

Innodisk Corporate

Investor Conference

(Symbol: 5289)

Randy Chien

Chairman

2023.10.26

The logo features the word "innodisk" in white lowercase letters on a red rectangular background. A small red square is positioned above the right side of the red rectangle.

innodisk

Disclaimer

This file and the financial information and forecast information are based on information obtained by the company from internal and external sources. The actual operating results and financial conditions of the company may differ from these predictive sets of information due to various uncontrollable factors.

The viewpoints in this file reflects the company's opinion on the future by the current date. If there are any changes or adjustment in the future, the company is not responsible for notifying the reader or updating the content.

Agenda

- Company Profile and Overview
- Market Trend and Activities
- Market Focus and Product Strategy
- Environment, Social, Governance
- Financial information
- Q & A

Company Profile and Overview



innodisk

2005
Founded
18 years

2022
Revenue
NT\$10.3B

Capital
NT\$866M

EPS
NT\$21.46

Patents
174
(+9)

Customers
4,000+

Globalized Business and Technical Support



979

Employees

25

Locations

Taiwan:857 & Oversea:122

YI-LAN RD & Manufacturing Center

innodisk

Floor Area (4 floors)

12,000

Sq. Meter

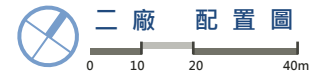
2022 Capacity

900K

SMT x 6



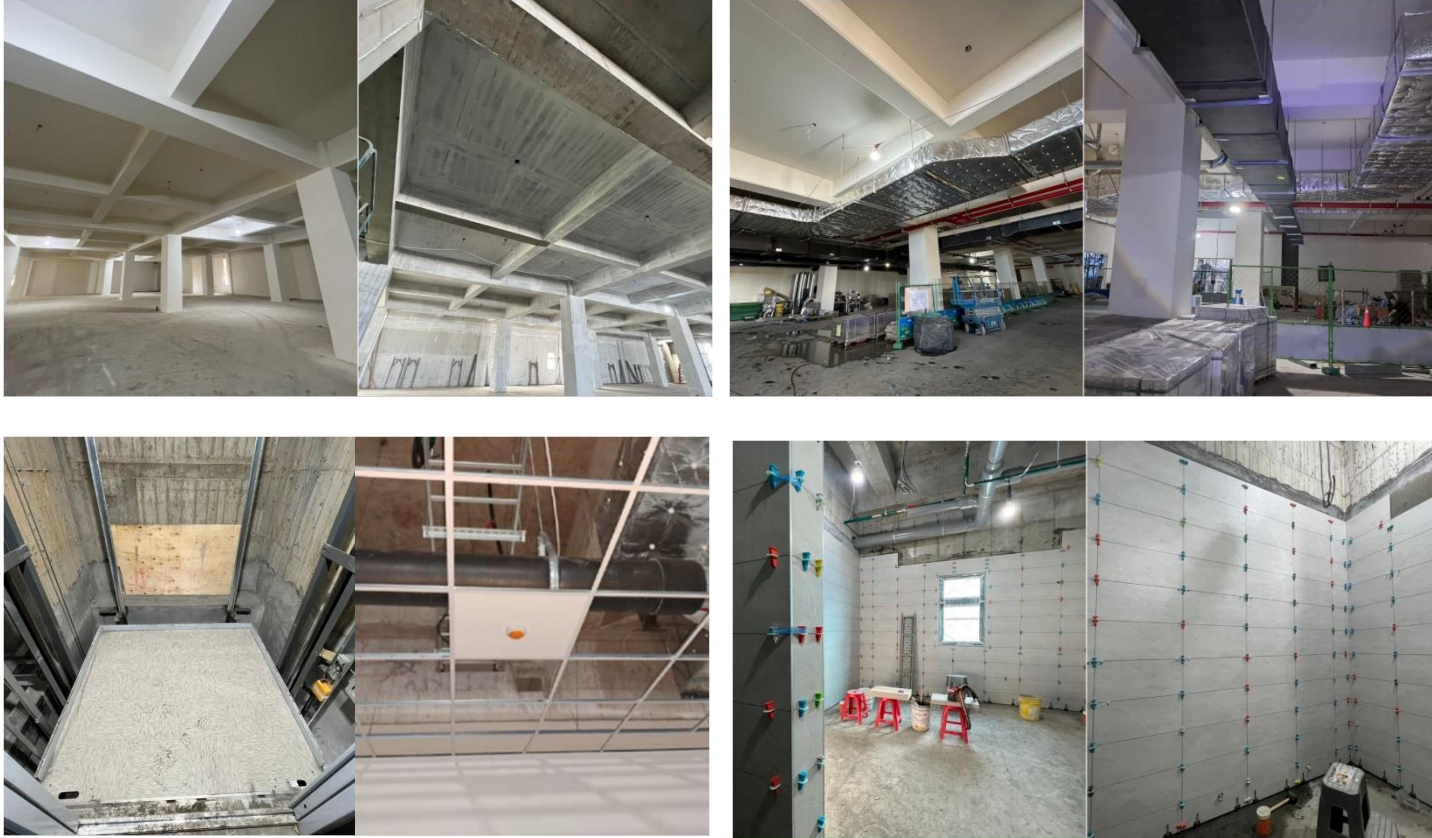
YI-LAN FAB 2 (Under Construction)



YI-LAN FAB 2 (Under Construction)



YI-LAN FAB 2 (Under Construction)



Head Quarter Operation Center

innodisk



Floor	Space
17F	1,650 m ² (Aetina)
16F	+3,300 m²
7F	3,300 m ²
5F	3,300 m ²
4F	3,300 m ²
3F	3,300 m ²
2F	1,650 m ² (Aetina)



Quality, Sustainability Our Top Priority

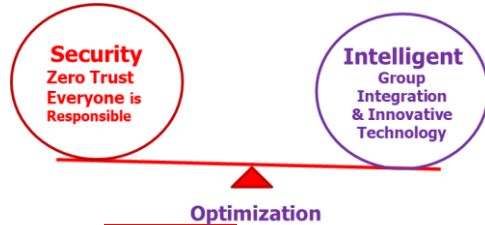


Production	1,350K / Monthly (2023)
Certifications	Quality:ISO9001 / ISO14001 / ISO45001 / QC080000 / ISO27001 Sustainability:ISO14064-1
Manufacturing	New Taipei City / Yi-Lan County

Zero Trust Security

Focus on Information security risks

Intelligent innovation under information security risks are controllable



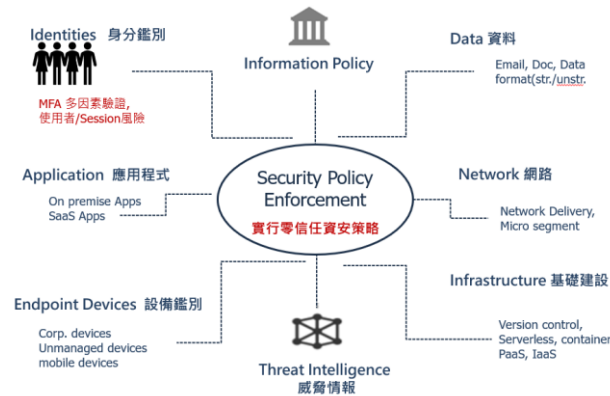
- Maintained **A level** under third-party verification
- Passed ISO27001 certification and join information security alliances such as TWCERT/CC, IoT Internet Industry Association



Zero trust is true security

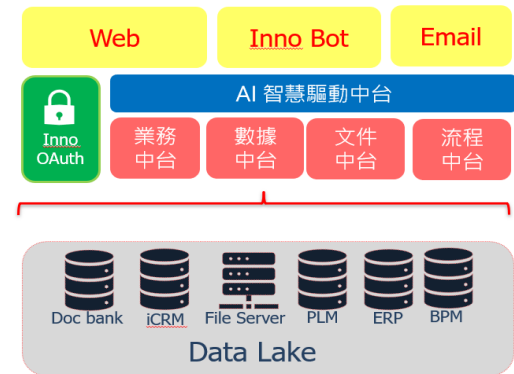
Steps for building a zero trust architecture:

- Deploy the information security protection - R & D end, manufacturing end, backend
- Lean IT service operation methods (authority, data management, service timeliness)
- Implement effective education and training plans to enhance employees' information literacy



AI landing & governance

- Promote AI usage principles and formulate policies, statements, specifications
- Invest resources (Container, CI/CD) to assist in transformation
- With multiple 3rd resources to provide the Company with AI exploration
- Strive towards the direction of ESG sustainable IT
 - Cloud applications maximize the benefits of energy consumption and carbon emissions
 - Programming methods can change the impact on the environment
 - Cooperate with manufacturers that support ESG SI



Partnership and Awards

innodisk



IoT Solutions
Alliance

2016 - 2019

Official Intel® IoT Solution Partner



Microsoft

2019

Official partner of Azure Sphere



NVIDIA

2020

Aetina_Nvidia Preferred Partner

2022

Aetina_Nvidia Elite Partner

No. 1 Global Industrial
Grade SSD
2018-2023

Gartner

Top 9 DRAM Module
Suppliers
2022 (2018-2021 Top 10)



TRENDFORCE

Top 40 International
Taiwanese Brand
2018 - 2023

Interbrand



2021 InnoAGE™ SSD



Taiwan
Excellence

2020 3.5" Fire Shield SSD

2021 InnoAGE™ SSD



Most Innovative
Memory Technology



2022 Ultra Temperature
DDR4 DRAM Module

2023 nanoSSD

Market Trend and Activities

From IPC to AI New Era, The Key to The Industry Growth



**Industrial PC
Market**



**Vertical Market
(IIoT)**

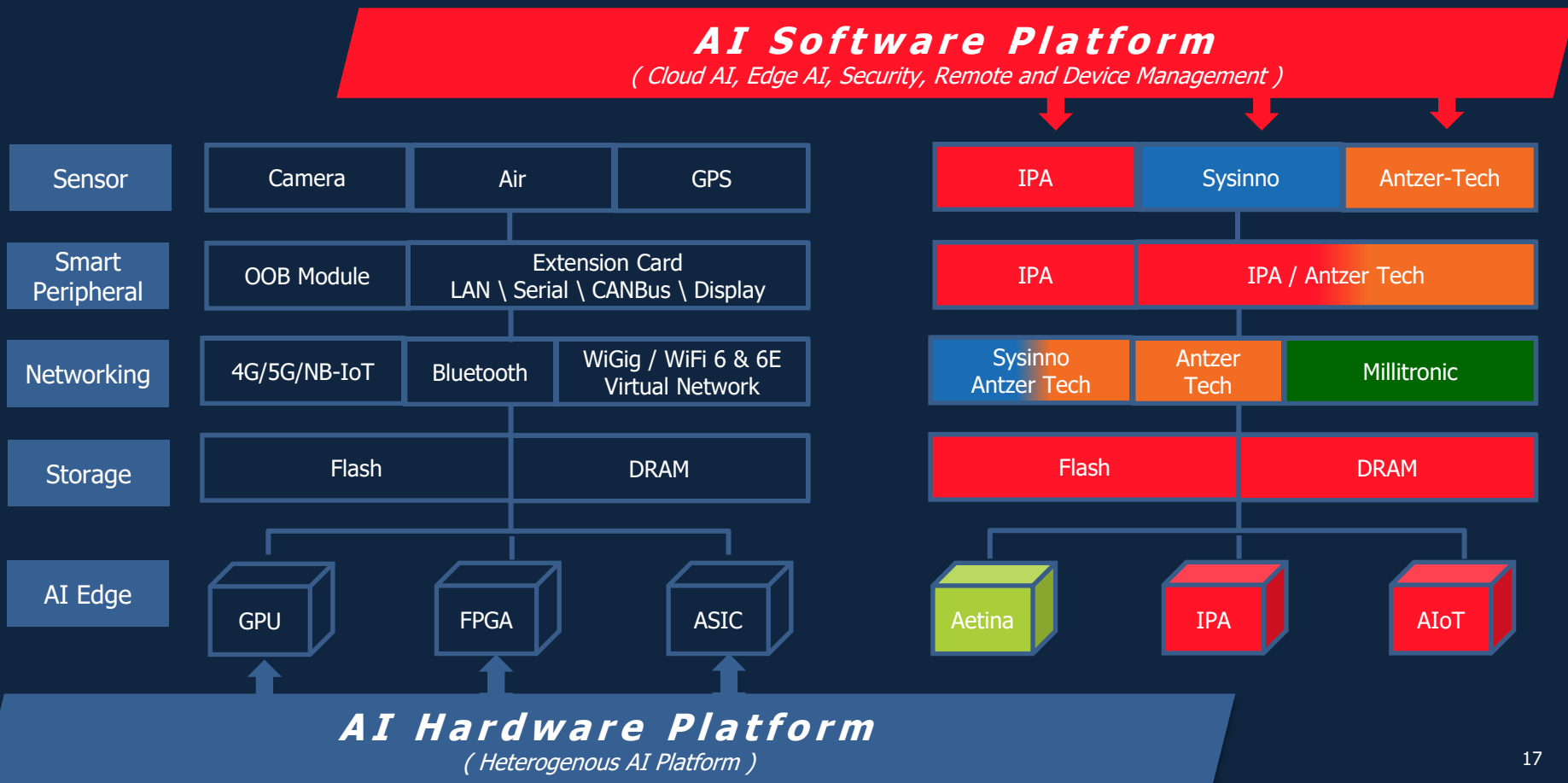


**Smart Vertical
Market (AIoT)**



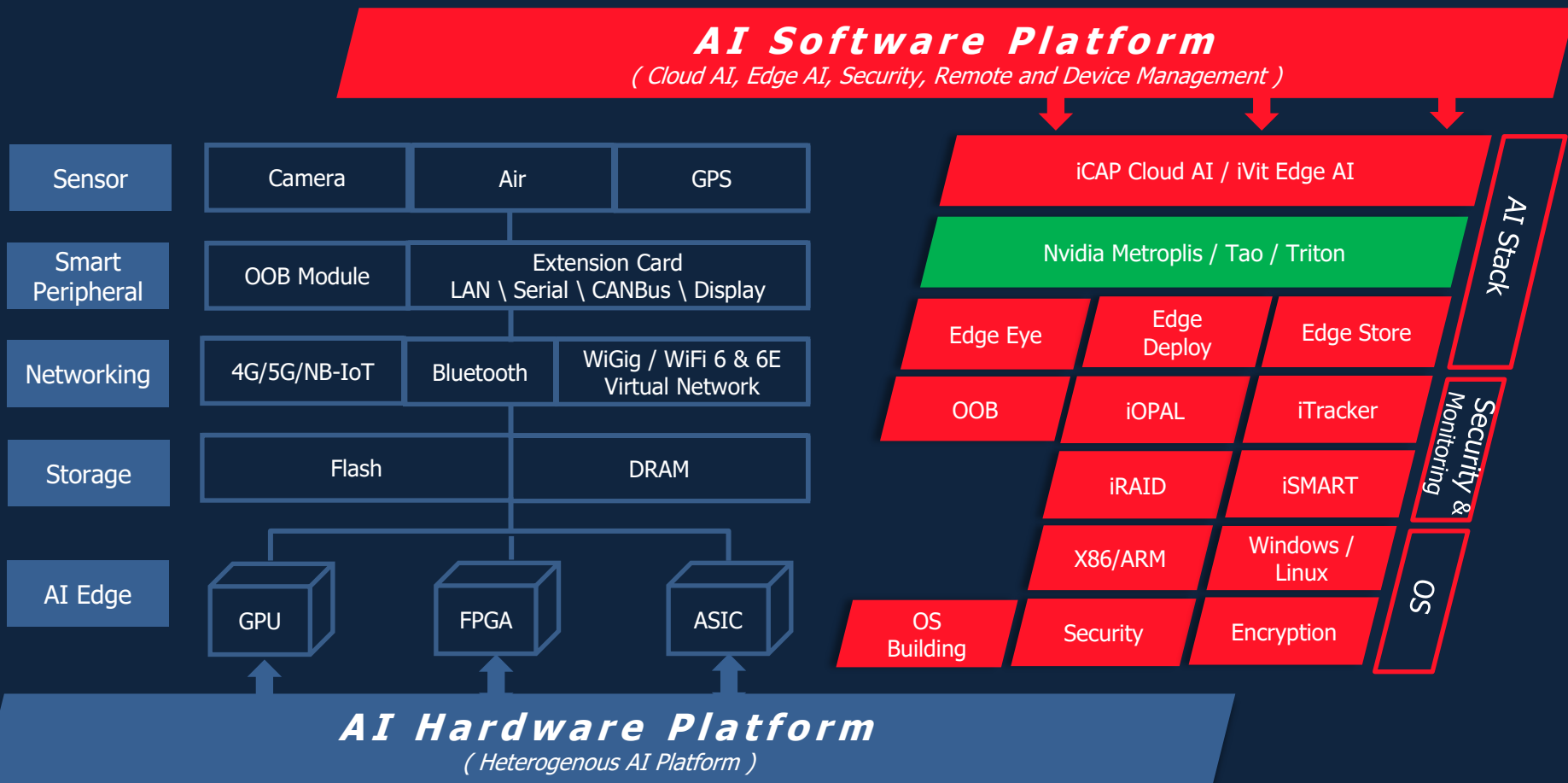
AI

Heterogeneous AI SW & HW Platform

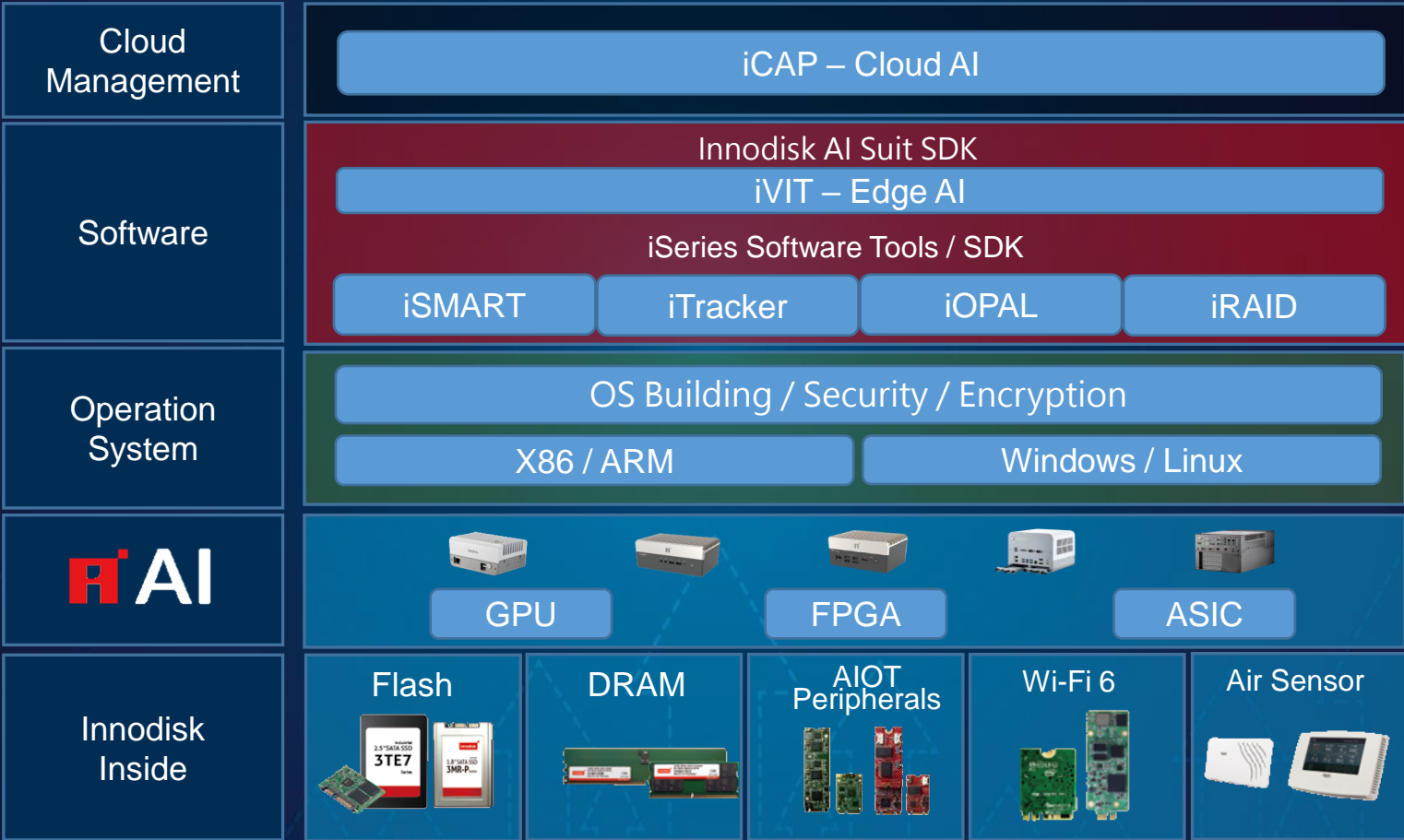


Heterogeneous AI SW & HW Platform

innodisk

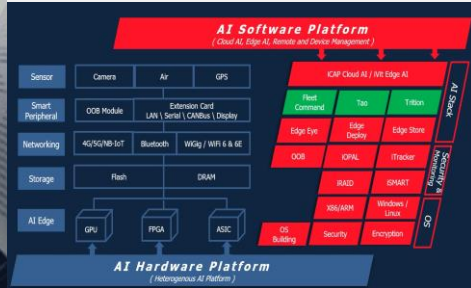


Innodisk AI Solution Framework



Realize AI Edge Computing

#1. SW/HW Integration



#2. Remote Management



#3. Data Security



Smart City

Smart Factory

Smart Vehicle

Smart Medical

Smart Retail

Energy & Infrastructure

IPC Market

Vertical Market (IIoT)

Smart Vertical (AIoT)

AI

Global Events: Showcasing AI Solution Capabilities

innodisk

AI Live Demos

- ▶ **Smart City:** EV Charging
- ▶ **Smart Transport.:** Traffic Enforcement
- ▶ **Smart Factory:** Workplace Safety
- ▶ **Smart Retail:** Food Safety

2023 May @ Taipei, Taiwan **Computex**



2023 March @Nuremberg, Germany **Embedded World**



Fueling AI Brand Transformation

innodisk



2022 Top40 Best Taiwan Global Brands
Brand Value **+23%** YoY



2023 IDB Global Demonstration Project
The **only** government-funded brand

Innodisk Group: AI Training & Solution Competition

Innodisk AI Solution Internal Training → AI Model Training → Initiate AI Solution with the Group's solutions.

400+
Participants

30+
AI Projects

Data preparation for iVIT Training: Re-try

Match the final applications
Scene, Angle, Distance

- ✓ Scene: swimming pool only
- ✓ Angle: fix filed of view
- ✓ Light: keep same background
- ✓ samples: as more as possible(>100)

5-3. Model Verification (Static state)



Market Focus and Product Strategy

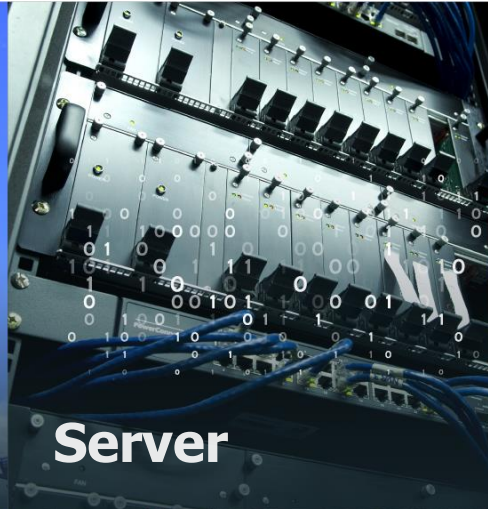
Making Every Vertical Application Smarter through Our AI Technologies



Gaming



Networking



Server



Aerospace



Retail



Surveillance



Automation



Transportation

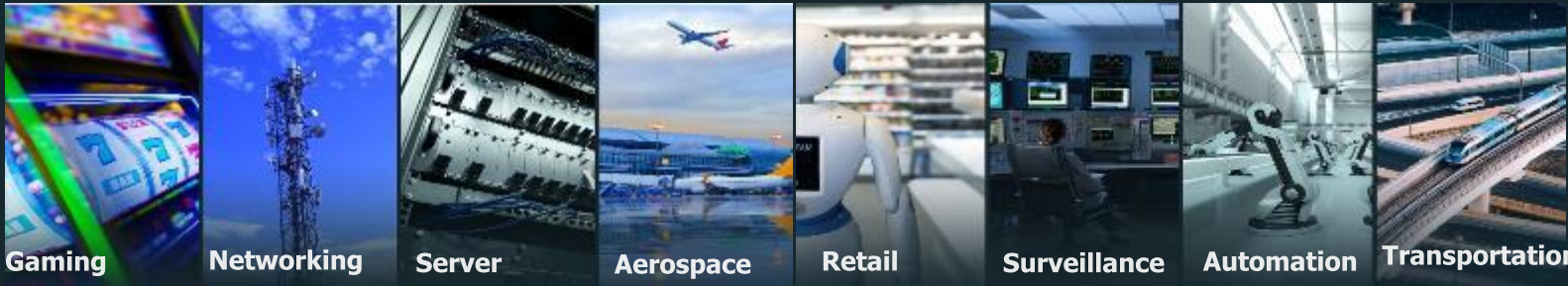
Innodisk Industrial-leading SSD Solutions



Complete Storage Solutions

Outstanding Technologies

-  Multi-level PLP (Power-Loss - Protection)
-  Features for Vertical Markets
-  Longevity Support
-  Combination with Public & Private Cloud
-  Optimized Firmware for Industrial Applications
-  Data Security & Integrity



Every Application

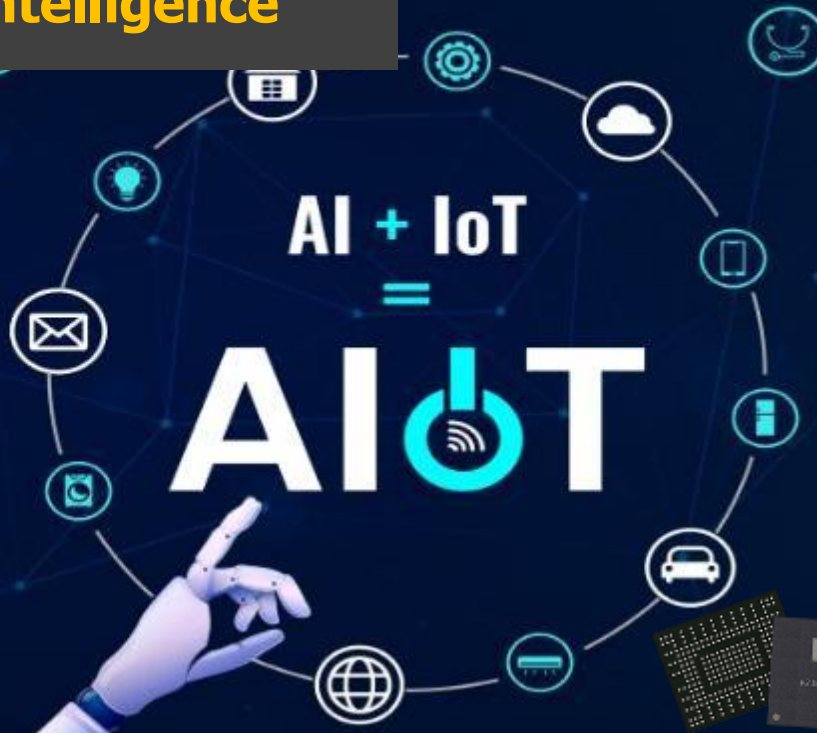


**The 1st Industrial-Grade
PCIe 4.0 SSDs:
Turbocharging 5G & AIOT**

innodisk

- **Ultra Performance: 6600/5300 MB/s**
- **High Capacity: 4TB (M.2)/ 16TB (U.2)**

Focus on Edge AI Computing Storage, accelerating the Practical Application of AI Intelligence



innodisk

- ❑ Low power and small form factor storage
- ❑ Support Gen4 x4 DRAM-Less BGA and M.2
- ❑ Support NVMe Namespace for storage efficiency and security



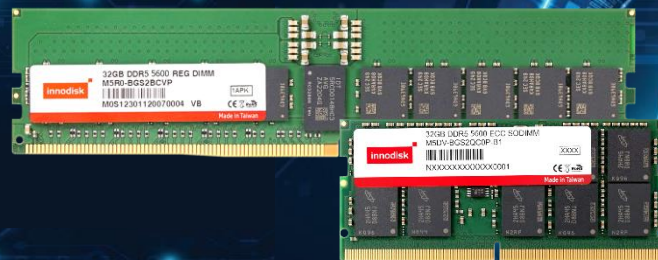
**Reliable & High-End Data Logger
Assisting in the Implementation of
Autonomous Driving Applications**

- High Capacity: SATA III & Gen 4x4 8TB / 16TB
- Highly Reliable RAID Compatibility Verification

DRAM

Industrial Leading **DDR5**
5600MT/s ECC & RDIMM Series
with Enhanced Capacity,
Unparalleled Speed & Compatibility

With the upward trend of AI, the growing demand for data transmission accelerated to push the DRAM module to upgrade.



DRAM

Innodisk DRAM PRO Series

Provides High Endurance & Reliability to Unlock 5G, Automotive, and Aerospace Applications

Tailor-made industrial grade DRAM module for harsh environments, frequent vibration, and unstable temperature.



Rugged DIMM



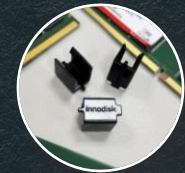
XR-DIMM



Ultra Temperature



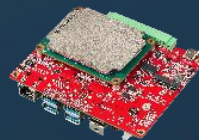
Heat Spreader



Rugged Clip

AIoT Peripherals and Platform

AI Edge – FPGA Platform

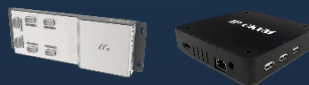


Xilinx FPGA



FPGA AI Box

I/O Peripherals



External I/O expansion device

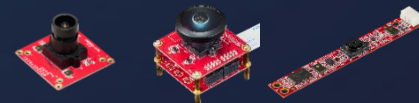


M.2 / mPCIe I/O Modules

Sensor module



Air Sensors



Camera Modules



Revolutionizing AI Model Development

iViT will make it easier for users to embark on AI journey, using intuitive GUI to guide users through classification and object detection AI models. iViT will also support various AI models on different heterogeneous platforms

The screenshot displays the iViT-1 interface. At the top, there's a red header with the iViT-1 logo. Below it, a navigation bar shows 'T01-DVKH' with a toggle switch. A progress indicator shows '0 day 0 hour 17 mins'. The main area is split into two panels. The left panel shows a video frame of a fig tree with four unripe figs highlighted by pink bounding boxes. Each box is labeled with 'unripe' and a confidence score: 94.7%, 99.6%, 67.0%, and 96.8%. The right panel is a sidebar with 'Info' and 'Log' tabs. The 'Info' tab is active, showing details for the task 'T01-DVKH'. The status is 'Run'. The source is 'fig-tree_krX0HmoK.mp4'. The model is 'T01_DVKH_aug'. The application is 'Basic Object Detection'. The confidence is 0.5. The accelerator is 'GPU'. The FPS is 20. Below the info, there's a 'Depend on' section with buttons for 'over-ri...', 'lustright', and 'unripe'. At the bottom right, the temperature is displayed as '38 °C'.

Info	Log
AI task name	T01-DVKH
Status	Run
Source	fig-tree_krX0HmoK.mp4
Model	T01_DVKH_aug
Application	Basic Object Detection
Confidence	0.5
Accelerator	GPU
FPS	20

Depend on

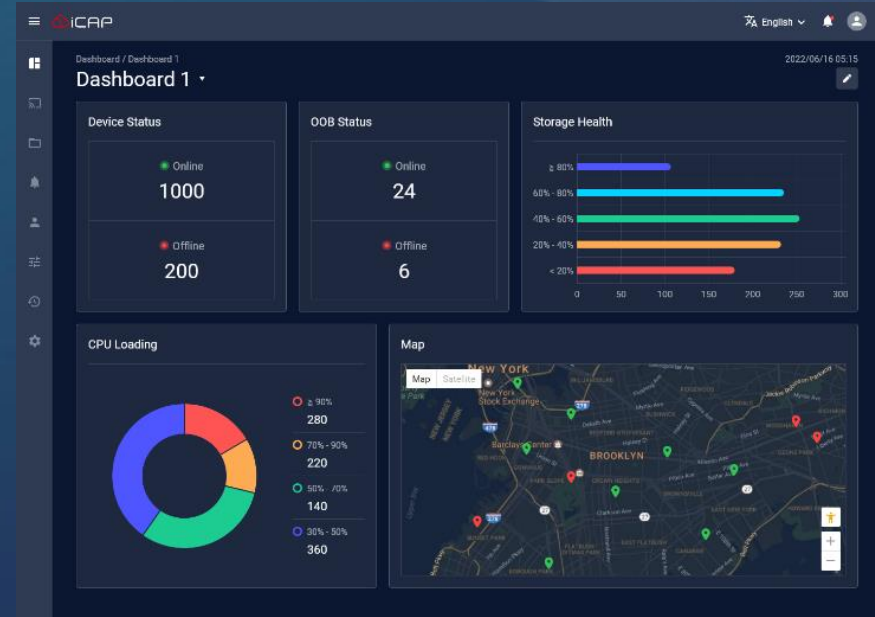
over-ri... lustright unripe

Temperature **38 °C**



A Comprehensive edge AI of management platform

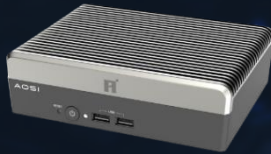
iCAP is used for managing and monitoring Edge AI hardware runtime information, providing alerts, and facilitating OTA firmware updates. Additionally, it enables remote deployment and management of AI models on AI Edge platforms, achieving true touchless management."



Fanless AI Box with Intel® and NXP Platform



AOPI-020



AOSI-020



AOSI-120



AOSI-M800



AOAI-1300I

**AI Box with Intel Atom®, Intel 12th /13th Gen. Core™ i,
and NXP i.MX 8M Plus processor**

Fanless AI box supports temperatures up to 70°C

Support Hailo-8™, MXM GPU cards for AI Acceleration

Edge AI Computing Solution with Intel® Core™



AT1R-1200



ATSE-1201



AT2R-1200



ATSE-1200

AI computing solution with Intel 12th/13th Gen. Core™ i platform

Supports up to dual GPUs for AI acceleration

Rich I/O and multiple Expansion for Edge AI solution

Wide Range Edge Computing Portfolio

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aetina



ELITE
PARTNER

Customization
Services

Hardware Devices

Software & Services

PRO A.I.



AI Accelerator

MXM, PCIe, VPX



AI Training Platform

SuperEdge



AI Inference Platform

MegaEdge



**AI Inference & Edge
Computing**

DeviceEdge

Aetina
EdgeEye

Aetina
TAO
Utility

Aetina
Triton
Inference
Server



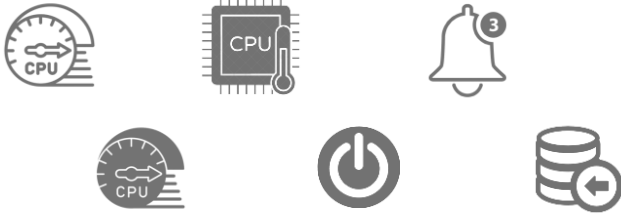
EdgeEye: Device Management

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aetina



Edge Device Monitoring



Edge Device Management

- In Band & Out of Band



EdgeEye

Pro-AI Service

innodisk

aetina



ELITE
PARTNER

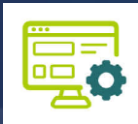
Aetina Pro-AI Service features comprehensive solutions that help developers, system integrators, and business owners adopt AI or create different AI verticals in a quicker and more effortless way.

To deliver the most advanced solutions, Aetina integrates state-of-the-art **AI hardware and software, establishes an ecosystem partner network**, and forms a unique methodology that can lead to a systematic plan for AI adaptation. Aetina offers the most suitable solution based on client's needs.

Core Elements



Customization



Cognition



Connection



Collaboration

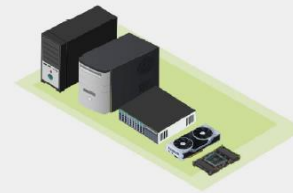
How it Works



Identify the needs to start AI adoption



Evaluate IT capability for AI model training and deploying



Offer ideal hardware to execute AI projects



Collaborate with ecosystem partners to integrate peripherals and software

Environment, Social, Governance

Driving Change, Commit to ESG



E

nvironmental

Reduce corporate greenhouse gas emission intensity by 2% YoY by 2022. Yilan R&D and Manufacturing Center has obtained the green building certification and will build solar panels to create an energy sustainable environment.



S

ocial

Innodisk established **Innodisk Education Foundation** with “education” as the main development goal, hoping to help children develop a skill and find their own learning goals.



G

overnance

Established the **Sustainable Development Office** and the **CSO** role to declare our commitment to ESG. Implementing **TCFD** in climate related risk management and sustainable management.

Lear more about our ESG commitments: <https://esg.innodisk.com/en>

Core Value of Innodisk

- Innodisk emphasizes how to gather "partner" resources to jointly "operate" sustainably, thereby exerting a longer-term impact; fully embodying the core spirit of "a group of partners, operating together" at Innodisk.



Cultivating for a Sustainable Environment.

Not just everaging the rich cultural and geographical advantages of Yilan, we have chosen to establish our factory in the Yilan Science Park, with a focus on constructing it as a green building. This not only creates local employment opportunities but also contributes to ecological and environmental balance.

Water conservation

Light Saving

Ventilated environment

Water Saving

Light Environment

Reduce CO₂



Green building certification



All-Encompassing Care

Family Day



Innodisk Education Foundation

Innodisk not only cares for its employees but also actively extends a helping hand to various communities in society



Welfare Committee



Continuously Promoting to Expand Influence



Engaging in domestic sustainability advocacy, harnessing corporate power



Anchored by Innodisk spirit, we advancing corporate influence



Innodisk brings together partners to co-operate and expand long-term impact.

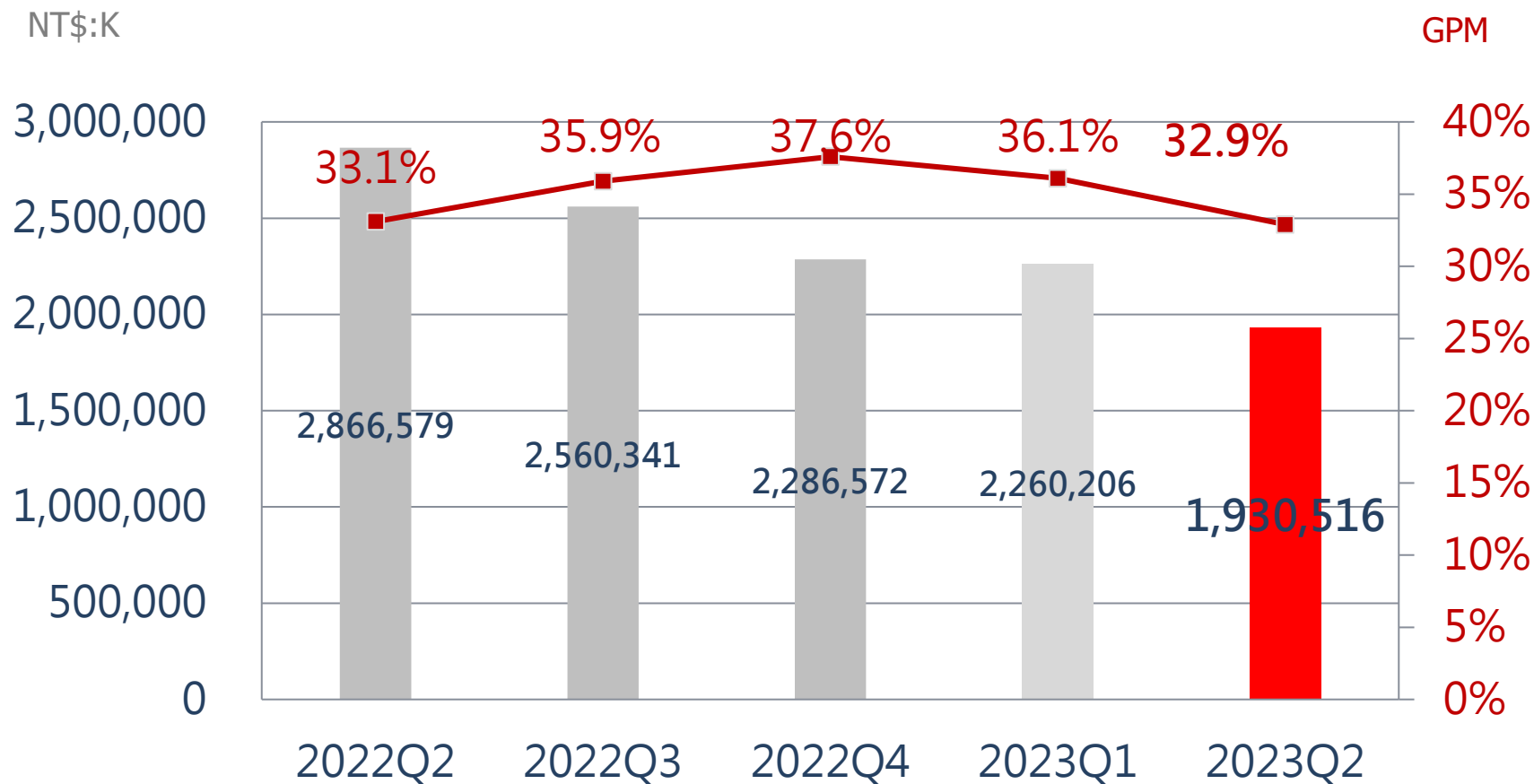


The i Earth, I'm in Action attracted over 70,000 participants, and Innodisk continues its sustainable program for another 3 years.

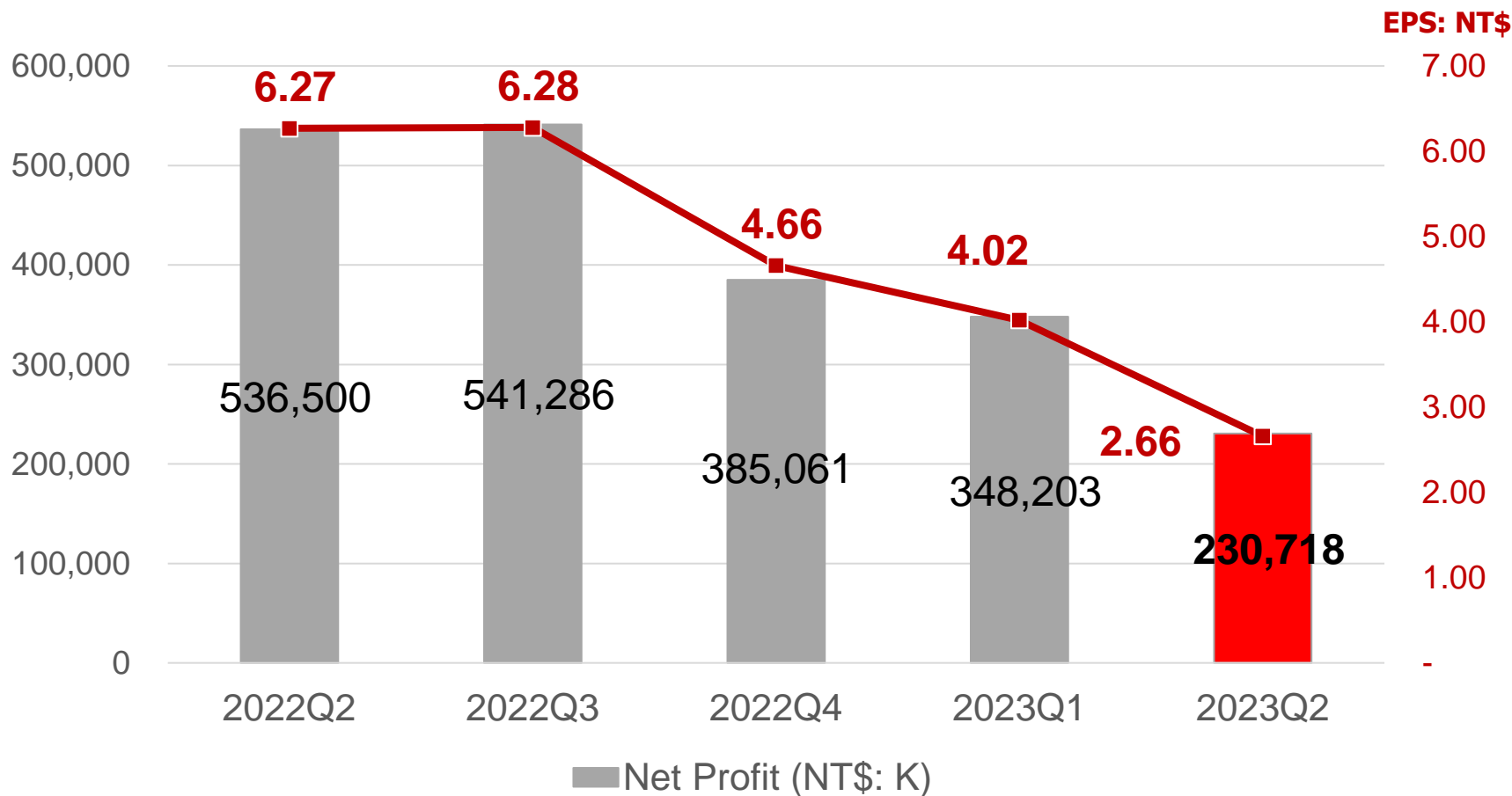


Financial information

Revenues and GPM over last 5 quarters

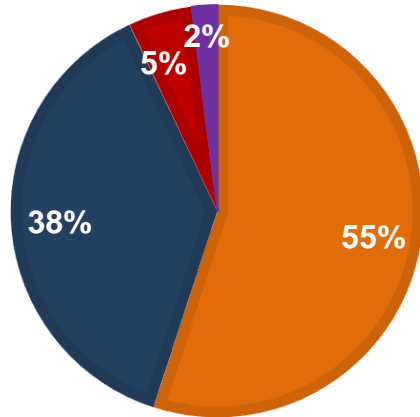


Net Profits and EPS over last 5 quarters

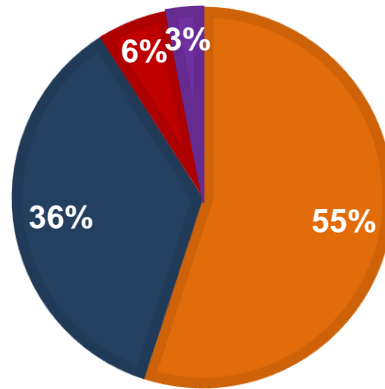


Revenue Breakdown by Product Lines

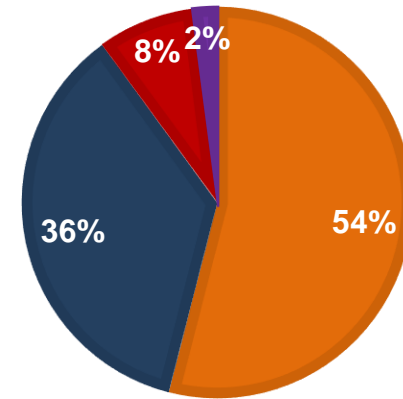
2023Q2



2023Q1



2022Q2



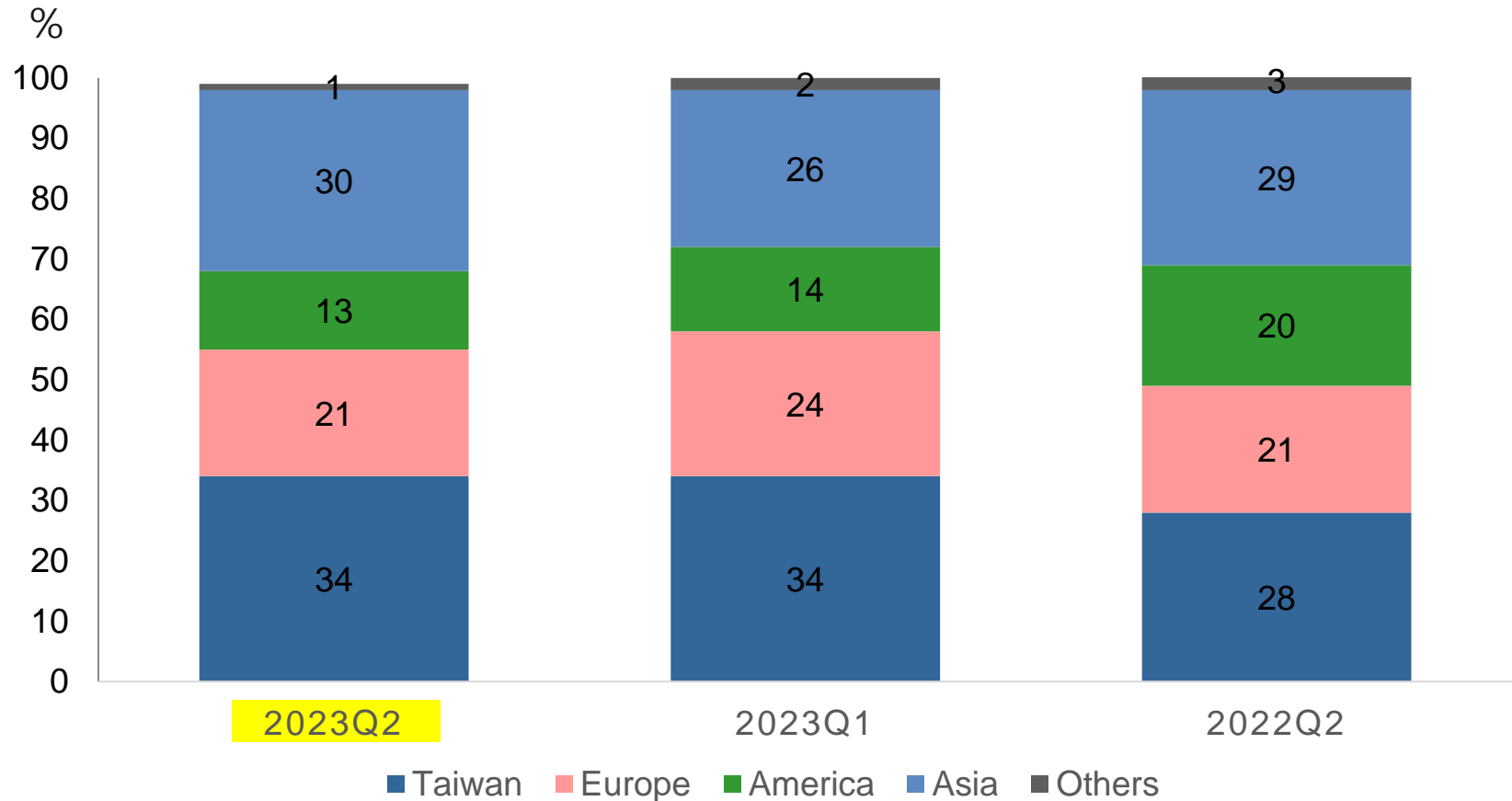
DRAM

FLASH

AIOT

OTHERS

Revenue Breakdown by Regions



Quarterly Income Statement

	2023Q2	2023Q1	QoQ	2022Q2	YoY
Revenues	1,930,516	2,260,206	-14.6%	2,866,579	-32.7%
Cost of good sold	1,294,411	1,445,296	-10.4%	1,919,077	-32.6%
Gross profit	636,105	814,910	-21.9%	947,502	-32.9%
Operation expenses	371,215	367,788	0.9%	345,875	7.3%
Operation profits	264,890	447,122	-40.8%	601,627	-56.0%
Non-operating income and expenses	50,245	-6,214	-908.6%	79,074	-
Profit before tax	315,135	440,908	-28.5%	680,701	-53.7%
Income tax expense	86,109	91,965	-6.4%	133,150	-35.3%
Net profits	229,026	348,943	-34.4%	547,551	-58.2%
Non-controlling interests	-1,692	740	-328.6%	11,051	-115.3%
Net profit attributable to parent company	230,718	348,203	-33.7%	536,500	-57.0%
EPS	2.66	4.02		6.41	
Gross margin	32.9%	36.1%		33.1%	
Operating margin	13.7%	19.8%		21.0%	
Net profit rate	11.9%	15.4%		19.1%	

Q & A

The logo features the word "innodisk" in white lowercase letters on a red rectangular background. A small red square is positioned at the top right corner of the main red rectangle.

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Innodisk Corporation

