Investor Conference

Spokesperson
Skin Huang
June 12\textsuperscript{th}, 2020
Company and Industry
**Axiomtek** is a leading design and manufacturing company in the industrial computer and embedded field. In order to strengthen our own technology capabilities, increase the brand core value and create a win-win situation for partners and shareholders, based on the trend of Industrial Internet of Things (IIoT) and Industry 4.0, our creative concept of integrated services for embedded computing assures trusted delivery and valuable system integration from board-level design-in to system-level design for vertical markets in Automation, Transportation, Smart Energy, etc. Our products are:

**Design-in Service**

- **Boards & Modules**
  - Industrial & Embedded Motherboard
  - PICMG Single Board Computer
  - System on Module
  - Intel® Smart Display Module
  - Add-on-Card & Peripheral

- **Systems & Platforms**
  - Embedded System
  - Industrial PC
  - Machine Vision
  - Data Acquisition
  - Network Communication Platform
  - Digital Signage Players

- **Industrial Panel PCs**
  - Fanless Touch Panel PC
  - Touch Panel PC & Monitor
  - Medical Computing
  - Transportation Computing
  - Accessory

- **IoT Solutions**
  - Transportation
  - Automation
  - Retail
  - Software

**Product Service**
IPC Industry

Upper
- Components
  - Semiconductor, Connector, PCB, Power Supply, Case, Storage....

Middle
- IPC manufacturer
  - Board, Embedded System, Peripheral device

Lower
- Application
  - System integration, Agent/VAR, Vertical Markets (Medical, Gaming, Transportation, Network Appliances....)
## IIoT Architecture & Axiomtek Direction

<table>
<thead>
<tr>
<th>Cloud/On-Premises Connectivity</th>
<th>Network Security and Appliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automation, Transportation, Medical, Retail, Gaming</td>
<td></td>
</tr>
<tr>
<td>Azure, AWS, On-Premises, ERP, MES, IoT Cybersecurity, SD-WAN, MEC, Enterprise vCPE</td>
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</tbody>
</table>

### Control

#### Edge Computer & Gateway

- Certified Embedded Computer
- Embedded Box PC and Edge AI
- Industrial PC & Machine Vision
- Panel PC & Display
- Comm. Gateway & Sensor Gateway
- DAQ & Remote I/O
- SoM & Embedded SBC
- Retail Modules and systems
- Interactive Panel PC & Kiosk
- Gaming System & I/O Modules

### Field

#### Connectivity

- Sensors, Device & Machine
- Sensors, Device & Machine Vision
- Panel PC & Display
- Comm. Gateway & Sensor Gateway
- DAQ & Remote I/O
- SoM & Embedded SBC
- Retail Modules and systems
- Interactive Panel PC & Kiosk
- Gaming System & I/O Modules

#### Sensors, Device & Machine

- Ethernet, USB 3.1, Analog In/Out, Digital I/O
- Modbus, OPC UA, LPWAN, TSN, EtherCAT, EtherCAT, Ethernet, USB 3.1, Analog In/Out, Digital I/O
- IoT Cybersecurity, SD-WAN, MEC, Enterprise vCPE

The Passion of Doing Great Things
## Vertical Market Focus

<table>
<thead>
<tr>
<th>Verticals</th>
<th>Segments</th>
<th>Applications</th>
<th>Software</th>
<th>Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation</td>
<td>Railway, In-Vehicle</td>
<td>Surveillance &amp; Security, PIS, Gateway, Diagnosis &amp; Predictive Maintenance</td>
<td></td>
<td>Solution Provider, End-User</td>
</tr>
<tr>
<td>Network Computing</td>
<td>Network Security and Appliances, Communication Infrastructure</td>
<td>NGFW, UTM, IPSec, DDoS Protection, IPS/IDS; WAN Optimization, Wire/Wireless Mgmt., SD-WAN, Cloud-RAN, Edge and Core Routers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td>QSR, Hospitality, Education</td>
<td>Digital Signage, Interactive Kiosk, Self-Ordering Kiosk, Interactive Whiteboard</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical</td>
<td>Health &amp; Life Sciences Equipment and Device, Data Mining</td>
<td>Medical Equipment &amp; Device, Point of Care, Medical Imaging</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gaming</td>
<td>Slot Machine, Table Machine</td>
<td>Player Tracking, Video Mixer, Gaming Controller, Button Deck</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Applications - Operation by Medical Technician

<table>
<thead>
<tr>
<th>Category</th>
<th>Aesthetic Medicine Device</th>
<th>Clinical Scientist Devices</th>
<th>Clinical Diagnostic Devices</th>
<th>Advance Imaging System</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Applications</strong></td>
<td>HMI for Machines of</td>
<td>Hematology Test</td>
<td>Outpatient System</td>
<td>OCT</td>
</tr>
<tr>
<td></td>
<td>• Scar Removal</td>
<td>• Blood Sugar Test</td>
<td>• Ultrasonic Machine</td>
<td>MRI</td>
</tr>
<tr>
<td></td>
<td>• Wrinkle Removal</td>
<td>• Protein Test</td>
<td>• Hemodialysis</td>
<td>Computerized Tomography</td>
</tr>
<tr>
<td></td>
<td>• Body Machine</td>
<td>• DNA Test</td>
<td>• Rehabilitation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Intense Pulsed Light</td>
<td></td>
<td>• Optometry</td>
<td></td>
</tr>
<tr>
<td><strong>Solutions</strong></td>
<td>SOM &amp; Carrier Board</td>
<td>SOM &amp; Carrier Board Server / Workstation (HPC*)</td>
<td>SOM &amp; Carrier Board Medical Panel PC</td>
<td>Medical BOX PC Server / Workstation (HPC*)</td>
</tr>
</tbody>
</table>
Financial Result
# Quarterly Consolidated Revenue and Gross Margin

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue (Million)</th>
<th>Gross Margin %</th>
<th>Net Profit %</th>
<th>Operating Expense %</th>
<th>Tax Rate</th>
<th>Basic EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016Q1</td>
<td>1,285</td>
<td>36.17%</td>
<td>8.61%</td>
<td>24.55%</td>
<td>21.71%</td>
<td>1.35</td>
</tr>
<tr>
<td>2016Q2</td>
<td>1,063</td>
<td>37.96%</td>
<td>7.55%</td>
<td>29.07%</td>
<td>24.55%</td>
<td>0.97</td>
</tr>
<tr>
<td>2016Q3</td>
<td>1,195</td>
<td>37.52%</td>
<td>7.95%</td>
<td>25.82%</td>
<td>28.07%</td>
<td>1.15</td>
</tr>
<tr>
<td>2016Q4</td>
<td>1,165</td>
<td>36.84%</td>
<td>7.64%</td>
<td>27.63%</td>
<td>25.82%</td>
<td>1.09</td>
</tr>
<tr>
<td>2017Q1</td>
<td>1,047</td>
<td>36.43%</td>
<td>2.89%</td>
<td>29.39%</td>
<td>29.07%</td>
<td>0.35</td>
</tr>
<tr>
<td>2017Q2</td>
<td>956</td>
<td>35.44%</td>
<td>79.91%</td>
<td>27.75%</td>
<td>28.69%</td>
<td>9.66</td>
</tr>
<tr>
<td>2017Q3</td>
<td>1,034</td>
<td>32.73%</td>
<td>8.84%</td>
<td>22.15%</td>
<td>11.07%</td>
<td>1.16</td>
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<tr>
<td>2017Q4</td>
<td>958</td>
<td>33.13%</td>
<td>4.54%</td>
<td>27.65%</td>
<td>7.48%</td>
<td>0.54</td>
</tr>
<tr>
<td>2018Q1</td>
<td>1,141</td>
<td>32.64%</td>
<td>7.27%</td>
<td>21.88%</td>
<td>18.11%</td>
<td>1.05</td>
</tr>
<tr>
<td>2018Q2</td>
<td>1,138</td>
<td>31.73%</td>
<td>7.93%</td>
<td>20.46%</td>
<td>18.03%</td>
<td>1.38</td>
</tr>
<tr>
<td>2018Q3</td>
<td>1,211</td>
<td>33.65%</td>
<td>8.08%</td>
<td>23.26%</td>
<td>28.03%</td>
<td>1.38</td>
</tr>
<tr>
<td>2018Q4</td>
<td>1,270</td>
<td>33.73%</td>
<td>9.13%</td>
<td>23.19%</td>
<td>44.28%</td>
<td>1.23</td>
</tr>
<tr>
<td>2019Q1</td>
<td>1,109</td>
<td>35.08%</td>
<td>10.50%</td>
<td>25.12%</td>
<td>26.14%</td>
<td>1.46</td>
</tr>
<tr>
<td>2019Q2</td>
<td>1,196</td>
<td>33.73%</td>
<td>14.25%</td>
<td>25.63%</td>
<td>27.59%</td>
<td>2.14</td>
</tr>
<tr>
<td>2019Q3</td>
<td>1,173</td>
<td>37.57%</td>
<td>8.63%</td>
<td>24.94%</td>
<td>18.35%</td>
<td>1.27</td>
</tr>
<tr>
<td>2019Q4</td>
<td>1,260</td>
<td>33.65%</td>
<td>5.73%</td>
<td>24.98%</td>
<td>20.97%</td>
<td>0.89</td>
</tr>
<tr>
<td>2020Q1</td>
<td>1,124</td>
<td>31.73%</td>
<td>5.99%</td>
<td>25.99%</td>
<td>24.91%</td>
<td>0.82</td>
</tr>
</tbody>
</table>
Monthly Consolidated Revenue
Product Revenue Breakdown by Geography

**America**
- 2018: 51%
- 2019: 52%
- 2020: 51%

**Europe**
- 2018: 26%
- 2019: 25%
- 2020: 28%

**Asia**
- 2018: 23%
- 2019: 23%
- 2020: 21%
Product Revenue Breakdown by Application

### 2019
- Automation/Transportation: 48%
- Gaming/Network: 43%
- Medical/Retail: 9%
- Others: 9%

### 2020 1-5
- Automation/Transportation: 47%
- Gaming/Network: 43%
- Medical/Retail: 10%
- Others: 10%

(Verticals)
The Passion of Doing Great Things