



# Investor conference 2018/Q3

## Disclaimer

The information presented and referred herein are based upon the information obtained internally and externally from our company. In light of the forward-looking operational results, financial condition and business results, they might be different from those information expressly or impliedly presented herein due to various factors, including but not limited to market risks, supply chains, market demand and our upcoming high-quality products.

We undertake no obligation to publicly update or revise any statements regarding those information presented and referred herein in the event of any further changes or updates to the information presented herein.

# Company Facts

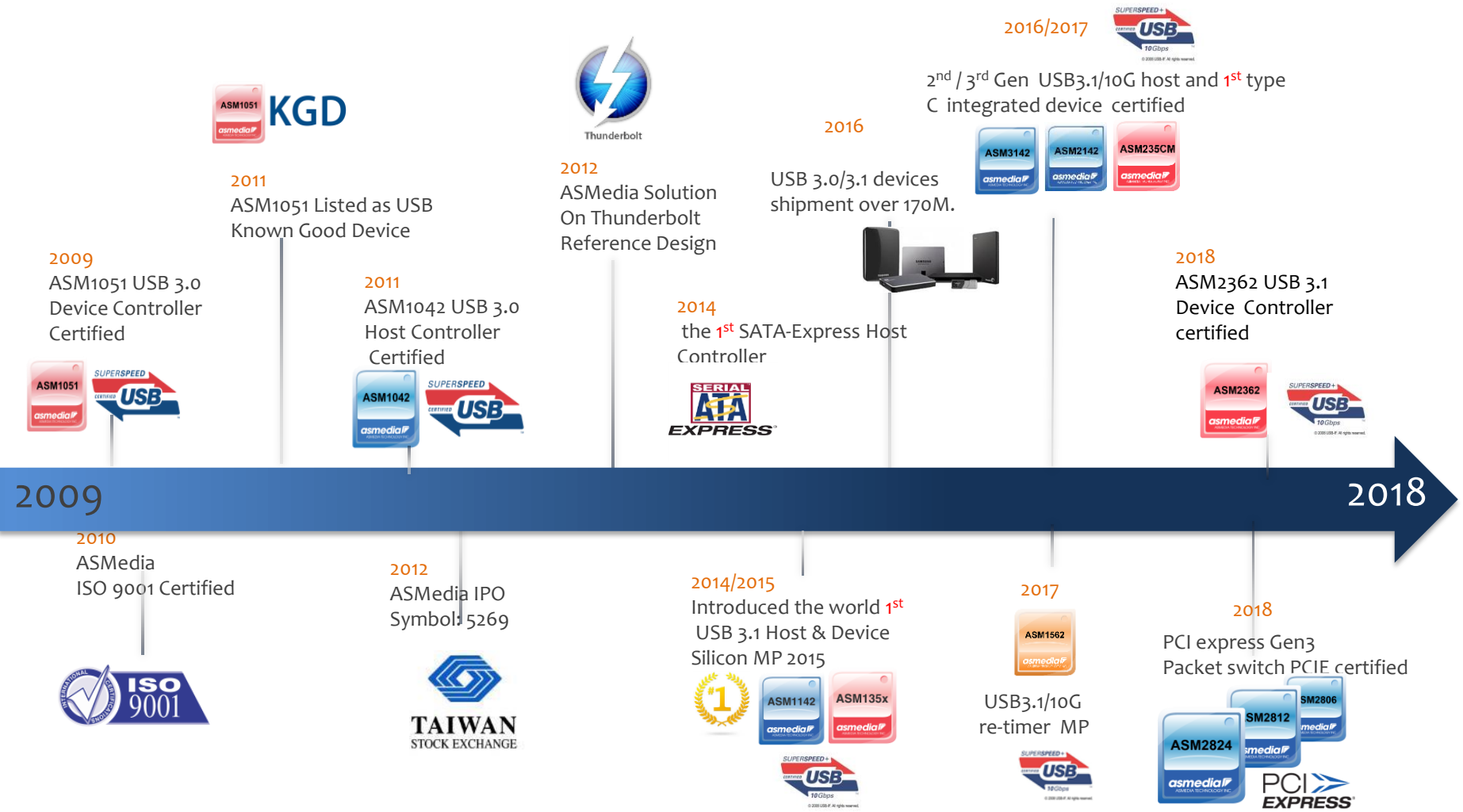
**Company Name** ASMedia Technology Inc.  
**Major Operations** Fabless IC design  
High Speed Connectivity  
**Established** March 2004  
**Capital Stock** \$20Million USD  
**Employees** 210+ (85% engineering)  
**Headquarter** Taipei, Taiwan  
**Stock Symbol** Taiwan Stock Exchange ticker: 5269  
**Chairman** Mr. Jerry Shen  
**President** Mr. Chewei Lin



Environment  
Friendly &  
Hazardous Material  
Free

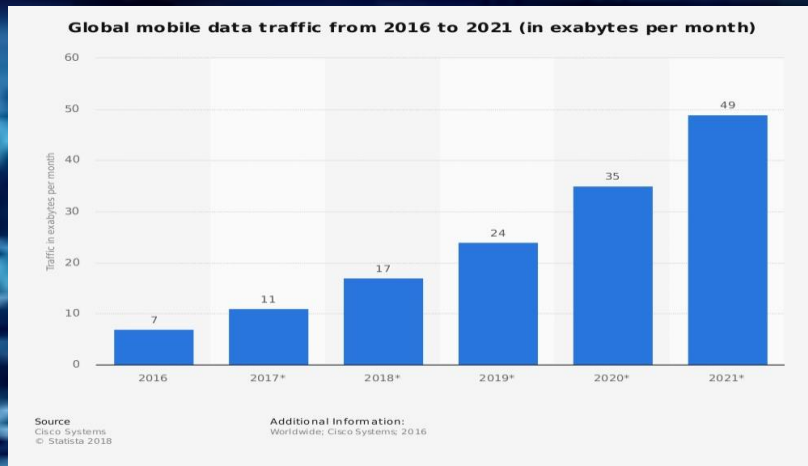


# Company Milestones

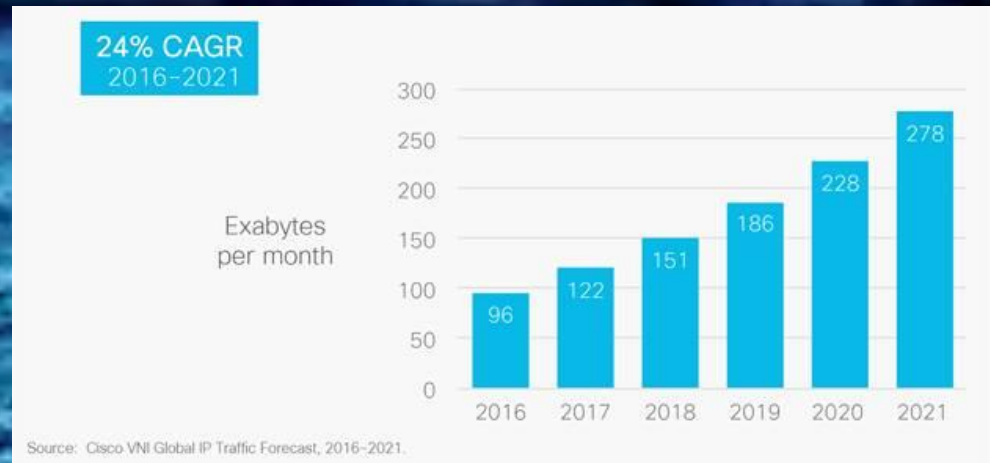


# Market Opportunity for High speed link

## Driven by the high density of data traffic

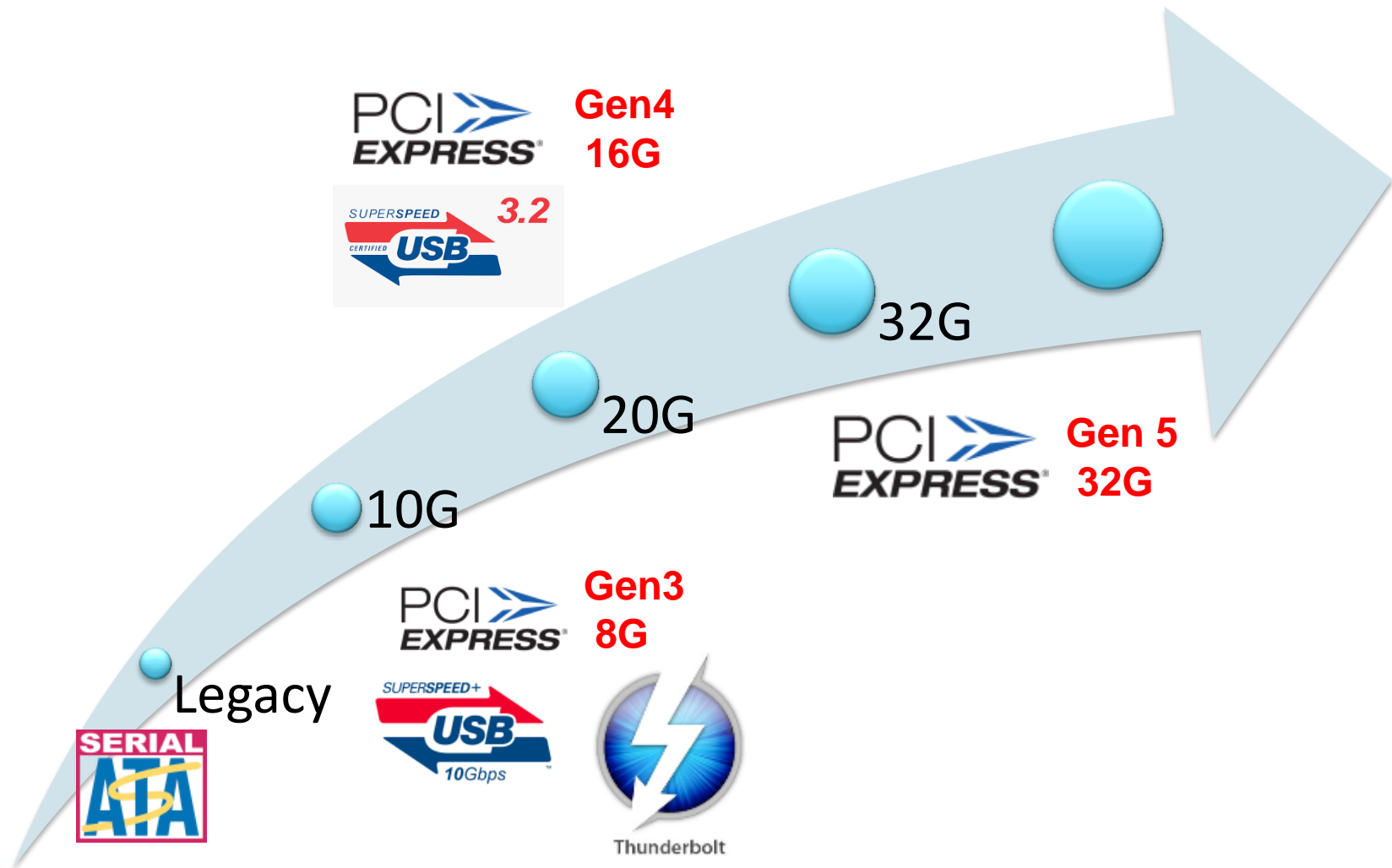


Source : Cisco System mobile data traffic



Source : Cisco VNI forecasts 278 EB per month of IP traffic by 2021

# High Speed SERDES Technology Trend





# ASMedia product and growth strategy



## Bandwidth upgradability

- Speed and Performance enhancement, spec migration for High speed Link
- PCIE
- USB
- SATA



## Platform design flexibility

- Singling, timing, functional improvement
- Signal switch
- Type C mux
- Re timer
- Re driver
- Level shifter



## Component Integration

- BOM Cost reduction and foot print shrinkage
- Power module
- Type C Mux,
- CC logic



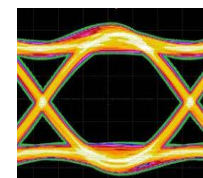
## Port count Expansion

- Broaden the usability, market Segment and product portfolios
- Multiport SATA
- PCIE packet switch
- USB Hub



## Interface/ IP and functional integration

- OEM ASIC design
- Customized design



# ASMedia's market position

## Strong customer relationship and supply chain partnership

- ▶ Branded PC, Mother Board and Notebook, Server, Gaming system.
- ▶ NAS, Thunderbolt, USB device, router, embedded platform etc.
- ▶ World class TSMC, ASE and SPIL as supply chain partners



## Industry USB leader on host , device controller and re timer

- ▶ Host as (PDK )and Device as Known Good Devices (KGD)
- ▶ World leading USB3.1/ 10G host controller and Type C application on Major MB, DT and NB
- ▶ **On track for next gen USB 3.2/ 20G Lane Bonding Development**



## Market leader for USB External SSD and HDD

- ▶ No.1 market share 70% of External USB storage enclosure
- ▶ Trusted and Selected by all major Hard Drive brand
- ▶ Major supplier for World tier 1 External SSD controller
- ▶ **Continue to migrate to USB to PCIE NVMe SSD for high bandwidth storage**



## Leader in New Technology

- ▶ Solution providers for Thunderbolt technology devices
- ▶ Selected as reference design solutions by Intel and AMD
- ▶ Market leader for USB Re-driver and Re-timer
- ▶ **PCIe Gen 3 Packet switch MP and PCIe Gen 4 in development**



# ASMedia High Speed product line up



## Leading USB 3.1 Gen 1, Gen2 host and devices

- Market leader for USB 3.1 host and device
- Integrated CC and Mux to support Type C for upcoming booming storage device
- Carry the market lead to USB 3.2 design



## Full line up for SATA interface storage

- USB to SATA, PCI to SATA and SATA to SATA
- USB to PCIE NvMe



## Solid PCIe portfolios

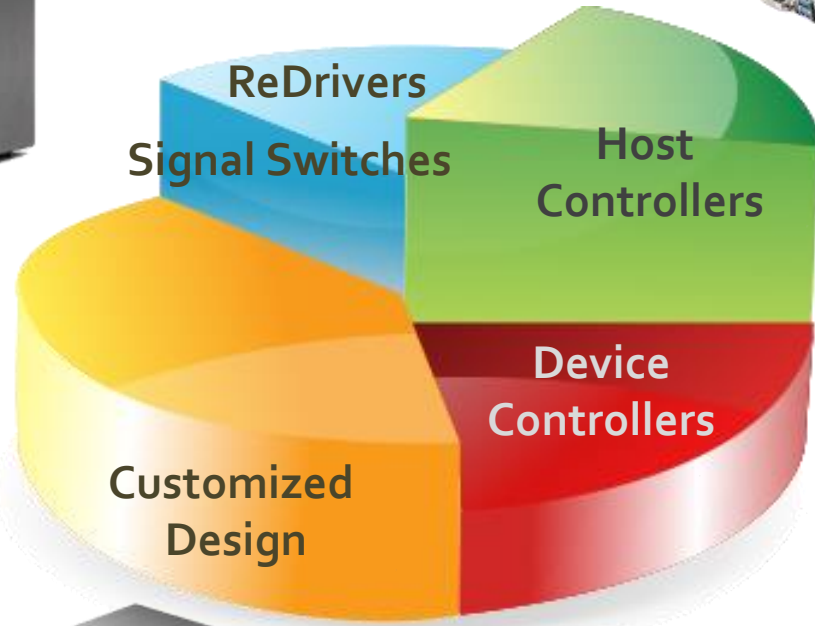
- PCIe to PCI legacy
- PCIe Gen 2, PCIe Gen3 packet switch



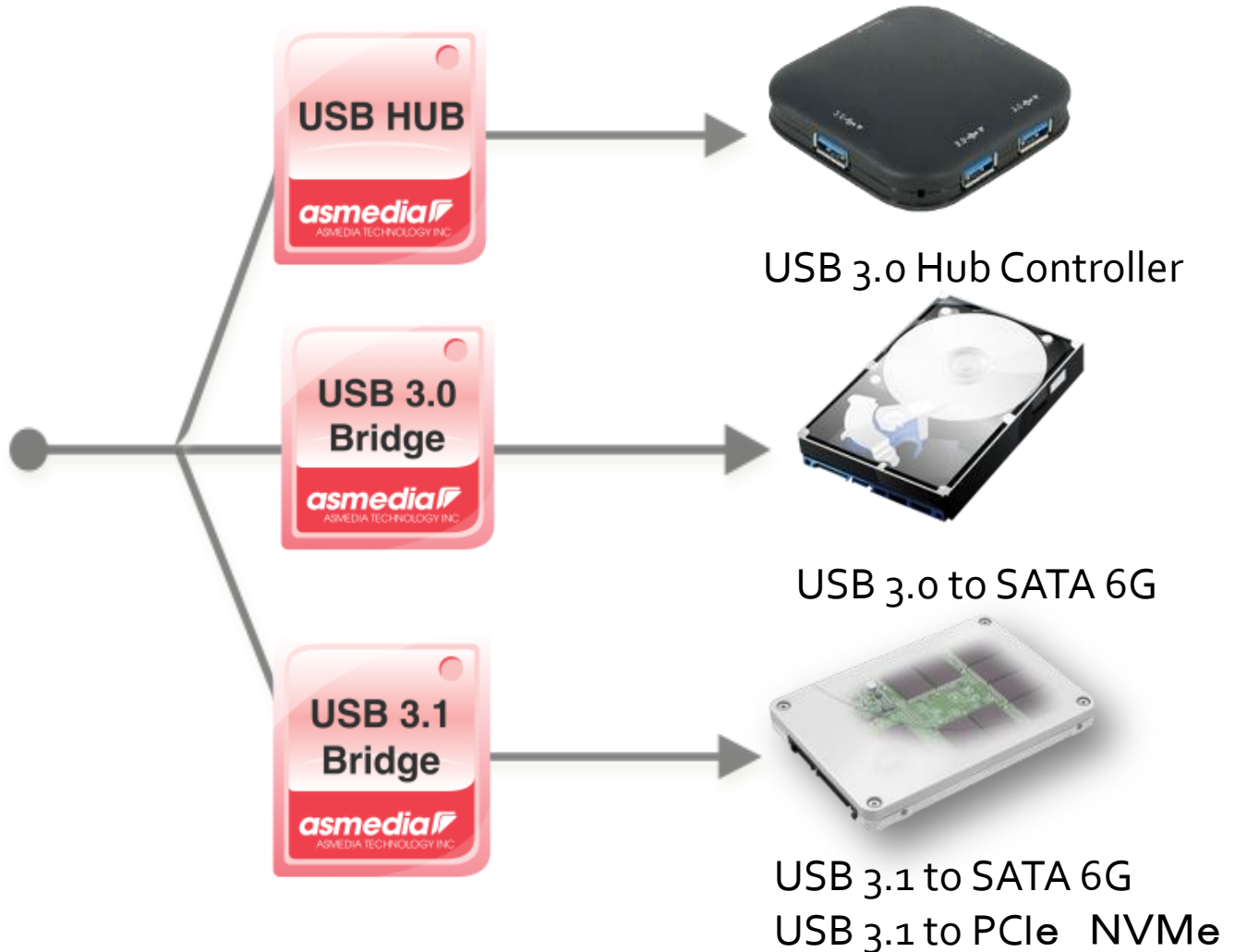
## Complete high speed Signal switch, re-timer, re-driver line up

- HDMI, DP switch, Type C mux, SATA, USB and PCIE etc. and re-driver and re-timer.

# Product category and application



# USB Device Controllers

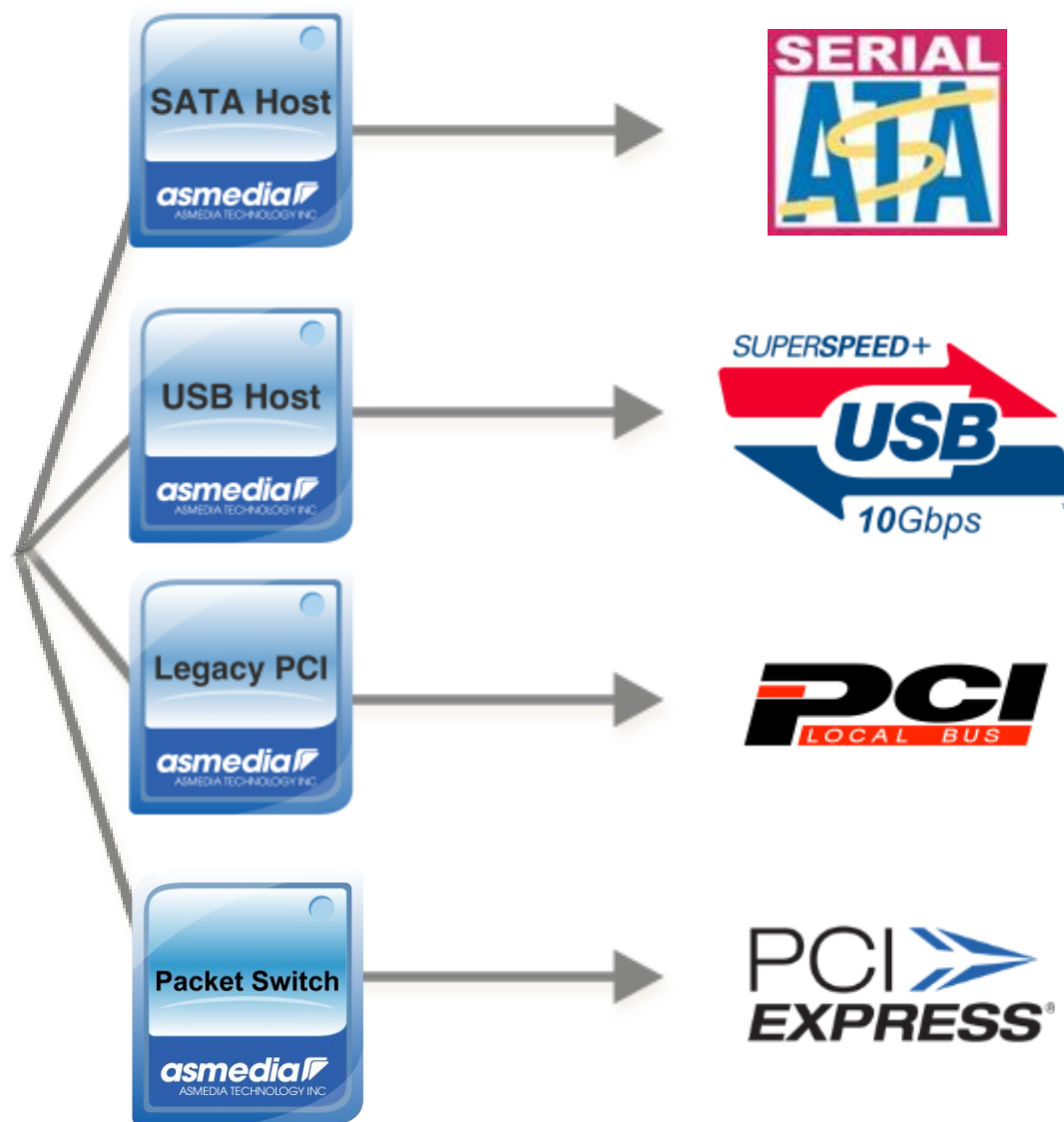


# PCI Express Bridge Controllers

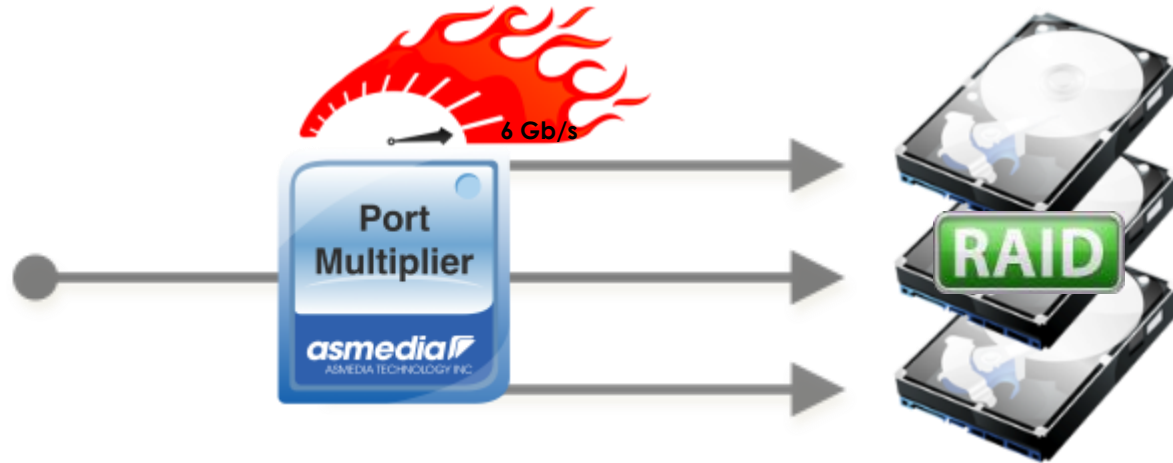
PCI EXPRESS®



Thunderbolt



# SATA Controllers



Multi-Bay Storage

CCTV DVR Devices

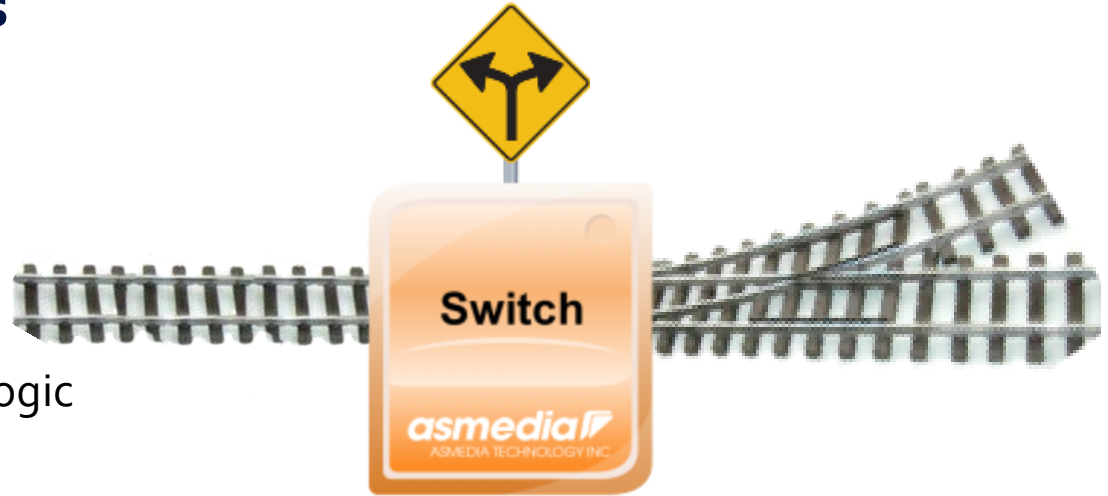
RAID Protected DAS/NAS



# Switches & Re-Timer

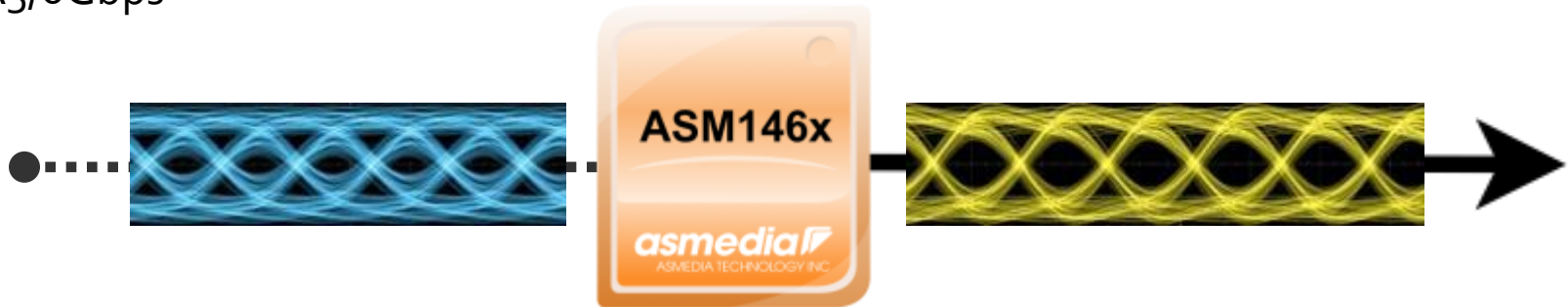
## High Speed GHz Switches

- SATA 6Gbps
- PCI Express
- USB 3.1
- HDMI & DP
- USB Type C Switch
- USB Type C Switch w. cc logic



## High Speed Signal Re-Timer, Re-Driver

- USB 3.1 Gen 1 / 5G USB3.1 Gen2 / 10G
- SATA3/6Gbps





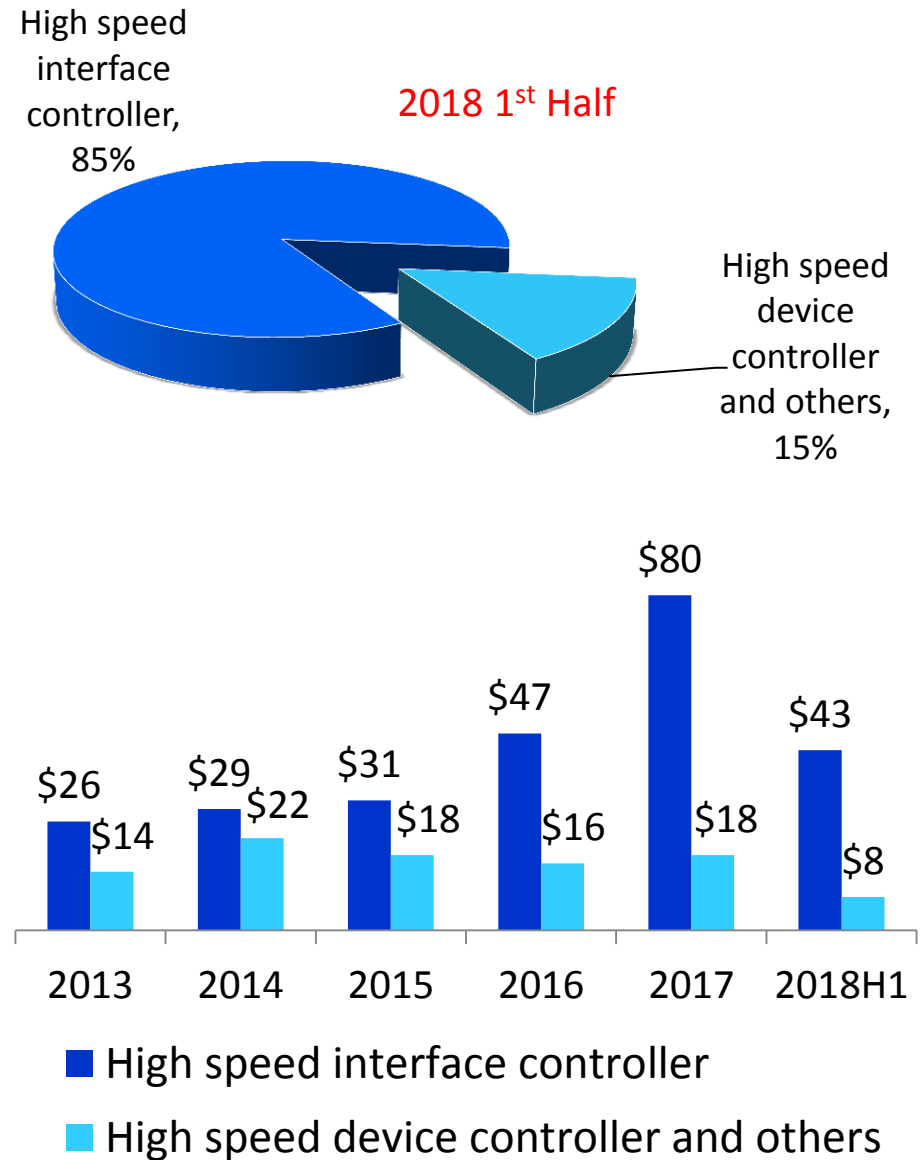
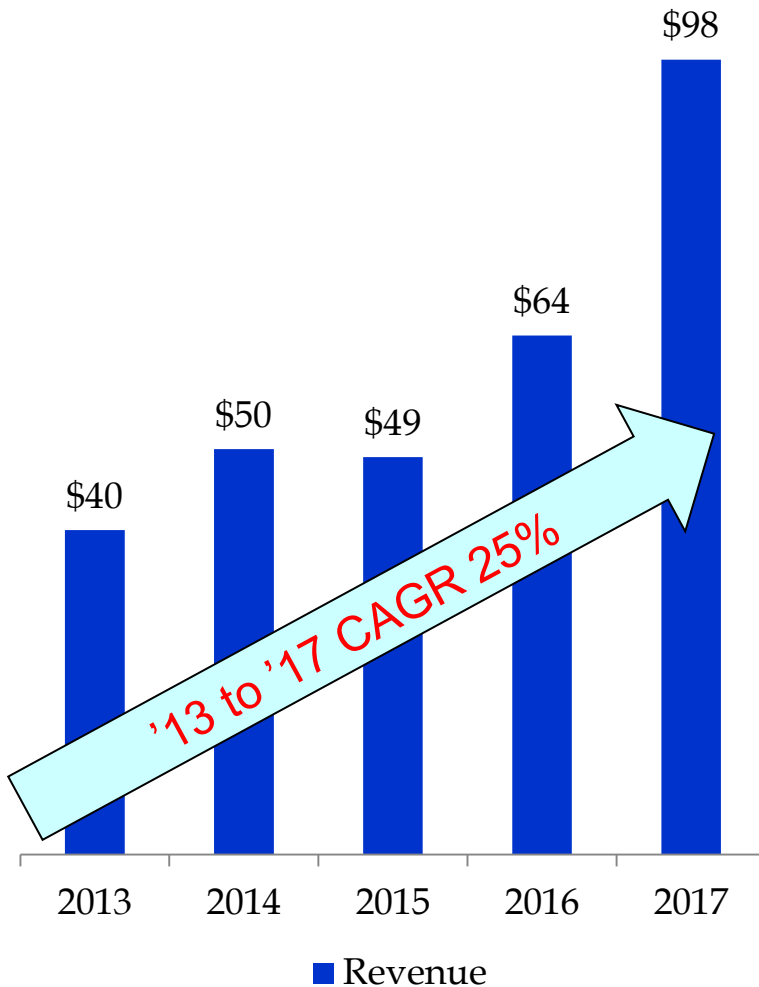
- **Key to Success and Growth**

- Industry leader of advance technologies
- Experienced and skillful silicon design, verification team in the field of High Speed Interfaces
- Leverage intensive internal developed technology & IP portfolios
- Proven IPs, design and products in the market
- Proven business model of customized ASIC, technologies & feature integration, and engineering support

# Q2, 2018 Financial Results

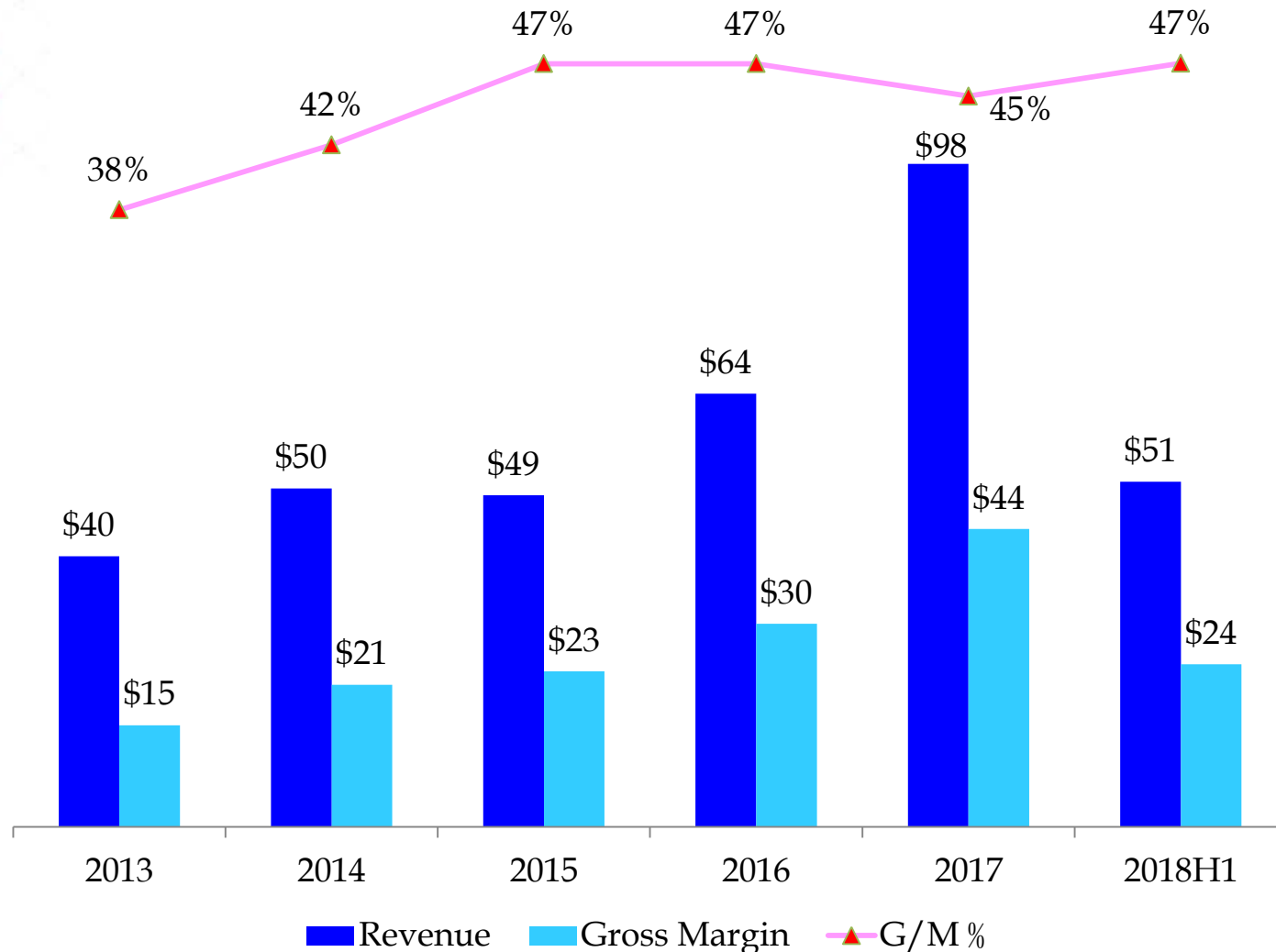
# Performance-Revenue by product

(US\$ in millions)



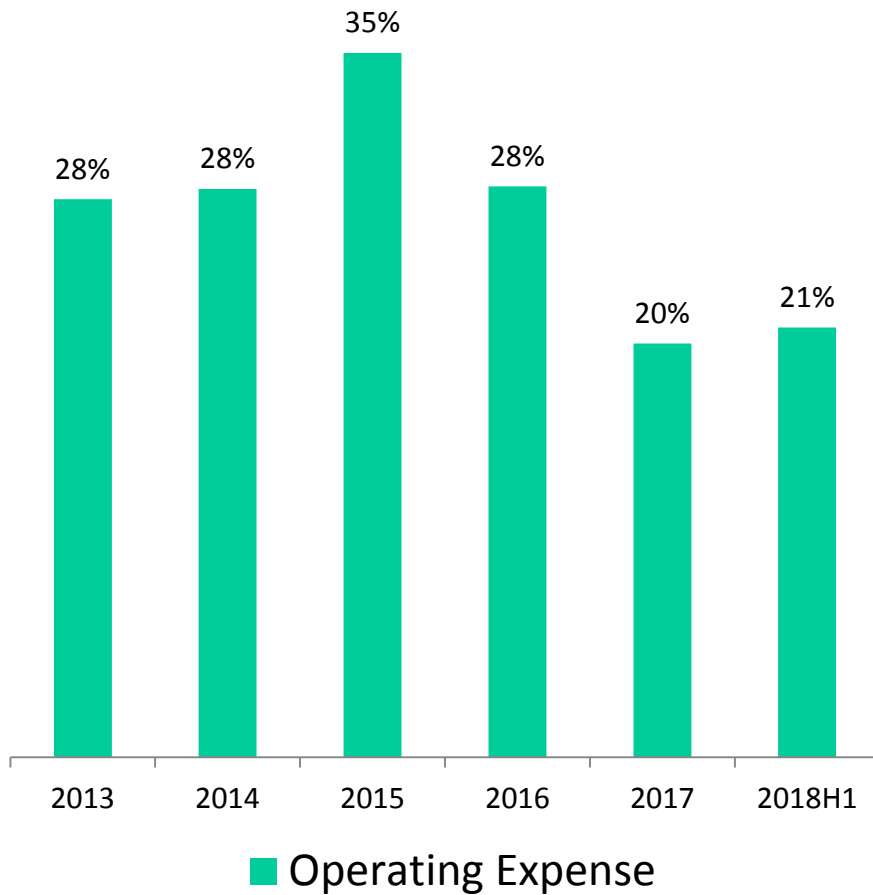
# Performance-Revenue and Gross Margin

(US\$ in millions)

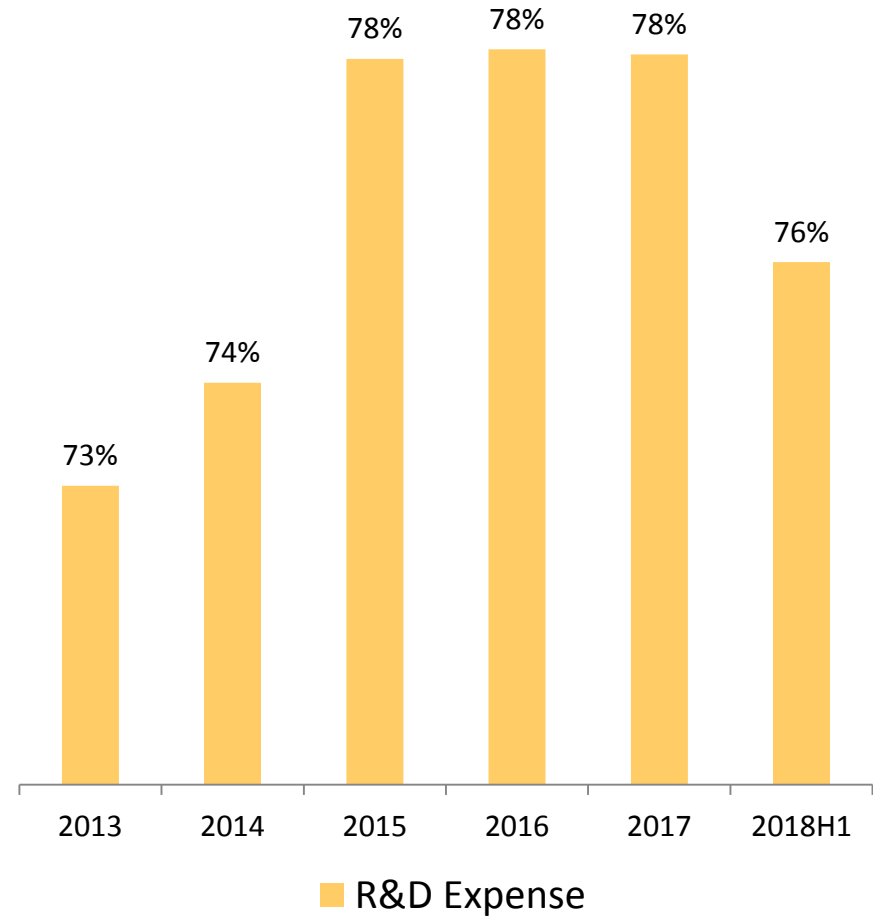


# Performance- Operating expense

## OPEX % of Annual Revenue

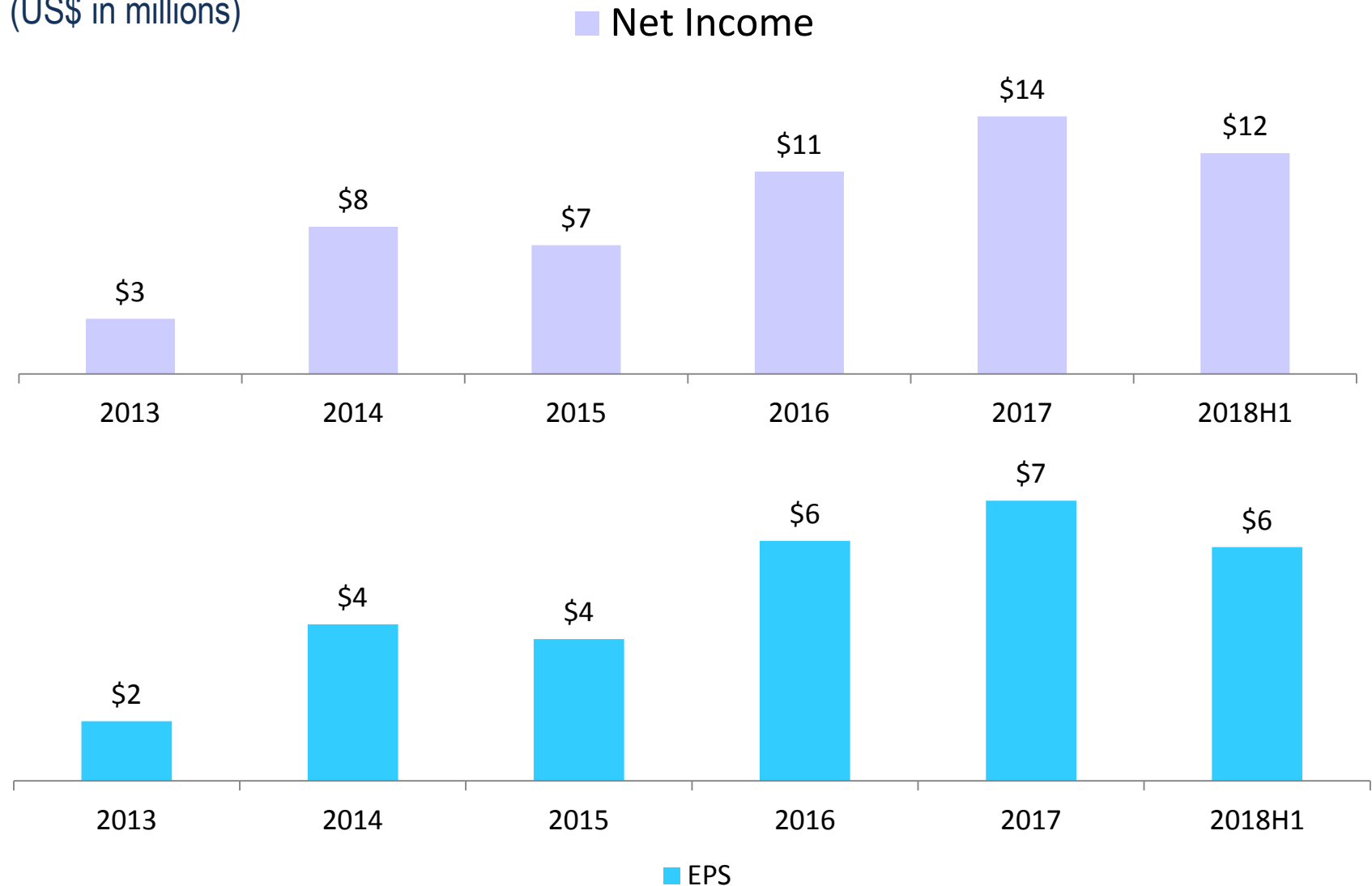


## RD Expense % of OPEX



# Performance- Net income and EPS

(US\$ in millions)





# Performance- Consolidated Income Statement

	(NTD in thousands)				
	2Q18	1Q18	2Q17	QoQ	YoY
Net Revenue	788,631	728,622	814,792	8.24%	-3.21%
Gross Margin	371,747	341,724	340,159	8.79%	9.29%
Operating expenses	(165,080)	(156,187)	(130,467)	5.69%	26.53%
Operating Margin	206,667	185,537	209,692	11.39%	-1.44%
Non-operating income and expenses	42,482	(13,227)	(214,882)		
Profit before income tax	249,149	172,310	(5,190)	44.59%	
Income tax expense	(32,929)	(26,756)	(10,413)		
Net income	216,220	145,554	(15,603)	18.63%	
Earnings per share(NT\$ , Basic)	3.60	2.43	(0.27)		

# Performance-Key Balance Sheets Items

(NTD in thousands)

	2015/12/31		2016/12/31		2017/12/31		2018/6/30	
	Amount	%	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	994,782	61%	960,418	48%	1,094,715	48%	1,465,247	54%
Account Receivable	188,144	12%	333,718	17%	426,902	19%	501,647	19%
Inventory	210,640	13%	420,723	21%	475,153	21%	379,743	14%
<b>Total Assets</b>	<b>1,624,883</b>	<b>100%</b>	<b>2,002,892</b>	<b>100%</b>	<b>2,303,902</b>	<b>100%</b>	<b>2,701,839</b>	<b>100%</b>
<b>Liability</b>	<b>279,327</b>	<b>17%</b>	<b>446,554</b>	<b>22%</b>	<b>561,021</b>	<b>24%</b>	<b>956,520</b>	<b>35%</b>
<b>Shareholders' Equity</b>	<b>1,345,556</b>	<b>83%</b>	<b>1,556,338</b>	<b>78%</b>	<b>1,742,881</b>	<b>76%</b>	<b>1,745,319</b>	<b>65%</b>



***asmedia*** 

Thank You