsinchu
Taichung
Taiwan Ring
Tainan
Kaohsiung
Fangshan Station
South-east Asia
Bali Stration
Danshui Station
USA Europe
Taipei Ring
Toucheng Station
Metro-network

TFNC Abundant Domestic and International Network Resources

- **Taipei Ring**: fiber network connect to Chief IDCs

- **Taiwan Ring**: fiber network connect to five major cities

- **International Ring**: High bandwidth connect to USA, Europe, East Asia and China

Cross-Operator/Network/Platform/Device

NCC E.164 Numbers for worldwide use. Support PC 、NB、Pad、Mobil phone

Cloud PBX

Provide Cloud PBX to reduce capex and opex

Business Applications

UC services, file sharing, 100-party video conference, recording, whiteboard, etc.

Chief 070 Applications

Management Center

Customer web portal to manage voice services and check CDR

System Integration

to provider integrated solutions, such as Microsoft Teams.

CHIEF ｜ 是方

13

4.1 Cloud Service _Comprehensive Solution

PaaS Application Service

Customer Service Portal

Enterprise Cross-cloud & Hybrid Cloud Solutions

SaaS Application Service

Cloud Exchange Platform

Cloud Security Solution

Enterprise Cloud Storage

Enterprise Cloud Backup

Cloud IaaS Solutions

CHIEF **APP CLOUD**
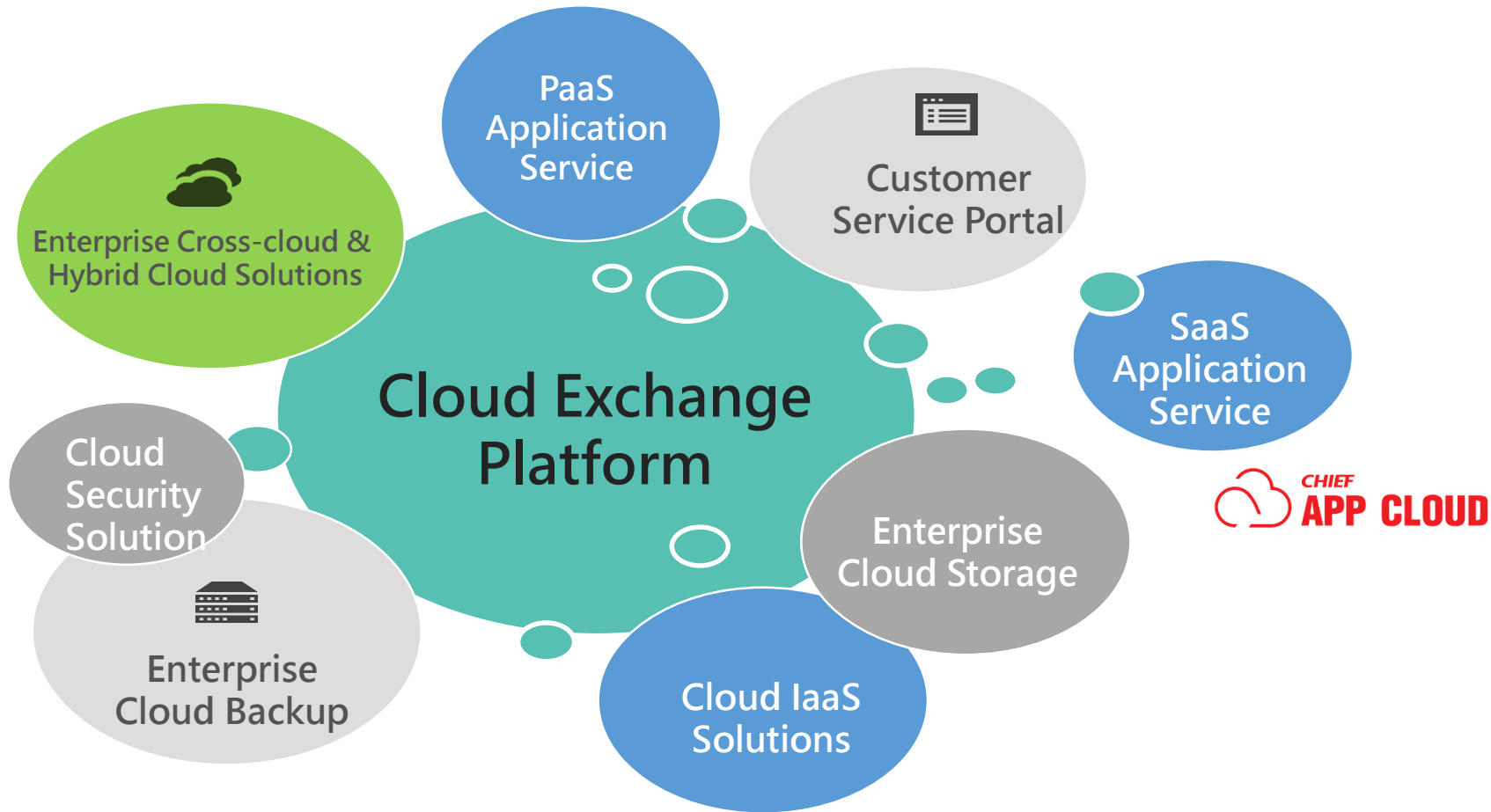
- All cloud data is stored domestically, which meets information security and audit requirements
- ISO27017/27018 certified
- BMC global service coverage (exceeds 40 countries / 60 cities)

CHIEF | 是方

4.2 SaaS Application – Chief i Health

Chief i Health App

Easy to control health status

- Green/Red lights indication for personal health status

Convenient collection of health data

- Health Kit & Google Fit data collection

健康狀態
預測分析

美食照片
AI辨識

個人化健
康儀表板

是方 i 健康

健康數據
輕鬆分類

健康新知
推播分享

連結運動
社群激勵

Health housekeeper push message

- Combining weather information and air quality index to provide personal exercise advice

Get partners to exercise together

- Wearable device data connect to AI application

CHIEF | 是方

- The IDC building to consolidate consortium cables and private cables in Taiwan. Private cables (Pacnet/Telstra, TIGC, Reach, GCX) and consortium cables are connected in Chief IDC site, fixed network operators also set up PoPs in Chief IDC .

- Following the pervious submarine cable leasing license award to the submarine cable operators in 2002, Chief is the 1st service provider for nearly 20 years to pass the application permit by NCC/MODA in May 2024 for providing submarine cable leasing service.
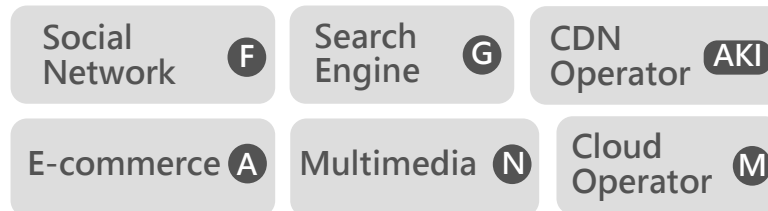
APCN2
EAC-C2C
FASTER
SJC2
TSE-1
TPE

Danshui

APG
FNAL/RNAL
NCP
PLCN
SMW3

Toucheng

China
North-east Asia
Southeast Asia

**Chief IDC
ITMC**

America
Europe

EAC-C2C

Bali

Fangshan

EAC-C2C
SMW3
SJC2

CHIEF | 是方
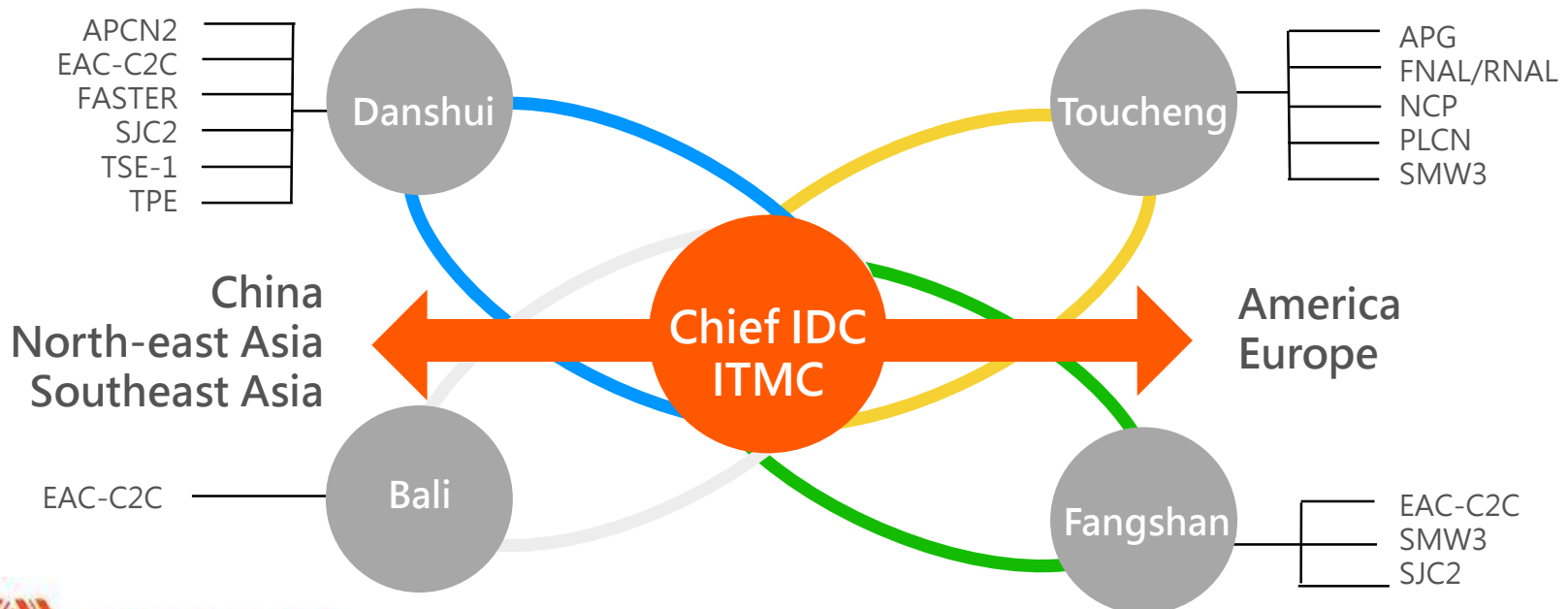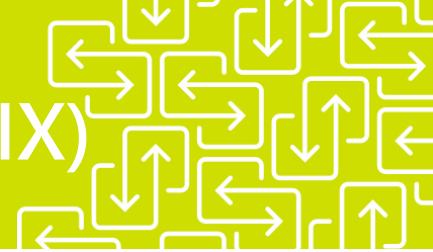
Rank	Internet Exchange		Members	Country	City	Website
#69	Peering.cz		202	CZ	Prague	www.peering.cz
#70	Equinix Dallas		201	US	Dallas	ix.equinix.com
#71	PTT Salvador		196	BR	Salvador	ix.br
#72	ONIX		195	CA	Toronto	www.onix.cx
#73	TPIX-TW		193	TW	Taipei	www.tpix.net.tw
#74	Equinix San Jose		192	US	San Jose	ix.equinix.com
#74	Digital Realty	Telx Atlanta		192	US	Atlanta	ix.digitalrealty.com
#76	Thinx		191	PL	Warsaw	www.atman.pl

Source: Hurricane Electric Internet Exchange Report Dec. 4, 2024

Social Network **F**
Search Engine **G**
CDN Operator **AKI**

E-commerce **A**
Multimedia **N**
Cloud Operator **M**

International & domestic content provider

Achieve

IPv4・v6 Supported
100G Connection

Magnetic Attraction Effect

TPIX

- **Shortest latency**
- **Fastest speed**
- **Lowest cost**

190+ Member
300G+ Traffic

www.tpix.net.tw

CHIEF | 是方

Content demand side

- Domestic ISP
- Fixed network operators

- Cable operators
- Other IX…

- International ISP
- Mobile operators

TPIX with 193+ members ; ranked #73 worldwide

17

5.3 Chief Cloud eXchange (CCX)

Public Cloud
Hybrid Cloud
Private Cloud

Security and Compliance
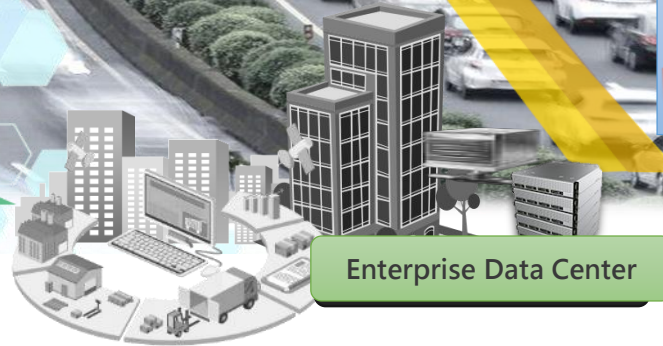
CHIEF | 是方
IDC
CLOUD STORAGE
CC1S

CHIEF | 是方
Google Cloud
aws
IBM Cloud
ORACLE CLOUD
Azure

CCX Direct Connect
Private & Secure Channel

CCX

Public Internet
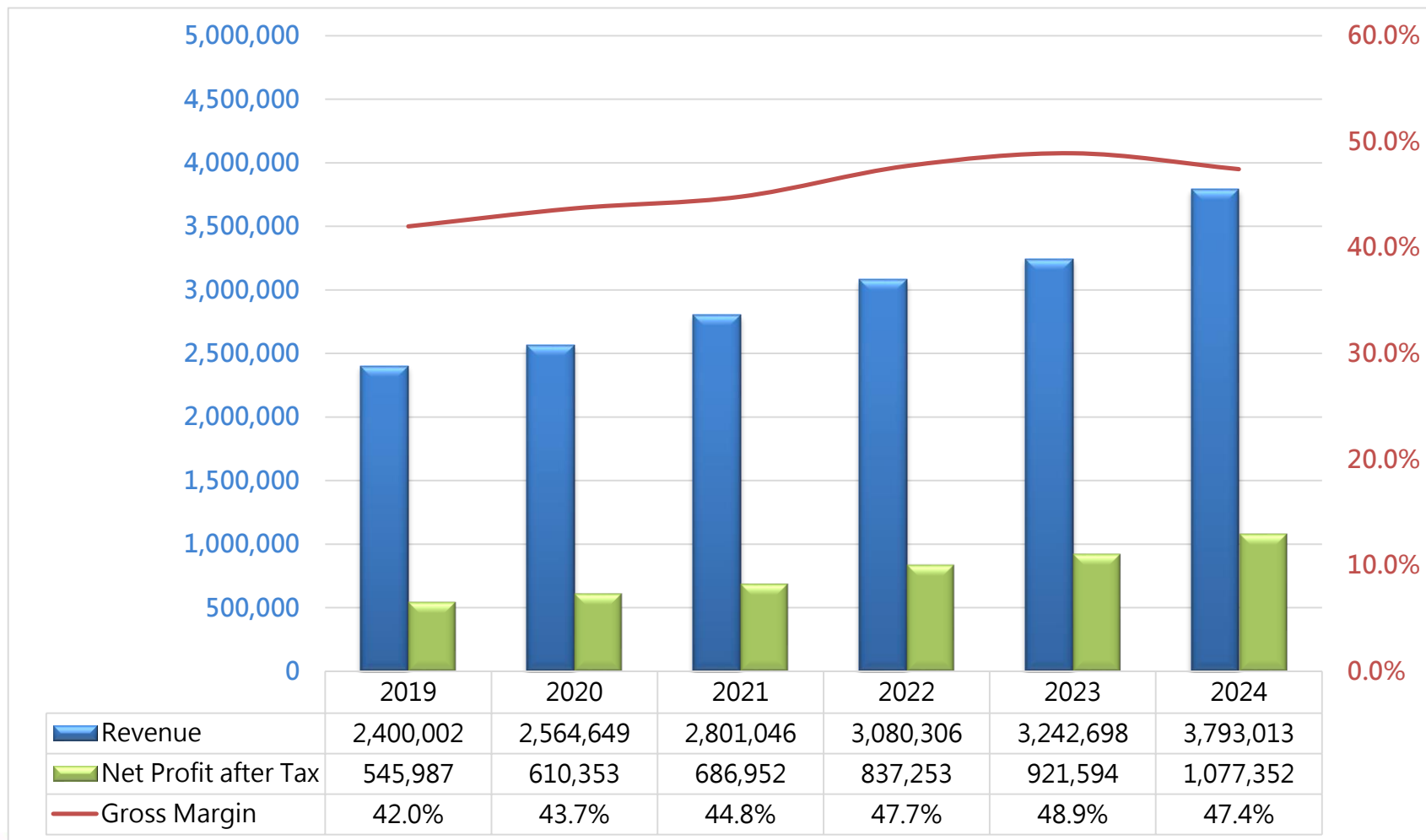Congestion &
Security Risks

Enterprise Data Center

CHIEF | 是方

Recent Years Finance Performance

- Revenue & Gross Margin
- Net Margin & EPS
- EBITDA and EBITDA Margin
- Percentage of Dividends
- Product Service Revenue Percentage

1. Revenue & Gross Margin

Unit: NT$K

	2019	2020	2021	2022	2023	2024
Revenue	2,400,002	2,564,649	2,801,046	3,080,306	3,242,698	3,793,013
Net Profit after Tax	545,987	610,353	686,952	837,253	921,594	1,077,352
Gross Margin	42.0%	43.7%	44.8%	47.7%	48.9%	47.4%
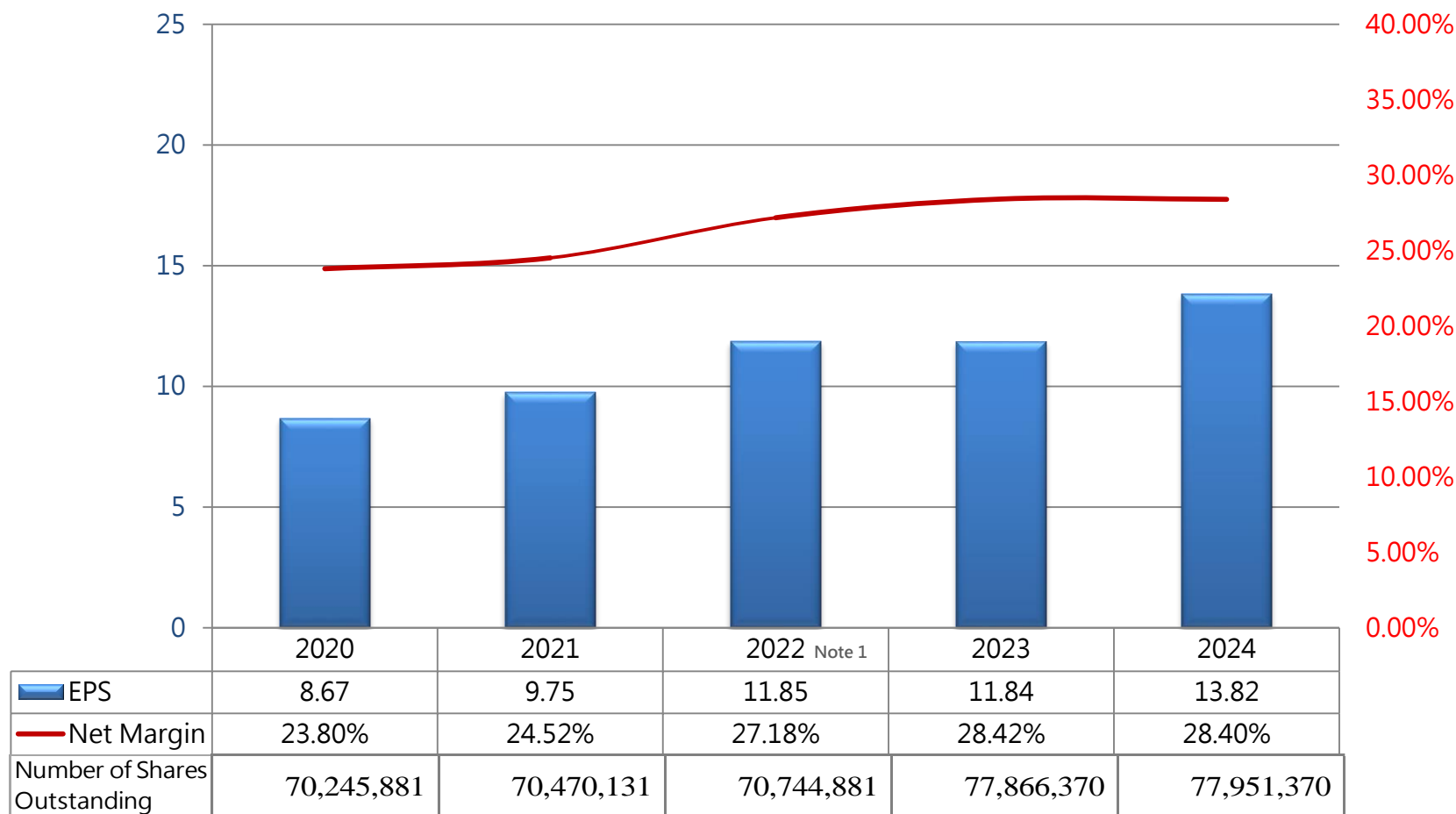
CHIEF | 是方

2. Net Margin & EPS

Unit: NT$

	2020	2021	2022 Note 1	2023	2024
EPS	8.67	9.75	11.85	11.84	13.82
Net Margin	23.80%	24.52%	27.18%	28.42%	28.40%
Number of Shares Outstanding	70,245,881	70,470,131	70,744,881	77,866,370	77,951,370

Note 1: 2022 dividends include 9 dollars cash dividends plus one dollar stock dividend (total 10 dollars)

CHIEF | 是方

3. EBITDA and EBITDA Margin

Unit: NT$K

	2020	2021	2022	2023	2024
EBITDA	975,707	1,080,956	1,262,530	1,378,884	1,607,329
EBITDA Margin	38.0%	38.6%	41.0%	42.5%	42.4%

CHIEF | 是方

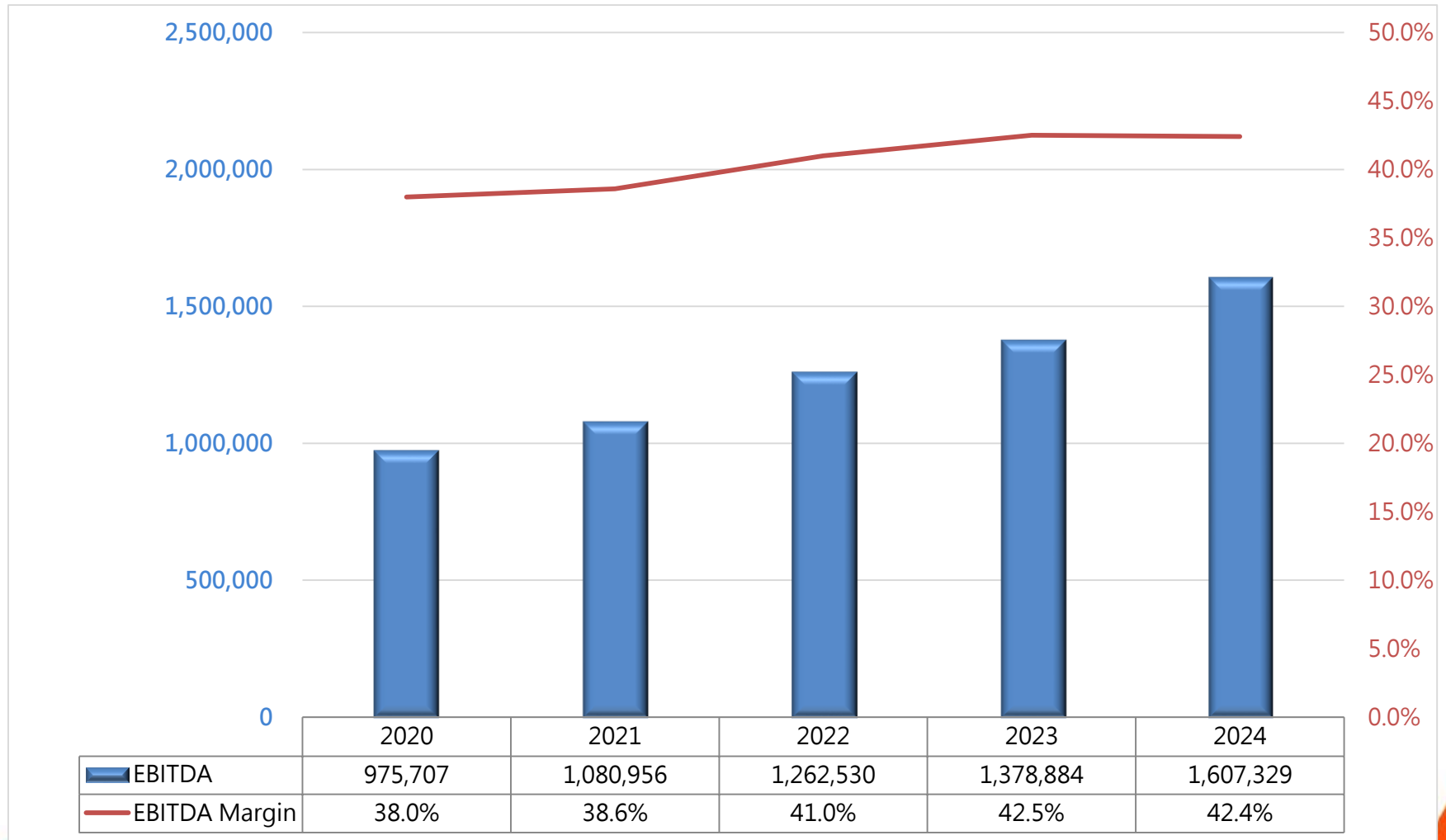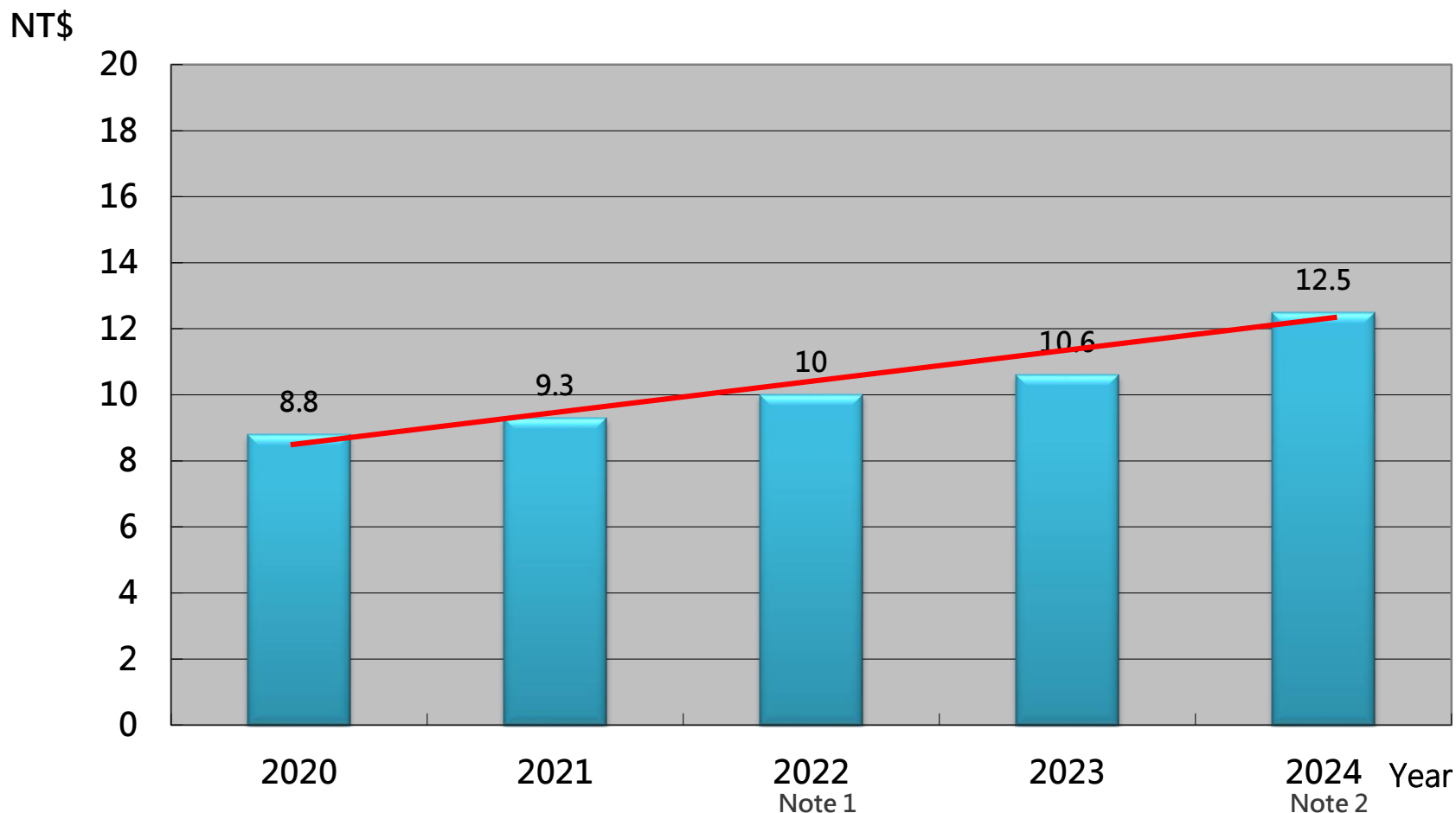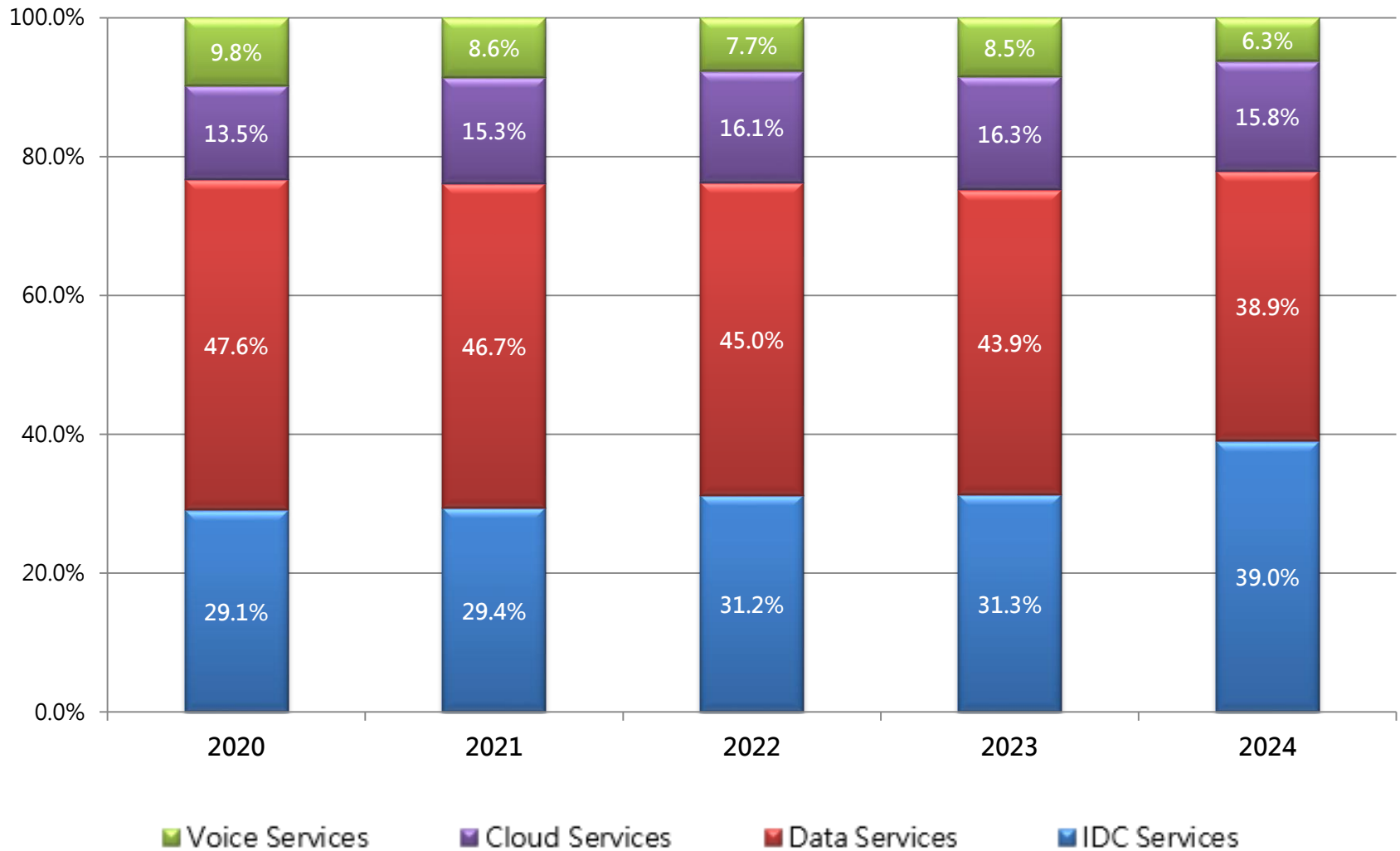# 4. Percentage of Dividends

Note 1: 2022 dividends include 9 dollars cash dividends plus one dollar stock dividend (total 10 dollars)
Note 2: 2024 dividends include 12.5 dollars cash dividends
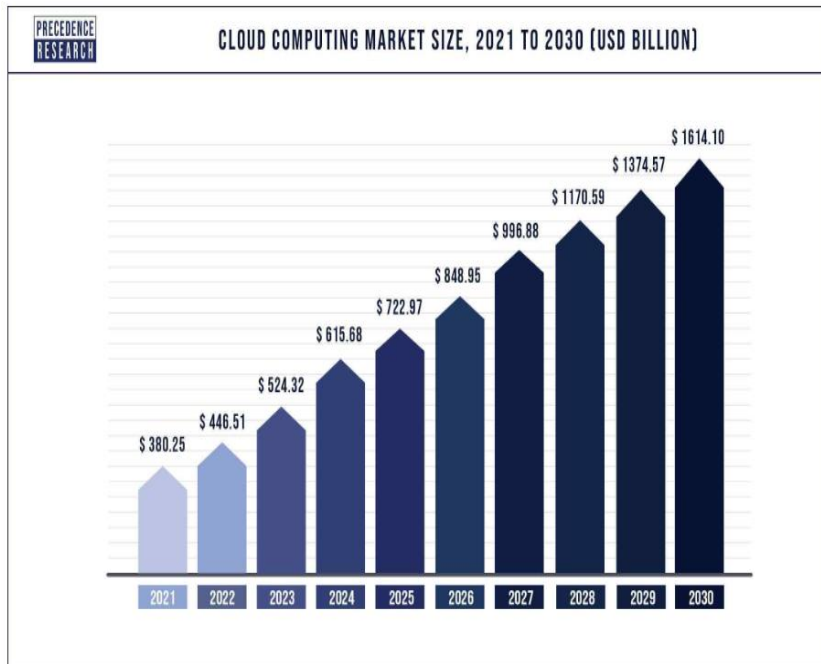
CHIEF | 是方

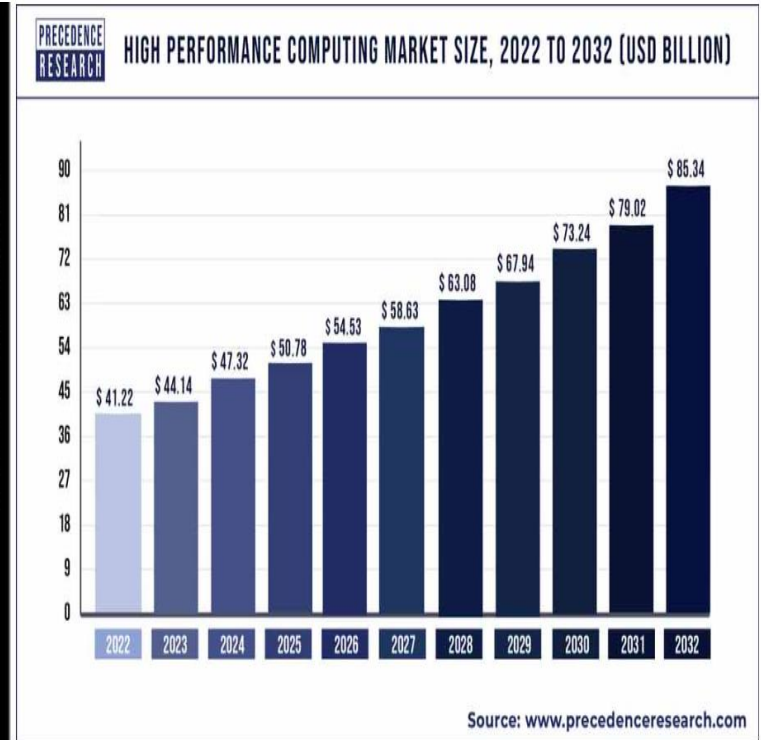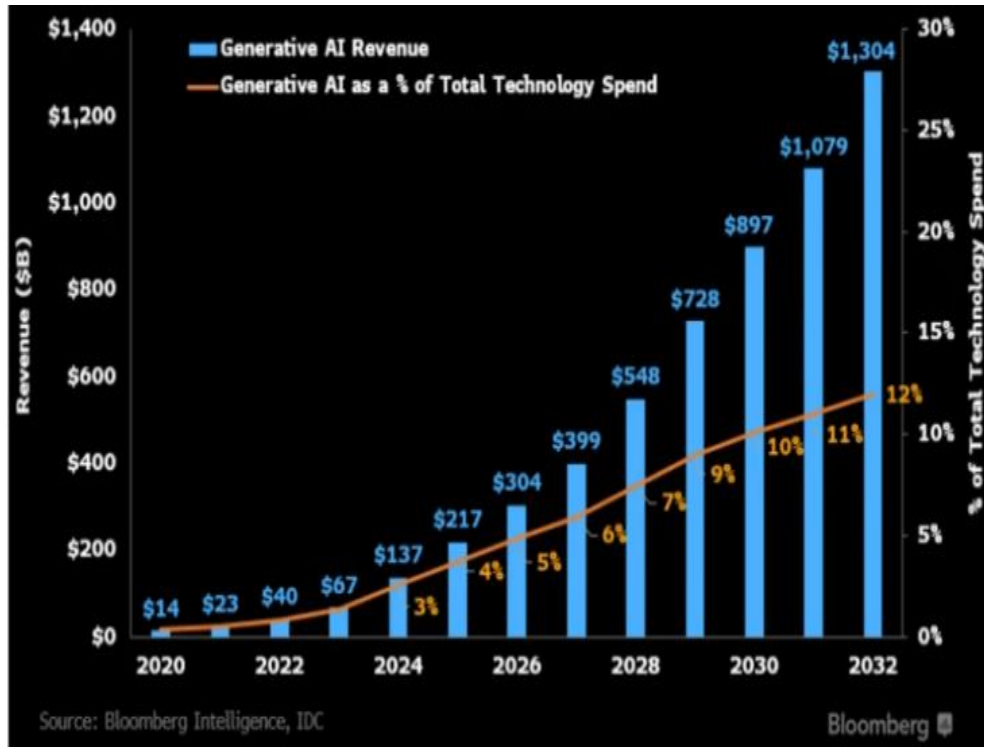23

5. Product Revenue Percentage

CHAPTER 4

Industrial Trends

1. Global Cloud and IDC Market Trends

CLOUD COMPUTING MARKET SIZE, 2021 TO 2030 (USD BILLION)

- $ 380.25 (2021)
- $ 446.51 (2022)
- $ 524.32 (2023)
- $ 615.68 (2024)
- $ 722.97 (2025)
- $ 848.95 (2026)
- $ 996.88 (2027)
- $ 1170.59 (2028)
- $ 1374.57 (2029)
- $ 1614.10 (2030)

Global **DATA CENTER** Market
OPPORTUNITIES AND FORECAST, 2020-2030

Global Data Center Market is expected to garner **$517.17 Billion** by 2030

Growing at a **CAGR of 10.5%** (2021-2030)

Note1: **Global cloud service market in 2022~2030 CAGR 17.43%** (Precedence Research); Amazon(34%)/Microsoft(21%)/Google(11%)/Alibaba(5%)/ IBM(3%) **Top 5 CSPs account for 2/3 public cloud market** (Synergy Research Group) 。

Note 2: **Global IDC service market in 2021~2030 CAGR 10.5%** (Allied Market Research) 。

CHIEF | 是方

26

2. Global AI and HPC Market Trends

Source: Bloomberg Intelligence, IDC

HIGH PERFORMANCE COMPUTING MARKET SIZE, 2022 TO 2032 (USD BILLION)

Source: www.precedenceresearch.com

Note 1: **Global generative AI revenue US$40B in 2022, US$1.3T in 2032, CAGR 42% in 10-yr period.** (Source: Bloomberg Intelligence)。

Note 2: **Global HPC revenue US$41B in 2022, US$85B in 2032, CAGR 7.6% in 10-yr period .** (Source: Precedence Research)。

CHIEF | 是方

27

3. IDC _ Magnetic Attraction Effect

Cloud

Connect

Chief IDC

Communication
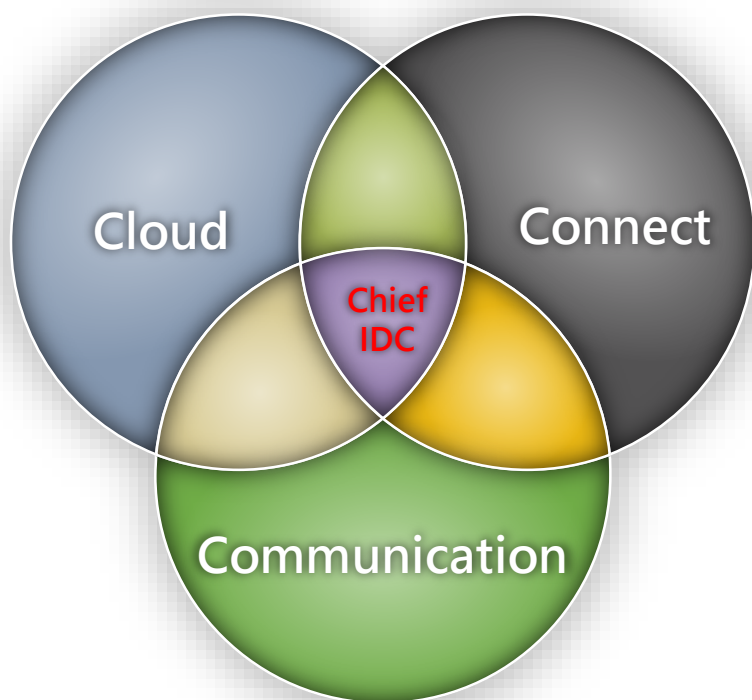
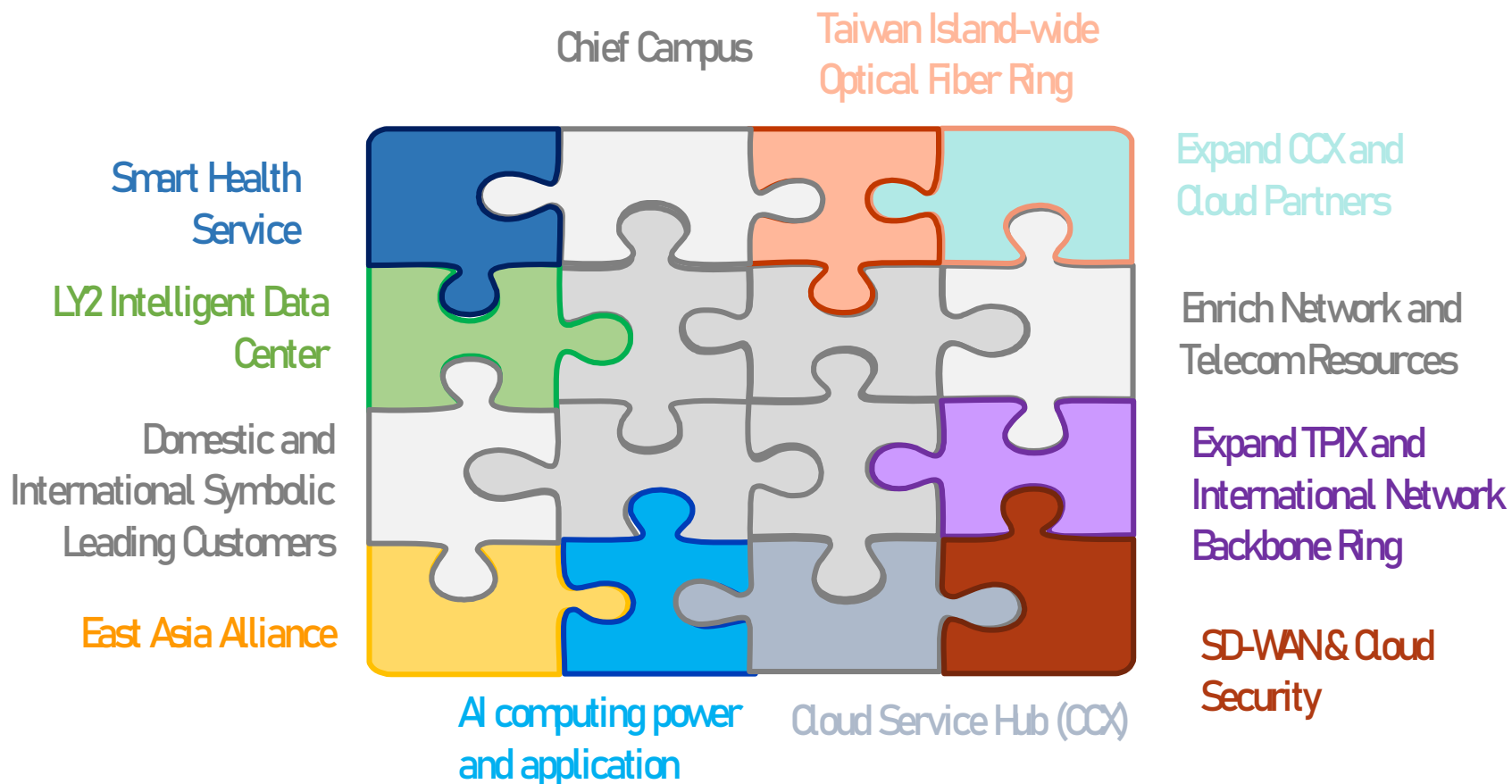**Chief IDCs attracting various domestic and international services to gather here，**

◆ **IDC and connectivity are the core infrastructure of digital economy** such as AI computing, cloud and information. Data among IDCs will grow explosively. IDCs will become **the locomotive of the digital industry**.

CHIEF | 是方

CHAPTER 5

Future Operational Focus

1. Business Development Focus

Chief Campus

Taiwan Island–wide Optical Fiber Ring

Smart Health Service

LY2 Intelligent Data Center

Domestic and International Symbolic Leading Customers

East Asia Alliance

Expand CCX and Cloud Partners

Enrich Network and Telecom Resources

Expand TPIX and International Network Backbone Ring

SD-WAN & Cloud Security

AI computing power and application

Cloud Service Hub (CCX)

➢ **Leverage IDC Magnetic Attraction and TFNC Network Effect to driver Data, Cloud and AI revenue become Three Major Growth Curve.**

CHIEF | 是方

2. LY2 IDC to Expand Magnetic Attraction Effect

◆Cloud Service Providers。

◆AI Service Providers (GMI、Zettabyte)。

◆E-Commerce Service Providers。

◆Finance/Insurance Companies。

◆OTT Content Service Providers。

◆ To attract global cloud service providers, AI, e-commerce, OTT service providers to move into Chief IDCs, adding more internet traffic (watching video, game downloading, etc.) , significantly driving revenue and profit double-arrow growth .

LY2 IDC

◆ **Located in the center of east Asia to attract International customers to move in !**

CHIEF | 是方

3. Connectivity+

Leverage Fiber Network to Rapidly Extend Services to Domestic and Abroad

Customers

Int'l Ring

Taiwan Ring

Taipei Ring

Core Competence

Platform & Connectivity

IDC Ecosystem

Data / Cloud/AI / Applications

- TFNC network breaking domestic and abroad distance restriction and focusing on AI 、 Cloud and application delivery

- Data、Cloud、AI three IDCs@ Chief Data Center

4. Based on TFNC to Expand CCX and AI service Coverage

AI IDC

Taiwan Hong Kong Singapore

aws

Azure — Taiwan Hong Kong

Google Cloud — Taiwan Hong Kong

Japan Singapore — ORACLE Cloud

CCX 是方雲端交換中心

AI CLOUD

Taiwan Hong Kong — IBM Cloud

Fiber Ring

Taiwan Ring

HSZ TXG

TNN KHH

Cloud IDC

Data IDC
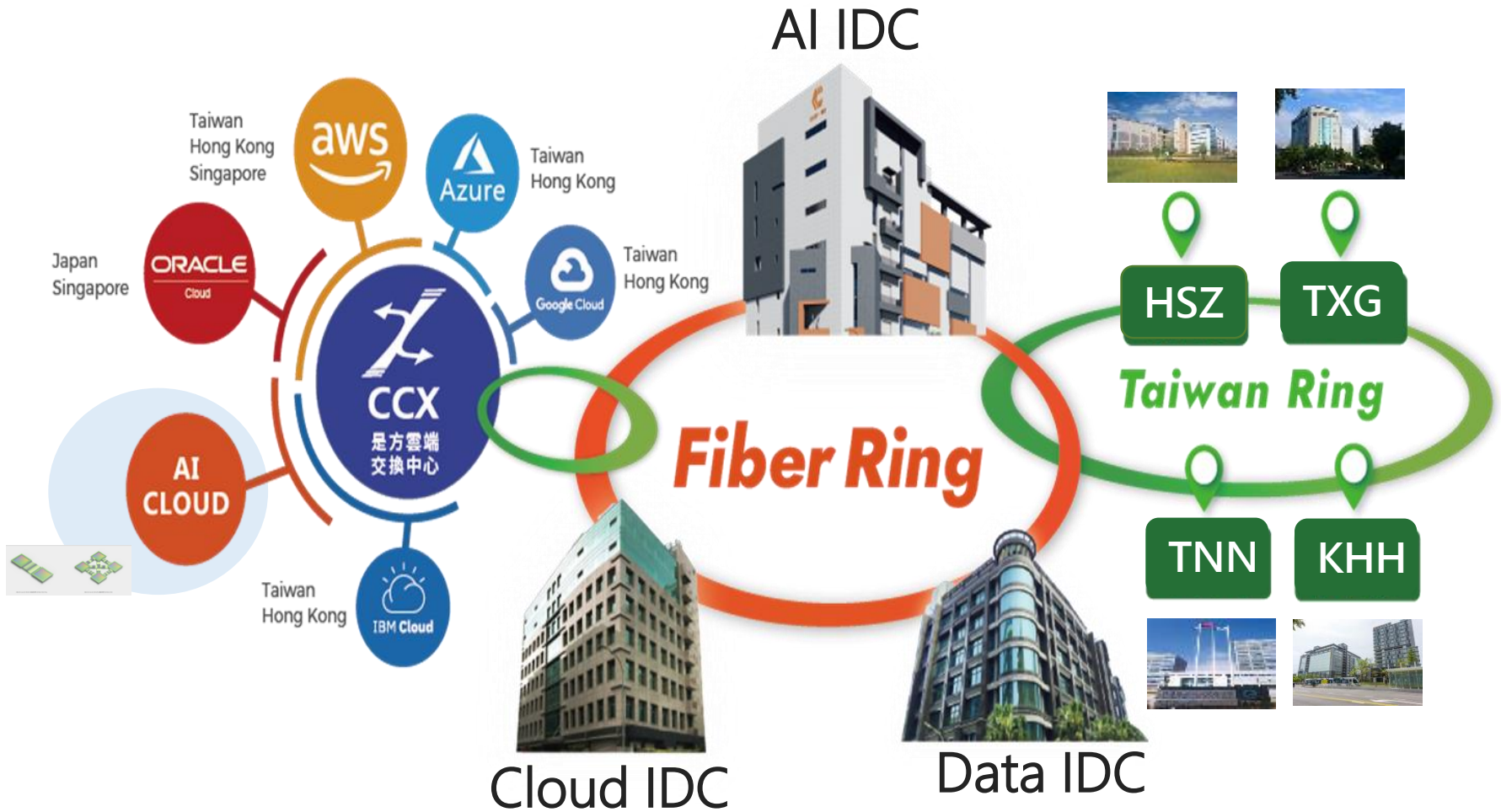
5. Based on TFNC to Extend TPIX to Connect Global ISP、AI、OTT Service Providers

6. Cooperate with Global Partners to Expand International Network

Korea
Japan
China
India
Thailand
Hong Kong
Cambodia
Vietnam
Philippines
Malaysia
Singapore

1st

The 1st carrier neutral IDC in Taiwan

The 1st IXP (TPIX) in Taiwan

The 1st cloud exchange gateway in Taiwan

The major submarine cable gateway in Taiwan

10+	40+	60+	1200G+
Submarine Cable Connected	Countries Served	Global Cities PoPs	Domestic & International Bandwidth Capacity

IDC Alliance
Like Major Airline Alliance :
Sky Team、Star Alliance

35

7. Leverage IDC Magnetic Attraction and TFNC Network Effect to Accelerate Data, Cloud and AI Three Major Growth Drivers

Private network direct connect

Chief Ecosystem

Industry Demands

IPLC

LLC

MPLS VPN

SD-WAN

CIX

TPE Ring

TWN Ring

Int'l Ring

麗源大樓 (L.Y)

宏鼎大樓 (H.D)

Fiber Ring

L.Y.2 大樓

Google

Azure

IBM Cloud

aws

ORACLE CLOUD

Global CSPs

f5

CHIEF APP CLOUD

Cymetrics

imperva

Akamai

radware

Cloud/Security Service Providers

TFNC to provide zero distance services

The Data Center Is the Computing Center、 Data Gravity and Network Center

8. Become **East Asia Digital Convergence and Cloud、AI Computing Application Center**
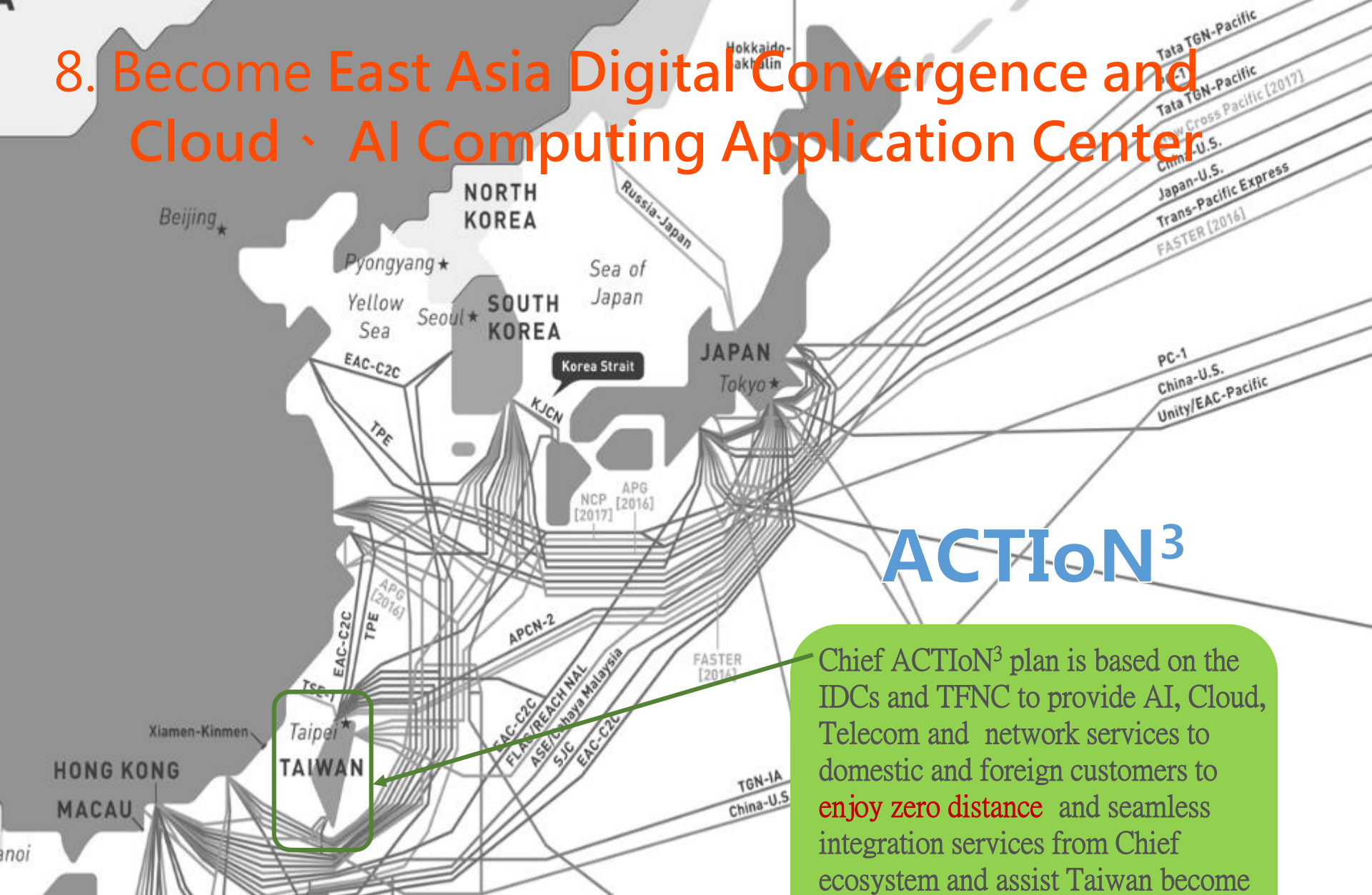
ACTIoN³

Chief ACTIoN³ plan is based on the IDCs and TFNC to provide AI, Cloud, Telecom and network services to domestic and foreign customers to **enjoy zero distance** and seamless integration services from Chief ecosystem and assist Taiwan become the AI application island in the future !

CHIEF｜是方

9. Chief ESG Accomplishments

- **Environmental**
  - ➢ Completed GHG ISO 14064-1 certification in 2021~2023.
  - ➢ LY2 supports the design of green-building and liquid-cooling for better PUE.
  - ➢ Continue to upgrade and invest IDC facilities for energy conservation and carbon reduction.
  - ➢ Chief IDC will be ahead of RE100 timeline for using renewable energy (like eCO2).

- **Social**
  - ➢ Donating to rural kindergartens with cumulative donation amount exceeding NTD1.6M.
  - ➢ Donating to Digital Humanitarian Association to support on-line medical consultation for elderly people.
  - ➢ Ranked 1st in the median annual salary for the non-supervisors in the communication industry of the TPEx listed company in 2022-2023.

- **Governance**
  - ➢ Ranked Top 5% of TPEx corporate governance evaluation in 2022-2023.
  - ➢ Awarded "CommonWealth Sustainability Citizen Award", "CommonWealth Talent Sustainability Award" and "Best IT Employer Award" in 2024.
  - ➢ Awarded "TPEx Happiness Enterprise Award" in 2024.
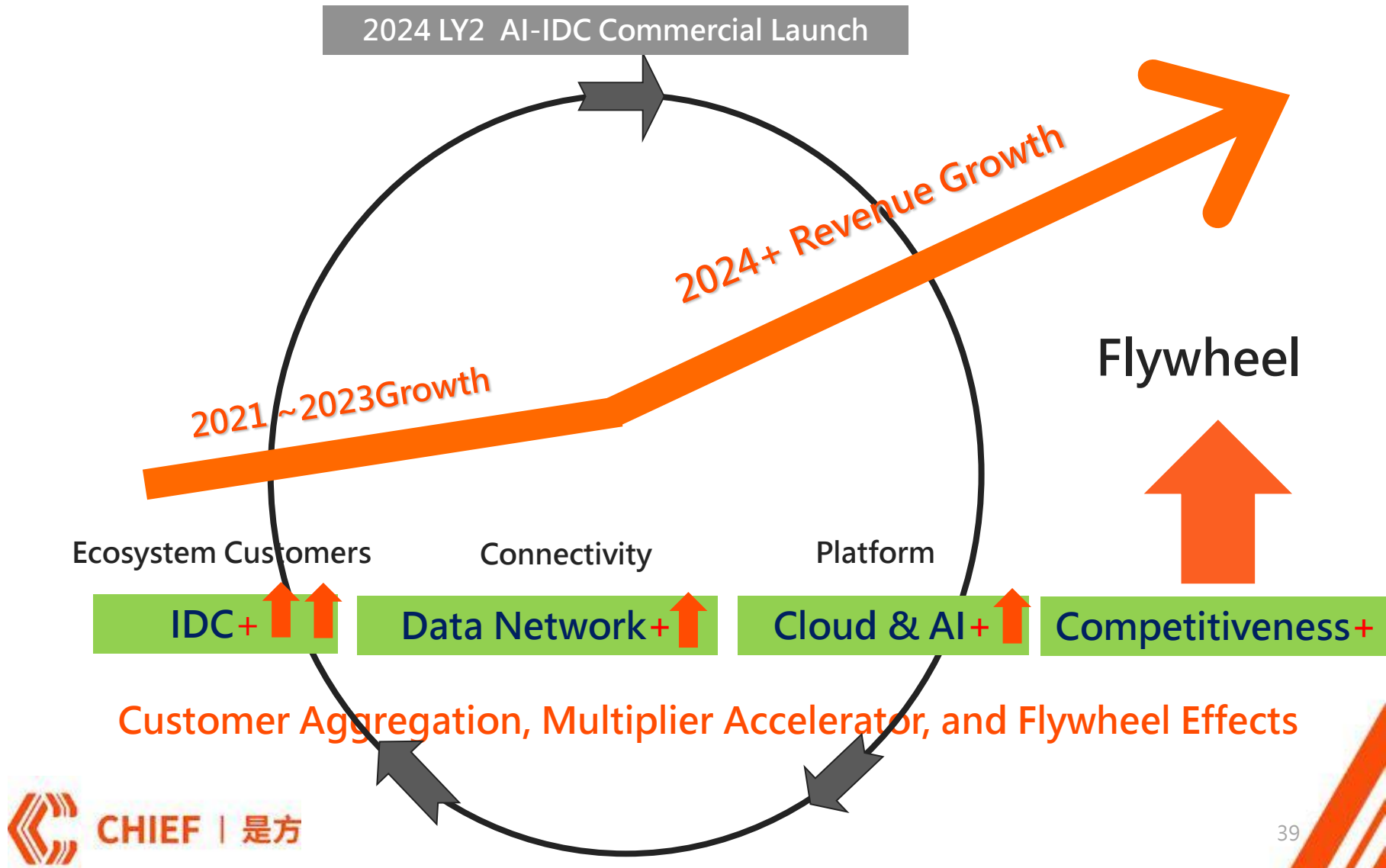
Chief 2021 ESG Report

Chief 2022 ESG Report

Chief 2023 ESG Report

10. Chief Flywheel

2024 LY2 AI-IDC Commercial Launch

2024+ Revenue Growth

2021~2023Growth

Flywheel

Ecosystem Customers   Connectivity   Platform

IDC+ ↑↑   **Data Network+** ↑   **Cloud & AI+** ↑   **Competitiveness+** ↑

Customer Aggregation, Multiplier Accelerator, and Flywheel Effects

CHIEF | 是方

CHIEF | 是方

Cloud | Connect | Communication