

2026 Earnings Conference

The Way Every Item Connects



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Company Overview



25+

Pioneering RFID technology development
and manufacturing excellence



338+

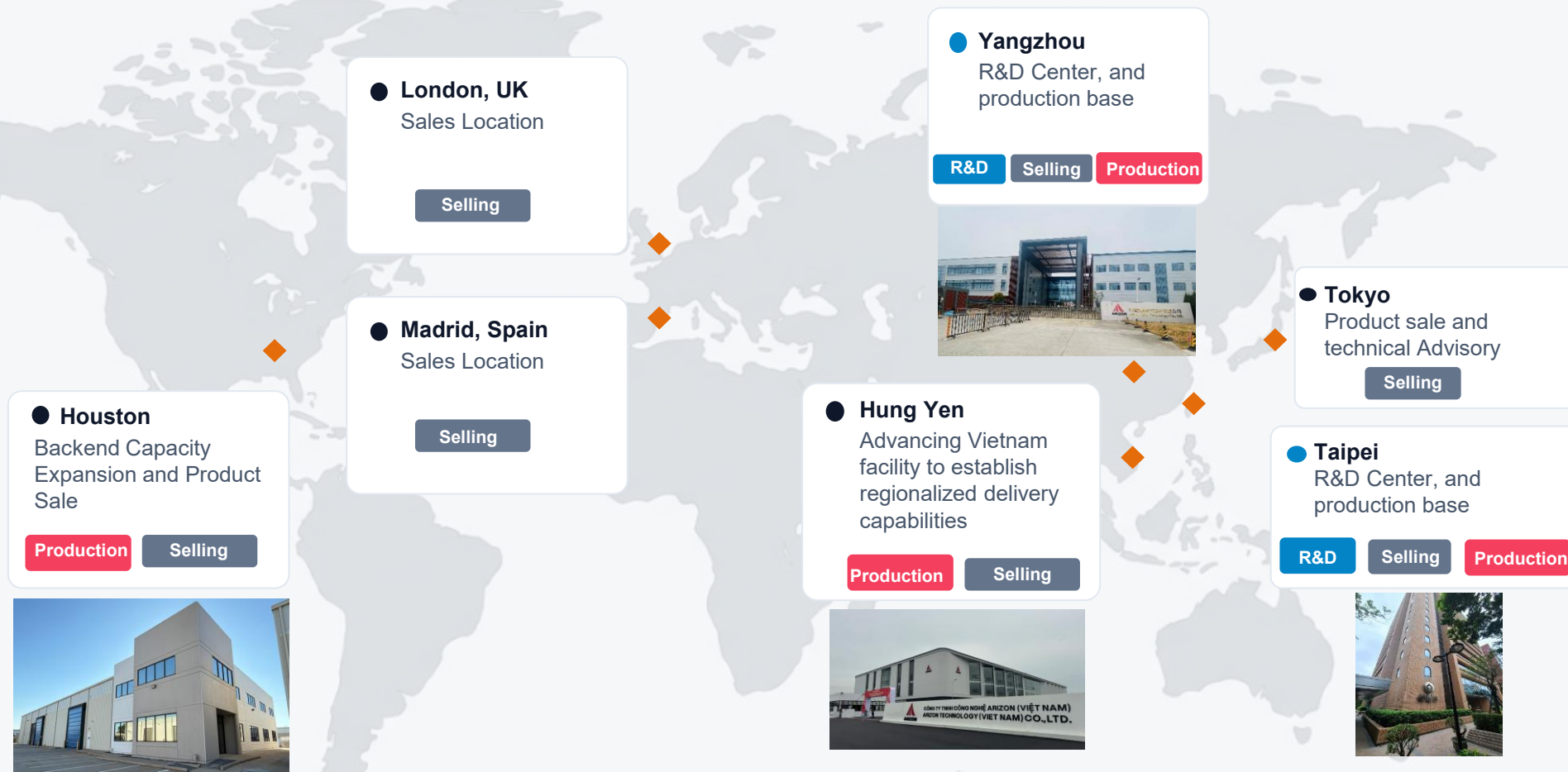
Cumulative global sales exceeding 33 billion
RFID inlays and tags worldwide



800+

Special Patent Antenna Design

Global Operation



Statements of Comprehensive Income

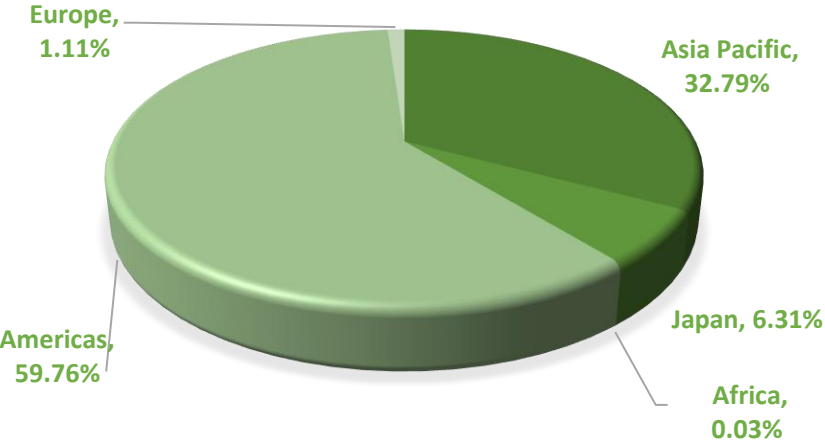
Cur: M TWD	2026Q2	2026Q1	QoQ	2026 H1	20251H	YoY
Net Sales	1,525	1,157	+31.8%	2,682	2,068	+29.7%
Gross Profit	375	224	+67.7%	599	600	-0.3%
Gross Margin	24.6%	19.3%	+5.3ppt	22.3%	29.0%	-6.7ppt
Operating Expenses	186	155	+19.5%	341	279	+21.9%
Operating Income	190	68	+177.1%	258	321	-19.6%
Operating Margin	12.4%	5.9%	+6.5ppt	9.6%	15.5%	-5.9ppt
Non-Operating Items	-23	12	-287.5%	-11	-87	-87.5%
Net Profitributable To Owners of the Company	99	46	+114.9%	145	156	-7.5%
Net Profit Margin	6.5%	4.0%	+2.5ppt	5.4%	7.6%	-2.2ppt
Earning Per Share (NT Dollar)	1.32	0.61	+116.4%	1.93	2.09	-7.7%

Balance sheet and cash flow position

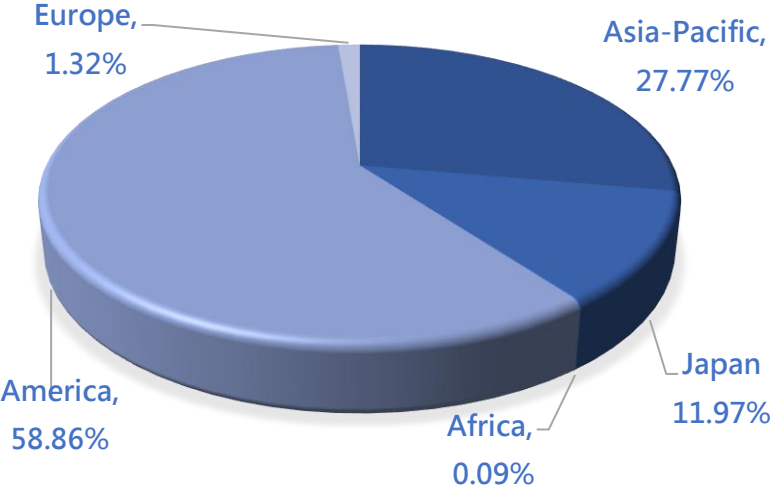
Cur: M TWD	2026H1	2026Q1	2025	2025H1
Cash and Current Financial Assets	2,790	2,660	2,743	3,564
Accounts Receivable	1,461	1,181	1,040	1,024
Inventories	1,301	1,125	1,037	919
Property, Plant and Equipment	2,503	2,196	2,180	1,760
Current Liabilities	3,097	2,475	2,206	1,758
Non-current Liabilities	1,090	1,108	1,097	1,027
Total Liabilities	4,187	3,583	3,303	2,785
Total Equity	6,231	6,181	5,948	5,413
Book Value Per Share	83.18	82.53	79.42	72.27
Days Sales Outstanding	78	87	76	115
Days Sales of Inventory	95	105	103	130
Cash Flows from Operating Activities	190	194	807	401
Capital Expenditures	(415)	(117)	(692)	(299)
Cash Dividends Paid	-	-	(412)	-
Cash Flows from Financing Activities	257	68	581	(106)

Sales by Region

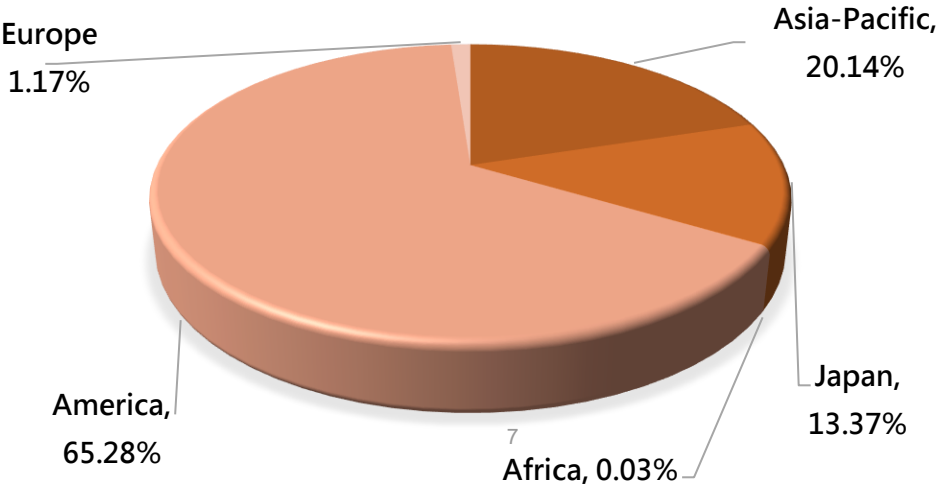
2026Q2



FY2025

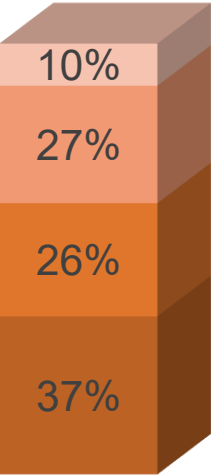


FY2024



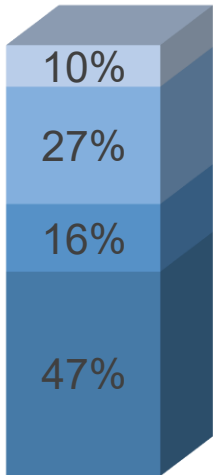
Sales by Application

2026 1H



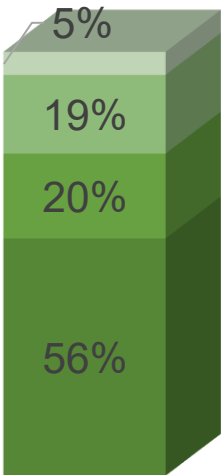
■ Appeal ■ Retail ■ Logistics ■ Others

FY 2025



■ Appeal ■ Retail ■ Logistics ■ Others

FY 2024



■ Appeal ■ Retail ■ Logistics ■ Others



Fashion Retail



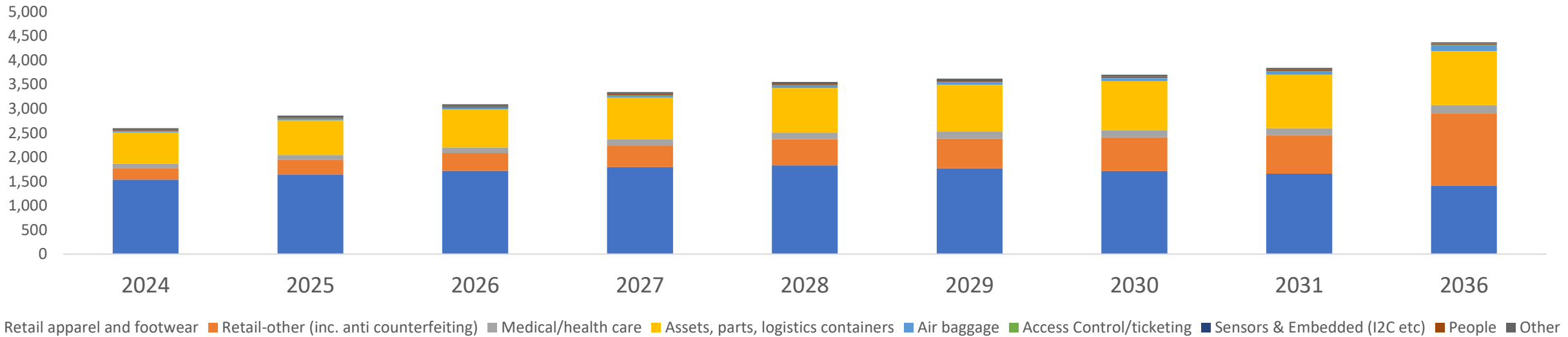
General Retail



Logistics

Industry Overview and Outlook

RFID Market size by Application



Market value \$ millions	2024	2025	2026	2027	2028	2029	2030	2031	2036
Retail apparel and footwear	1,537	1,641	1,717	1,794	1,830	1,771	1,713	1,658	1,406
Retail-other (inc. anti counterfeiting)	239	299	367	450	539	613	696	790	1,494
Medical/health care	90	102	114	127	138	142	147	151	176
Assets, parts, logistics containers	644	716	788	857	920	965	1,012	1,104	1,115
Air baggage	21	26	32	39	46	52	58	66	119
Access Control/ticketing	6	6	7	7	7	7	7	7	6
Sensors & Embedded (I2C etc)	5	6	6	7	9	9	10	12	12
People	15	16	17	18	19	18	19	20	18
Other	42	44	45	46	45	42	39	36	25
Total (\$ Millions)	2,597	2,856	3,093	3,345	3,553	3,619	3,701	3,842	4,369

Key application sectors for UHF RFID include retail apparel and footwear, healthcare, and asset logistics

The background image shows a well-lit grocery store aisle. On the left, there are shelves stocked with various packaged vegetables like broccoli and carrots. In the center and right, there are large wicker baskets filled with fresh produce, including corn cobs, carrots, and other vegetables. A person is walking through the aisle on the right side, slightly out of focus. The ceiling is high, and there are large informational signs hanging from it. One sign prominently features the word 'SPECIAL' and text about bananas. The overall atmosphere is that of a modern, clean grocery store.

Food Traceability

Overcoming Challenging RFID Applications

Regulatory Mandates Meet Technological Breakthroughs
Unlocking a New Era of Intelligent, End-to-End Food Traceability

Mandatory Food Traceability Goes Global: Dual Regulatory Drivers

The U.S. FDA's 24-hour response requirement and China's GB 7718-2025 digital labeling rules are accelerating mandatory food traceability, pushing companies from reactive compliance toward proactive digitalization and end-to-end data connectivity.



U.S. FDA: End-to-End Traceability for High-Risk Foods

- 01:** FDA mandates comprehensive record-keeping for 16 categories of high-risk foods. This requires companies to maintain data across the entire supply chain—from cultivation and processing to shipping and sales—ensuring source-to-destination traceability.
- 02:** Upon an audit, regulatory bodies require businesses to submit complete traceability records within 24 hours. Failure to comply can result in substantial fines or even product recalls, compelling companies to establish efficient and responsive traceability systems.



China GB 7718-2025: Digital Labels Gain Legal Recognition

- 01:** For the first time, this new mandatory national standard gives digital labels the same legal authority as traditional paper labels. Digital labels are now an essential component of regulatory compliance, not merely supplementary information.
- 02:** The policy demands that label information be accurate, authentic, and traceable. This directly drives the industry's shift to proactive digitalization, accelerating the modernization of data systems throughout the production and sale lifecycle.

Fresh Food RFID: From Challenging Environments to End-to-End Visibility

Fresh food environments combine liquids, metals, low temperatures, and high humidity, pushing conventional RFID read rates **below 60%**. Arizon's proprietary antenna designs and innovative inlay structures overcome these barriers, enabling reliable end-to-end visibility from origin to retail.



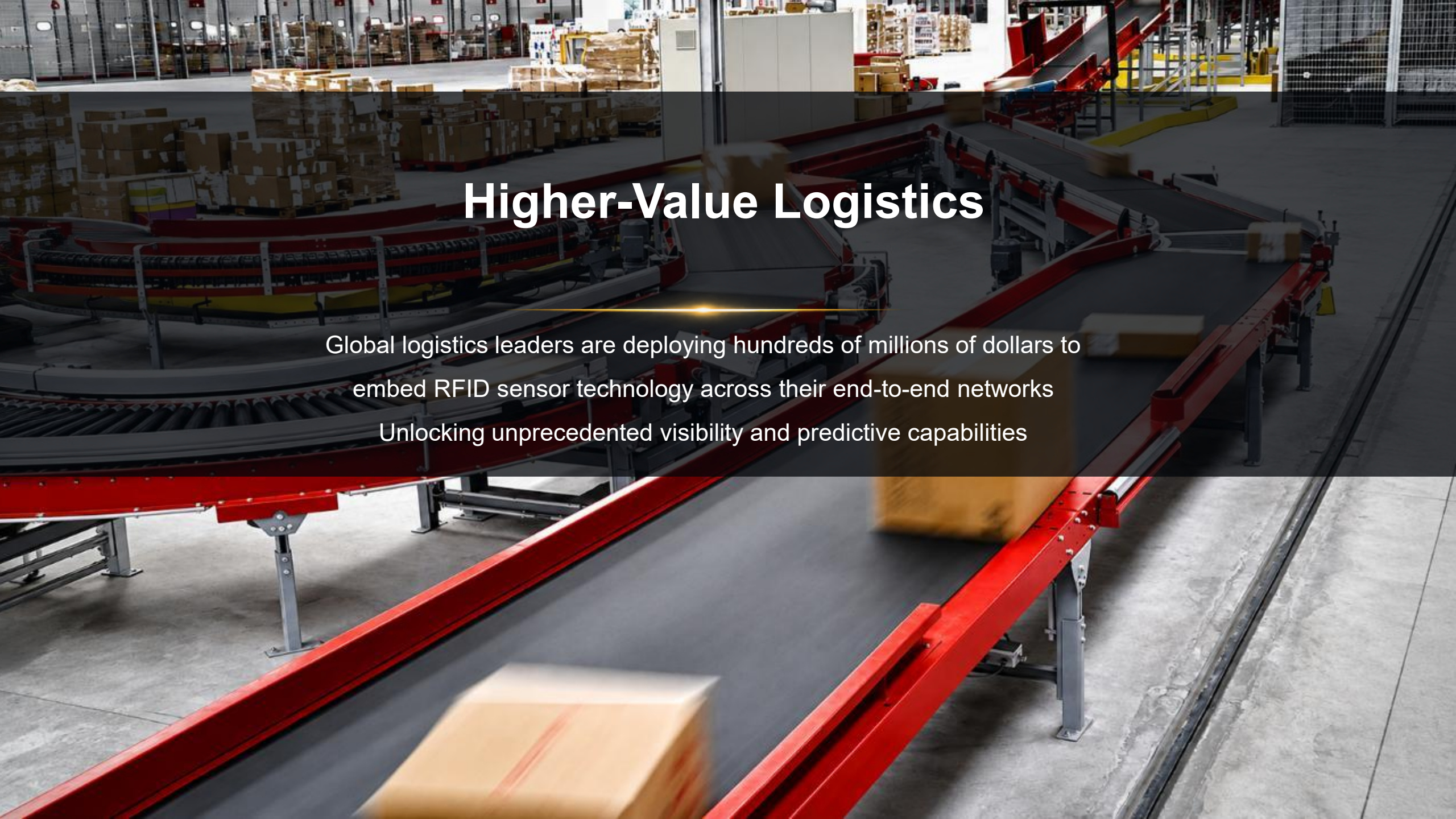
Industry Challenge: Three Technical Barriers

The fresh food environment combines liquids and metals—two obstacles for RFID—with the added complexity of low-temperature, high-humidity conditions. This convergence of factors creates a natural barrier, limiting the read accuracy of conventional RFID tags to under 60%. This performance gap renders them incapable of meeting the demands for scalable commercial deployment



Arizon Solution: Interference-Resistant, Application-Specific Design

Leveraging a proprietary antenna and an innovative inlay structure, our design overcomes the challenge of signal shielding from liquids and metals. The solution supports specialized applications like microwave thawing and maintains performance across the entire cold chain—from on-site pre-cooling and refrigerated transit to in-store freezers. This enables uninterrupted end-to-end digital visibility



Higher-Value Logistics

Global logistics leaders are deploying hundreds of millions of dollars to
embed RFID sensor technology across their end-to-end networks
Unlocking unprecedented visibility and predictive capabilities

RFID-Powered Smart Logistics: Automated Sorting & Digital Twins

RFID is reshaping logistics on two levels: enabling touchless parcel identification and automated sorting at the operational level, while powering digital twins updated every 10 minutes at the network level—shifting logistics from visibility to prediction, self-optimization, and greater resilience.



Automated Sorting RFID-Powered Identification

Smart Parcels & Infrastructure

- 01:** Transcends the limitations of barcodes that demand manual scanning. Parcels are autonomously identified and sorted via RFID upon entry, removing the need for human intervention. This delivers a increase in sorting throughput while reducing expenditures
- 02:** Deploying on-site RFID label printing at the client's sites, we embed each parcel into sensor network from the point of origin. This dismantles information silos between shippers, their supply chains, and logistics providers, creating a unified data ecosystem

Digital Twins & Predictive Intelligence

- 01 :** A dynamic digital replica of the global logistics network is updated every 10 minutes. This model encompasses all facilities, air and ground freight networks, and end-to-end parcel flows, enabling immediate, full-chain performance tracking and diagnostics
- 02:** Leveraging real-time feedback, the logistics network is engineered for self-healing and optimization. It preemptively identifies potential transportation disruptions and initiates corrective actions, eliminating logistical blind spot before impacting performance

Ambient IoT: From Identification to Ambient Intelligence

Multi-sensor arrays transition items from merely 'identified' to fully 'perceived '
Unlocking high-value use cases including cold chain monitoring and Digital Product Passports



Reshaping the Supply Chain

From Passive Scanning to Continuous Sensing



≈ \$0.10

Battery-free Bluetooth sensor

Ambient RF energy
harvesting, embedded
sensor



Real-time Stream

Continuous Real- Time Sensing

Moving beyond RFID
snapshot capture to deliver
continuous, real-time
telemetry—including location,
temperature, humidity, and
light



DPP · ESG

Redefine scope of traditional monitoring

Extending to Digital
Product Passports (DPP)
and supply chain carbon
footprint tracking



9,000萬枚

Massive deployment

Millions of units live in
~500 stores today, scaling
rapidly to 4,600 locations
by the end of 2026

RFID vs. Ambient IoT: Complementary, Not Competing

RFID and Ambient IoT are complementary, not competing. RFID excels in high-volume, high-speed inventory at under US\$0.05 per tag, while Ambient IoT enables continuous condition monitoring at around US\$0.10 per device. Together, they offer the optimal path for next-generation supply chains.

RFID vs. Ambient IoT: Core Capability Comparison

Comparison	Passive RFID	Ambient IoT
Data Collection	On-demand reads	Continuous sensing
Unit Cost	< US\$0.05	≈ US\$0.10
Sensing Capability	Item ID & location	Temperature / humidity / light / motion
Read Range	15–20 m	30 m+
Infrastructure	Dedicated RFID readers	Standard BLE gateways / smartphones
Best-Fit Applications	High-volume, high-speed inventory	Cold chain / pharma / condition monitoring

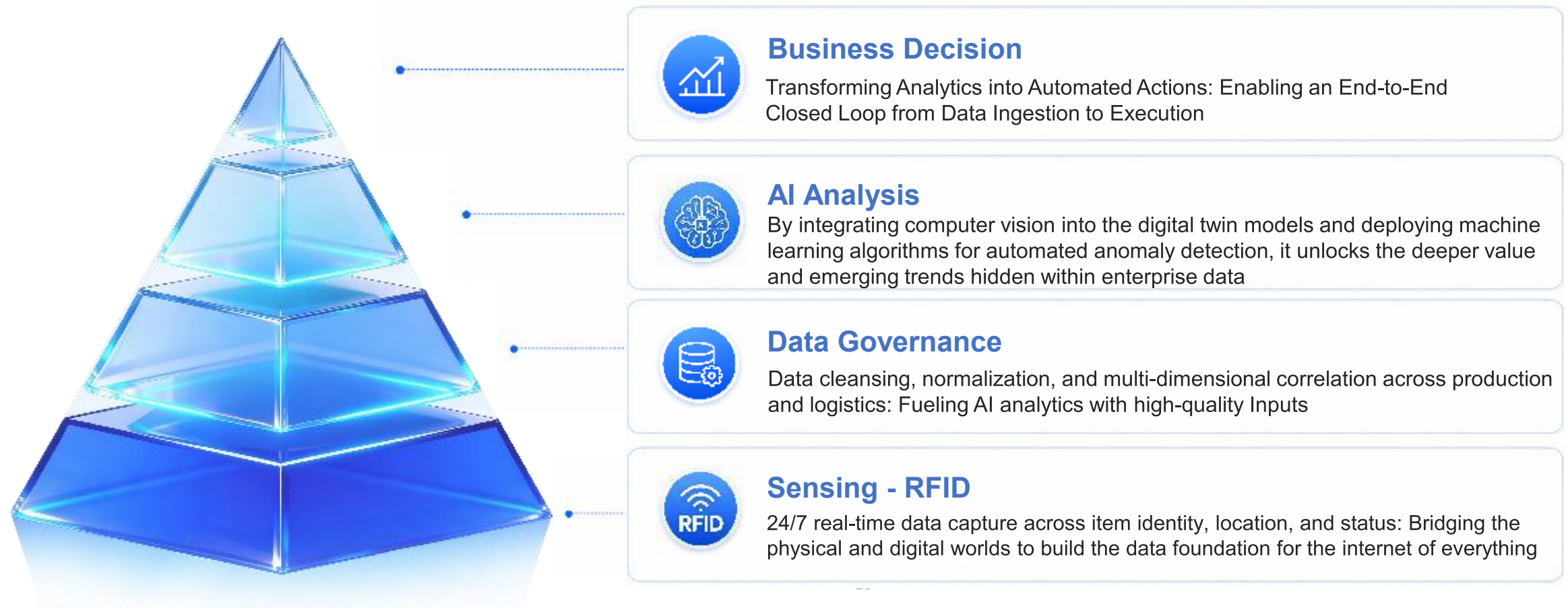
AI Integration: Bringing Intelligence into the Physical World

Bridging RFID physical sensing with AI-driven intelligence
Transforms supply chains from reactive operations into autonomous,
predictive physical AI systems



AI + RFID: A Four-Layer Architecture from Sensing to Decision-Making

AI and RFID integration creates a four-layer architecture from sensing to business decision-making. Edge computing boosts response speed by 80%+ and cuts transmission costs by 70%, enabling supply chains to shift from reactive operations to predictive intelligence.



Sustainability Actions

Announcement of Near-Term Targets Submission to SBTi

Reinforcing our long-term sustainability commitment, our science-based targets were officially validated by the SBTi in May 2026. Anchored by a 2024 baseline, we are committed to achieving a 63.0% absolute reduction across Scope 1 and Scope 2 emissions, alongside a 66.3% reduction in Scope 3 economic intensity by 2035. Reaching to this goal, our 2030 interim targets track a 34.4% cut in Scope 1 & 2 emissions and a 36.3% decrease in Scope 3 economic intensity, demonstrating clear operational execution toward sustainable growth and climate resilience.

2026 Establish the Sustainable Development Committee

To ensure strong execution of our ESG mandate, the Sustainability Development Center under our Sustainability Committee actively drives corporate responsibility programs across the organization. The Center establishes targeted action plans and measurable KPIs for high-risk domains, while overseeing the implementation of our SBTi-aligned decarbonization roadmap and emission reduction milestones.

2025 Circular Economy Tangible Outcomes

1. Share of renewable energy in total electricity consumption increased from 7% in 2024 to 18% in 2025. Waste recycling / diversion rate improved from 33% in 2024 to 46% in 2025.
2. 100% of antenna suppliers and all key paper-based material suppliers are FSC-certified °

Validation Statement
NEAR-TERM SCIENCE-BASED TARGETS

SBTi Services has validated that the greenhouse gas emissions reduction target(s) submitted by **Arizon RFID Technology (Cayman) Co., Ltd.** conform with the SBTi Criteria and Recommendations (Near-Term Criteria V5.3).

The official validated target language:

Near-Term
Arizon RFID Technology commits to reduce absolute scope 1 and 2 GHG emissions 63.0% by 2035 from a 2024 base year. Arizon RFID Technology also commits to reduce scope 3 GHG emissions from purchased goods and services 66.33% per TWD value added within the same timeframe.

SBTi SERVICES
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SBTi Services Limited is a wholly owned subsidiary of Science Based Targets Initiative.



Aug. 2026 Published the 3rd Sustainability Report



Shared Prosperity



1. Conduct regular community outreach and appreciation initiatives dedicated to supporting underprivileged families and honoring frontline public service personnel.
2. In 2025, we recovered and recycled 250 KG of secondary resources, and transforming waste into valuable reusable materials.
3. Our global workforce collectively mobilized to donate over 200 daily living items, translating employee volunteerism into tangible positive social impact



Thanks

The Way Every Item Connects

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