Innodisk Corporate

Investor Conference

(Symbol: 5289)

Randy Chien
Chairman
2022.04.11

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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.

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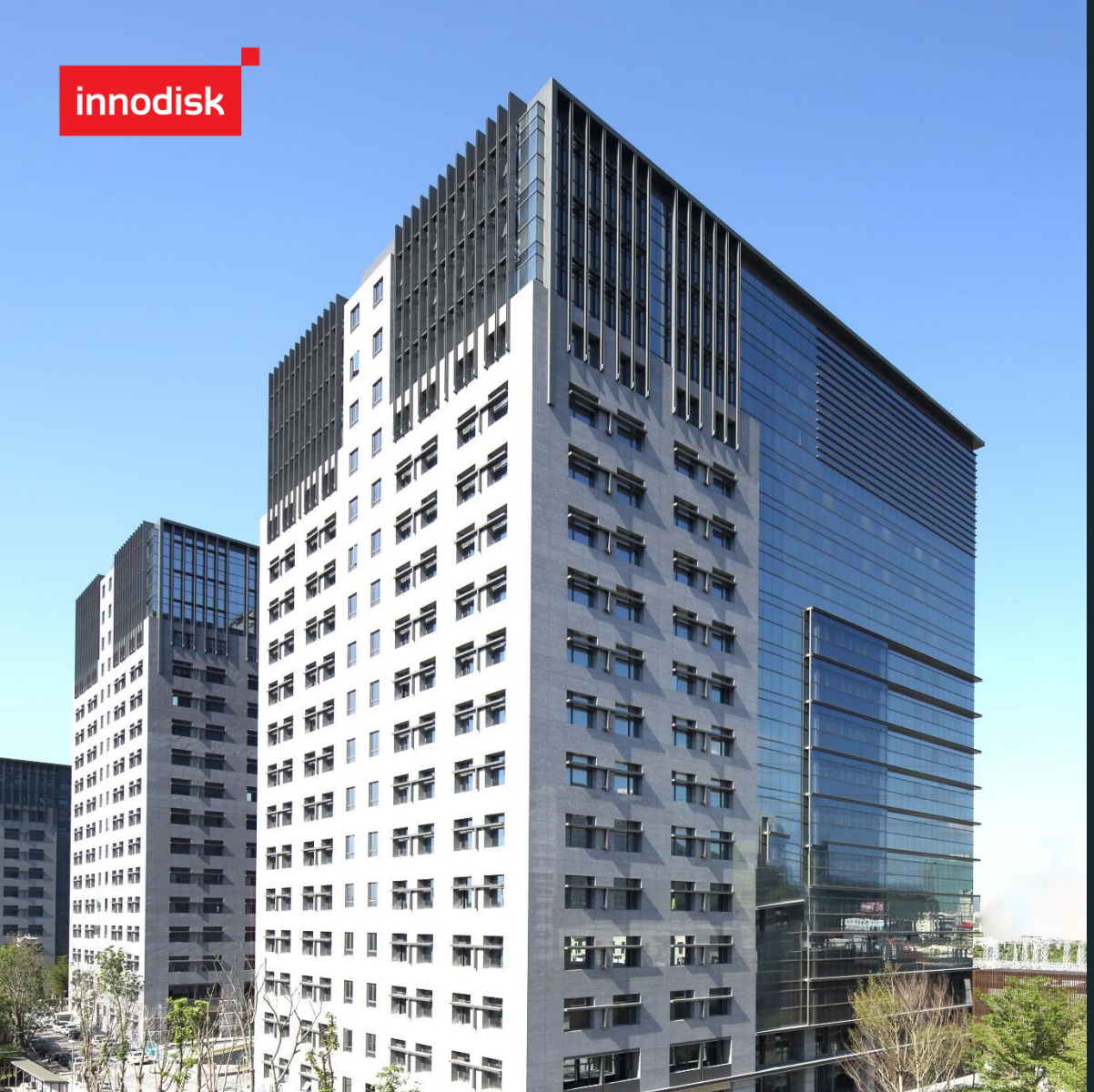
Agenda

- Company Profile and Overview
- Market Focus and Product Overview
- Market Trend and Activities
- Innodisk Group Strategy
- Post Pandemic Era: Effect and Initiative
- Financial information
- Q & A

Company Profile and Overview



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2005
Founded

Revenue
NT$10.19B

Capital
NT$827M

EPS
NT$18.94

Patents
158
(+10)

Customers
3,700+

Worldwide Operation

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Eindhoven
The Netherlands
2012 Established
2019 New Building

Fremont, CA (2008)

Tokyo, Japan(2010)

Paris 2021
Spain 2021
Marlboro, NJ
S. Ca 2020
Austin, TX 2019
Chengdu 2020
Beijing
Nanjing2021
Shanghai
Hangzhou2021
Shenzhen(2011)
Guangzhou2021
India 2020
Vietnam 2020

Headquarters, Taipei
R&D Center, Hsinchu
Factory Site, Yi-Lan

- Overseas Branch Office (4)
- Sales & Service points (14)
- R&D sites (2)

Total Employees: 757
(Taiwan 645, Overseas 112)

YI-LAN RD & Manufacturing Center

Lot Size
10,000
Sq. Meter

2021 Capacity
900K
SMT x 6

Floor Area (4 floors)
12,000
Sq. Meter

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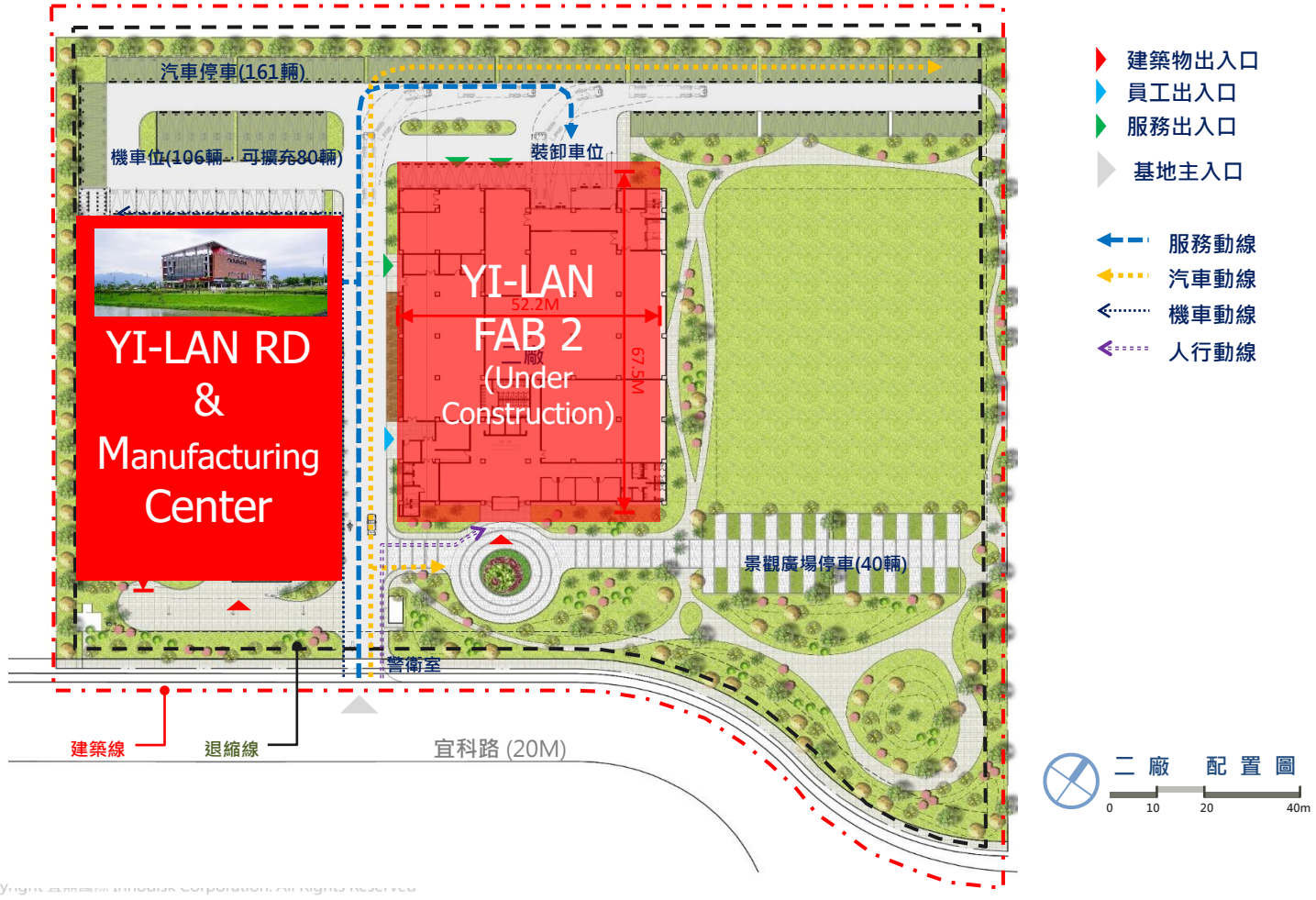
YI-LAN FAB 2 (Under Construction)



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YI-LAN FAB 2 (Under Construction)

YI-LAN FAB 2

(February 19th ,2022_Ground-Breaking Ceremony)

To Be Completed: 2023 Q4

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HQ Expansion

Floor	Current	Expansion
17F		+1,650 m² (Aetina)
7F		+3,300 m²
5F	3,300 m²	
4F	3,300 m²	
3F	3,300 m²	

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Quality, Our Top Priority

Production	1,350K / Monthly (2021)
Certifications	ISO9001 / ISO14001 / ISO45001 / QC080000 / ISO14064-1 / ISO27001
Manufacturing	New Taipei City / Yi-Lan County

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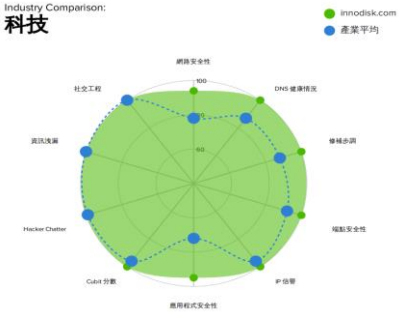
The Way to Sustainability

- 2012 — ISO14001 Environment Management System
  QC080000 Hazardous Substance Process Management System
- 2015 — 1st Edition of Sustainability Report
- 2019 — ISO45001 Occupational Health and Safety Management System
- 2021 — ISO14064-1 Greenhouse Gas Emissions

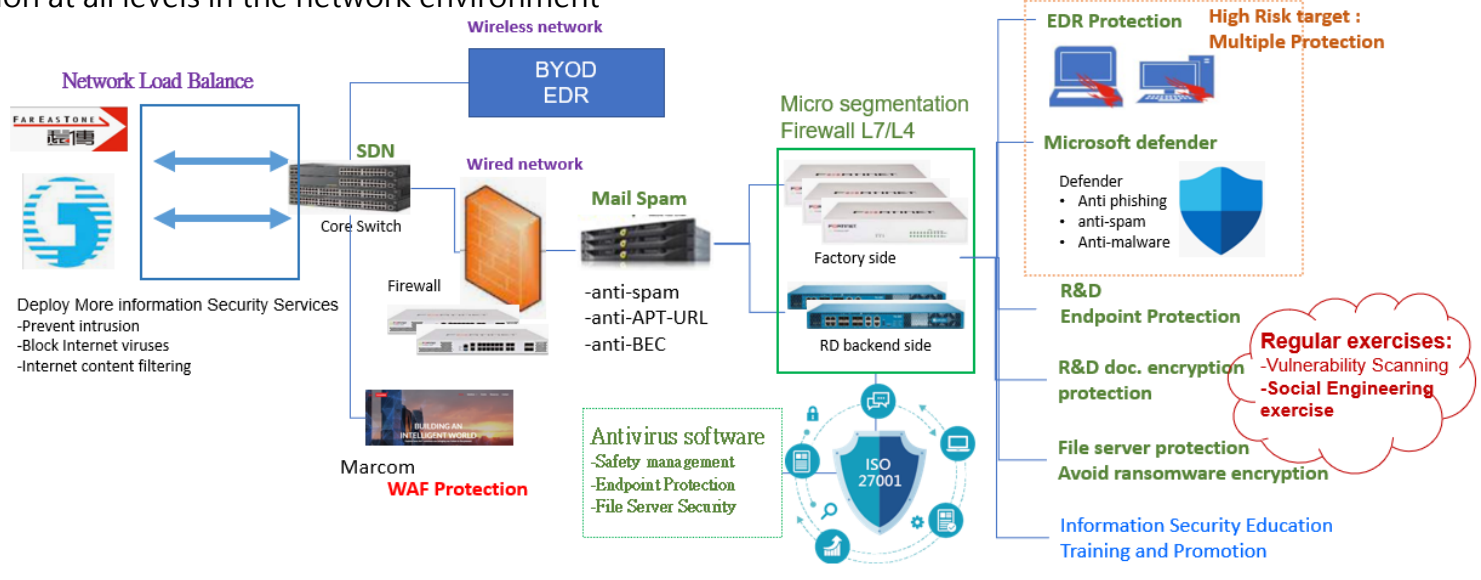
Network Security & Zero Trust Protection

A 98



- The zero-trust information security protection and continuously invests resources and manpower to ensure the safety, stability and uninterrupted service of the company's operations
- Integrate the objective results of 3rd party verification and threat intelligence, conduct risk analysis, and further strengthen the information security management system
- Verification from 3rd party has remained at the A-level since 2022Q1

- Protection at all levels in the network environment



Partnership and Awards

intel IoT Solutions Alliance

2016 - 2019
Official Intel® IoT Solution Partner

Microsoft

2019
Official partner of Azure Sphere

No. 1 Global Industrial Grade SSD
2018-2021

Gartner

Top 10 DRAM Module Suppliers
2018-2021

TRENDFORCE

Top 35 International Taiwanese Brand
2018 - 2021

Interbrand

COMPUTEX TAIPEI

BC Best Choice AWARD Golden Award

2021 InnoAGE™ SSD

Taiwan Excellence

2020 3.5" Fire Shield SSD
2021 InnoAGE™ SSD

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Market Trend and Activities

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

Innodisk AI SW+HW Integrated Architecture

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Cloud Management

iCAP

Application

iVINNO

Nvidia Model Zoo | FPGA Model Zoo | ASIC Model Zoo | 3rd Party ISV Model zoo

iSeries

iSMART | iTracker | iOPAL | iRAID | iCover

OS Level

OS Customization

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DRAM | Flash | I/O Card | AI Accelerator & Edge Device | Air Sensor

Smart Scenarios

SW/HW + Remote + Security =AI Realization

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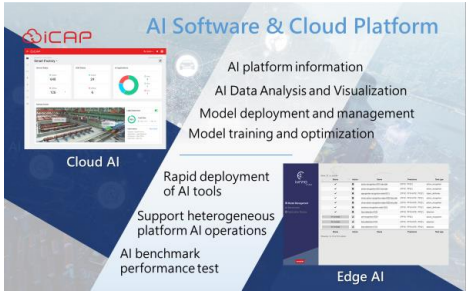
IPC Market → **Vertical Market (IIoT)** → **Smart Vertical (AIoT)** → **AI New Era**

- Smart City
- Smart Factory
- Smart Vehicle
- Smart Medical
- Smart Retail
- Energy & Infrastructure

#1.SW/HW Integration

#2.Remote Management



#3.Data Security

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Market Focus and Product Overview

Applications and Technologies

Aerospace

iCell | Conformal Coating | iData Guard | InnoRobust™ Data Security | Wide Temperature

Embedded Systems

Wide Temperature | Anti-Sulfuration

Server Application

Thermal Sensor | Anti-Sulfuration | Cable-less Power

Gaming

Write Protect | iData Guard | iSLC | Wide Temperature

In-Vehicle

iCell | Conformal Coating | iData Guard | Thermal Sensor | Wide Temperature

Smart Automation

Anti-Sulfuration | Conformal Coating | Wide Temperature

Smart Surveillance

iCell | Garbage Collection and TRIM | iData Guard | Quick Erase | Thermal Sensor

5G & Networking

Rugged | Conformal Coating | Side Fill | Wide Temperature

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Innodisk Industrial-leading SSD Solutions

New Generation for High Performance Industrial SSD PCIe

The most Completed Industrial Solutions SATA

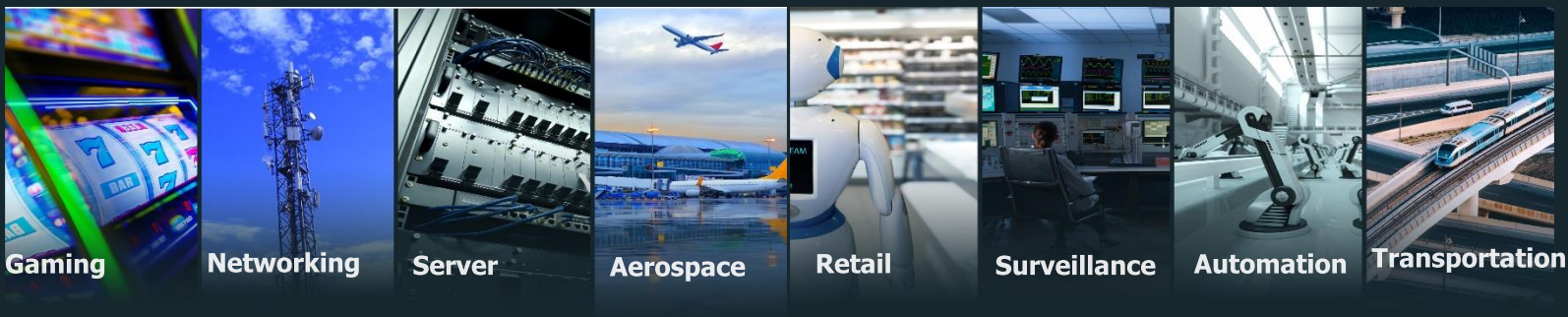
Longevity Support for Legacy Product PATA

Develop Industrial Product for Niche Market SD/USB

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

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Rock Solid SSDs for Edge Servers

- Reliability and Speed for Low Latency Edge Data Processing
- Support Wide Temp. -40'C~85'C & FW customization

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

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

Unbeatable Convenience& Speed to Recovery for AIOT Landing

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- Innodisk's Exclusive Recovery Technology
- Remote OS Recovery and OOB capability
- One-Click and Autonomous Recovery

Leading for Industrial DRAM Memory

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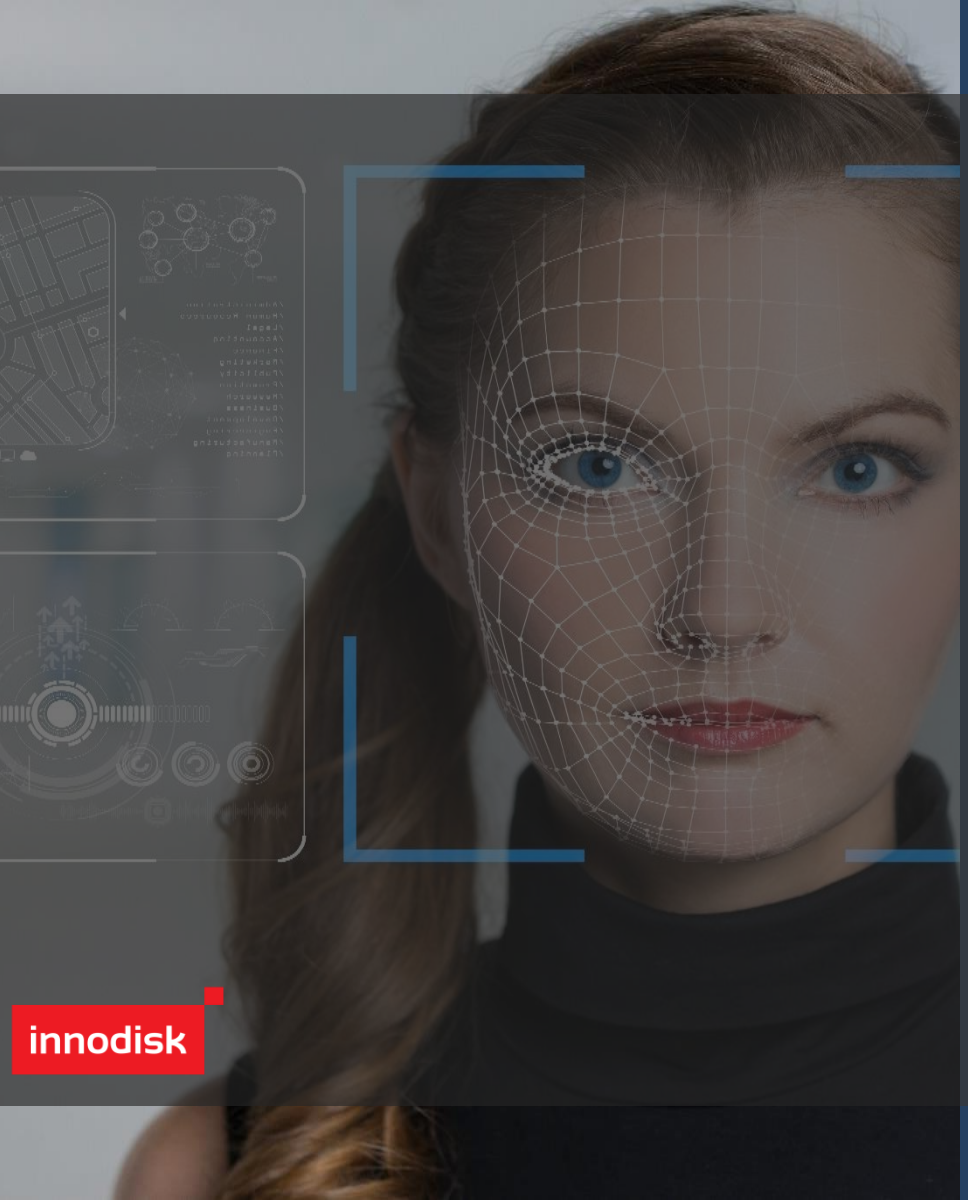
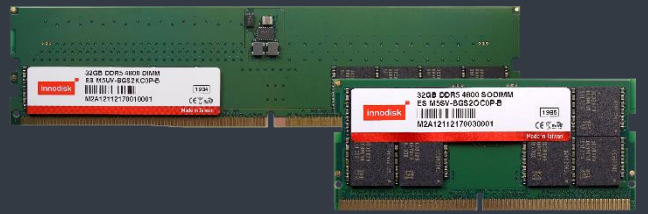


2022 DRAM Highlight

High Performance Industrial *DDR5* DRAM Memory

with anti-sulfuration



Implement successfully in AI, high resolution imaging , machine learning applications

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2022 DRAM Highlight

Ultra Temperature -40~125°C DDR4 Memory

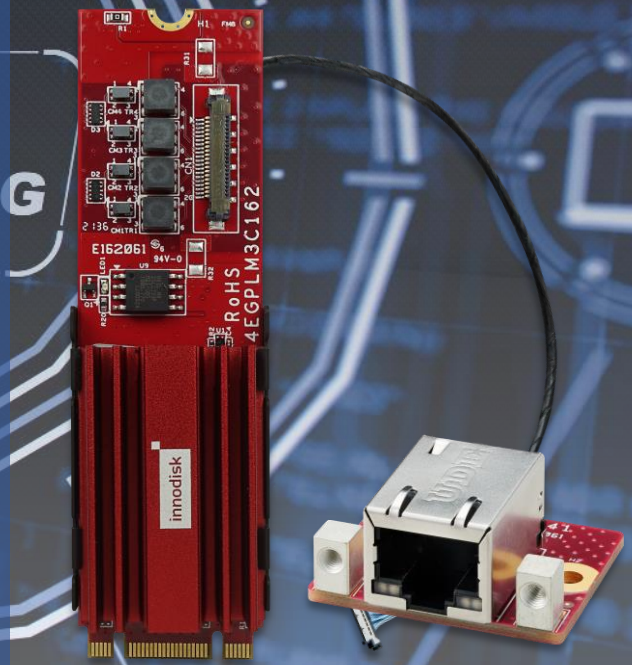
with anti-sulfuration

Implement successfully in
mission critical,
in-vehicle, aerospace applications

The World’s First 10Gbe LAN Module in M.2

Improve High-Speed transmission application environment

- M.2 2280 PCIe Gen 3x2
- Support multi-speed10/5/2.5/1Gbps and 100/10Mbps
- Applied to machine vision, AI imaging, mass data transmission



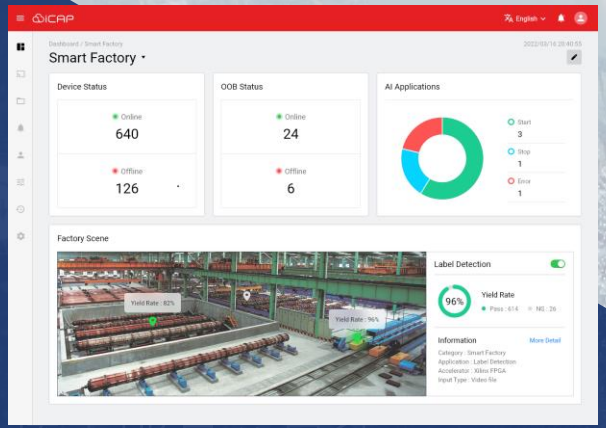
AIoT Device OOB Management Module

Creating a highly reliable environment for AIoT devices

- Support and inter-device control and data collection
- Independent management channel and cloud interconnection
- Integrate Innodisk SSD to achieve data security control

AI Software & Cloud Platform

iCAP



Cloud AI

AI platform information

AI Data Analysis and Visualization

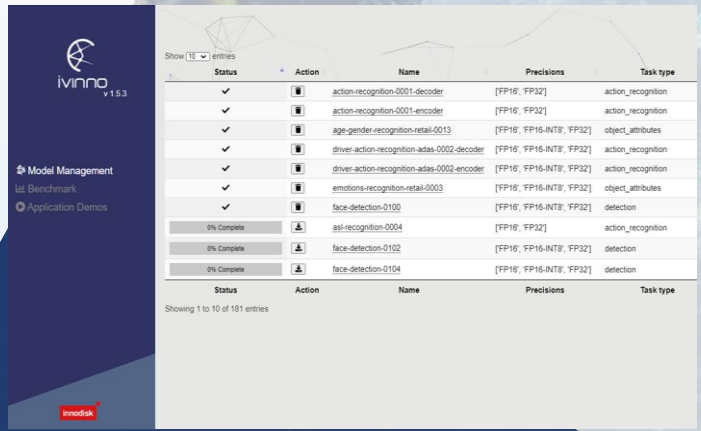
Model deployment and management

Model training and optimization

Rapid deployment of AI tools

Support heterogeneous platform AI operations

AI benchmark performance test



Edge AI

Post-Pandemic Era: Effect and Initiative

Post-Pandemic Era: Effect and Initiative

- 2021:
  - Post pandemic era leads to more uncertainties and variables
  - The market demand continues to grow, the materials is still shortage and the price continues to rise
  - Build up inventory in response to rapid changes in supply chain.
  - Strengthening Digital Marketing and Digital Transformation
  - Continue RD and Sales Expansion to engage with more AIoT project.

  → Preparation for Post-Pandemic era as New Normal

- 2022:
  - Market demand expect to grow steadily
  - The shortage of materials has gradually eased, but the issue of long and short materials still happens
  - Agile supply chain management in response to global demand and supply fluctuation.
  - In response to the new normal after the pandemic, Innodisk will keep continue to develop and realize AI solution, especially in AI software and hardware integration, remote management and data security, to make the world intelligent.

Sustainable Activities

2022/01/14

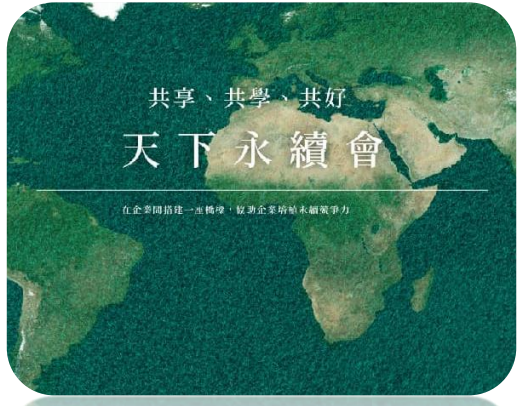
Inno Volunteer Group

With Absolute service to do the right thing.

2022/02/21

Co-organized ATCC competition

To support the young generation to build the new sustainable environment



2022/03/30

Join the Advocacy Group

To enhance the company sustainability competitive strength.

Social Responsibility

2021/01/14

Future Education - Taiwan100

The most Creative and Effective Education Project

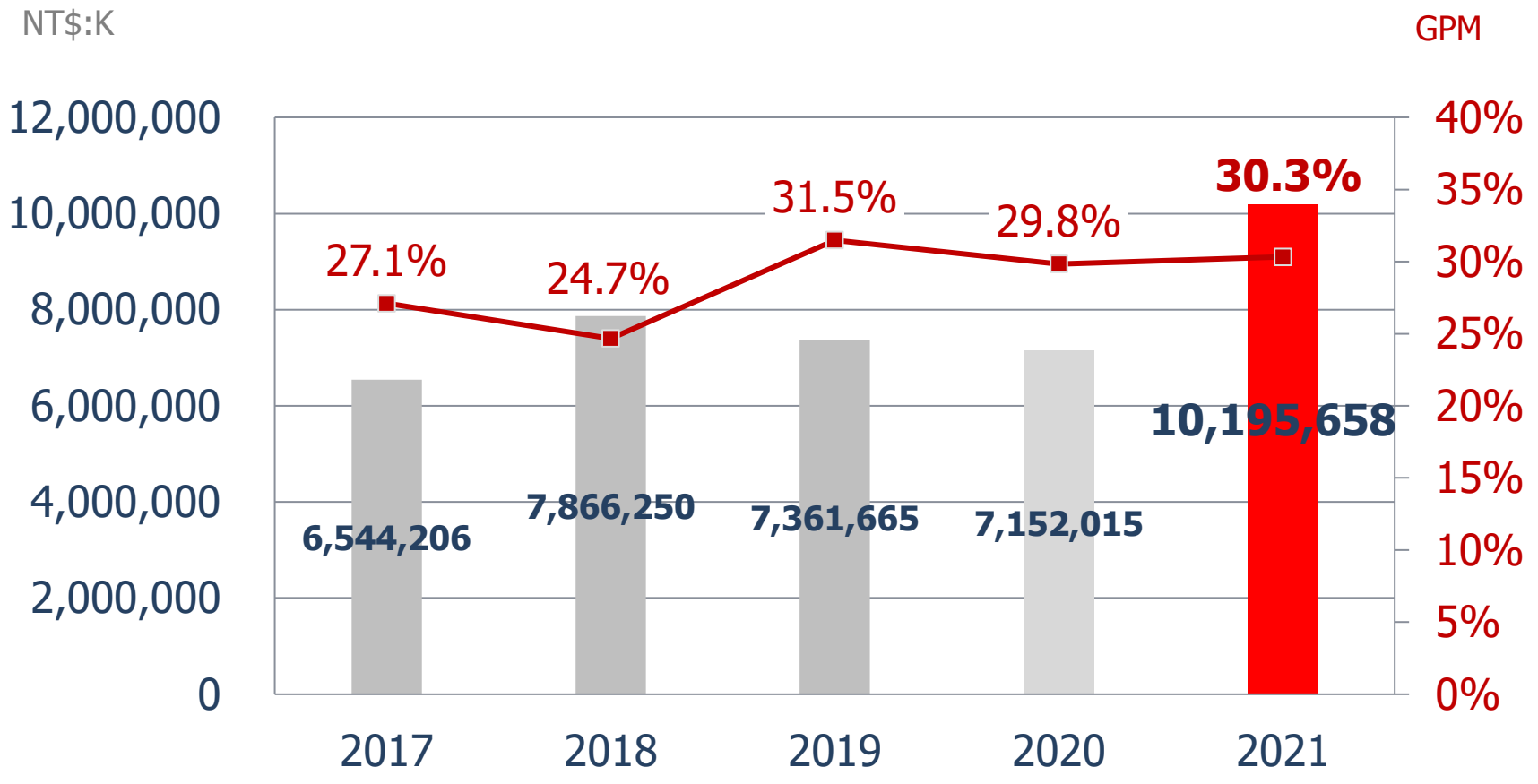
2021/06/18

Strong Support for the Medical

To be the guardian to secure the health of local resident.

Financial information

Revenues and GPM over last 5 years



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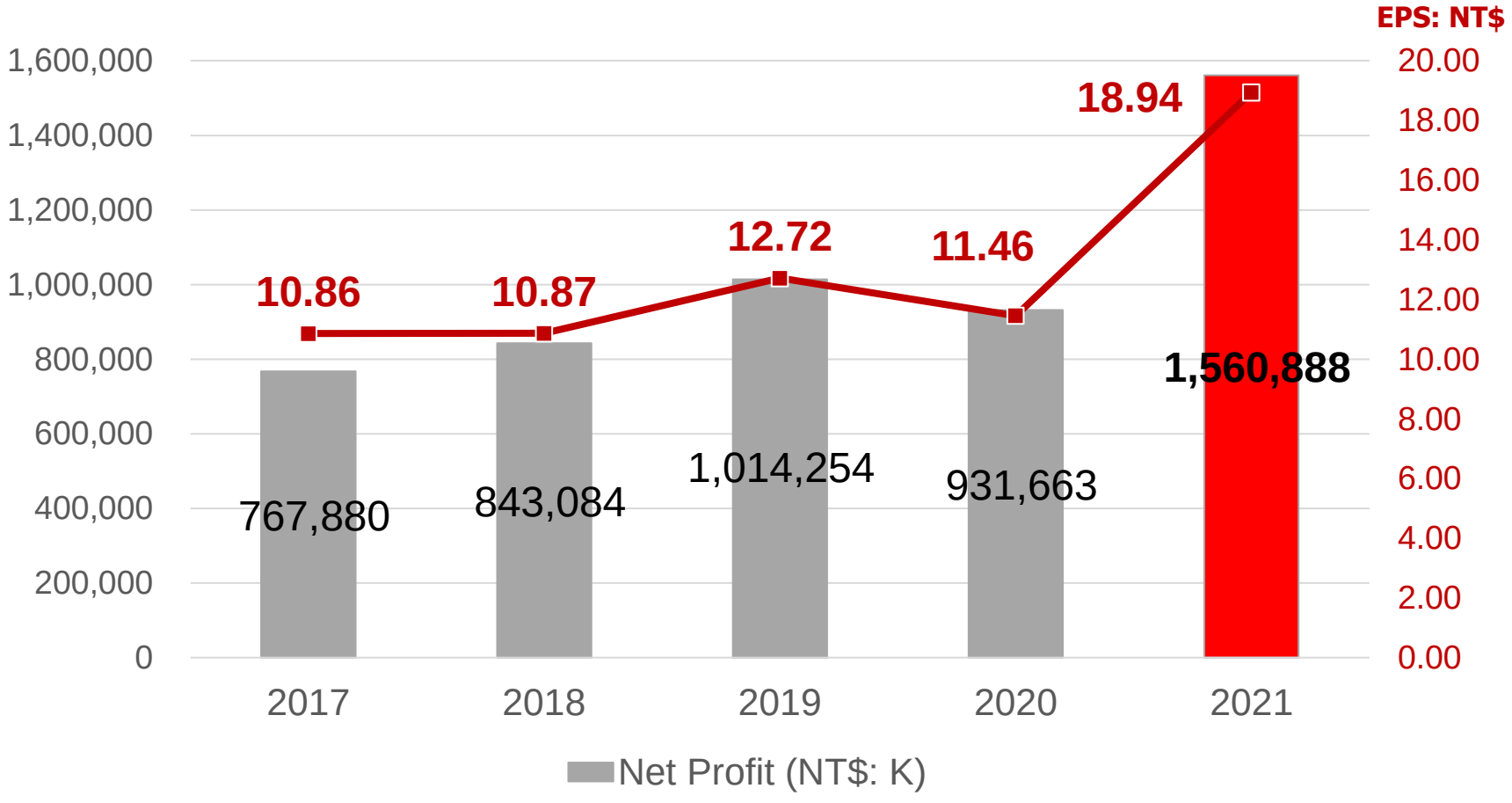
Net Profits and EPS over last 5 years



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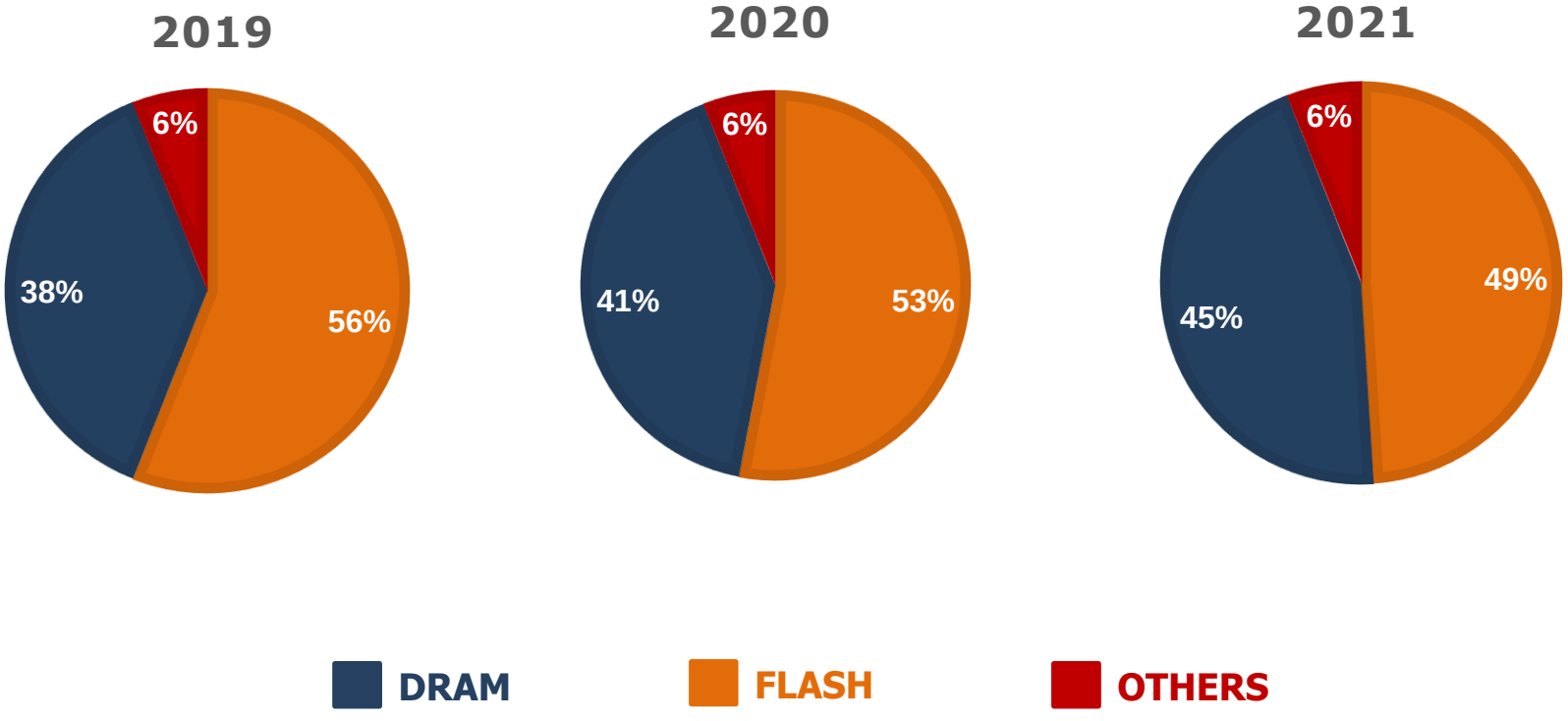
Revenue Breakdown by Product Lines



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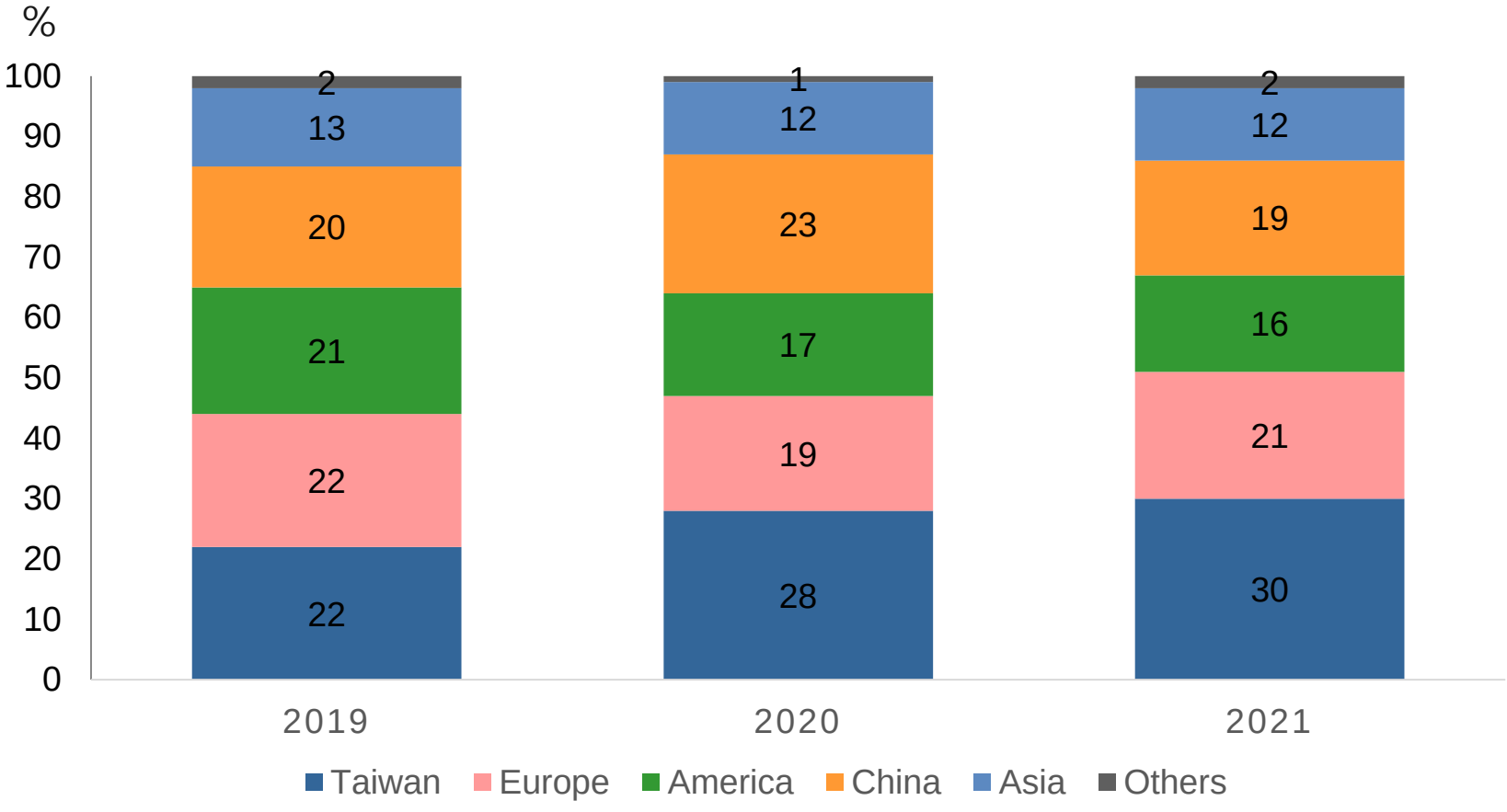
Revenue Breakdown by Regions



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Annual Income Statement

	2019	2020	2021	YoY
Revenues	**7,361,665**	**7,152,015**	**10,195,658**	**42.6%**
Cost of good sold	5,043,889	5,018,288	7,103,440	41.6%
Gross profit	**2, 317,776**	**2,133,727**	**3,092,218**	**44.9%**
Operation expenses	928,889	926,434	1,142,972	23.4%
Operation profits	**1,388,887**	**1,207,293**	**1,949,246**	**61.5%**
Non-operating income and expenses	(74,252)	(39,697)	22,808	-157.5%
Profit before tax	**1,314,635**	**1,167,596**	**1,972,054**	**68.9%**
Income tax expense	285,436	227,063	390,173	71.8%
Net profits	**1,029,199**	**940,533**	**1,581,881**	**68.2%**
Non-controlling interests	14,945	8,870	20,993	
Net profit attributable to parent company	**1,014,254**	**931,663**	**1,560,888**	**67.5%**
EPS	**12.72**	**11.46**	**18.94**	
Gross margin	31.5%	29.8%	30.3%	
Operating margin	18.9%	16.9%	19.1%	
Net profit rate	14.0%	13.2%	15.5%	

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Q & A

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