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VIA Labs, Inc.

Investor Conference

2020-11-26



VIA Labs, Inc.

Disclaimer Statement

This presentation contains some forward-looking statements that may differ from those indicated by these statements as a result of various factors and uncertainties. You should consider these forward looking statements carefully because such statements are only our expectations or projections about future events.

The forward looking statements in this presentation including, but are not limited to, growth rates for various markets estimated by third party, future products and technology development, future revenue growth and profitability. The information in this presentation only reflects the prospect that VIA Labs, Inc. (the Company) expects up to now and the Company neither declares, either explicitly or implicitly, nor guarantees its correctness, completeness or reliability. Except as required by law, the Company does not undertake any obligation to publicly update any forward-looking statement to reflect events or circumstances after the date on which any such statement is made or to reflect the occurrence of unanticipated events.

Agenda

- **Company Profile**
- **Market Overview and Product Introduction**
- **Operations Overview**
- **Competitive Advantages & Future Prospects**
- **Corporate Governance**

COMPANY PROFILE

Company Profile

- **Company Name: VIA Labs, Inc.**
- **Founded: July 7th, 2008**
- **Listed for the first time on the Emerging Stock Market: December 20th, 2019**
- **Location: 7F, 529-1, Zhongzheng Rd., Xindian Dist. New Taipei City 231, Taiwan**
- **Capitalization: NTD 600,000,000**
- **Number of Employees: 190**
- **Major Products: USB and USB Type-C Related Controller ICs**
- **Parent Company: VIA Technologies, Inc.**

History: Quality & Product Evolution

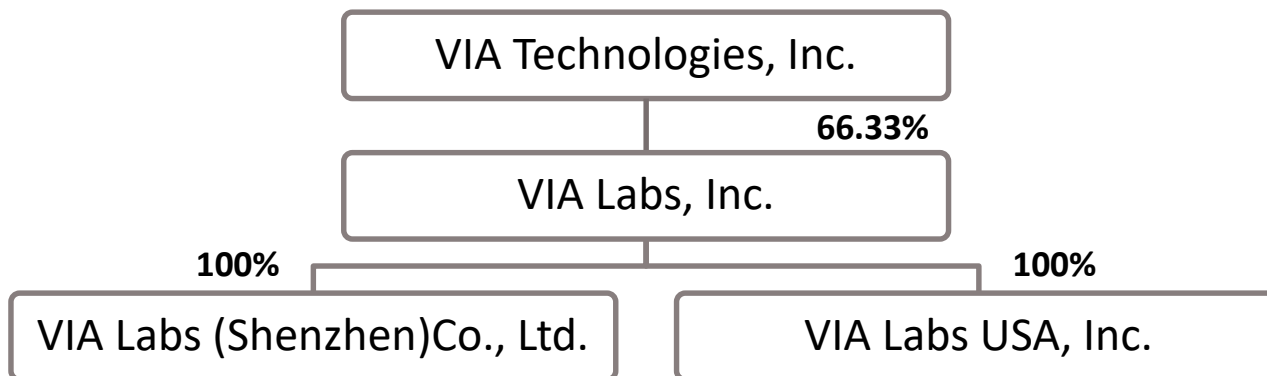
Leading Position in the Industry

- Y2010 Launched VL810, the World's 1st USB 3.0 Hub controller
- Y2010 VL700 USB 3.0 to SATA 3GB/s bridge controller is the fastest single-chip solution the industry
- Y2010 VL750 achieved the World's 1st USB-IF certified USB 3.0 Flash memory controller
- Y2012 Unveil USB2Expressway Dedicated Bandwidth Technology on VL812 USB 3.0 Hub controller; in the same year, active optical transceiver VO510 is awarded Computex Best Choice of Award
- Y2015 VL811+ USB3.0 Hub controller is certified by USB-IF association to be an official certification for KGH (Known-Good-Hub)
- Y2016 VL716 USB3.1 Gen2 to SATA 6GB/s Bridge Controller is certified by USB-IF association to be an official certification for KGD (Known-Good-Device)
- Y2017 VL820 USB3.1 Gen2 Hub controller is the World's 1st USB-IF Certified SuperSpeed USB 10Gbps hub controller and also certified by USB-IF association to be an official certification for KGH (Known-Good-Hub)
- Y2019 Unveil USB PD VP302 with PI InnoSwitch3-Pro is certified by USB-IF association to be an official certification for KGS (Known-Good-PD Source)

ISO Certification

- Y2010 ISO9001 Quality Management Systems
- Y2010 IECQ QC080000 Hazardous Substance Process Management System
- Y2020 ISO27001 Information Security Management System

Company Structure



2020.10.31

| Company Name | Location | Investment Amount | Operating Items | Number of Employees |
|------------------------------|-------------------------|-------------------|--|---------------------|
| VIA Labs, Inc. | New Taipei City, Taiwan | TWD 600M | IC Design and Development, Outsourcing Manufacturing and Sales | 176 |
| VIA LABS USA, INC. | California, USA | USD 300K | R&D Technology Testing | 4 |
| VIA Labs (Shenzhen)Co., Ltd. | Shenzhen, China | RMB 1M | Support & Testing Service | 10 |

Board Members

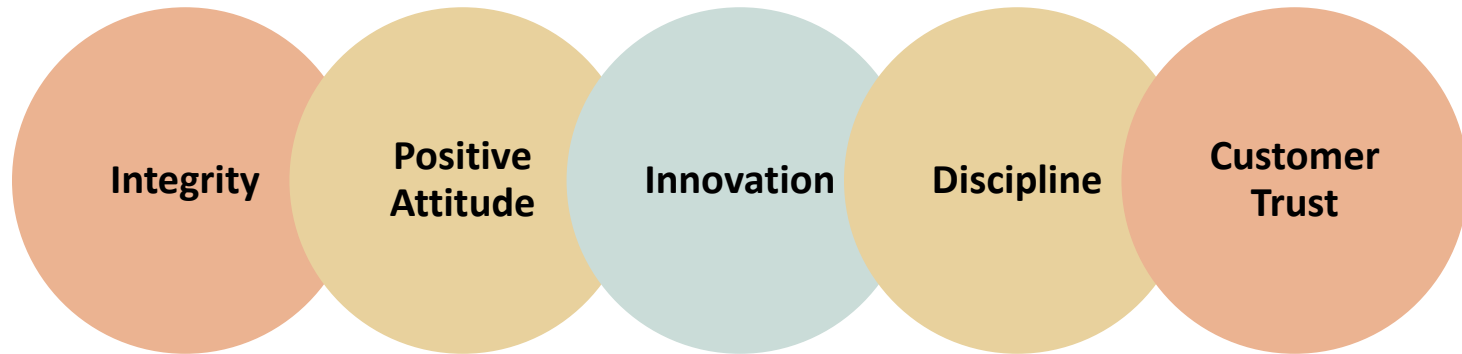
| Title | Name | Academic and Experiences |
|----------------------|-----------------|--|
| Director | Wenchi Chen | <ul style="list-style-type: none"> California Institute of Technology, Master of Electrical Engineering General Manager of SYMPHONY |
| Director | Tzumu Lin | <ul style="list-style-type: none"> California Institute of Technology, Doctor of Computer Science Director of GCH |
| Director | Cher Wang | <ul style="list-style-type: none"> UC Berkeley, Department of Economics Chairman of HTC |
| Director | Timothy Chen | <ul style="list-style-type: none"> UC Berkeley, Bachelor of Science in Engineering Chairman's Special Assistant of VIA |
| Director | Huang Chieh Chu | <ul style="list-style-type: none"> University of Toronto, MBA Director & General Manager of Taiwan Teleservices & Technologies Co., Ltd. |
| Director | Yueh-Chiang Yu | <ul style="list-style-type: none"> Hsing Wu University of Science and Technology, Business Administration Chairman of Shing Tak Footwear Co., Ltd. |
| Independent Director | Yun-Ming Shieh | <ul style="list-style-type: none"> National Tsing Hua University, Bachelor of Chemistry Chairman of Tayllen Industrial Co., Ltd. |
| Independent Director | Wei-Hsiung, Yin | <ul style="list-style-type: none"> Saginaw Valley State University, MBA CFO of Catchplay, Inc. |
| Independent Director | Pek Seng Ng | <ul style="list-style-type: none"> National Taiwan University, Bachelor of Economics Chairman of Caleb Professional Consulting Co., Ltd. |

Management Team

| Title | Name | Joined VLI | Academic and Experiences |
|--------------------------------------|-------------|------------|---|
| Chairman | Wenchi Chen | 2008.7 | California Institute of Technology, Master of Electrical Engineering Chairman & GM of VIA Technologies, Inc. |
| General Manager | Daniel Lin | 2009.3 | University of Maryland, Doctor of Electrical Engineering Senior Manager of Cirrus Logic Vice President of VIA Technologies, Inc. |
| Vice President R&D | Shelton Lu | 2017.12 | UC Santa Barbara Master of EECS Design Engineer of IDT DSP Vice President of ULSI Vice President of VIA Technologies, Inc. |
| Vice President & CFO | Miller Chen | 2016.1 | Soochow University, Master of Accounting Vice President & CFO of VIA Technologies, Inc. |
| Assistant Vice President of PM | David Hsu | 2008.7 | National Taiwan University, Master of Computer Science and Information Engineering Assistant Vice President of ASMedia Technology Inc. |
| Assistant Vice President of Sales | Kevin Huang | 2016.6 | University of South Australia, Master of Advanced Technology Management Assistant VP of American Megatrends International, LLC |

Company Philosophy & Vision

【Company Philosophy】



【Company Vision】

**Being a Global Leader in Mixed-Signal Centric Products
from DC to Multi-Gigabit Applications**



MARKET OVERVIEW

PRODUCT INTRODUCTION

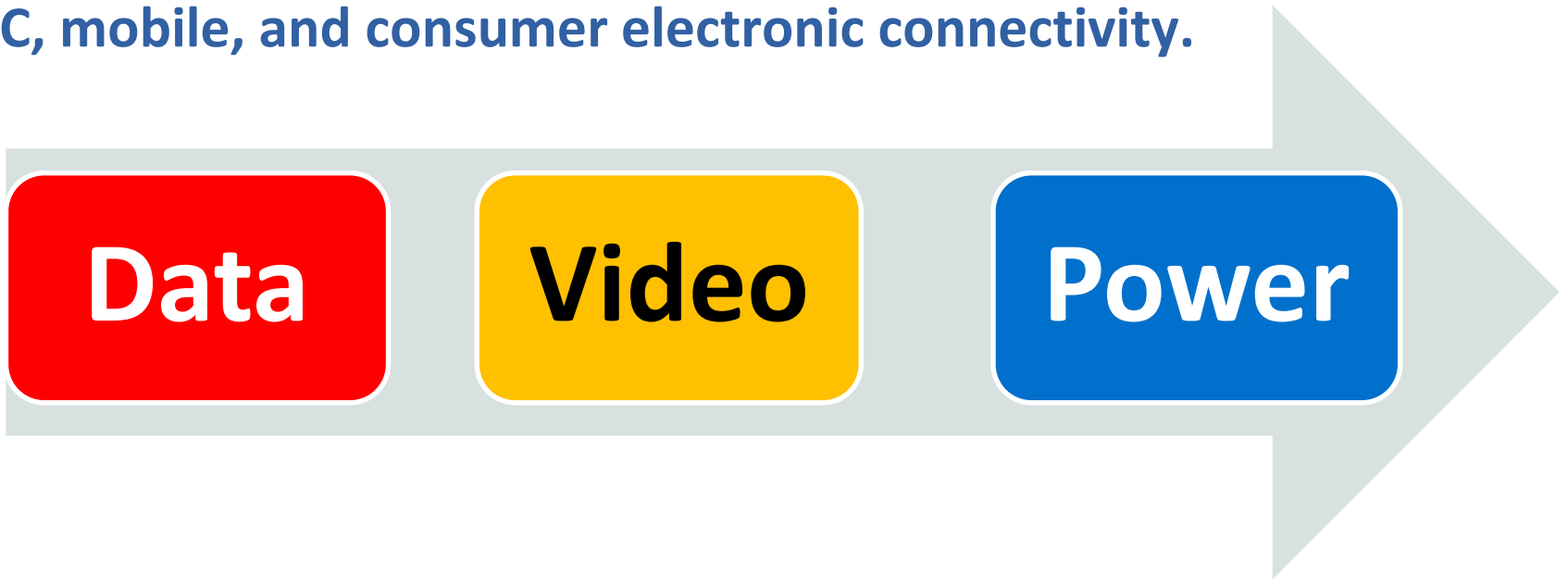
USB Specification Evolution

| Name | USB 1.1 | USB 2.0 | USB 3.X USB 3.0, USB 3.1, USB 3.2 | | | USB4 |
|----------------|-------------------------|------------|--------------------------------------|-------------|-------------|------------------------|
| Release Year | Y1998 | Y2000 | Y2008 | Y2013 | Y2017 | Y2019 |
| Marketing Name | Low Speed Full Speed | High Speed | SuperSpeed | SuperSpeed+ | SuperSpeed+ | USB4 |
| Transfer Rate | 1.5Mbps 12Mbps | 480Mbps | 5Gbps | 10Gbps | 20Gbps | 40Gbps |
| Power | 500mA | 500mA | 900mA | 900mA | 1.5A | 1.5A (PD: Max 100W) |

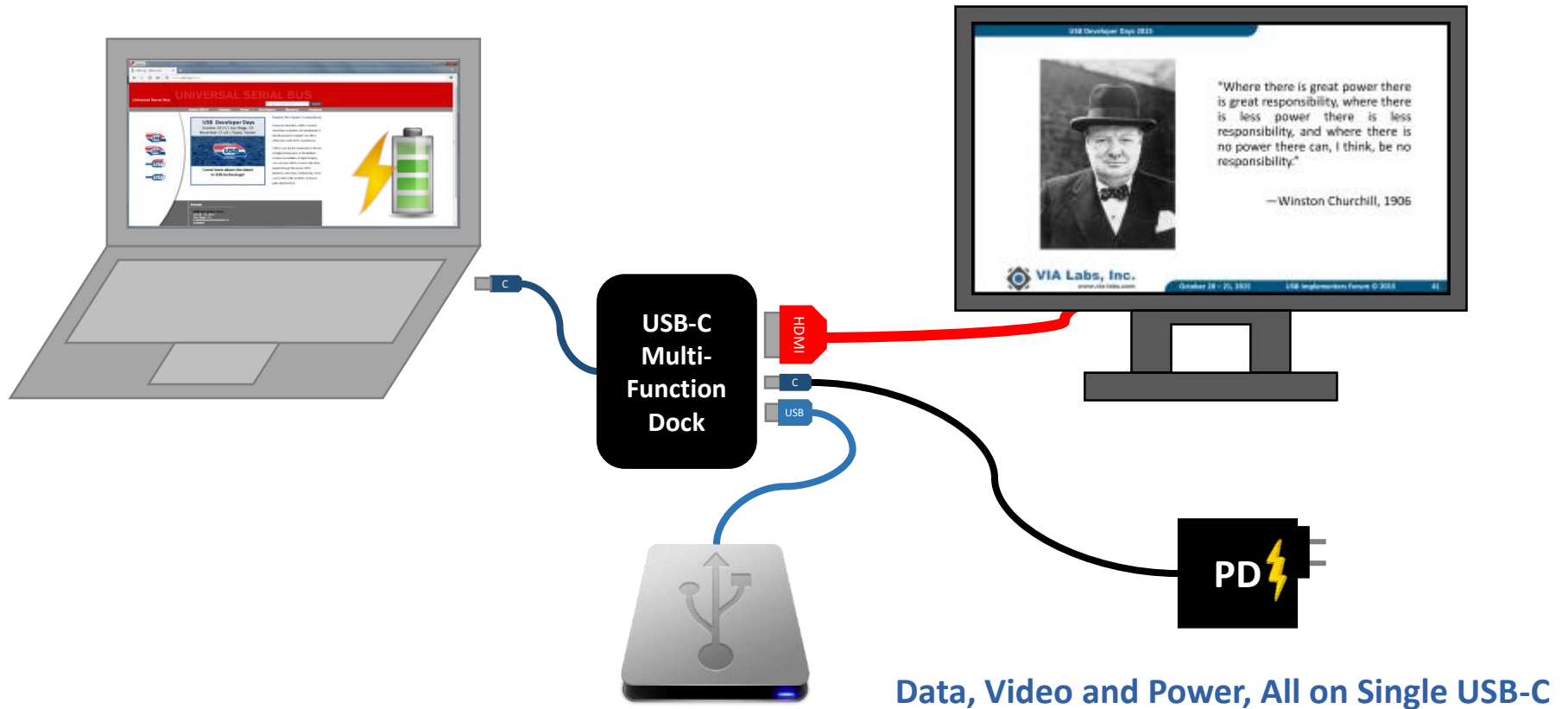
Y2014 : USB Implementers Forum launched innovative USB Type-C

USB-C (USB Type-C) Becomes Mainstream

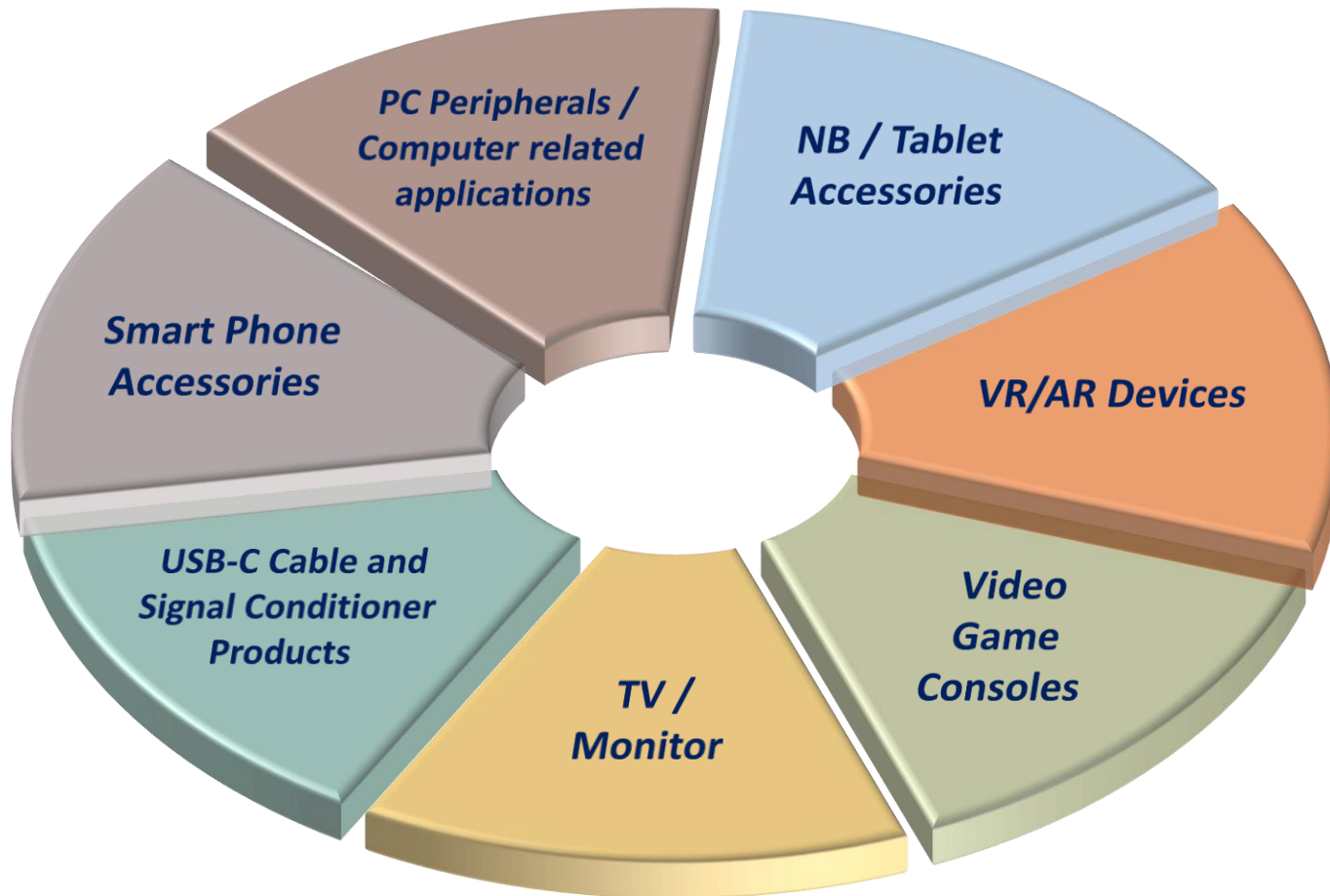
USB-C has revolutionized USB. It improves upon traditional USB advantages of plug-and-play connectivity with a new sleeker and reversible form factor that provides a standards-based single-connector solution with support for fast charging, data transfers, and audio/video transmission. USB-C is now the gold standard for PC, mobile, and consumer electronic connectivity.



Application Overview of Core Product Areas: SuperSpeed USB, USB Type-C, and USB PD



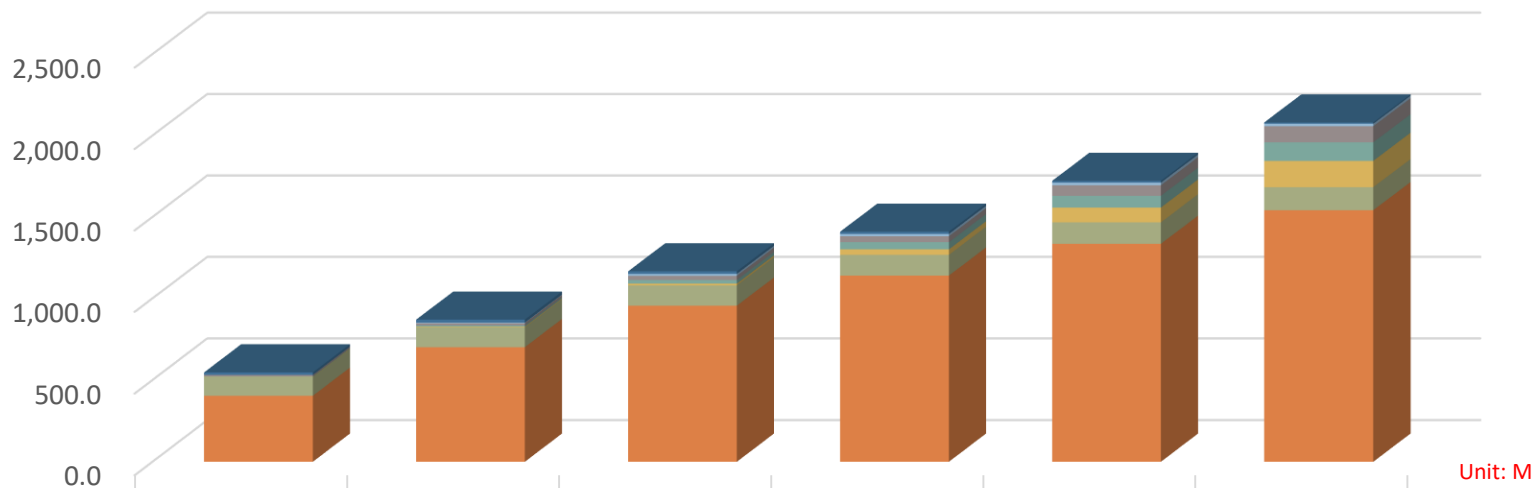
Major Product Applications



VLI's products cover a broad range from host to peripheral devices and everything in between. With continued development, USB-C will become more technically capable, enabling more and more future applications.

Market Prospect

USB-C Shipment



| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|------------------|--------------|--------------|----------------|----------------|----------------|----------------|
| Switch Shipment | 15.0 | 18.0 | 16.0 | 14.0 | 11.0 | 8.0 |
| PS5 Shipment | 0.0 | 3.4 | 11.4 | 13.9 | 16.0 | 15.2 |
| VR w/ USB-C | 9.9 | 14.3 | 25.8 | 36.3 | 64.7 | 98.5 |
| Monitor w/ USB-C | 3.0 | 7.5 | 22.3 | 44.1 | 72.3 | 114.2 |
| TV w/ USB-C | 2.2 | 4.4 | 11.1 | 33.8 | 90.7 | 161.6 |
| NB w/ USB-C | 112.9 | 120.6 | 124.2 | 127.4 | 131.7 | 141.1 |
| phone w/ USB-C | 403.5 | 701.0 | 955.5 | 1,140.0 | 1,335.4 | 1,541.9 |
| All | 546.5 | 869.3 | 1,166.3 | 1,409.5 | 1,721.7 | 2,080.3 |

Unit: M

Source : Reference to DIGITIMES Research and IHS Markit Research

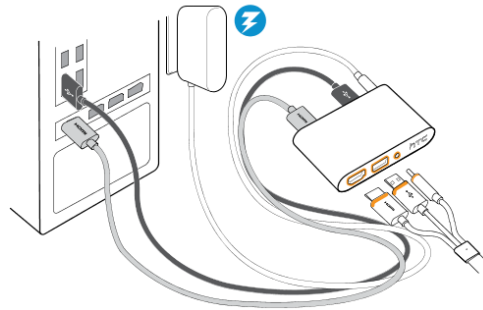
Application Example (I)



Application Example (II)



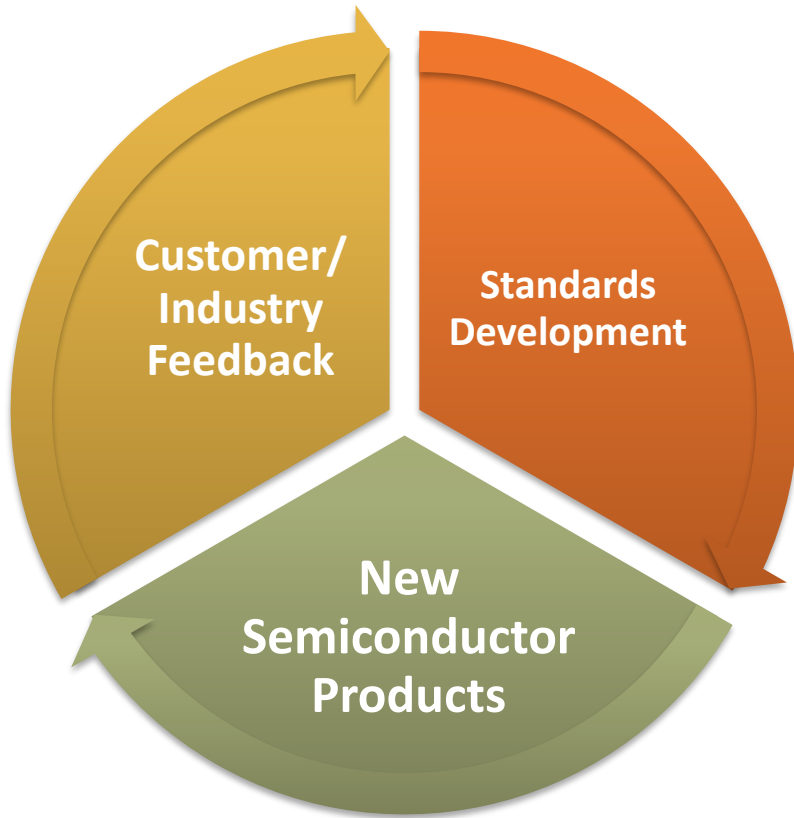
Application Example (III)



Core Competitiveness



Industry Position



USB Standards Development:

- › USB Type-C & USB Power Delivery
- › USB Authentication
- › USB PD Firmware Update
- › USB Type-C Bridge
- › China Communication Standards Association Fast Charging Standard using USB PD

USB Compliance Development:

- › World's First USB 3.0 Hub
- › World's First USB 3.1 Gen 2 Hub
- › USB 3.0 Hub – KGH
- › USB 3.1 Gen 2 Device – KGD
- › USB 3.1 Gen 2 Hub – KGH
- › Known Good PD Source (with PPS) – KGS

Microsoft

- › Windows 8/8.1/10 In-Box Driver
- › USB Test Team WHCK Development

Google

- › ChromeOS PD Stack Contributions through early HW testing
- › Vconn Powered Device & Fast Role Swap

Apple

- › USB Hub FW Update Kernel Extension
- › Early Development & HW Testing with CoreOS

Active Participation in Standards Development

USB

Enabling Connections™

[home](#) » [your work group memberships](#)

Your Work Group Memberships

| Work Group | Work Group |
|---|--|
|  Device Working Group |  USB Cairo |
|  > Audio |  USB Dublin |
|  > USB Display Class |  USB Newark |
|  Power Delivery |  > Active Cable |
|  > Baseband PHY |  > USB Newark Mechanical |
|  > PD Compliance WG |  > Electrical |
|  > PD FW Update |  > USB Newark PD |
|  > Power Supply |  USB Type-C Authentication WG |
|  > USB Type-C Bridging |  > Crypto Sub-Team |

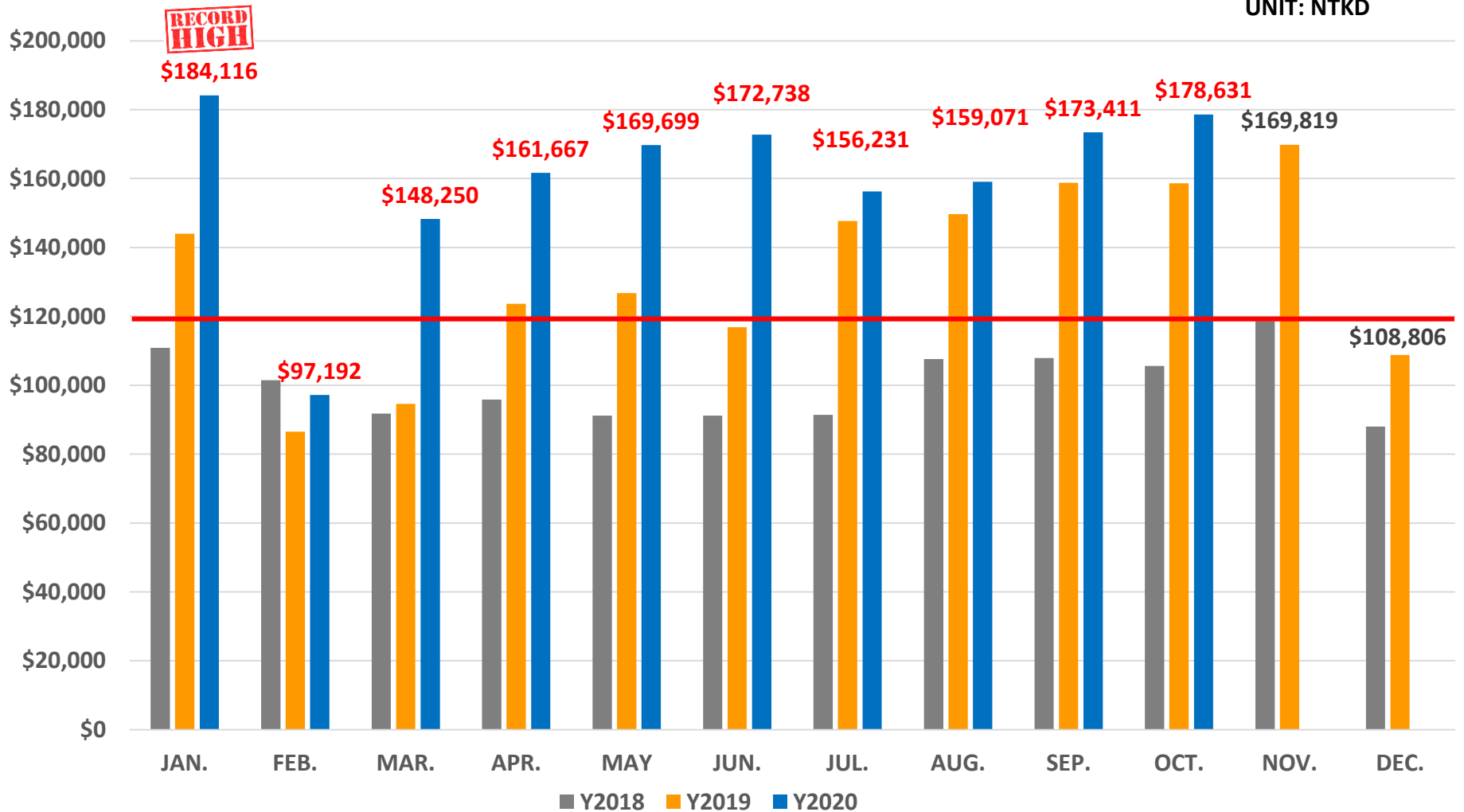
OPERATIONS OVERVIEW

Current customers



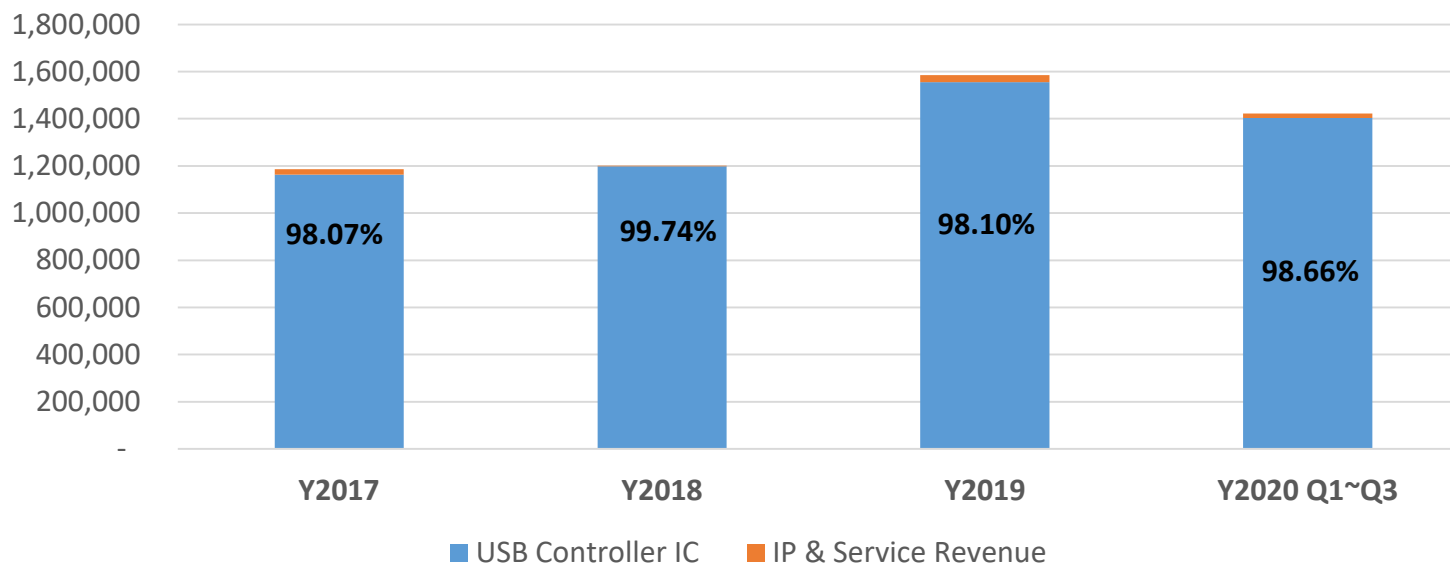
Y2018~Y2020 OCT. Monthly Revenue

UNIT: NTKD



Revenue by Category

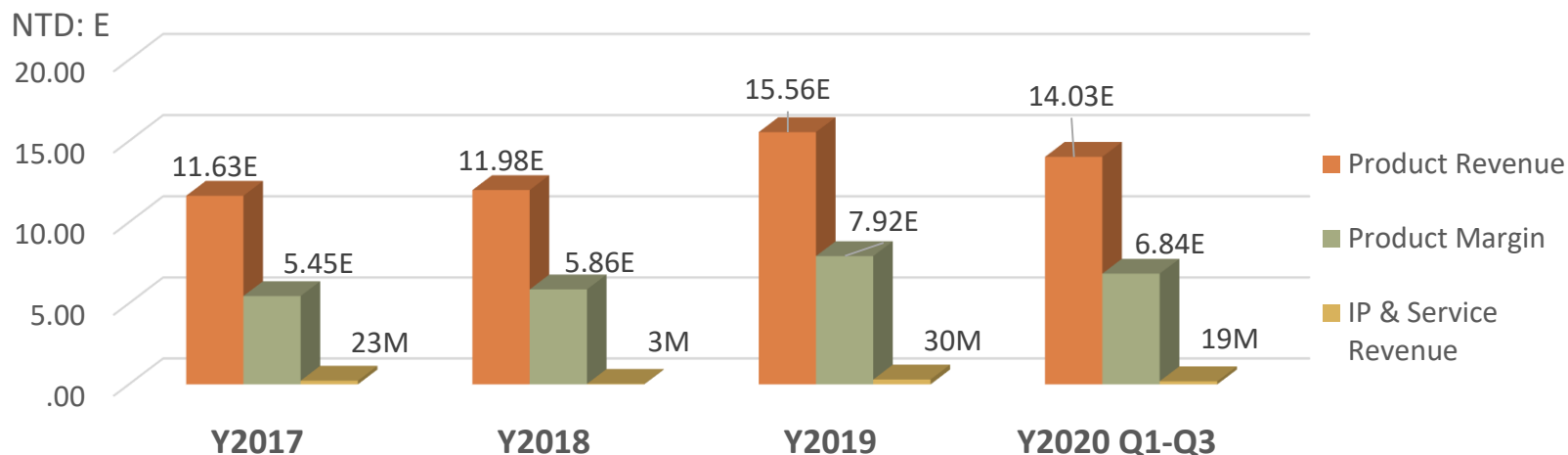
UNIT: NTKD



UNIT: NTKD

| Year | Y2017 | | Y2018 | | Y2019 | | Y2020 Q1~Q3 | |
|----------------------|------------------|------------|------------------|------------|------------------|------------|------------------|------------|
| Item | Revenue | % | Revenue | % | Revenue | % | Revenue | % |
| USB Controller IC | 1,163,158 | 98.07 | 1,198,386 | 99.74 | 1,555,553 | 98.10 | 1,403,325 | 98.66 |
| IP & Service Revenue | 22,860 | 1.93 | 3,124 | 0.26 | 30,135 | 1.90 | 19,050 | 1.34 |
| Total | 1,186,018 | 100 | 1,201,510 | 100 | 1,585,688 | 100 | 1,422,375 | 100 |

Y2017~Y2020 Q3 Financial Performance



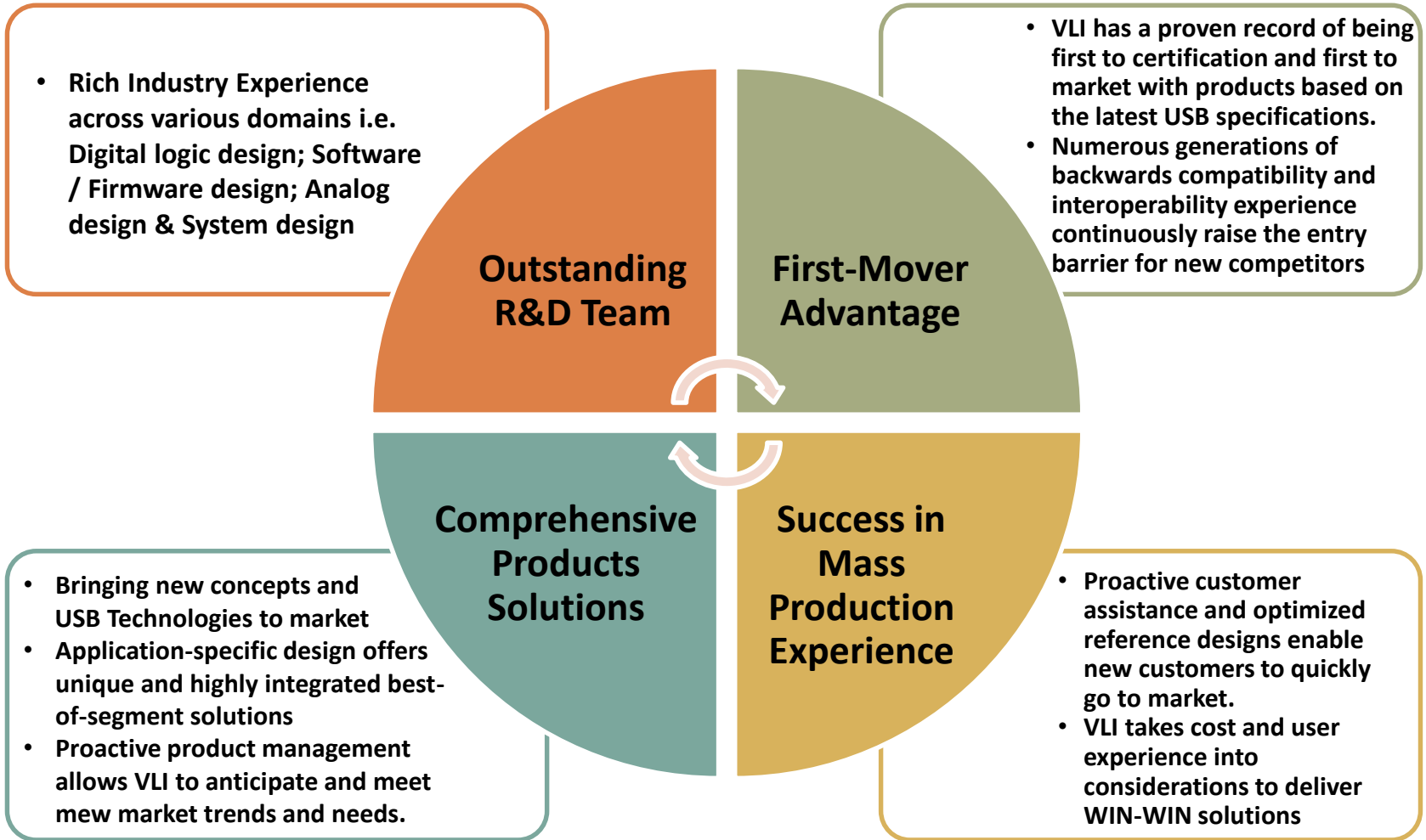
UNIT: NTKD

| ITEM \ YEAR | Y2017 | Y2018 | Y2019 | Y2020 Q1~Q3 |
|--------------------|-----------|-----------|-----------|-------------|
| Revenue | 1,186,018 | 1,201,510 | 1,585,688 | 1,422,375 |
| Gross Margin | 568,163 | 589,426 | 821,820 | 702,622 |
| Gross Margin % | 48% | 49% | 52% | 49% |
| Expenses | 435,180 | 462,531 | 541,633 | 427,248 |
| Operating Income | 132,983 | 126,895 | 280,187 | 275,374 |
| Operating Margin % | 11% | 11% | 18% | 19% |
| Net Income | 95,904 | 123,912 | 242,819 | 234,719 |
| EPS (NT Dollars) | 2.1 | 2.07 | 4.05 | 3.91 |

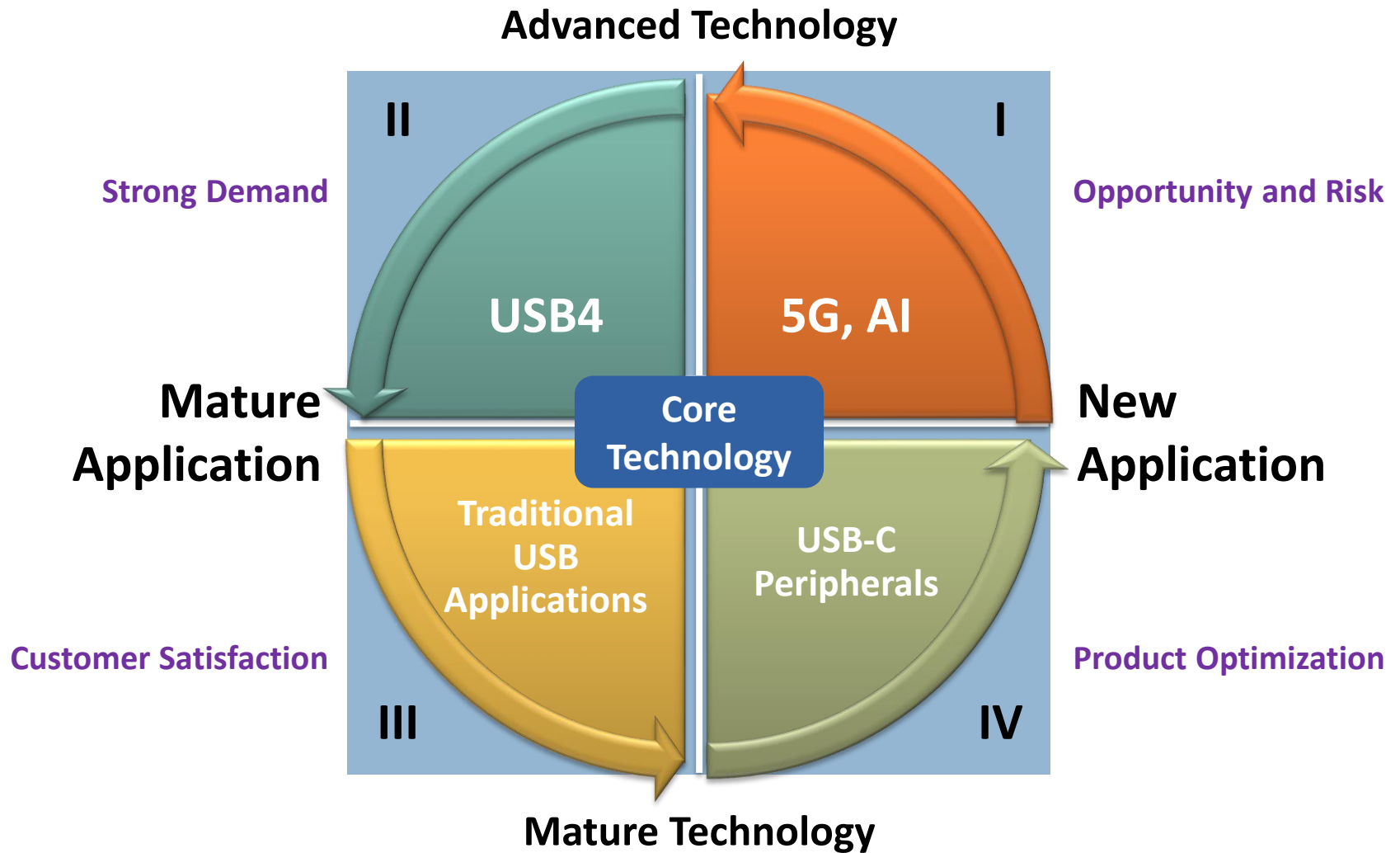
Note: At the end of 2017, the share capital increased from 450 million to 600 million

COMPETITIVE ADVANTAGES & FUTURE PROSPECTS

Competitive Advantages



Future Development Strategy



Factors for Strong Future Development



Robust local semiconductor industry with complete supply chain from wafer to finished goods



Faster-Speed interfaces require more advanced process and design technology, leading to fewer competitors



Demand for 4K/8K high-resolution, high-frame rate video drive demand for faster data transmission interfaces



Multi-functional peripherals and fast charging drive demand for next-generation charging and expansion products



USB Implementer Forum certification in more product categories allows more opportunities to win OEM brand's business

Future Product Development and Growth Momentum

USB4

- Based on Thunderbolt technology and requires USB-C connector and USB PD. Specifications were released in 2019 and support data transfer at 40Gbps and beyond. Tunneled protocol supports USB / DisplayPort / PCIe.

Platform Enhancements

- Continue to improve product competitiveness through customer & industry feedback. Actively ensure market share by providing products that are more optimized, more highly integrated, and meet the latest specifications.

Security Chip (Secure Firmware Update manager)

- Develop several methods to add firmware security protection to new ICs. Embed a root of trust to create a protected operating environment to reduce threats of malicious firmware and software-only exploits.

DP Converter

- This enables USB Type-C to connect with more displays and TVs, supporting UHD 4K & 8K quality
- This is rapidly growing product category is aligned with USB PD and USB Hub products

Future

- Mixed signal processing chips powering future related products applications in AI, IoT, 5G, etc.

CORPORATE GOVERNANCE

Corporate Governance

Safeguard shareholder rights and treat shareholders equally

- The operation of the company's shareholders meeting is handled in accordance with the "Rules of Procedure of the Shareholders' Meeting", in compliance with the company law and relevant laws
- The company has a spokesperson system, and the company website has a communication channel for "Stakeholders Zone" and "Investor Zone"

Strengthen the structure and operation of the board of directors

- The operation of the board of directors of the company is conducted in accordance with the "Guidelines for the Board of Directors", in line with relevant laws and regulations
- Nine directors, including three independent directors
- The independent directors of the company exercise their powers in accordance with the "Rules for the Scope of Independent Directors"

Improve information transparency

- Announcement and various financial and business information within a specified time limit in accordance with relevant laws and regulations
- The company's website has established company's financial business-related information and corporate governance information for reference by shareholders and stakeholders

Implement corporate social responsibility

- The company sets up corporate integrity management promotion units and corporate social responsibility promotion units to ensure that the company implements integrity management policies and fulfills corporate citizenship responsibilities
- The company implements environmental protection and social participation, and requires supplier management to also fulfill social responsibilities

Corporate Social Responsibility

- The company is committed to fulfilling corporate social responsibility to protect the rights and interests of employees, provide employees with a safe and secure working environment, ensure that employees are protected and respected, and fulfill the corporate social and environmental responsibilities. In order to comply with the RBA Standards (Responsible Business Alliance Code of Conduct "Responsible Business Alliance, RBA), we promise:
 1. Humanitarian care and human rights
 2. Health and safety, prevention of occupational accidents
 3. Protect the earth and respond to environmental protection
 4. Comprehensive management system and continuous improvement program
 5. Integrity management, respect for intellectual property right



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For more information about VLI:

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Vision
Leadership
Intelligence

Thank You