



CASwell

2018 Q3 Investor Conference

Nov. 21, 2018



<https://www.cas-well.com>

Safe Harbor Statement



Our discussion may include predictions, estimates or other information that might be considered forward-looking.

While these forward-looking statements represent our current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially.

Undue reliance should not be placed on any forward-looking statements, which reflect our opinions only as of the date of this presentation. We undertake no obligation to update them.

Agenda



2018 Q3 Financial Results



Business Highlight



Strategies for Future Growth



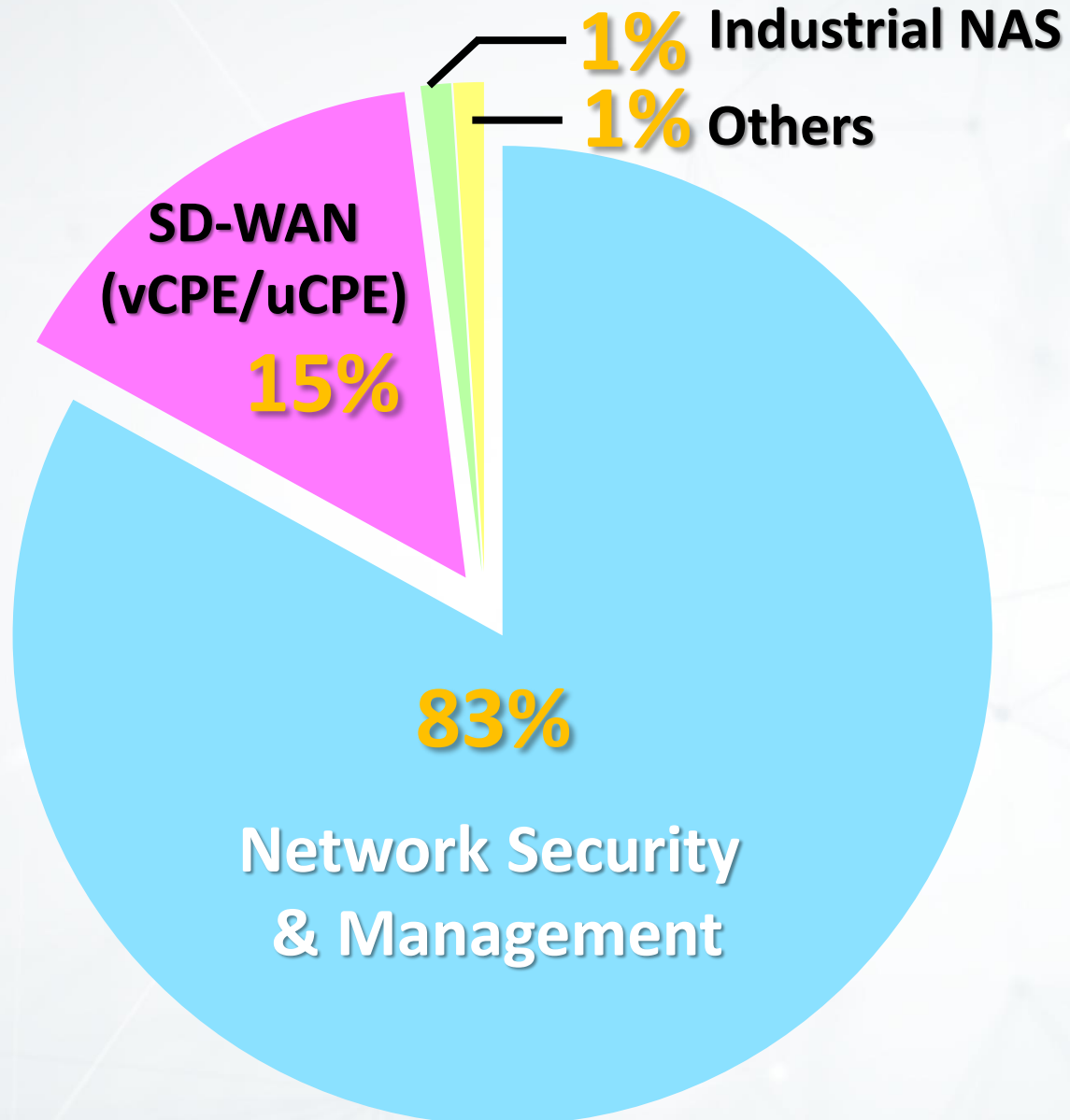
Q & A


2018 Q3 Financial Results



NT\$ M	2017		2018		QoQ	YoY
	Q2	Q3	Q2	Q3		
Revenues	936	1,091	949	1,127	18.8%	3.3%
Gross Profit	173	195	178	232	30.3%	19.0%
Gross Margin %	18.5%	17.9%	18.7%	20.6%	190bps	270bps
Operating Expense	92	87	95	103	8.4%	18.4%
Operating Income	81	108	83	129	55.4%	19.4%
Operating Margin %	8.6%	9.9%	8.7%	11.4%	270bps	150bps
Interest Income(Expense)	0	0	2	1	-	-
FX Gain(Loss)	4	1	18	0	-	-
Other Non-operating Income(Expense)	8	2	0	1	-	-
Net Income	77	94	79	105	32.9%	11.7%
Net Income (Deducted Minority Interest)	75	94	78	105	34.6%	11.7%
EPS (NT\$)	1.26	1.57	1.16	1.54	32.8%	-1.9%

3Q 2018 Revenue & GM by Product



 **CASwell Q3 Total Revenue**

Revenue	Gross Margin
NT\$ 1,127 M	20%

■ Network Security and Management

Revenue (Ratio)	Gross Margin
NT\$ 935 M (83%)	16% ~ 25%

■ SD-WAN (vCPE, uCPE)

Revenue (Ratio)	Gross Margin
NT\$ 171 M (15%)	17% ~ 23%

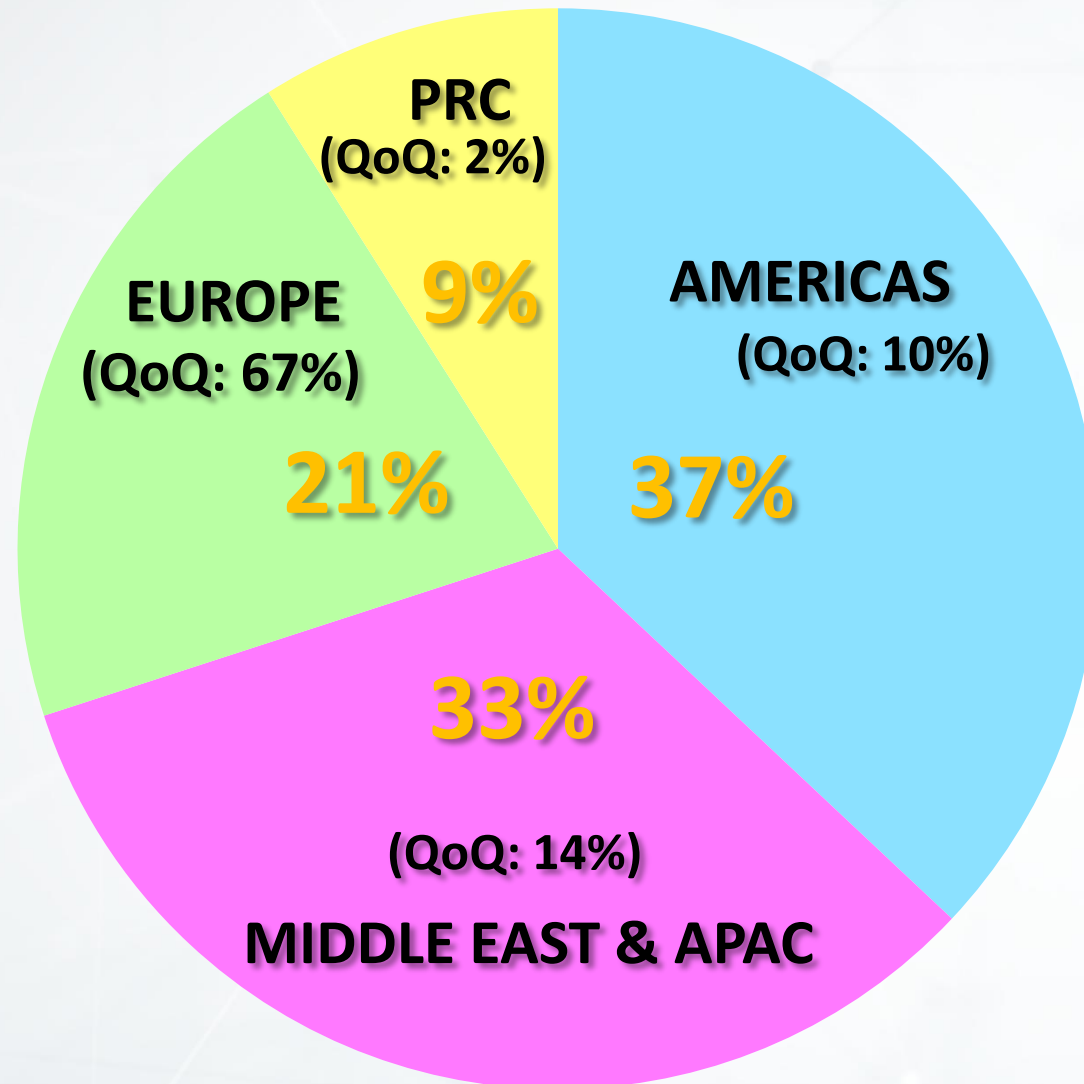
■ Industrial Storage (NAS)

Revenue (Ratio)	Gross Margin
NT\$ 14 M (1%)	28% ~ 32%

■ Others

Revenue (Ratio)	Gross Margin
NT\$ 7 M (1%)	16% ~ 18%

Q3 2018 Revenue by Region



CASwell Revenue

Q3 Revenue	Q1-Q3 Revenue
NT\$ 1,127 M	NT\$ 3,029 M

AMERICAS

Q3 Revenue (Ratio)	Q1-Q3 Revenue (Ratio)
NT\$ 421 M (37%)	NT\$ 1,139 M (38%)

MIDDLE EAST & APAC

Q3 Revenue (Ratio)	Q1-Q3 Revenue (Ratio)
NT\$ 377 M (33%)	NT\$ 1,082 M (35%)

EUROPE

Q3 Revenue (Ratio)	Q1-Q3 Revenue (Ratio)
NT\$ 234 M (21%)	NT\$ 515 M (17%)

PRC

Q3 Revenue (Ratio)	Q1-Q3 Revenue (Ratio)
NT\$ 95 M (9%)	NT\$ 293 M (10%)



THANK YOU
