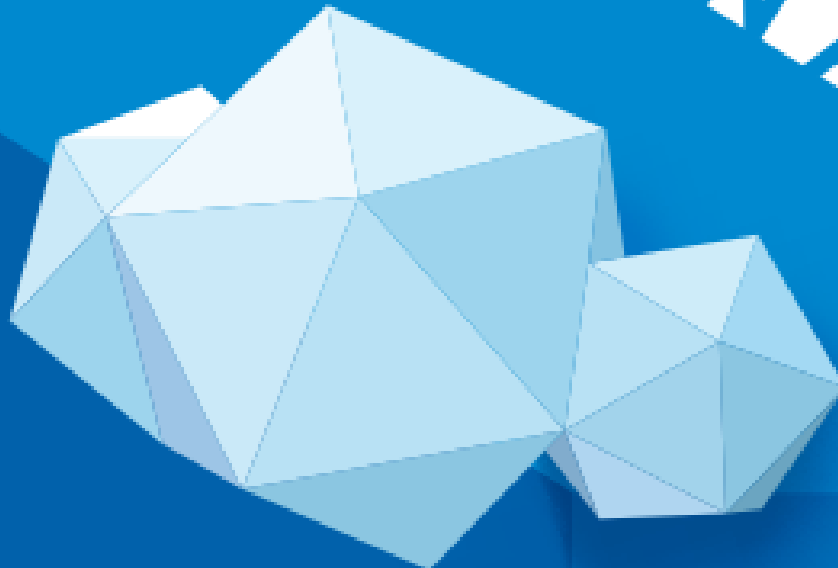


Gemtek

Wireless Broadband Anywhere

MAKING THE VISION A REALITY



Safe Harbor Notice

The following presentation may contain forward-looking statements regarding, among other things, our financial condition, future expansion plans and business strategies based on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions.

The company undertakes no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. The actual results could differ materially from those contained in these forward-looking statements.

Company Introduction

- ◆ **Established:** 1988
- ◆ **Location office:** Hsinchu Industrial Park, Hsinchu, Taiwan (Headquarter)
- ◆ **Global Total Employees:** ~ 4,500 (TWN: 950)
- ◆ **Capital:** NT\$3.02 Billion (US\$104.85 Million)



Hsinchu Headquarter

Floor Space: 322,000 SQF
Land Area: 215,000 SQF



Czech Republic

Plant Size: 102,000 SQF



Chang Shu Plant

Plant Size: 441,600.SQF
Land Size: 1,635,520.SQF



KuShan Plant

Plant Size: 330,000 SQF
Land Area: 150,000 SQF

2015 Financial Performance



2015 Income Statement

Units: NT\$ Thousands; Consolidated

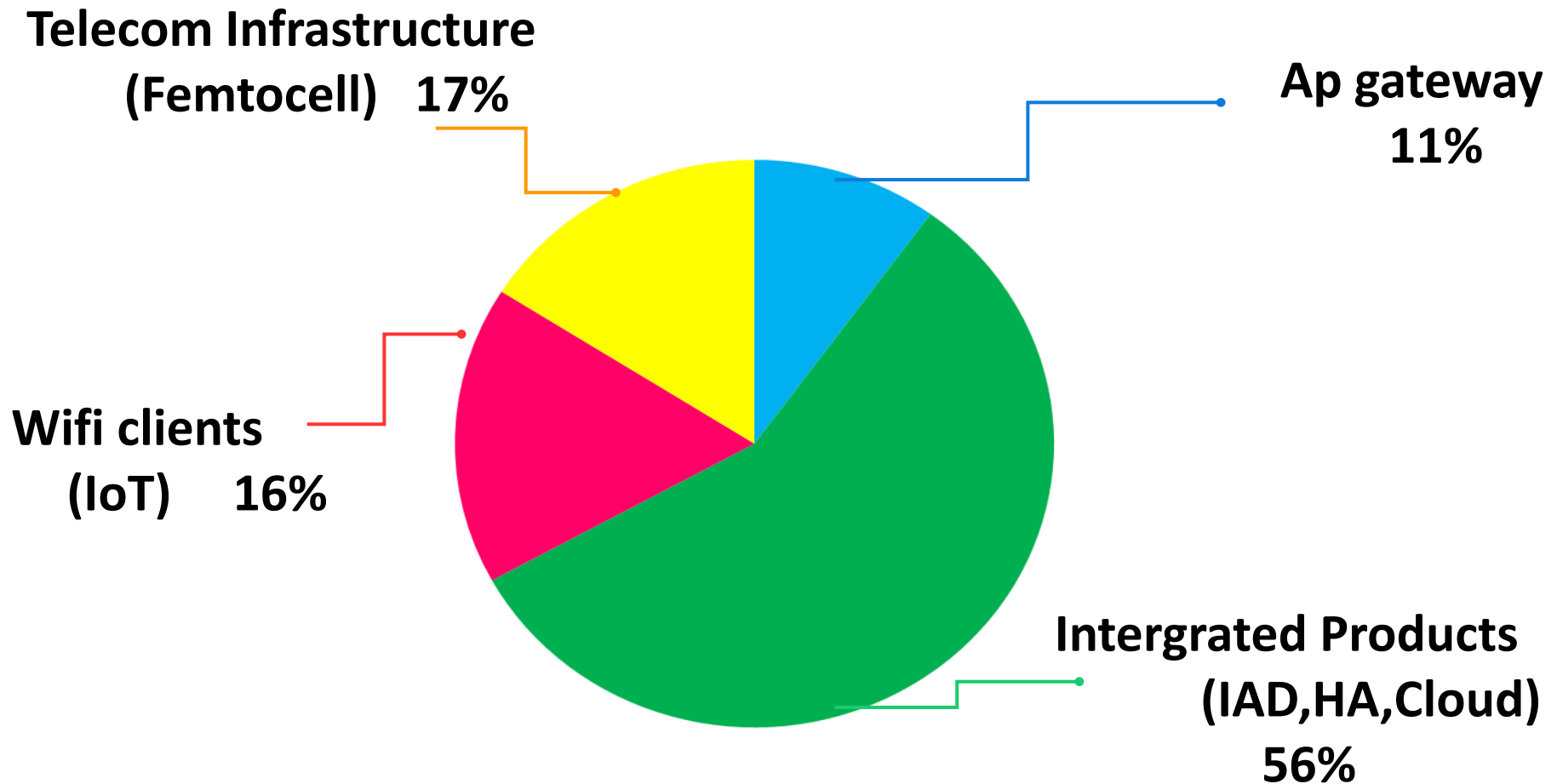
	2015		2014	
Sales Revenue (k)-	17,529,601	100%	17,684,261	100%
Gross Profit(K)	2,132,421	12.16%	1,850,401	11%
Operating Income	111,398	0.64%	(202,305)	(1%)
Non-Operating income and expense	140,183	0.80%	353,346	2%
Net Profit After Tax (k)	206,665	1.18%	71,644	0.4%
EPS after tax	0.69		0.23	

2015 Balance Sheet

Units: NT\$ Thousands; Consolidated

Asset	2015		Liability and Equity	2015	
	Amount	%		Amount	%
Cash Equivalents	3,880,733	25%	Short-term borrowing	1,821,788	12%
A/R	3,936,879	26%	A/P	2,457,059	15%
Inventory	1,108,564	7%	Other Payables& Current Liabilities	2,488,363	17%
Other Current Assets	578,470	4%	Non-current Liabilities	192,529	1%
Non-current Asset	5,948,193	38%	Total Liabilities	6,959,739	45%
Total Assets	15,452,839	100%	Total Equity	8,493,100	55%
			Total Liabilities & Equity	15,452,839	100%

2015 Revenue Breakdown by Product



2015 Summary of facts

- The China Exchange Rate Volatility and Labor costs increase has impacted the whole environment last year. But we see more and more service provider coming up which means more opportunities for Gemtek .
- IPSTB shipment is getting lower shipment since last year because of our indirect customer merged the other branding company in changing to Satellite STB.
- Ap router product itself is a mature and standardized products . Strategic decrease the portion of low margin router products.
- We have our first customer adopted our Smart Home cloud solution last year.
- We see the valuation in IoT market, and the investment in IoT RD resource which haven't contribute to the revenue yet.

2016 Driver

■ Wireless Broadband infrastructure driven:

- New G.fast technology customers are emerged in IAD business.
- Wireless 4G infrastructure products coming up in 2H2016.
- New customer in Wireless Broadband Market coming up 2H2016.



2016 Driver

■ Cloud foundry revenue driven:

- Next generation of Smart home gateway start to ship out in 2Q2016.
- GloT revenue driven not only from hardware trackers shipment fees, but also from Connectivity fees, License service fees, Operation fees in 2H2016.



Product Lines

Telecom Infrastructure



Product Lines

4GLTE CPE gateway (In/Out)

Dongle

Mifi

Small cell

Sample Products



Integrated Products



IAD: xDS L

GPON

G.fast

Cloud:

IPcam

Smart grid

Smart home gateway



Enterprise AP Router



High End Ap router

Telco router

Long Range AP



IoT



W-HDMI/PLC

Wifi Combo Modules

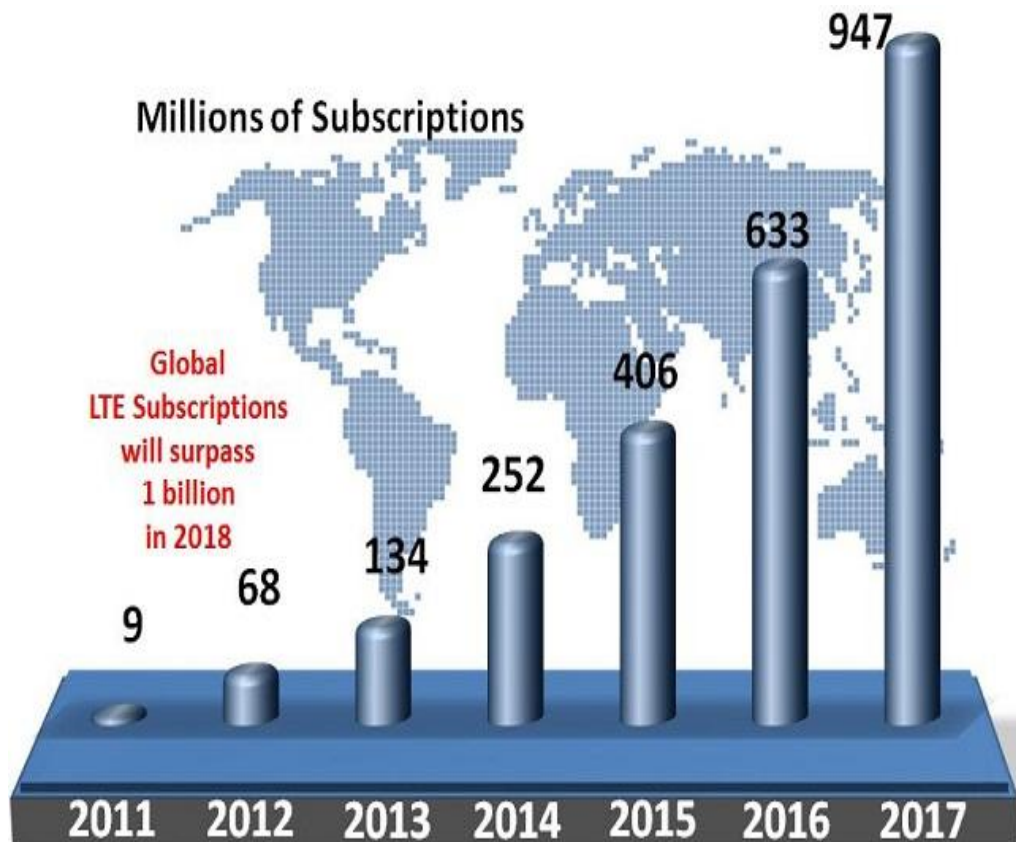
Wifi Repeater

Long Range IoT



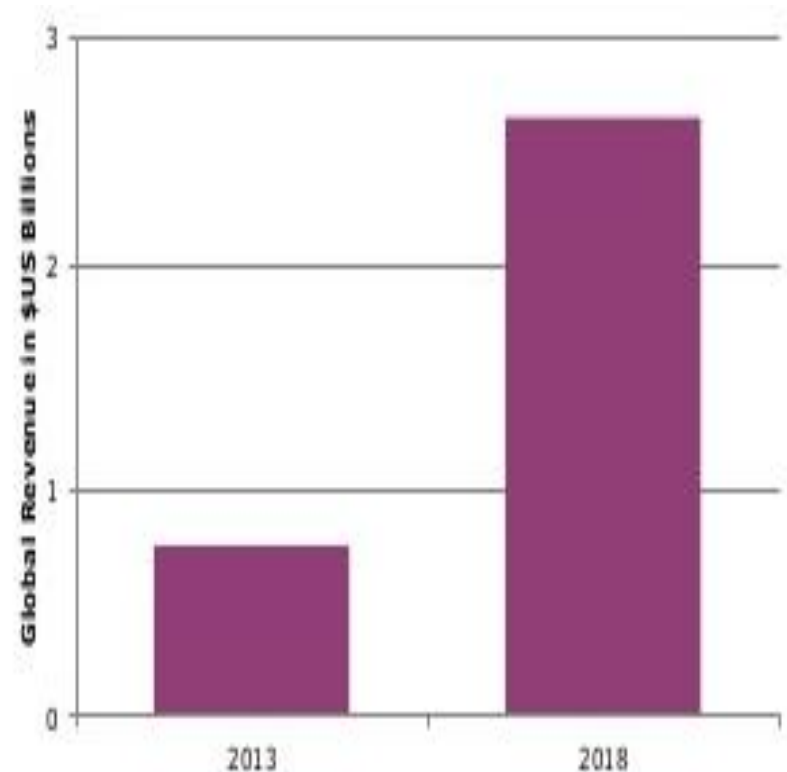
LTE Market Growth

- By early 2018, there will be 1 billion LTE connections.
- The small cell market grow \$2.5billion by 2018.



Source: Informa Telecoms & Media, Subscription Forecast, May 2013

www.4gamericas.org



Source: Infonetics Research Forecast

LTE Teleco Proven customer -permises product



Gemtek LTE Small Cell



LTE Single mode



Residential Small Cell
(Now)

LTE Single mode



Enterprise Small Cell
(Now)

UMTs/LTE Multi- Mode

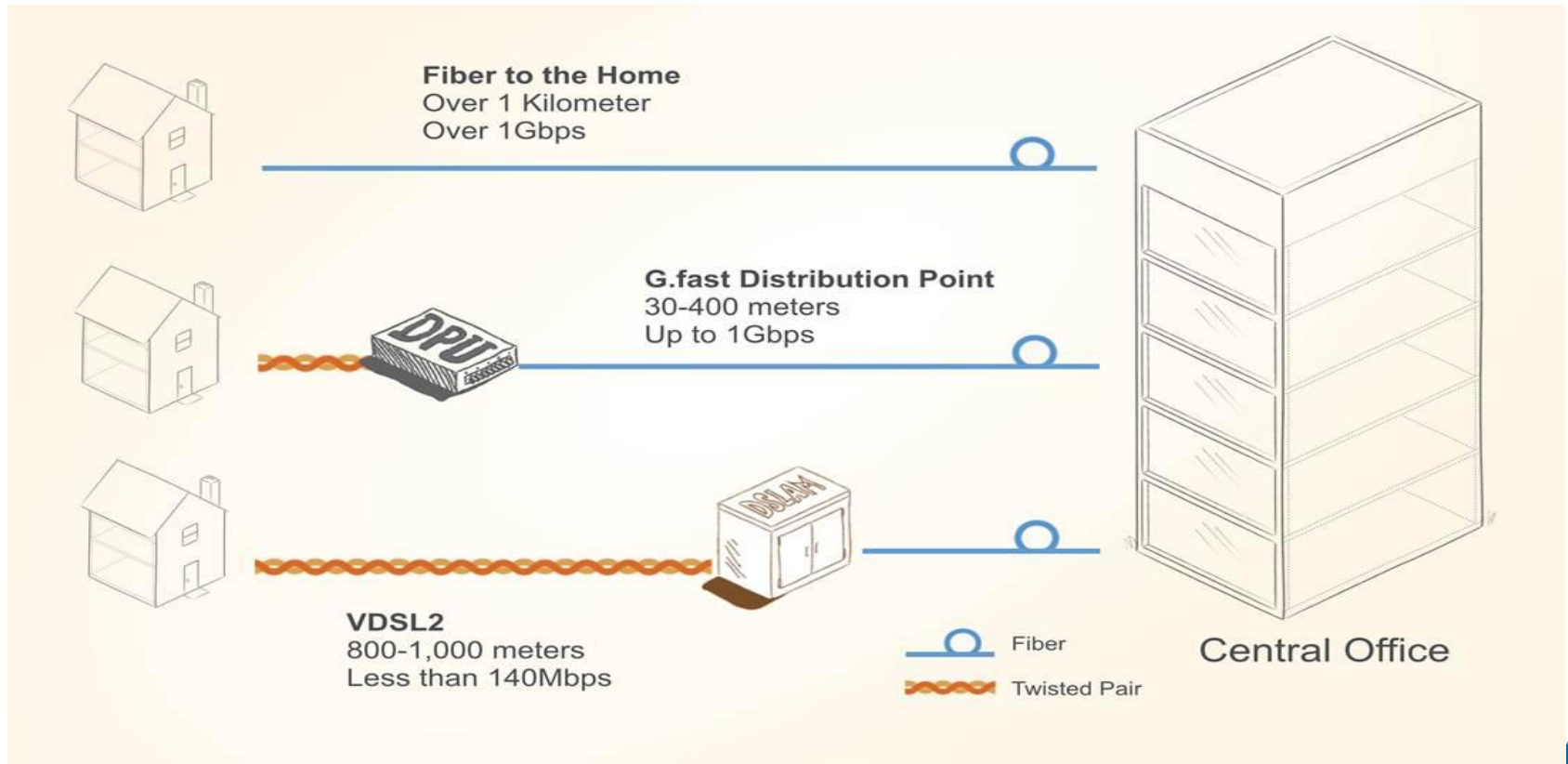


Outdoor Small Cell
(2016 Q3)

G.Fast broadband standard

G.FAST is the next generation provides up to 1Gbps of ultra broadband access to consumers over their existing copper telephone wiring.

1. **FIBER** performance over copper wiring
2. **LOWEST** cost per megabit delivered(No trenching or in-home installations)
3. **FAST** and easy to deploy



Integrated Products :GPON & G.fast

- ◆ New G.fast technology customers in North America have already emerged in IAD business.
- ◆ The next generation of DSL - G.fast solution which could enhance the Internet surfing experience .
- ◆ The highly integration consists Giga LAN, up to 4x4 11a/b/g/n/ac Wi-Fi, MoCA, Voice, could be integrated into one box



High End Access Point

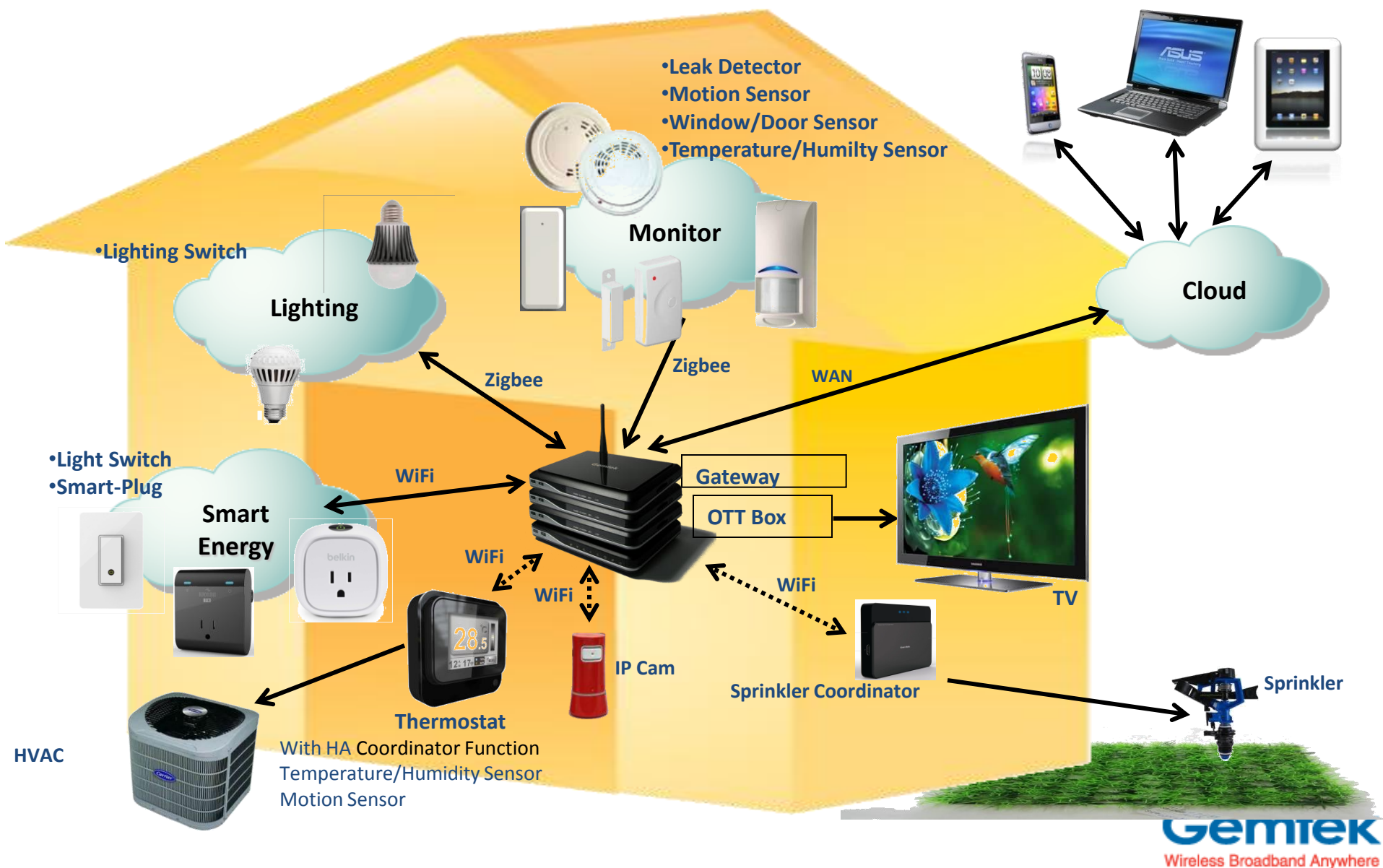
- ◆ Gemtek 802.11ac wave 2 Router, that delivers up to 1750Mbps wireless and Ethernet connectivity from 100Mbps to 1Gbps, provides multi-functional capabilities, particularly the high-performance throughput and high-quality security to propose an integrated, thorough SOHO solution.



Indoor IoT solutions (Home Automation)



Home Automation



Long Range IoT solutions



Global devices connected to the Internet



The World in 2020

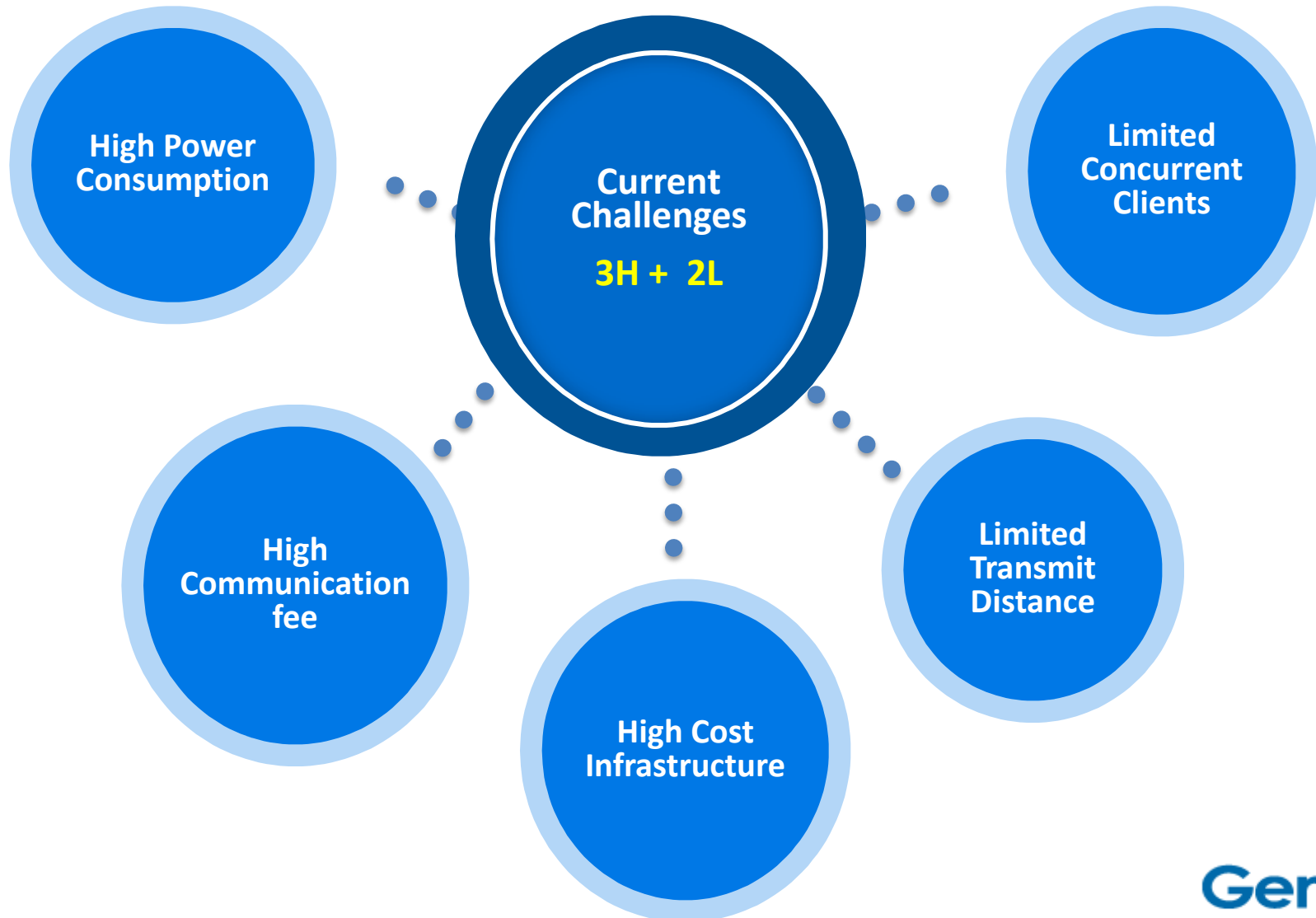
29.5 Billion
Connected “Things”

\$3.0 Trillion
Market Opportunity

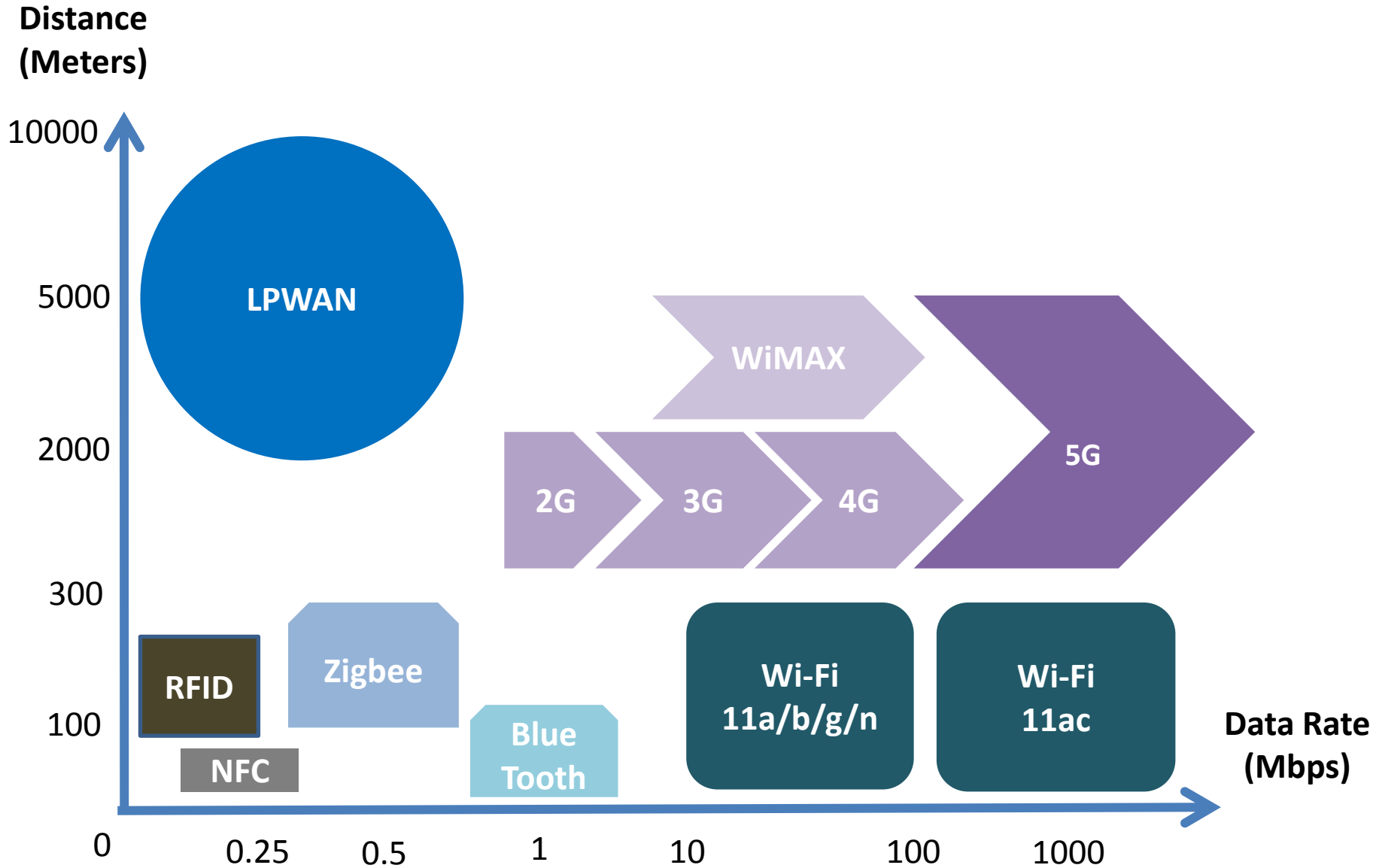
Source: IDC APeJ Internet of Things Market Forecast, April 2015

@CRASingapore

IoT Current Challenges



Long Range IoT LPWAN



Taipei IoT Smart City

- **Location**

- Taipei, first-tier city in Taiwan

- **Time**

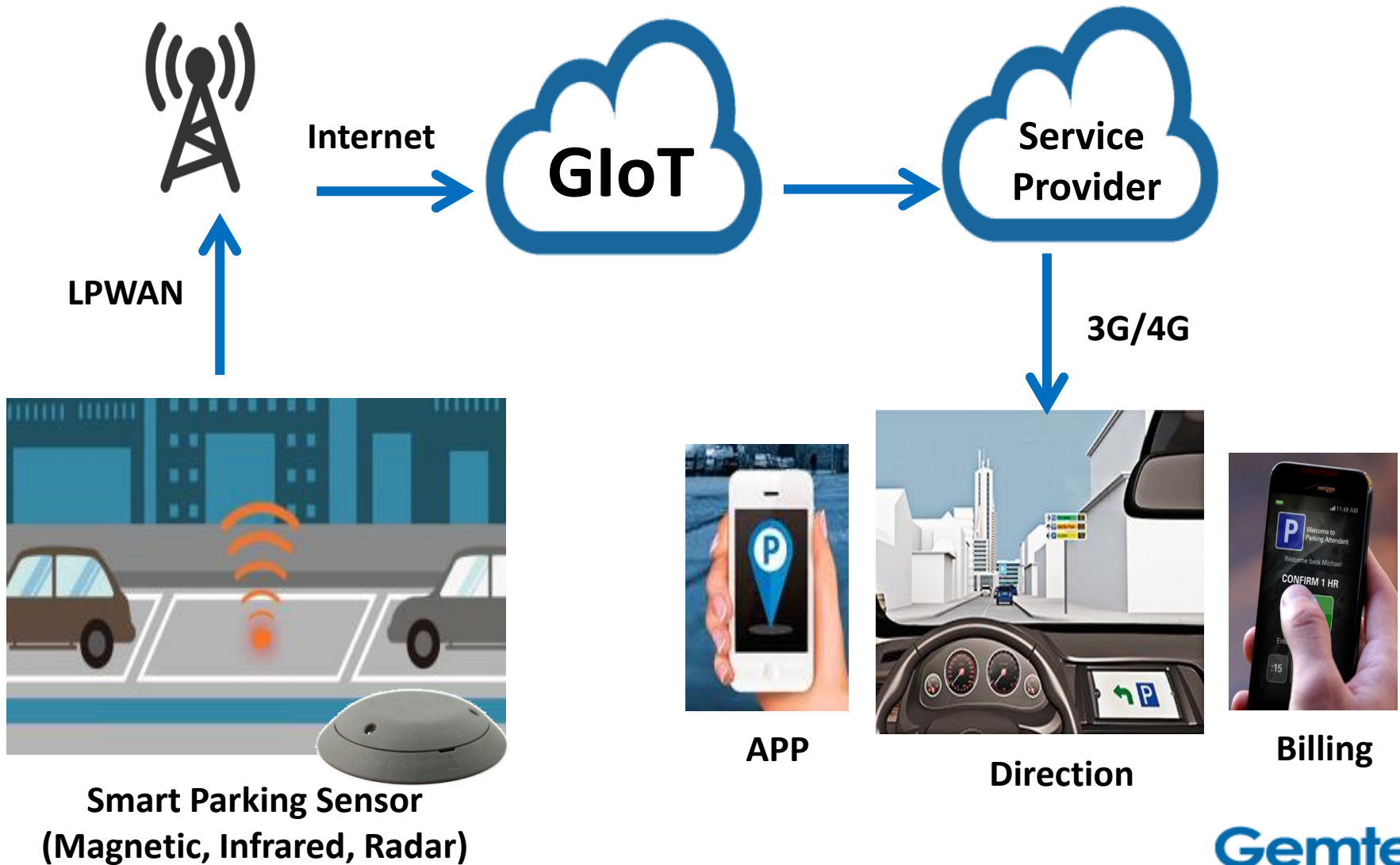
- Infrastructure ready by February, 2016

- **Launch**

- Coverage : 271.8 km² (whole city)
- 12+ outdoor APs
- Indoor APs for dead space and better coverage after field application deployed.



Smart Parking



Thank You

