Innodisk Corporate Investor Conference (Symbol: 5289)

Randy Chien, Chairman 2024.03.26

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 Product Strategy
- AI In Action Global Campaign
- Environment, Social, Governance
- Financial information
- Q & A

COMPANY PROFILE & OVERVIEW

2024
Founded
19 years

Revenue
NT$8.31B

Capital
NT$884M

EPS
NT$12.98

Patents
179 (+5)

Customers
4,000+

GLOBAL BUSINESS OPERATIONS

California
Southern California
Texas
New Jersey
France
Spain
Netherlands
Germany
Beijing
Wuhan, Changsha
Chengdu
Guangzhou
Shenzhen
Vietnam
Nanjing, Hangzhou, Suzhou, Shanghai
Tokyo
Taiwan

Innodisk HQ
- R&D and Manufacture Center
- Research Center

Locations
25

Employees
1,026
Taiwan: 896
Oversea: 130

Lot Size (Sq. Meter)	Floor Area: 1st building (Sq. Meter)	2023 Capacity (SMT x 6)	Maximum Capacity (SMT x 8)	Floor Area: 2nd building (Sq. Meter)	
27,000	**12,000**	**900K**	**1,200K**	**15,000**	• AI System & Solution • AI Peripheral • AI Camera

R&D AND MANUFACTURE CENTER

Lot Size (Sq. Meter)	Floor Area: 1st building (Sq. Meter)	2023 Capacity (SMT x 6)	Maximum Capacity (SMT x 8)	Floor Area: 2nd building (Sq. Meter)	
27,000	12,000	900K	1,200K	15,000	• AI System & Solution • AI Peripheral • AI Camera

R&D AND MANUFACTURE CENTER

INNODISK HEADQUARTER

Floor	Space
17F	1,650 m^2 (Aetina)
16F	+3,300 m^2
7F	3,300 m^2 (Aetina 660 m^2)
5F	3,300 m^2
4F	3,300 m^2
3F	3,300 m^2
2F	1,320 m^2 (Aetina 660 m^2)

QUALITY, SUSTAINABILITY OUR TOP PRIORITY

PRODUCTION	1,350K / Monthly (2023)
CERTIFICATIONS	ISO9001 / ISO14001 / ISO45001 / QC080000 / ISO14064-1 / ISO27001
MANUFACTURING	New Taipei City / Yi-Lan County

ZERO TRUST MANAGEMENT & AI INTELLIGENT INNOVATION

Focus on Information security risks

Intelligent innovation under information security risks are controllable

Information Security — **Intelligent Integration**

Optimization of Information Security
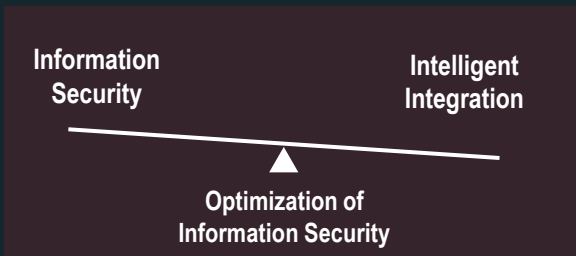
1. Maintained A level under 3rd party verification
2. Passed ISO27001 certification and join alliances such as TWCERT/CC and IoT Internet Industry Association to strengthen information security protection

Innodisk Corporation Scorecard

A 98

3rd Party Security Verification

Scorecard

2023 Sep. — 2024 Feb.
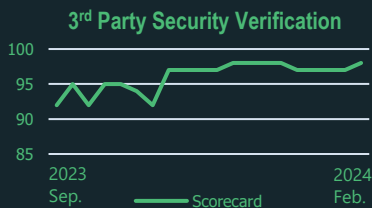
Zero trust is true security

Complete Zero-trust Architecture Deployment:

- Deploy the information security protection - R&D end, manufacturing end, backend
- Establish Xizhi / Yilan Information Service Maintenance Support Center
- Refine information service operation methods (authority, data management, processing timeliness) and implement education and training to enhance the information literacy of colleagues
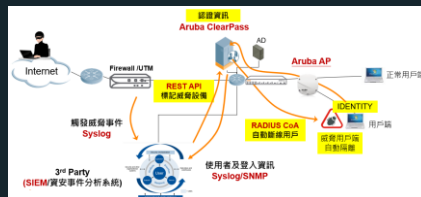
AI landing & intelligent integration

1. Leverage AI technology and micro-services to achieve efficient intelligence implementation
2. With multiple 3rd-party resources to provide practical AI exploration environments
3. Continuing ESG sustainable IT projects
   - Cloud applications to maximize the benefits of energy consumption and carbon emissions
   - Programming methods to change the impact on the environment

PARTNERSHIP AND AWARDS

intel.

Official Intel®
IoT Solution Partner

Microsoft

Official partner of
Azure Sphere

NVIDIA

NVIDIA Elite Partner
(Aetina)

Gartner

2018-2023
World's TOP 1
Industrial Grade SSD Provider

Interbrand

2018-2023
TOP 40 International
Taiwanese Brand

TRENDFORCE

2019-2023
World's TOP 10
DRAM Module Provider

Forbes

Asia's 200 Best Companies
Under A Billion

COMPUTEX
TAIPEI

BC Best Choice
AWARD Award

2021 InnoAGE™ SSD

台灣精品
TAIWAN EXCELLENCE

2020 3.5" Fire Shield SSD
2021 InnoAGE™ SSD

BEST IN SHOW
Embedded
COMPUTING DESIGN
WINNER

2022 Ultra Temperature
DDR4 DRAM Module
2023 nanoSSD

FLASH MEMORY SUMMIT
BEST OF SHOW
Most Innovative
Memory Technology

2022 Ultra Temperature
DDR4 DRAM Module

MARKET TREND & PRODUCT STRATEGY

Communication

Manufacturing

Transportation

Aerospace

Edge Servers

Smart Energy

Surveillance & Safety

Healthcare

Retail & Logistics

Entertainment

4000+
Clients

78
Global
Partners

INDUSTRIAL
PC MARKET

VERTICAL
MARKET (IIoT)

SMART VERTICAL
MARKET (AIoT)
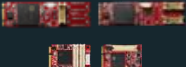
ARTIFICIAL
INTELLIGENCE

Industry Evolution toward AI

FROM IPC TO AI NEW ERA, WE ARE THE KEY TO THE INDUSTRY GROWTH

INNODISK AI SOLUTION FRAMEWORK

Cloud Management	**Cloud AI**	iCAP (Innodisk Cloud Administration Platform)
Software / Firmware	**iSeries Software Tools / SDK**	iSMART / iTracker / iOPAL / iRAID
	Innodisk AI Suite SDK	iVIT – Edge AI
AI Operation System	**Operation System**	X86 / ARM , Windows / Linux
	AI Platform	GPU / FPGA / ASIC

Innodisk Inside

Flash	DRAM	Display	Comm.	Storage	Wi-Fi 6

Sensors
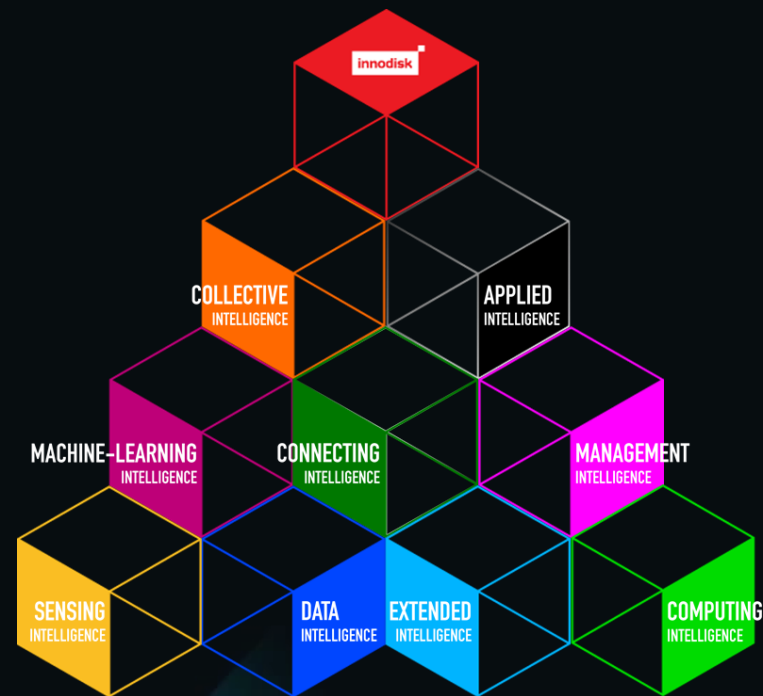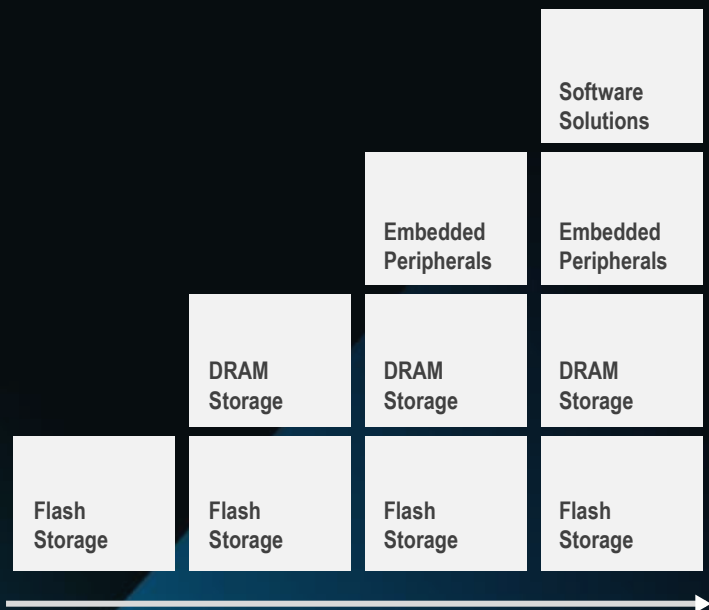
Camera	Air

ARCHITECT INTELLIGENCE

We are architects of intelligence

Leveraging collective minds to design purposeful infrastructure that unlocks AI's true potential to shape better futures.
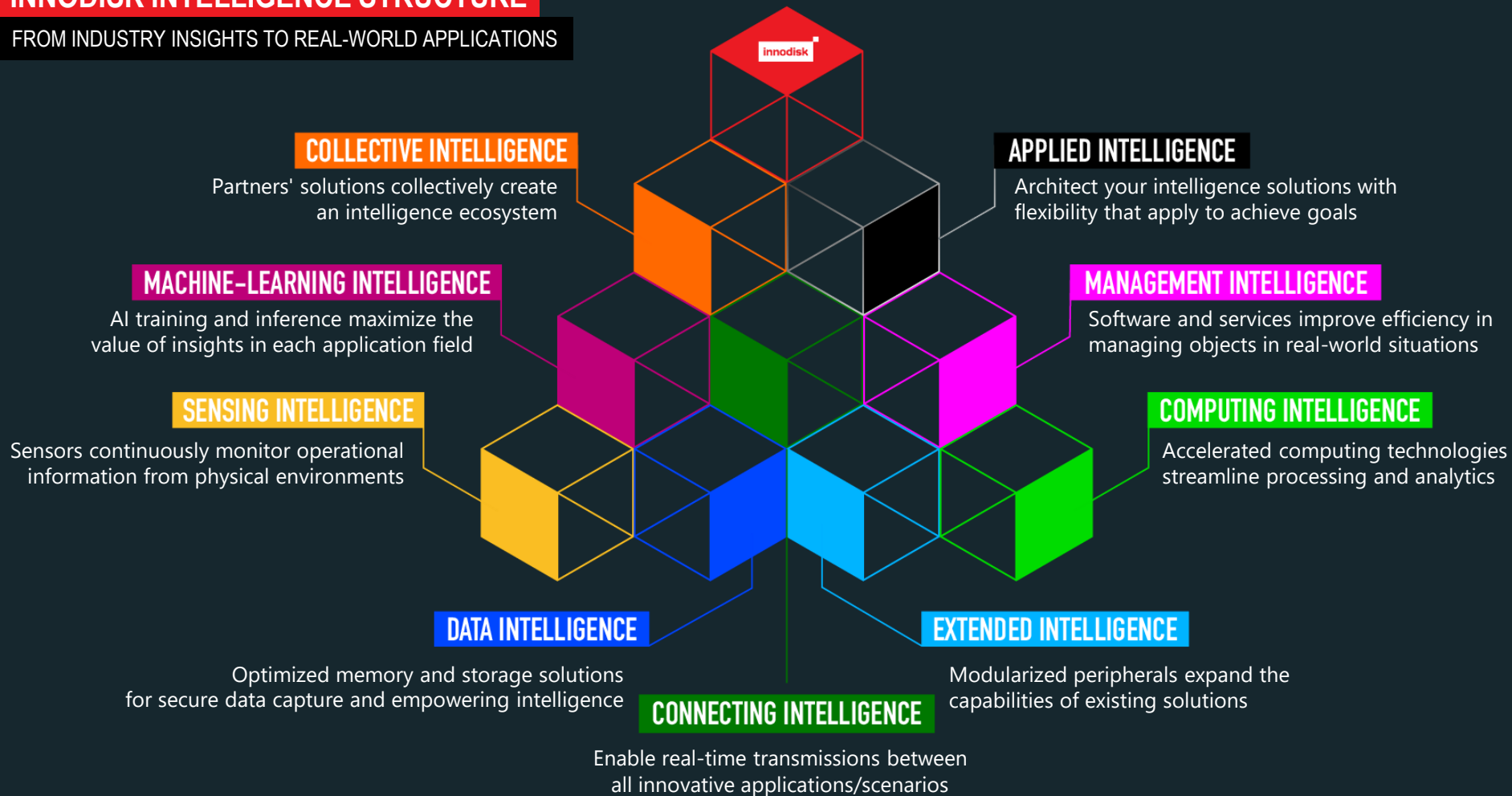
BRAND ELEVATION

INTEGRATED PRODUCT LINES & COMMUNICATION STRATEGY

INNODISK INTELLIGENCE STRUCTURE

FROM INDUSTRY INSIGHTS TO REAL-WORLD APPLICATIONS

COLLECTIVE INTELLIGENCE
Partners' solutions collectively create an intelligence ecosystem

APPLIED INTELLIGENCE
Architect your intelligence solutions with flexibility that apply to achieve goals

MACHINE-LEARNING INTELLIGENCE
AI training and inference maximize the value of insights in each application field

MANAGEMENT INTELLIGENCE
Software and services improve efficiency in managing objects in real-world situations

SENSING INTELLIGENCE
Sensors continuously monitor operational information from physical environments

COMPUTING INTELLIGENCE
Accelerated computing technologies streamline processing and analytics

DATA INTELLIGENCE
Optimized memory and storage solutions for secure data capture and empowering intelligence

EXTENDED INTELLIGENCE
Modularized peripherals expand the capabilities of existing solutions

CONNECTING INTELLIGENCE
Enable real-time transmissions between all innovative applications/scenarios

SUBSIDIARIES

antzer

> **Vehicle Communication Solutions**
Antzer Tech focuses on the development of V2X applications, including the solutions for fleet management, cold chain logistics solution, and more.

sysinno

> **Industrial-grade Sensor Solutions**
Sysinno takes on the task of environmental data collection and focuses on the development of air sensor solutions.
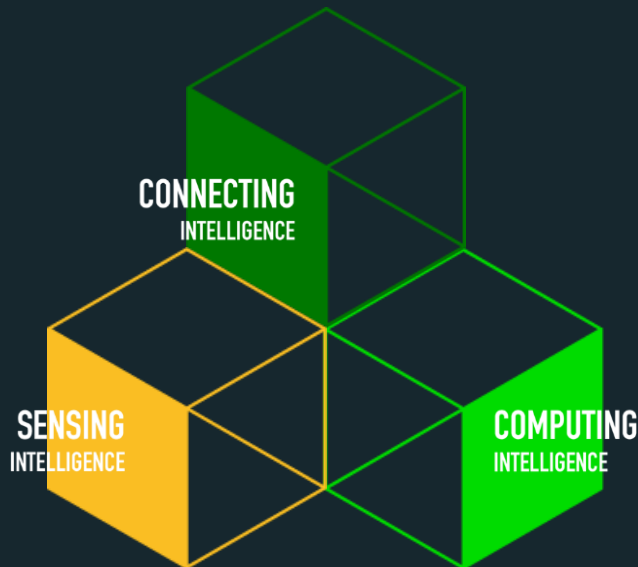
MILLITRONIC

> **Innovative Networking Solutions**
Millitronic focuses on high-speed and low-latency virtual network technologies, providing optimal connectivity solutions in various domains.

aetina

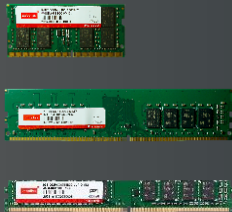> **Pro-AI Service**
Aetina offers cutting-edge AI computing hardware and software tools to assist in building advanced intelligent systems.

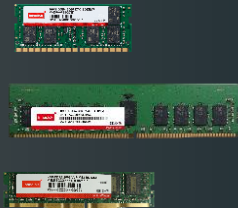CONNECTING INTELLIGENCE

SENSING INTELLIGENCE

COMPUTING INTELLIGENCE

DATA INTELLIGENCE PRODUCT PORTFOLIO

DRAM

Embedded Memory	Server Memory	Wide Temperature Memory	Customized Memory	DRAM IC
				SAMSUNG
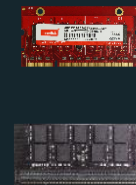
FLASH

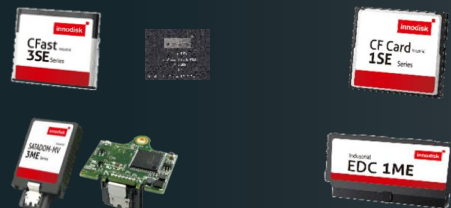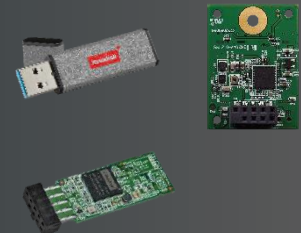| PCIe	SATA	PATA	SD	USB

DATA INTELLIGENCE SOLUTION FEATURES

INDUSTRIAL GRADE SSD

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

INDUSRIAL GRADE MEMORY MODULE

The only module house focus on industrial customers

Highest quality Original IC

Free upgradation of anti-sulfuration

Fixed BOM & 6-month PCN policy

100% tested by in-house testing software iRAM

Highly customized

RELIABLE INDUSTRIAL-GRADE PRODUCTS & TECHNICAL SUPPORT

DATA INTELLIGENCE
NEW PRODUCT OVERVIEW

Edge Server SSD

SATA 3TG9-P & PCIe 4TG2-P

PRODUCT FEATURE

- Targeting edge server applications
- Low-latency / Excellent Performance / High Endurance
- High Capacity: 16TB (U.2) / 8TB (E1.S)
- Excellent Speed: 6500/4700 MB/s

PRODUCT FEATURE

- Reliable & high-end data logger assisting in the implementation of autonomous driving applications
- High Capacity: SATA & PCIe Gen4 8TB / 16TB
- Highly Reliable RAID Compatibility Verification

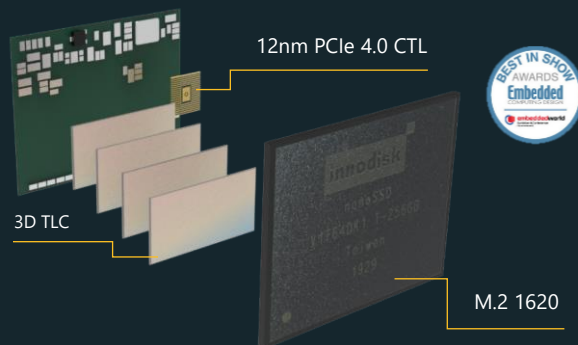# DATA INTELLIGENCE
NEW PRODUCT OVERVIEW

PCIe 4TE3

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

PRODUCT FEATURE

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

12nm PCIe 4.0 CTL

BEST IN SHOW
AWARDS
Embedded

3D TLC

M.2 1620

nanoSSD PCIe 4TE3

- PCIe Gen4 x4
- High Performance
- Small form factor
- Capacity up to 1TB

DATA INTELLIGENCE
NEW PRODUCT OVERVIEW

CXL
Compute Express Link ™

CXL 2.0 Type 3 Memory Expansion

- Capacity 64GB
- Interface: By PCIe 5.0 for CXL 2.0
- Supported platform:
  - Xeon Scalable - 4th Gen Eagle Stream : Sapphire Rapids
  - 5th Gen Eagle Stream : Emeralds Rapids
  - 6th Gen Birch Stream : Granite Rapids

DDR5 6400MT/s CUDIMM & CSODIMM

- Data Rate: 6400MT/s
- Capacity: 16GB/24GB/32GB/48GB
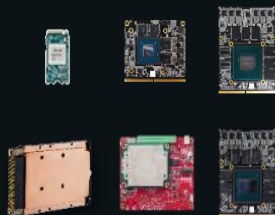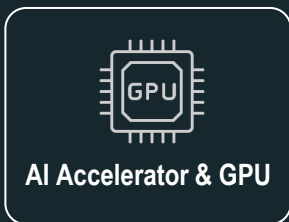
PRODUCT FEATURE

- Flexible memory capacity expansion for data intensive workloads.

- Boost utilization & optimized allocation: Balance memory bandwidth to CPU cores and scale up memory without overprovisioning in the future.

- Target market: AI Server / Data Center / Machine Learning

- Sample available in 2024 Q3

PRODUCT FEATURE

- Enhanced Performance: Increased 100% of speed than DDR4 3200MT/s.

- Target market: Edge AI / High Performance Computing / Image Recognition.

- Sample available in 2024 Q2.

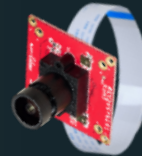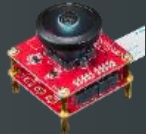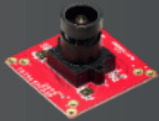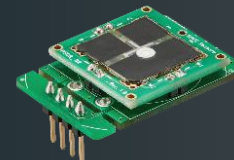# COMPUTING INTELLIGENCE PRODUCT PORTFOLIO

FPGA CPU GPU ASIC

AI Accelerator & GPU

DeviceEdge for AI Inference

MegaEdge for AI Inference

NVIDIA · intel ARC · AI ASIC · AMD

NVIDIA · Rockchip · Qualcomm · MEDIATEK · NXP
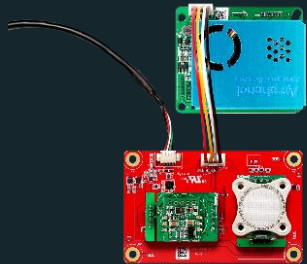
intel · NVIDIA

SENSING INTELLIGENCE PRODUCT PORTFOLIO

Camera

Air Sensor

SENSING INTELLIGENCE
NEW PRODUCT OVERVIEW

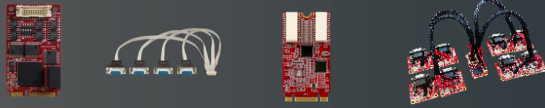## Customized Camera Module
USB and MIPI interface, 2M~13M

PRODUCT
FEATURE

- Create a highly customized camera AI-specific imaging vision and embedded intelligence platform
- Cross-platform compatibility
- Image adaptation

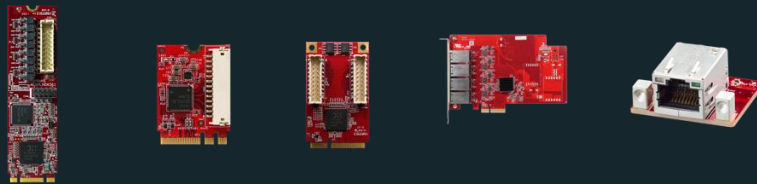# CONNECTING INTELLIGENCE
PRODUCT PORTFOLIO

SERIAL

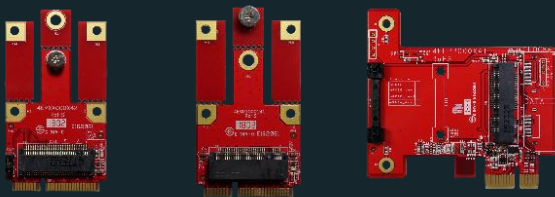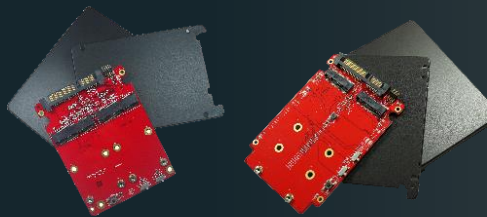CANbus & CANFD

GNSS

LAN

WI-FI

EXTENDED INTELLIGENCE PRODUCT PORTFOLIO

Storage

Display

Testing Tool

Disk Array

InnoEx Virtual I/O

MACHINE-LEARNING INTELLIGENCE PRODUCT PORTFOLIO

AI model training and inference utility

iVIT

- Simplified AI training & inference experience

- No-code GUI (Graphical User Interface)

- Supports heterogeneous AI accelerators
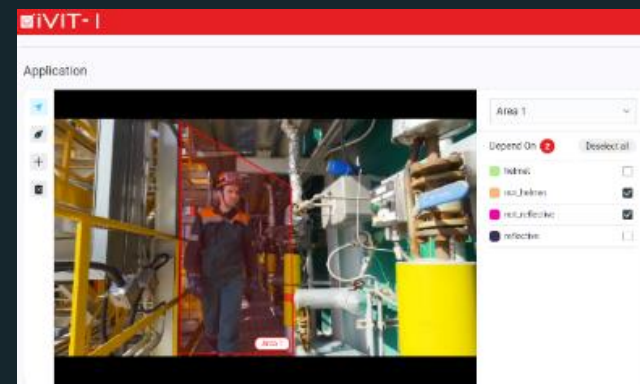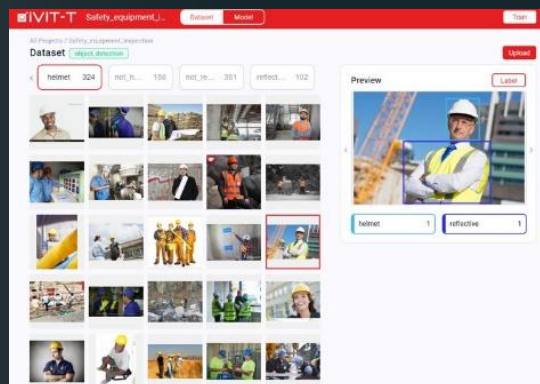
MANAGEMENT INTELLIGENCE PRODUCT PORTFOLIO

AI DEPLOYMENT

- AI Model Zoo
- AI tasks monitoring
- AI deployment

AI model deployment

REMOTE MANAGEMENT

- Smart device management
- Remote management
- Dual-band management

iSeries

iSmart
SSD & DRAM
real-time monitoring

iTracker
SD Card and USB
drive management

iOpal
Self-Encrypting
drive management

iRAID
RAID module
monitoring

InnoAgent

APPLIED INTELLIGENCE PRODUCT PORTFOLIO

Customization and Tailoring

Innodisk utilizes integrated technologies that allow developers to tailor AI models or solutions to address specific use cases or requirements.
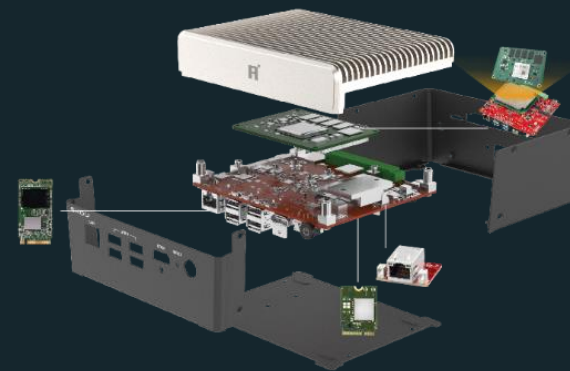
Our Advantages

- Diverse **AI accelerator** options

- **Flexible** product design and collaboration approach

- **Seamless integration** capabilities

Software

Hardware

AI Accelerator

Firmware
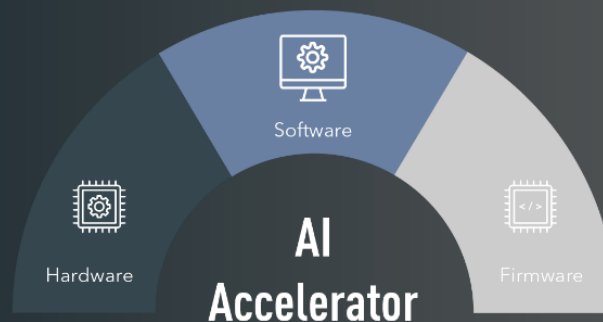
APPLIED INTELLIGENCE
NEW SOLUTION OVERVIEW
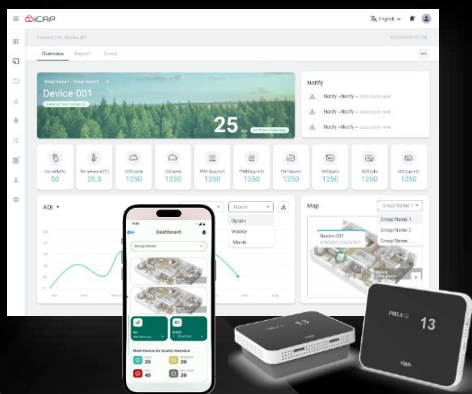
iCAP Air Management Solution

PRODUCT
FEATURE

- From smart buildings to AIoT applications, managing air environment and providing real-time information
- Integrates with diverse cloud platform.

Support Public / Private Cloud Platform

IoT M2M Controller

Industrial Grade Sensor

AI IN ACTION GLOBAL CAMPAIGN

INNODISK AI IN ACTION

GLOBAL SALES & MKT CAMPAIGNS TO BOOST UP AI BUSINESS OUTREACH

NVIDIA GTC

EMBEDDED WORLD
@Germany

LOCAL SEMINARS

AI HARDWARE SUMMIT
@USA

LOCAL TRADESHOWS

KEY ACCOUNT VISITS

COMPUTEX TAIPEI
@Taiwan

100⁺ EVENTS IN 2023

NVIDIA COLLABORATION HIGHLIGHT

Innodisk and Aetina partner with NVIDIA to showcase the achievements of the Smart Factory Solution and outline their future collaboration roadmap for developing Edge AI applications in diverse vertical markets

Innodisk and Aetina showcase the "AOI AI Defect Detection Solution," powered by NVIDIA Metropolis for Factories technology, highlighting Innodisk's strengths in the integrated services of AI application implementation.

NVIDIA COLLABORATION HIGHLIGHT
2024 GTC @ San Jose

- GTC attendees gathered at Silicon Valley's SAP Center arena for Jensen's keynote speech.
- More than 900 sessions, more than 300 exhibits and 20-plus technical workshops at San Jose Convention Center

NVIDIA COLLABORATION HIGHLIGHT
2024 GTC @ San Jose

Both Innodisk and Aetina was invited to showcase Edge AI Integration at NVIDIA GTC

ENVIRONMENT, SOCIAL, GOVERNANCE

MILESTONES IN 2023

- Selected for inclusion in the OTC **ESG 30 Index**

- Awarded **Silver Prize** in PwC Sustainability Impact Awards with "**Hands-on Regeneration Camp**"

LOOKING AHEAD TO 2024

- Attained the **EcoVadis** Bronze Medal for sustainability ratings

- Implementing **RBA** (Responsible Business Alliance), adhering to the highest social, environmental, and ethical standards, fostering trust with corporate clients

- Joining the **CDP (Carbon Disclosure Project)** to enhance corporate resilience and mitigate environmental impacts

INNODISK'S ESG JOURNEY

EXPAND BIODIVERSITY IMPACT, BECOME GUARDIANS OF ENVIRONMENT

Habitat Conservation

Invasive Species Eradication

Volunteer Engagement

Guardian of Environment

Wuwei Harbor Wetland Conservation & Tern Restoration Plan

Land: **Mile-a-minute Weed**
Waters: **Giant Salvinia**

Biodiversity Support

Employee Volunteer Service
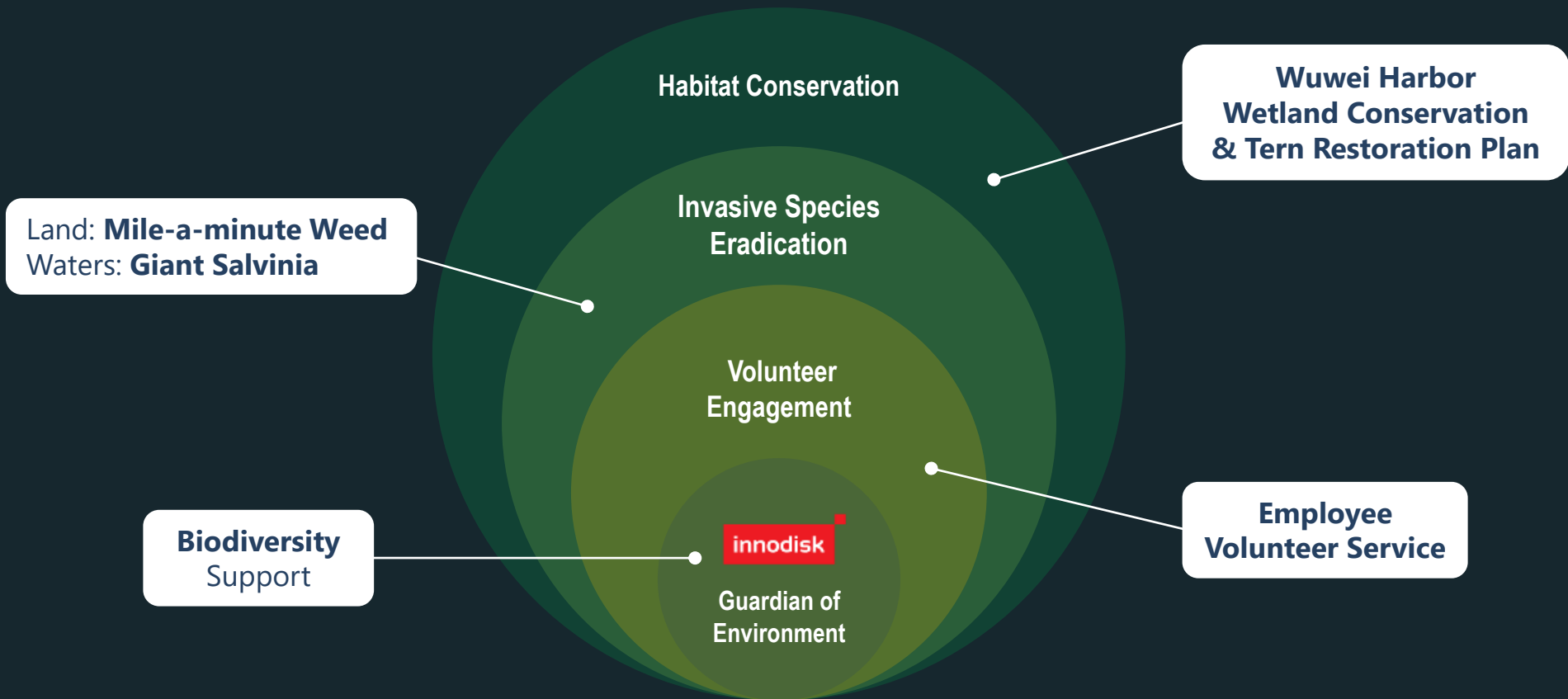
TECHNOLOGY EDUCATION: LEVERAGE AI IN TALENT DEVELOPMENT

College — Explore application scenarios, develop comprehensive solutions, and participate in internal/external competitions,

Senior High School — Learn and adopt iVIT in high school learning processes

Junior High School — Basic AI concept introduction
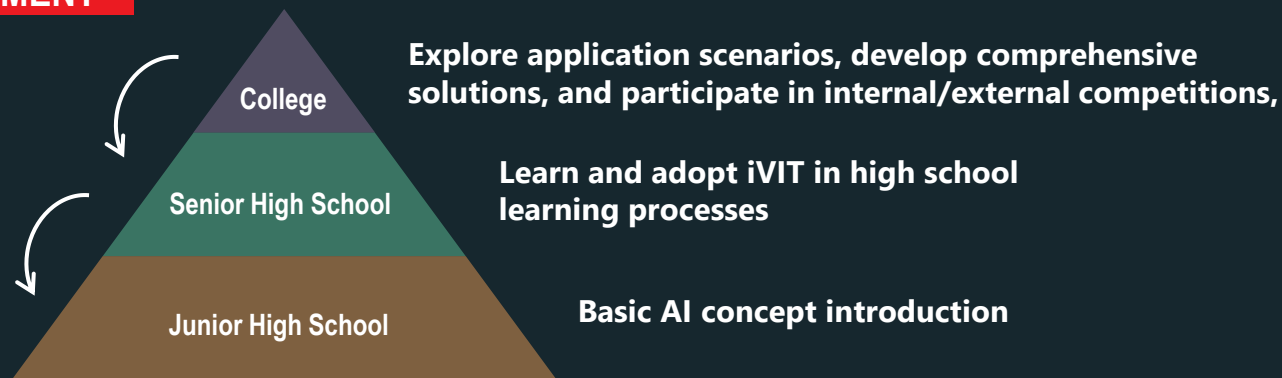
Junior High School: Electronic Maker Club

Beginner-level
Powertech Club → Intermediate-level
AI Summer Camp → Advanced-level
ATCC Competition

9th Grade: Future Talent Dream-Building Project

Kick-off Ceremony: Basic Concept Establishment → **Master Salon:** Showcase the first-hand practice of technology → **Company Visit:** Witness and feel AI applications in industries

FINANCIAL INFORMATION

Revenues and GPM over last 5 years

NT$: K

GPM

Year	Revenue (NT$: K)	GPM
2019	7,361,665	31.5%
2020	7,152,015	29.8%
2021	10,195,658	30.3%
2022	10,303,229	33.6%
2023	8,313,778	34.2%
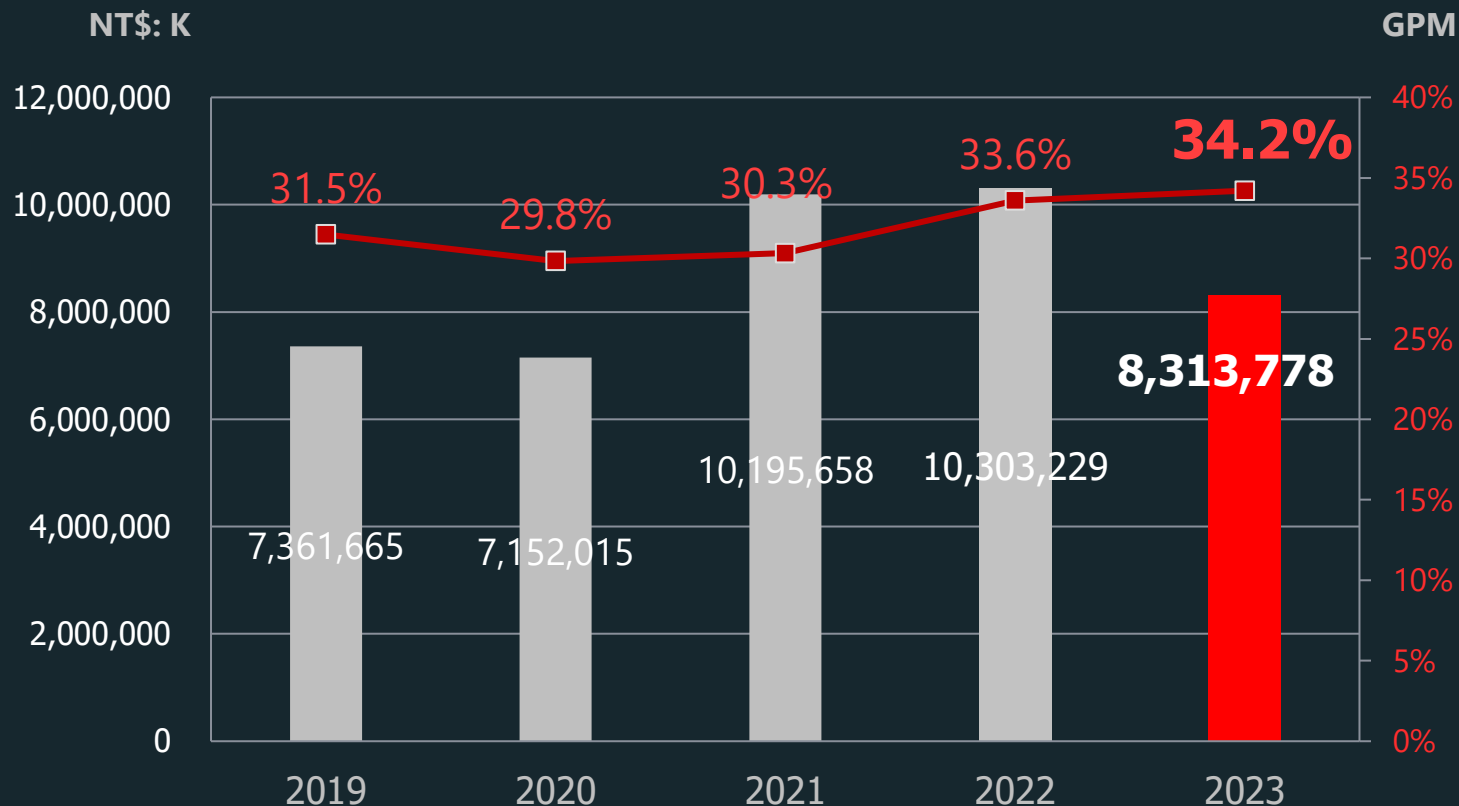
Net Profits and EPS over last 5 years

NT$: K

EPS: NT$

Year	Net Profit	EPS
2019	1,014,254	12.73
2020	931,663	11.46
2021	1,560,888	18.94
2022	1,850,189	21.46
2023	1,147,616	12.98
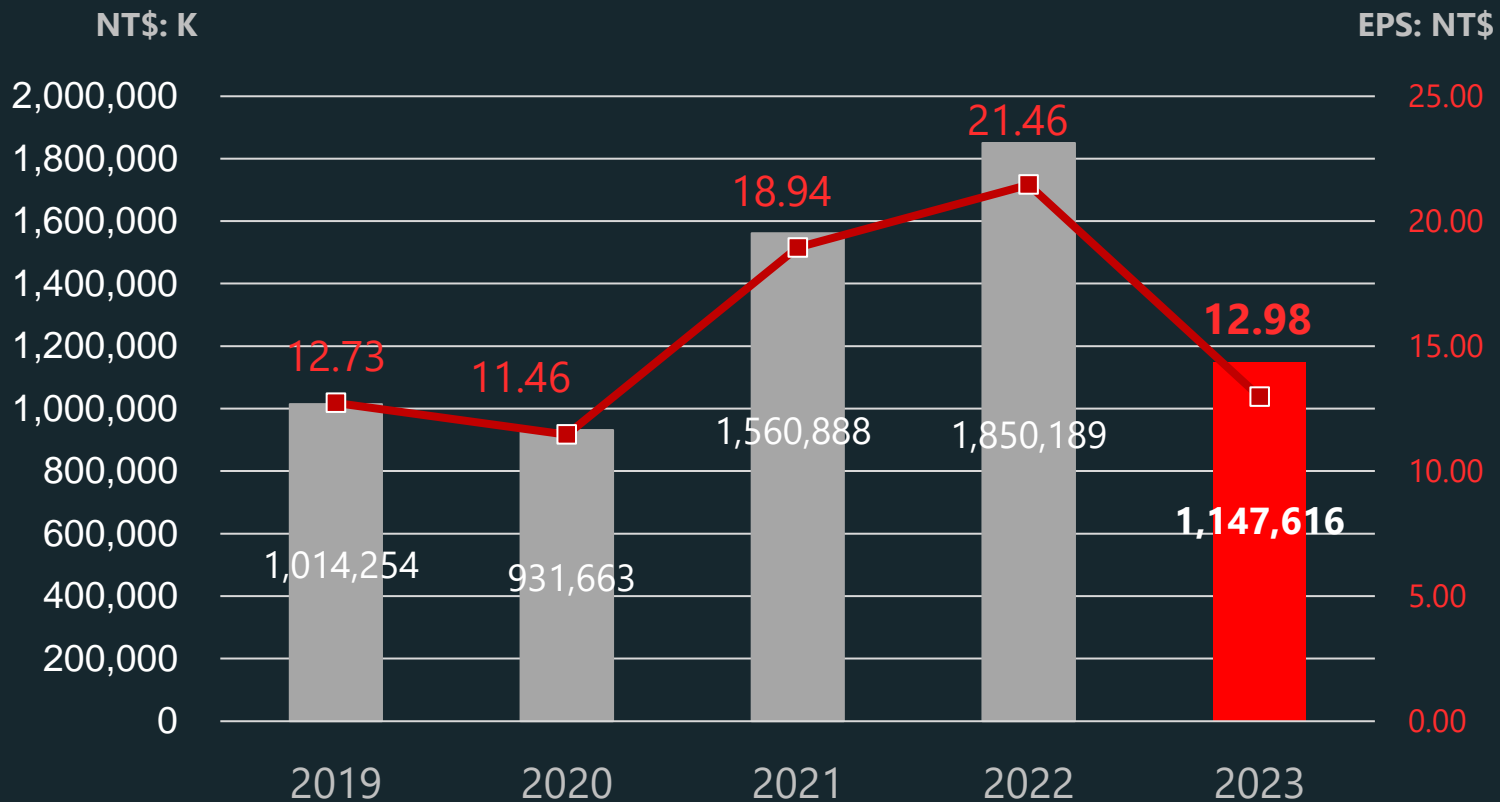
Revenue Breakdown by Product Lines

2021

- DRAM: 45%
- Flash: 49%
- AIoT Solutions: 4%
- Others: 2%

2022

- DRAM: 39%
- Flash: 52%
- AIoT Solutions: 7%
- Others: 2%

2023

- DRAM: 37%
- Flash: 54%
- AIoT Solutions: 7%
- Others: 2%
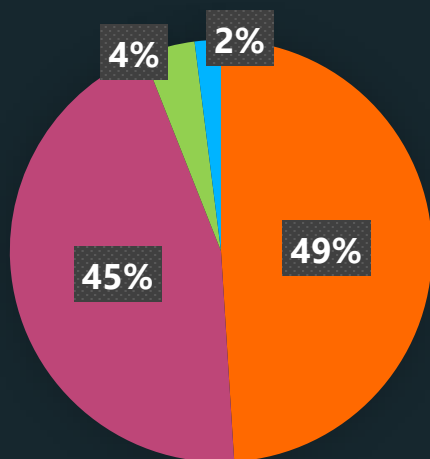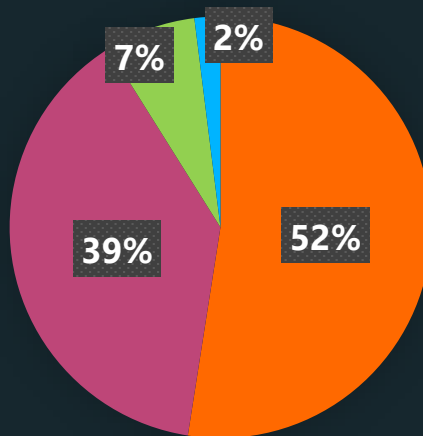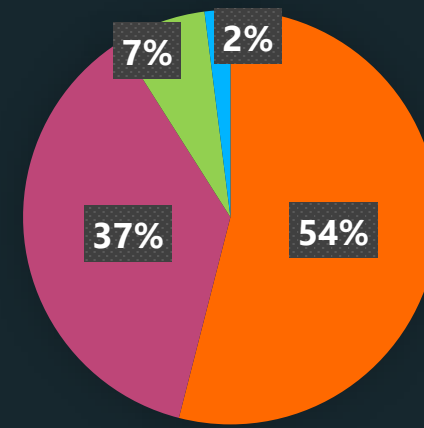
Legend: DRAM | Flash | AIoT Solutions | Others

Revenue Breakdown by Regions

	2021	2022	2023
Others	2	2	2
Asia	12	14	12
China	19	16	17
America	16	15	14
Europe	21	22	23
Taiwan	30	31	32

■ Taiwan ■ Europe ■ America ■ China ■ Asia ■ Others
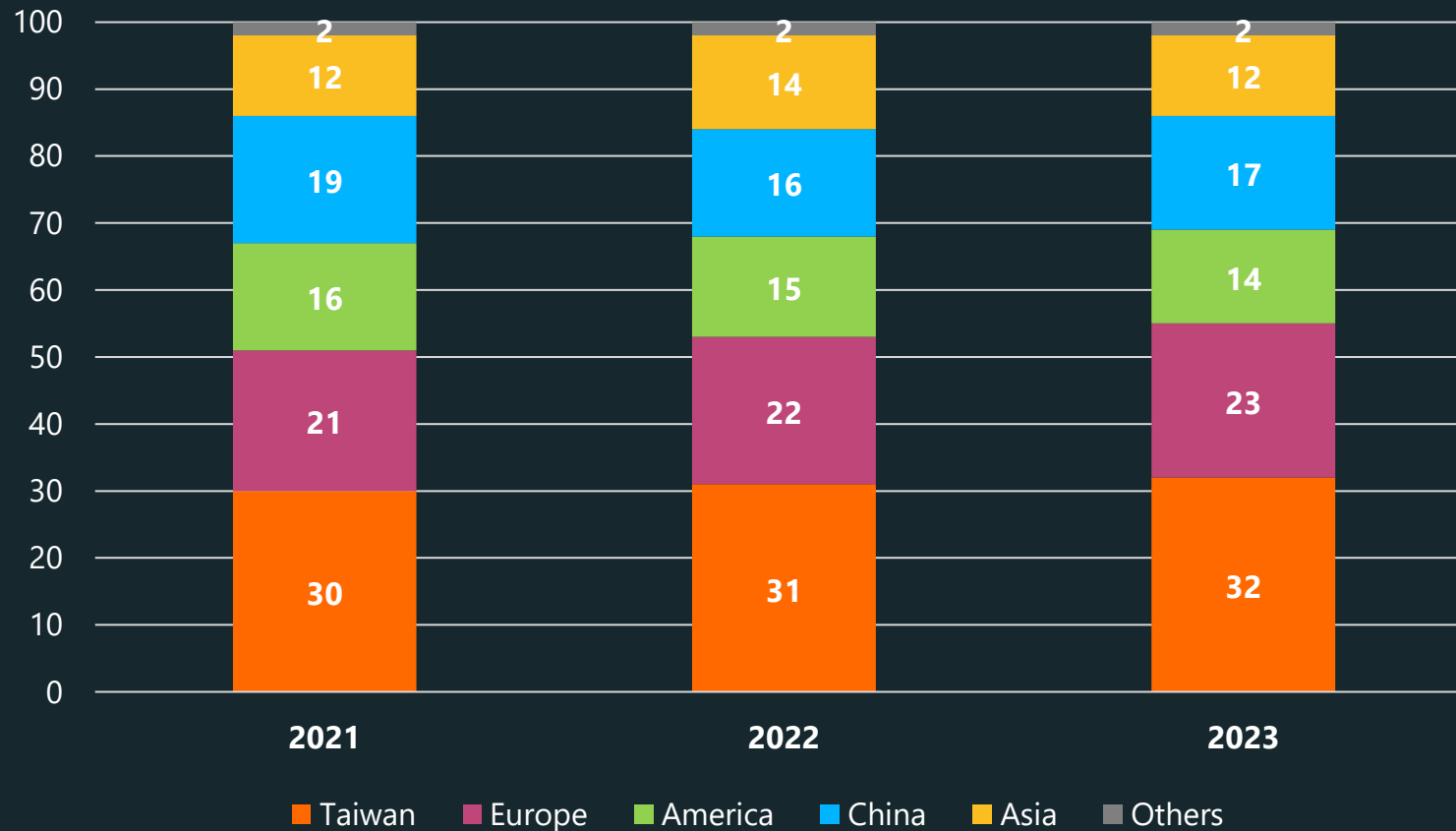
Annual Income Statement

	2021	2022	2023	YoY
Revenues	10,195,658	10,303,229	8,313,778	-19.3%
Cost of good sold	7,103,440	6,844,611	5,467,866	-20.1%
Gross profit	3,092,218	3,458,618	2,845,912	-17.7%
Operation expenses	1,142,972	1,419,157	1,465,884	3.3%
Operation profits	1,949,246	2,039,461	1,380,028	-32.3%
Non-operating income and expenses	22,808	226,866	51,060	-77.5%
Profit before tax	1,972,054	2,266,327	1,431,088	-36.9%
Income tax expense	390,173	385,039	286,921	-25.5%
Net profits	1,581,881	1,881,288	1,144,167	-39.2%
Non-controlling interests	20,993	31,099	-3,449	
Net profit attributable to parent company	1,560,888	1,850,189	1,147,616	-38.0%
EPS	18.94	21.46	12.98	
Gross margin	30.3%	33.6%	34.2%	
Operating margin	19.1%	19.8%	16.6%	
Net profit rate	15.5%	18.5%	13.8%	

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