



ANStek

Professional Answer to Your Business

ANStek (3528)

President: Mark Lee
1H 2017



Disclaimer

- The following pages contain projections & estimates of financial information as well as the market and product developments for the future periods. These projections & estimates are based on information currently available which we believe to be reliable, but they involve risks and uncertainties.
- Our actual results of operations and financial conditions may differ significantly from those contained in the projections & estimates. These projections & estimates should not be interpreted as legally binding commitments, but rather as flexible information subject to change occasionally.



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Business Overview





Company Profile

STAFF PORTIONS(%)

Company Name:	Answer Technology Co., Ltd.
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Established Date:	Dec.26,2000
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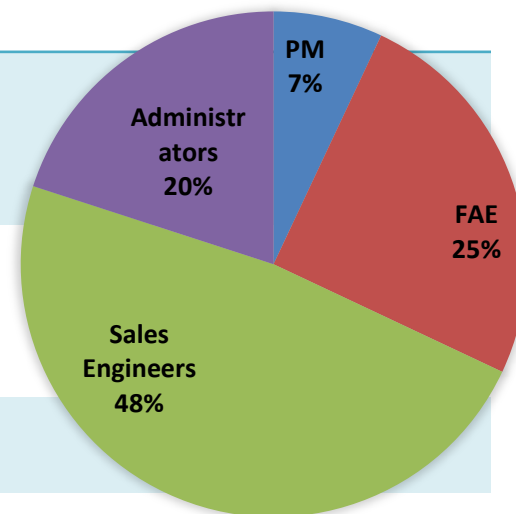
President:	Mark Lee
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Paid in Capital:	NT\$637,677,900
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Staffs:	145 people
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Address:	21F., No.75, Sec.1 Xintai 5th Rd., Xizhi Dist. 221, New Taipei City, Taiwan, R.O.C.
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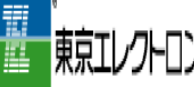
Website:	http://www.anstek.com.tw
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Primary Product Lines

安馳科技股份有限公司 代理之產品線

	Analog ICs, DSP & MCU, Power management, MEMS Products, Hittite.. http://www.analog.com/		DC-DC Power, Charger IC, Regulator. http://www.m3tekic.com
	High Speed Digital Switch, Super Speed USB, PCIe Bridge, SATA, USB 3.1 Controller http://www.asmedia.com.tw/		Power Management Ics, LAN solutions, Clock and Timing, MEMS Oscillators, ... http://www.microchip.com/
	Industrial flash modules and controller : SD/MicroSD, CF/Cfast card, mSATA, USB and SATA DOM, 2.5"SSD and M.2 http://www.embestor.com/		High-speed display interface: DisplayPort Products, SATA Repeaters, USB Repeater, .. http://www.paradetech.com
	Magnetoresistive RAM (MRAM), Spin-Torque MRAM (ST-MRAM) http://www.everspin.com/		Sensors for Gas, Flame, Motion Detection, Gesture Recognition http://www.pyreos.com/
	Optical Transceivers, Components, Amplifiers, Engines, AOC, RF-over-Fiber, ... http://www.finisar.com/		Leading-edge FPGA platforms, IP Cores and Design Service to help customer Design http://www.inrevium.jp
	EMI/EMC/ESD/Over V/C protection, Bluetooth/Wi-Fi/GPS antenna http://www.inpaqgp.com/		Motion Control ICs & Modules, Mechatronic Drivers, Stepper and BLDC Motors http://www.trinamic.com
	High Speed ADC, HDMI Tx/Rx/Sw, Power Management ICs... http://www.ite.com.tw/		5Play on a Single Cable thru HDBaseT™ technology http://www.valens.com
	Pressure/force, Position, Vibration, Temperature, Humidity, and Fluid properties sensors or systems. http://www.meas-spec.com/		High Performance CPLD, FPGA http://www.xilinx.com



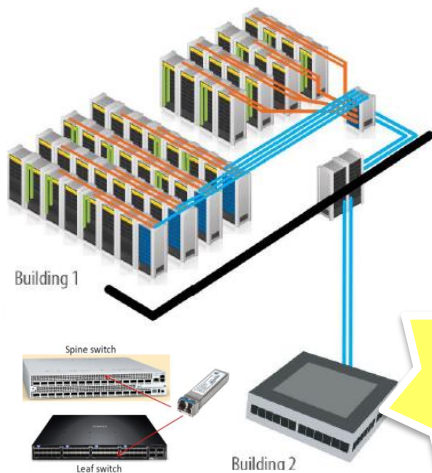
Major Products



ADI high-performance analog components are very competitive with various applications

Global No.1

— 10G Intra-rack
— 10/40/100G Inter-rack
— 10/40/100G Long span/Inter-building



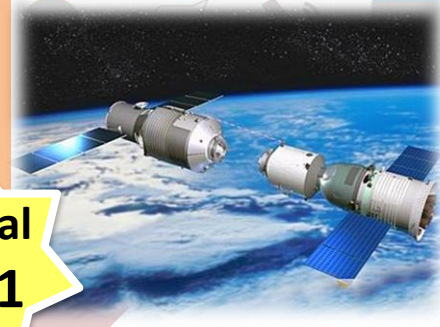
Finisar breakthrough optical technology leads the communication Industry

Global No.1



Xilinx programmable logic array (FPGA) migrates to 7-9 nm process

Global No.1



Valens is the first initiator of the global HDBaseT Alliance in Israel

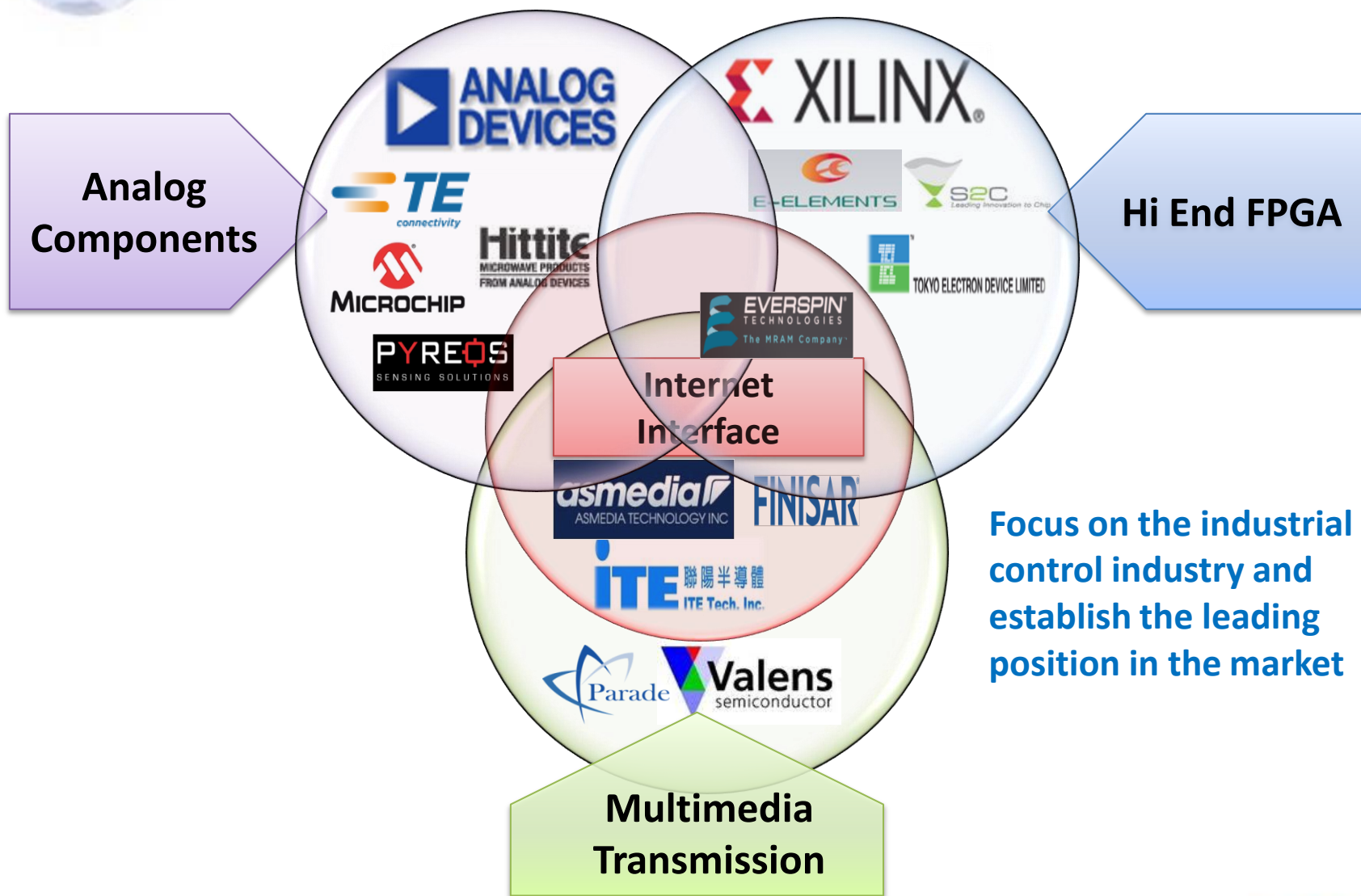
Global No.1



ANStek

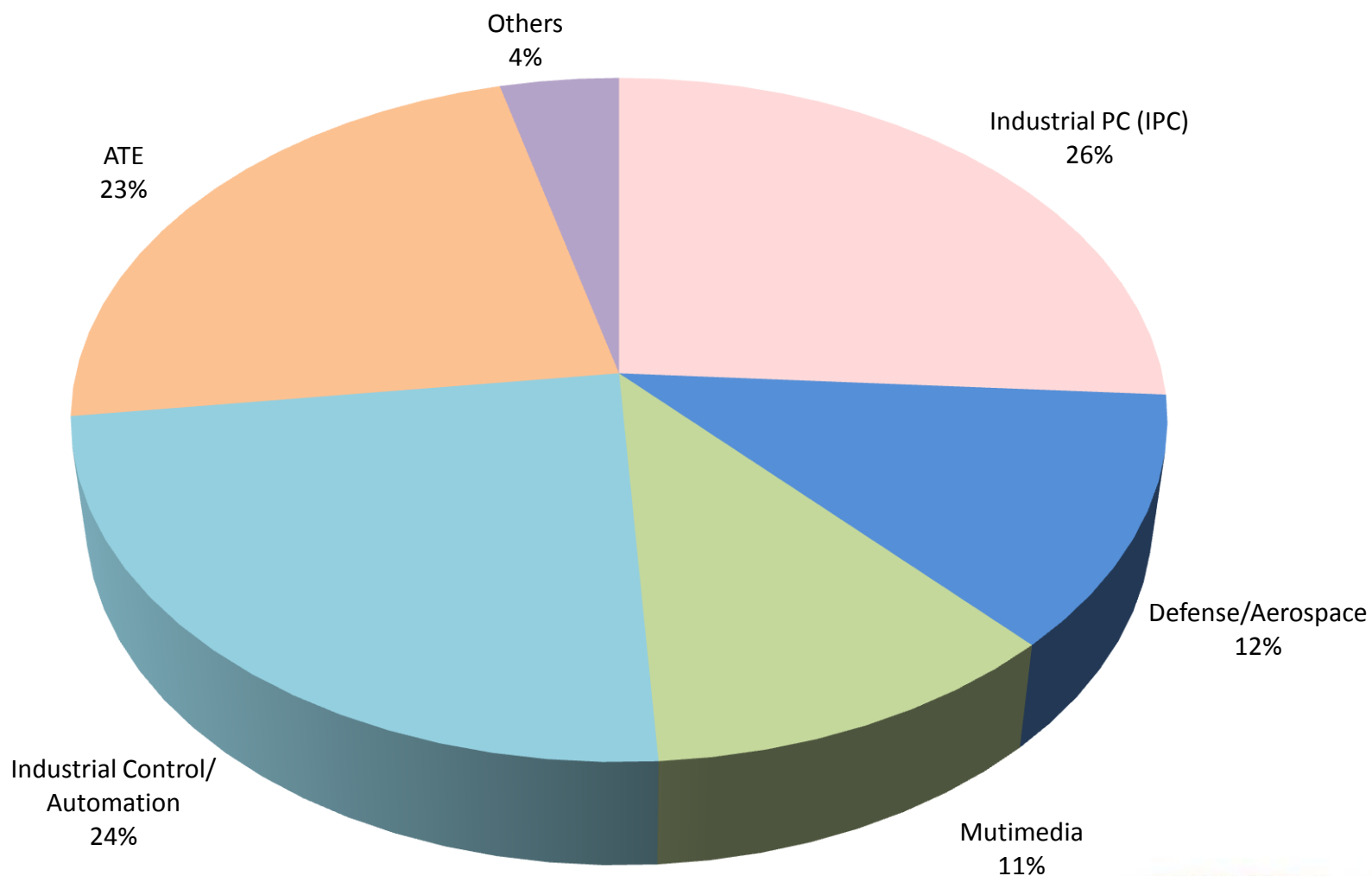


Major Products Categories





Major Products Applications





Major Clients



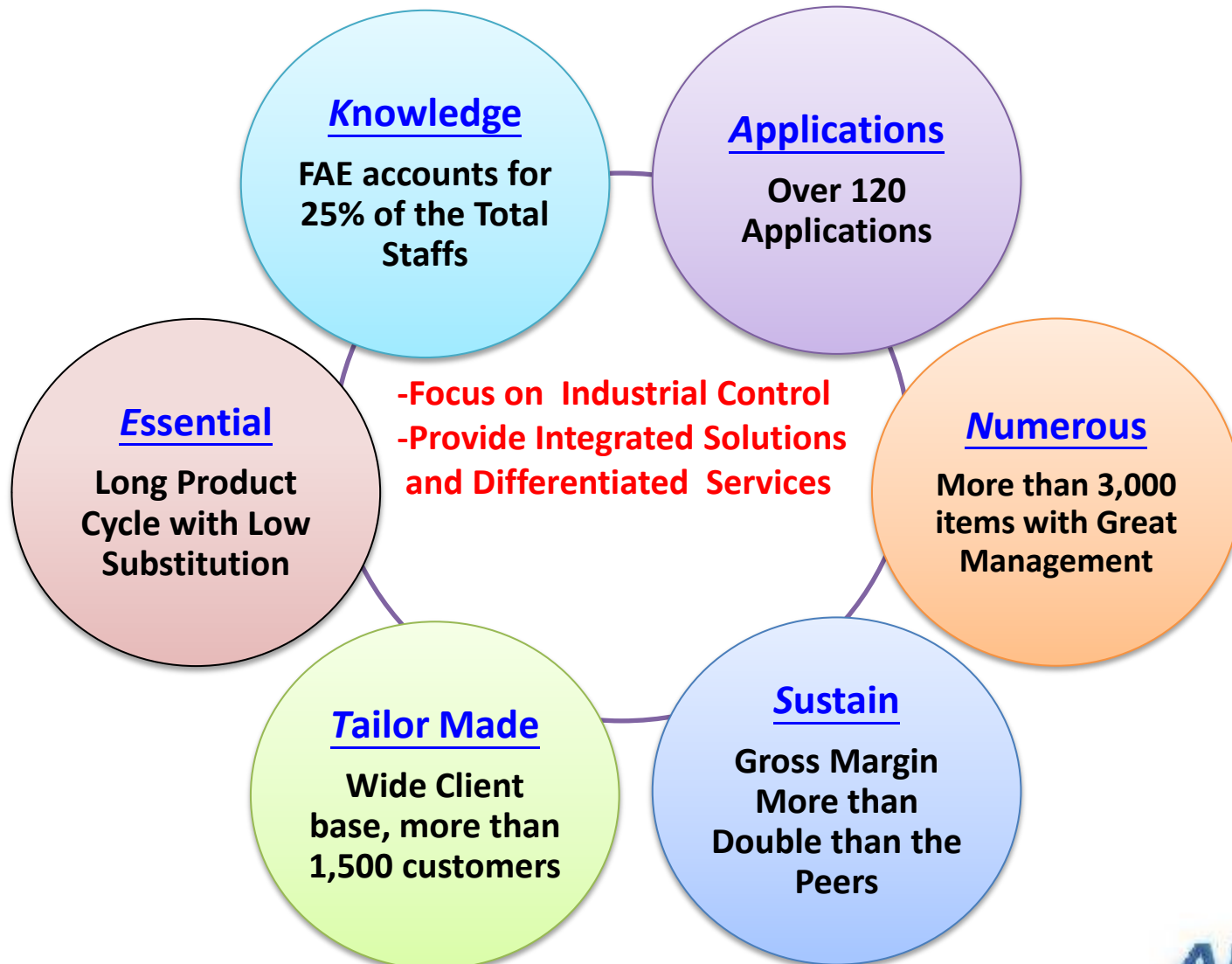


Core Competitiveness





Focus on Industrial Products

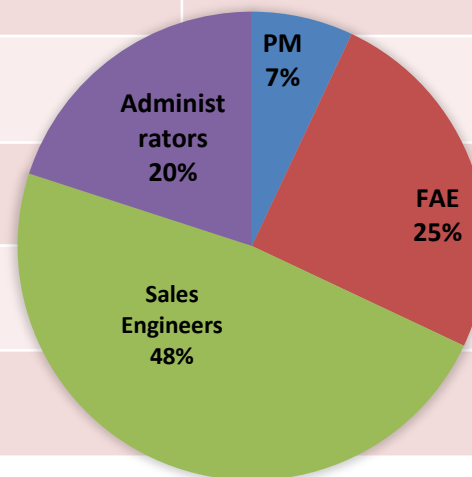




Peers Differentiation

	ANStek	General IC Distributors
1. Technical Service	Industrial Control	Original reference design with common usages
2. Market/Applications	Industrial, Automation, Instruments	PC, NB, Mobile, Consumer, Memory
3. Product Cycle	Slow	Fast
4. Staff Training	1-3 Years	< 6 Months
5. FAE / Sales(%)	High	Low
6. Client Relationship	Long Term	Price Related
7. Analog + Digital (%)	High	Low

STAFF PORTIONS(%)





Demand Creation Ability

Prospecting New Clients

Seeking new product applications
from the broad customer base

Searching for new customers
from the product applications

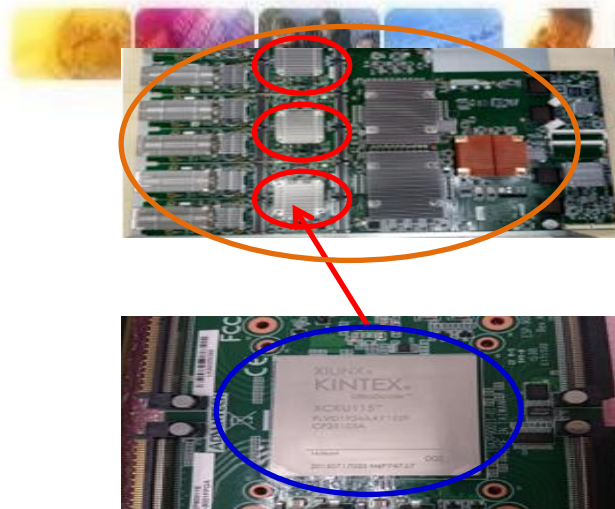
Looking for the potential customers
and recommend the appropriate
products, materials and parts from
various shows & exhibitions

Demand Creation Achievements

- Develop more than 150 Projects per month, each contains 200 ~ 300 components
- New Clients in 2013, 2014, 2015: 381, 342, 334 each year
- Has won “**ADI Taiwan Best Agents Awards**” several times
 - New clients portions: ADI Global- 3%, ANStek- 7%
 - 1,237 New Projects of ADI in 2015 with 3,647 components. Total 1,067 products lead in Mass Production, achievement rate of 29.3%



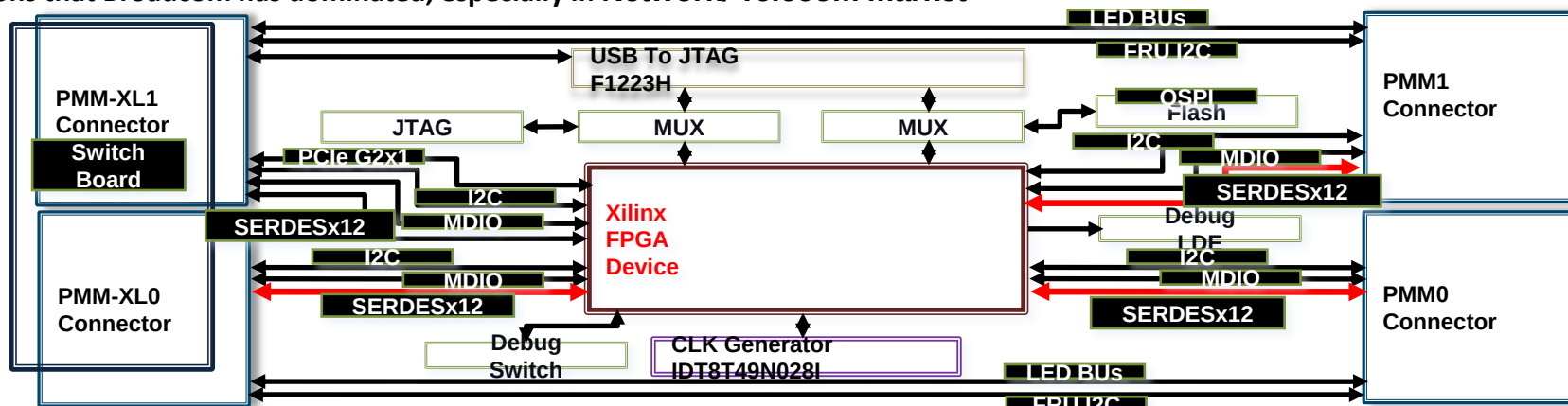
Demand Creation Example



Product : ATCA(Advanced Telecom Computing Architecture)

Application: Network packet inspection and analysis of data transmission security

In response to the future of end-user applications that require a wide range of adjustments, programmable logic element is necessary. FPGA high-end products design beyond the application limitations that Broadcom has dominated, especially in Network/ Telecom market



Xilinx:

The main function of FPGA is communications network packet analysis and multi-channel 100G data stream.

The product needs to integrate a number of Netcom agreements with Xilinx IP, its technical threshold is more difficult compared to ASSP.

Aggregated IP data tables and Xilinx IC design documents, focusing on important features and interface modules required for the initial verification.

To avoid the high-cost system risks for the Xilinx IC customers, and to ensure that every aspect of the design may hinder and technical support resources to achieve, it is important to assess from the reference design, developments of the circuits and the corresponding boards, etc...

Because of high-speed and large amount transmission of the 10Gb channel switch, the initial hardware design and simulation need the rigorous design and planning.

Xilinx uses the latest manufacturing process IC, so the original message associated with customer design guide synchronize with the communication.



Operation Results



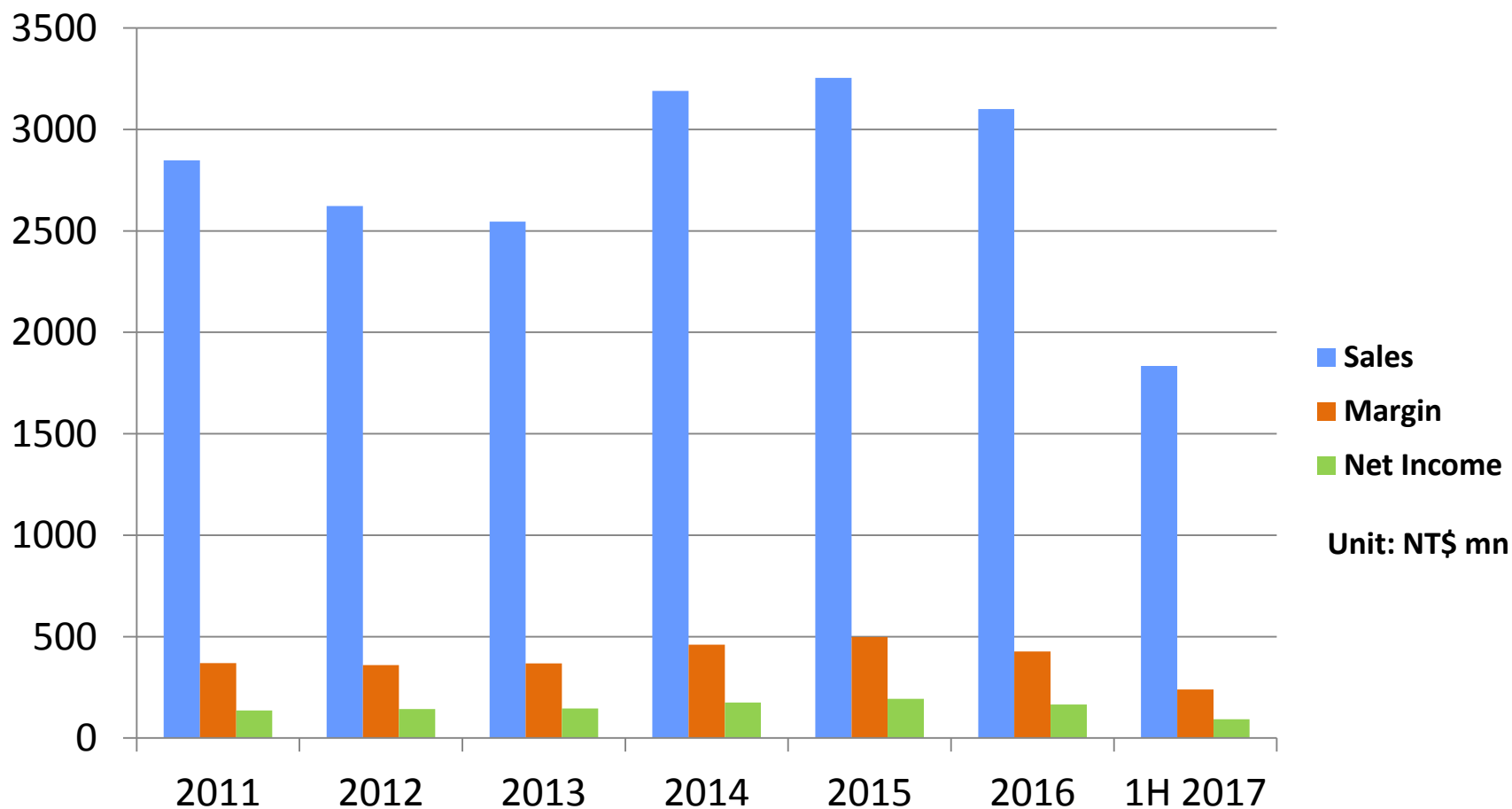


Financial Statement

(NT \$ mn)	2011	2012	2013	2014	2015	2016	1H 2017
Total Revenue	2,847	2,623	2,545	3,190	3,255	3,100	1,834
Gross Profit	370	360	368	460	498	426	240
Operation Expenses	196	205	209	248	259	249	137
Operation Income	174	155	159	212	239	177	102
Non-Op Income	(1)	17	19	0	(4)	25	10
Pre-Tax Profit	173	172	178	212	235	202	112
Net Income	136	143	146	175	193	166	92
EPS (NT\$)	3.3	2.85	2.79	3.19	3.35	2.64	1.45

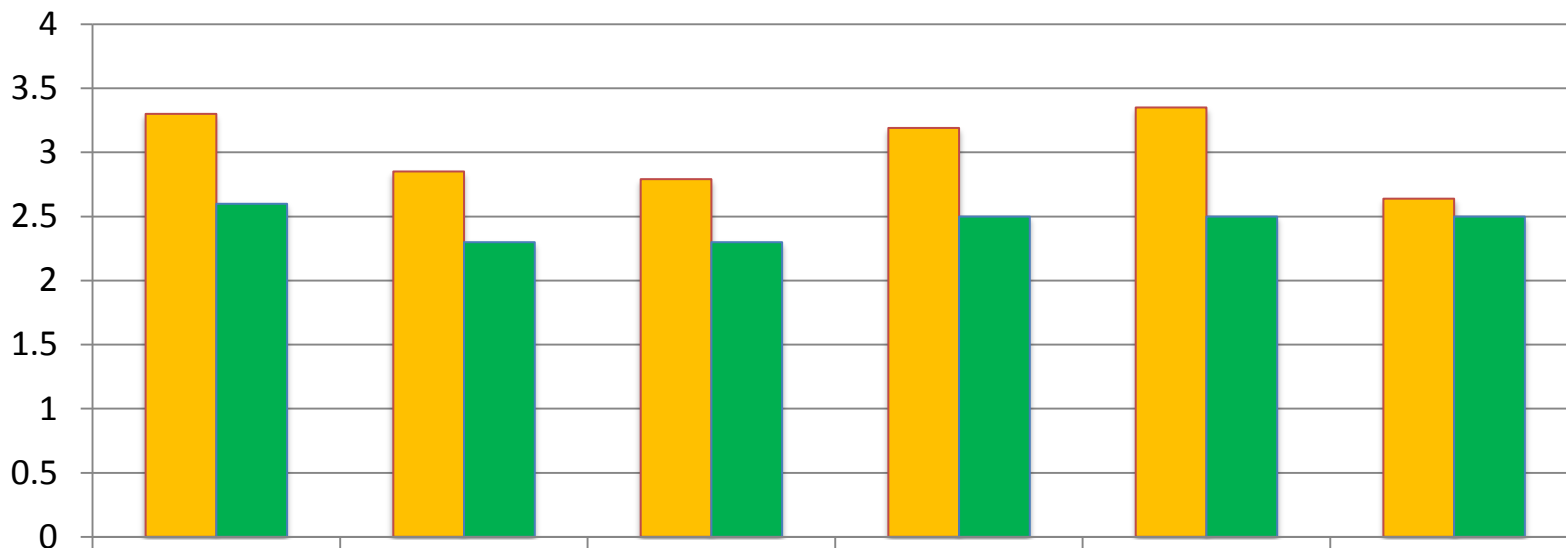


Focus on Industrial Products & Gross Margin Steady Growth





Dividend Allotments Maintain above 75% for the last 6 Years

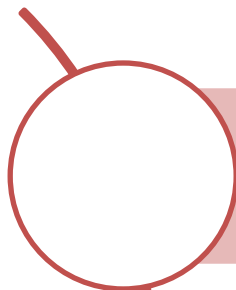


Unit: NT\$

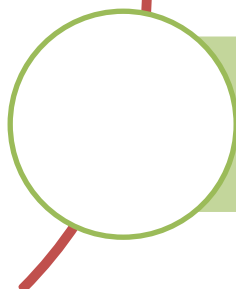
	2011	2012	2013	2014	2015	2016
■ EPS	3.3	2.85	2.79	3.19	3.35	2.64
■ Dividend	2.60	2.30	2.30	2.50	2.50	2.50
Cash Dividend	1.8	1.8	2.0	2.2	2.3	2.4
Stock Dividend	0.8	0.5	0.3	0.3	0.2	0.1



Future Prospects



New Opportunities for Industrial Products



Business Development Program



New Opportunities for Industrial Products

Industry 4.0 Development Process

工業革命：從人力製造到智慧工廠

第一次工業革命

蒸汽機
設備取代人力



1784 :
蒸氣式紡織機

● 18 世紀中

第二次工業革命

電力
實現大量生產



1870 :
第一條生產線
美國辛辛那提屠宰場

● 20世紀初

第三次工業革命

電子與 IT
製造流程自動化



1969 :
第一個可程式控制器
(PLC)

● 20世紀70年代

第四次工業革命

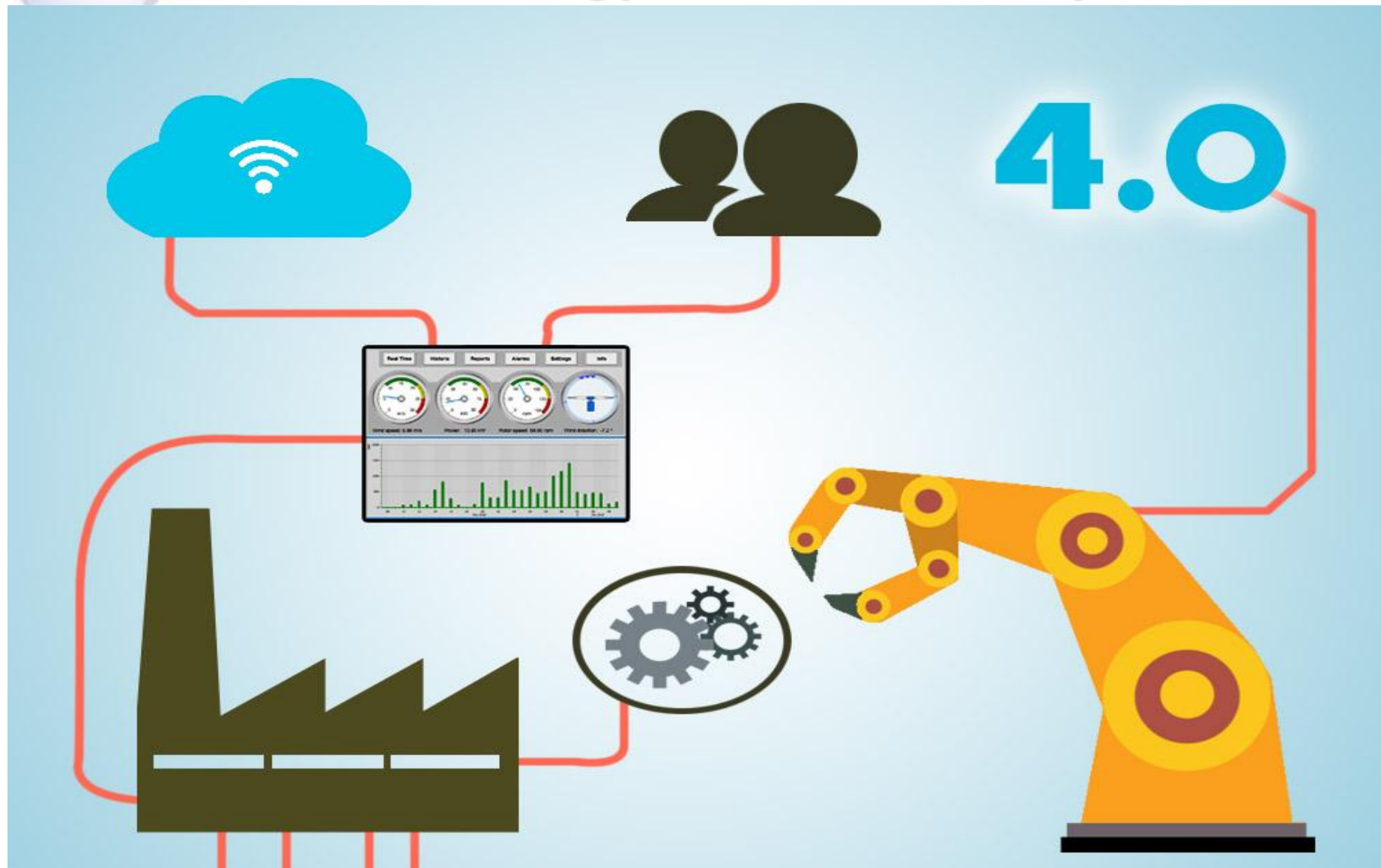
ICT (資訊與通信)
智慧工廠



● 現在進行中

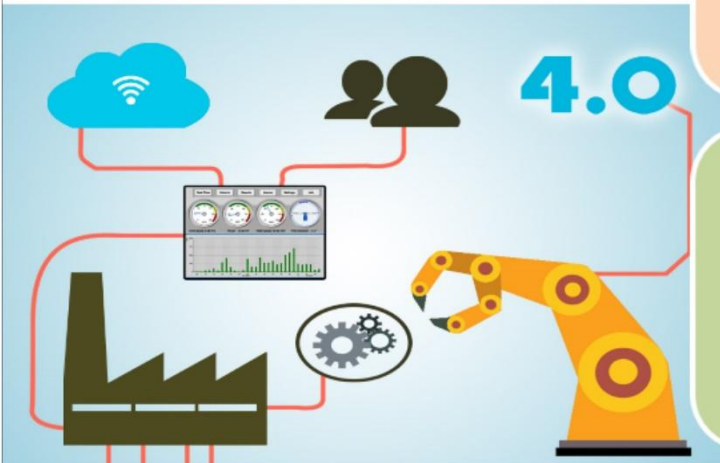


Core Technology of Smart Factory





Core Technology of Smart Factory



**Intelligence
Integration**



**Smart Meter
Factory Automation
Cloud Server**

**Reliable
Transmission**



**Industrial PC
Wireless Comm.
Micro Comm.**

**Data
Capture**



**Industrial PC
Medical Instruments
Security Monitoring**

ANStek



ANStek 2017 Progress in Industry 4.0



ADI industrial networking system modules with ultra-low-power technology integrate RF amplifiers, AC/DC converters and few sensors



High-end Xilinx FPGA chips migrate to advanced 9 nm and 7 nm process and further obtain the big-data analysis, AI, High Speed Cloud Computing and other high end integrated applications markets



ADI and Xilinx are also the 2 major product lines of ANStek in Defense & Aerospace applications. It helps to improve the overall gross profit due to its gross margin is higher than the industrial application



The new product lines synergy

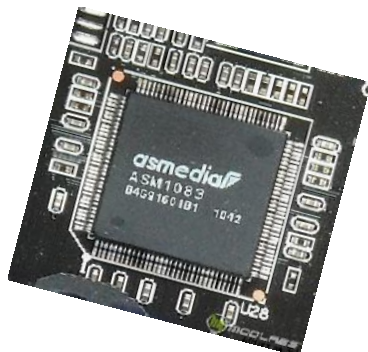


ASMedia will expand PCI-E product line into GEN 3 area

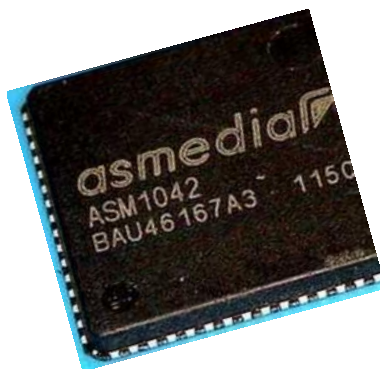
Extending from PCI-E to USB3.0 / 3.1 high transmission product lines

ANStek is the major agent of ASMedia in the Industrial area, the main clients including domestic industrial PCs and automation equipment manufacturers

ASMedia and ANStek will cooperate to develop the network transmission and cloud storage products in the future



PCI-E



USB3.0/3.1



Switch



The new product lines synergy



Finisar provides the total solution of fiber optic communication network products

Leading Edge 400G, 200G and 100G optical fiber modules

ANStek is the major distributor of Finisar in Taiwan, customers include cloud servers, network communications and industrial computer companies

ANStek and Finisar cooperate to promote the new generation high speed optical fiber modules



ANStek



Product Develop Program

1. Industry & Instruments

- IC Testing Equipment
- Factory Automation
- Industrial PC
- Medical Instruments

2. Communication

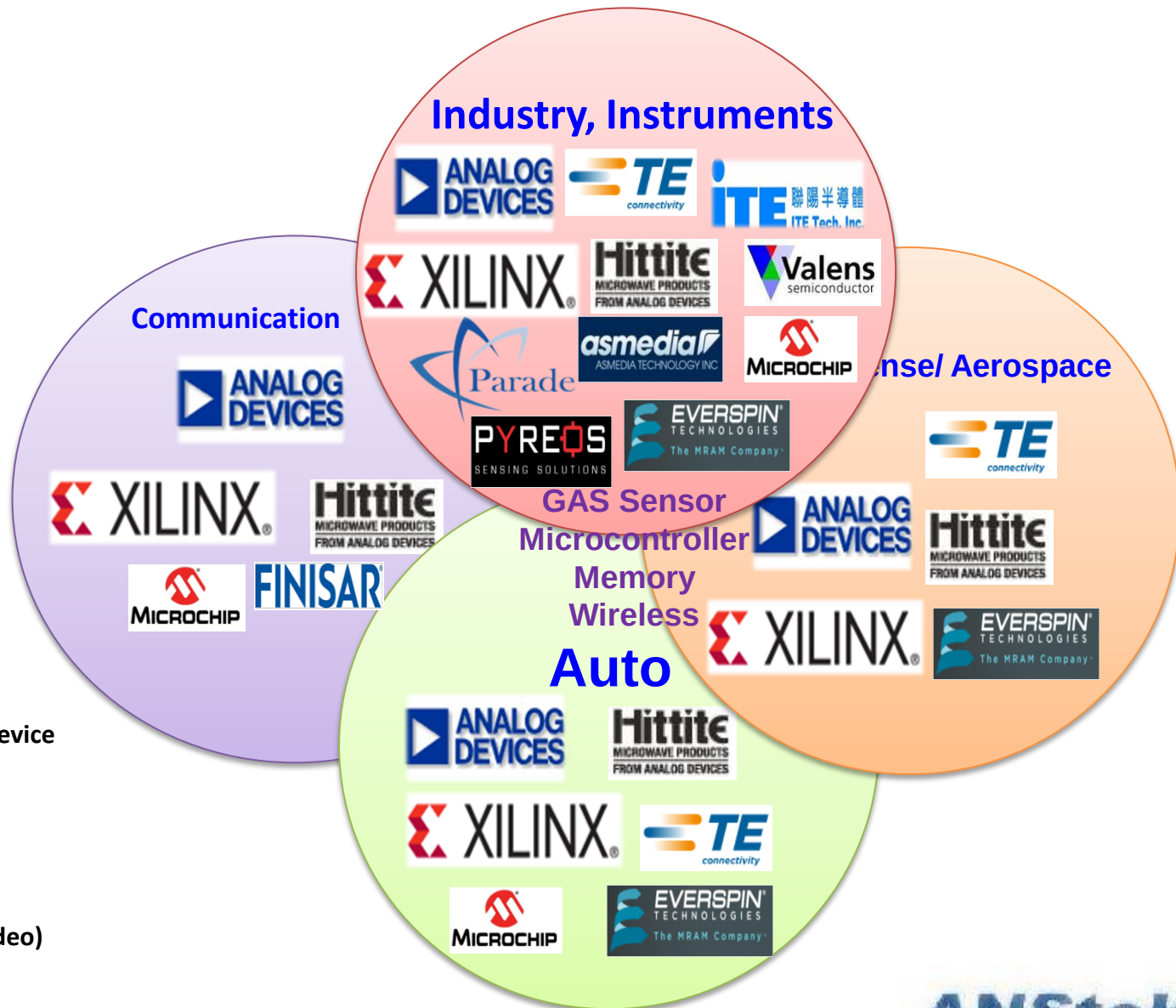
- Cloud Storage
- Fiber Communication
- 4G/5G Mobile Communication

3. Automotive

- Microwave distance measuring device
- ADAS system
- Telematics
- Vehicle entertainment

4. Defense/Aerospace

- Radar communication system
- Satellite communication (GPS, video)
- Drone





The End
Thanks for Your Time