

No.1 Born-in-the-Cloud MSP in Asia

eCloudvalley Digital Technology


(6689 TT)

October 2018



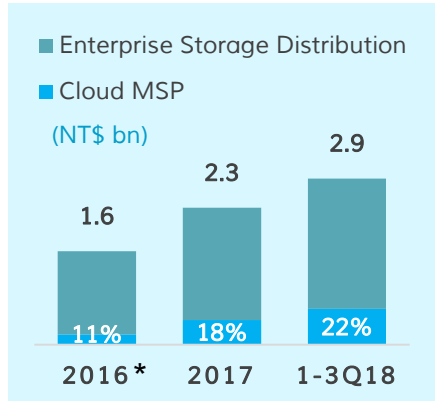
eCloudvalley Snapshot

 **Founded in 2013**

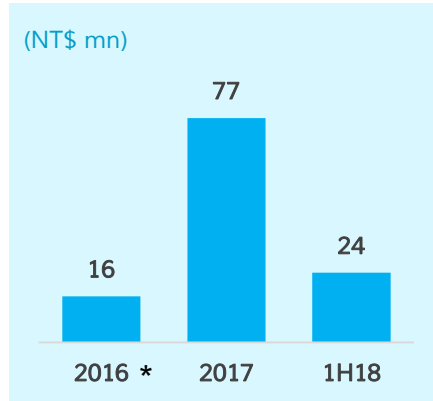
 **Headquarters Taipei, Taiwan**

 **Employees 145 in 3Q18**

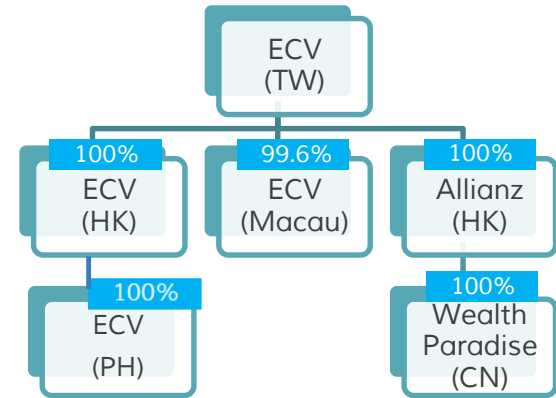
eCloudvalley Revenue Mix



eCloudvalley Net Income



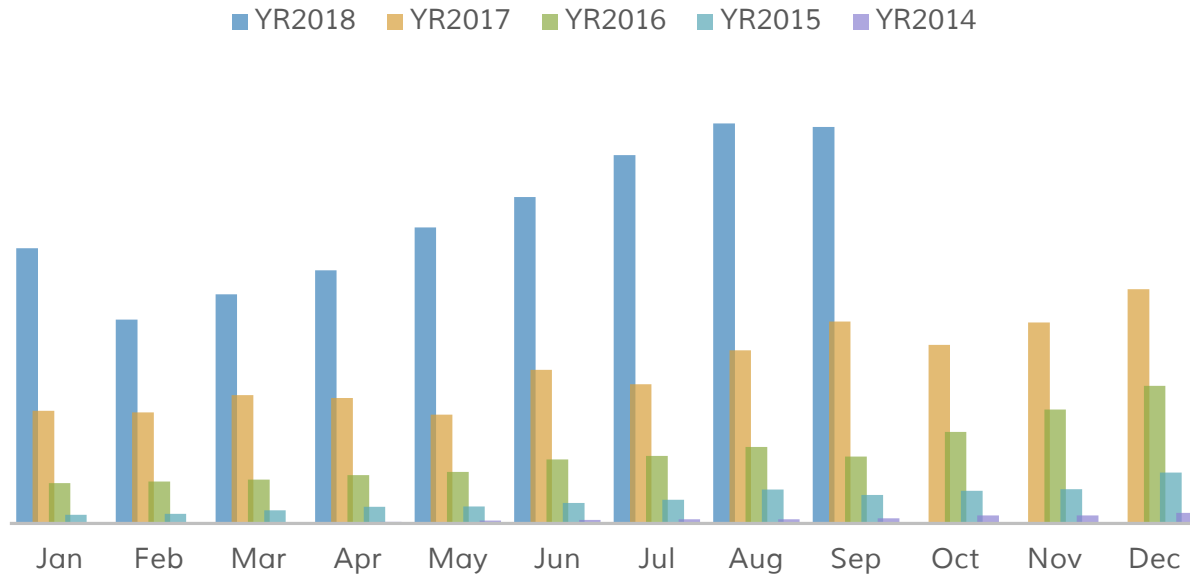
eCloudvalley Company Structure



Talented Person | Technical Ability | Relationship | Automation Platform

*eCloudvalley acquired Allianz Vantage (enterprise storage distribution) in Jan 2017.
2016 data is based on unaudited pro-forma consolidated financials.

Cloud BU Monthly Sales: Growing at a Rapid Pace



Milestones

- AWS**
 - Consulting Partner
 - Channel Reseller
- HGST**
 - **Best Reseller** & Partner Award
 - Appreciation Award



- AWS**
 - Authorized Government Partner
- HGST**
 - Best Reseller & Partner Award
 - Appreciation Award



- AWS**
 - Advanced Consulting Partner
 - Managed Service Partner

- HGST**
 - Best Reseller & Partner Award
 - Appreciation Award



- AWS**
 - **Premier Consulting Partner**
 - Authorized Training Partner
 - AWS 100 Certified
 - ISO 27001 & ISO 27017

- HGST**
 - Best Reseller & Partner Award
 - Appreciation Award



- AWS**
 - **DevOps Competency**
 - Awarded “MVP of the Year” & “Mountain Mover” at AWS Partner ConneXions



- 2014**
- Started providing AWS managed services
 - Oct 2014: Expanded to China Region

2015

- 2016**
- May 2016: Expanded to HK Region

- 2017**
- Dec 2017: Expanded to the Philippines

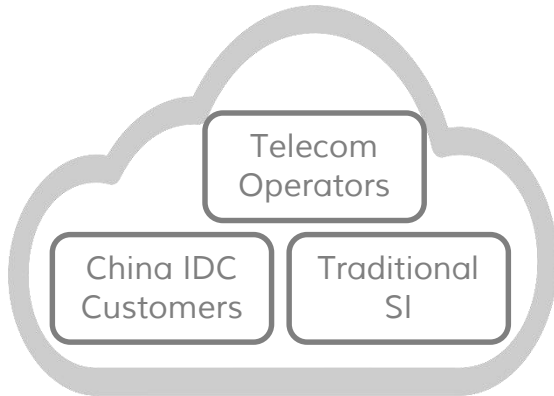
- 2018**
- Jul 2018: Listed on Taiwan Emerging Stock Board

Our MSP Business Model



Recommend
eCloudvalley to
customers

Local System Integrator



"eCloudvalley
inside"

Recommend
customers to use
ISV applications

Independent Software
Vendor (ISV)



Provide turnkey
solutions to
customers

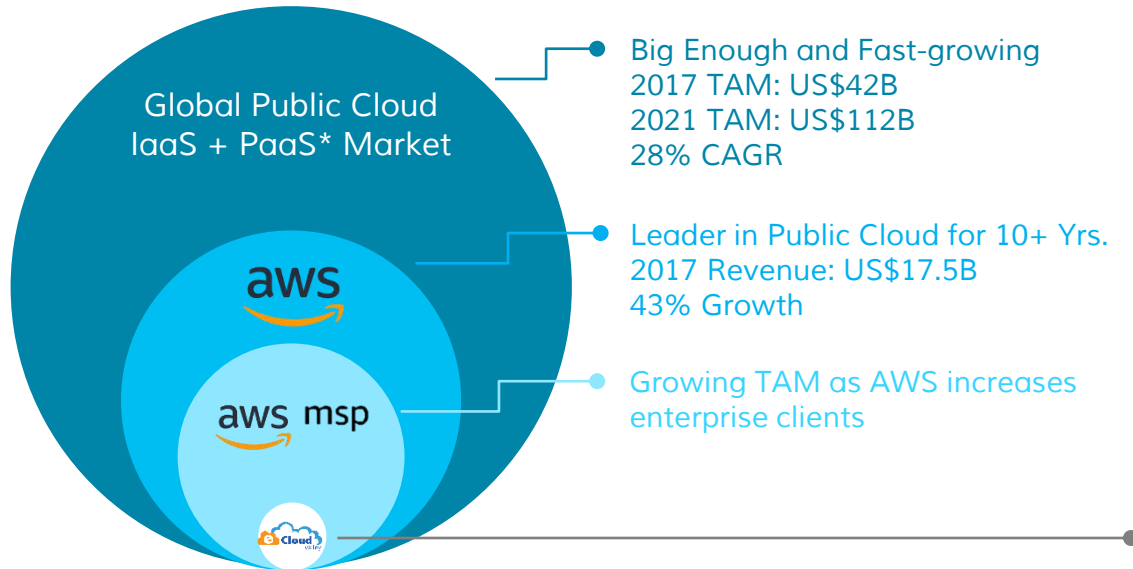
Customers use
ISV applications
on top of AWS

Provide turnkey
solutions to
customers

Customers who
plan to migrate
to AWS



Grow with The Giant – AWS – in a Fast-growing Market



Source: Gartner, Amazon

Sources of share gain:



Geo expansion with AWS support



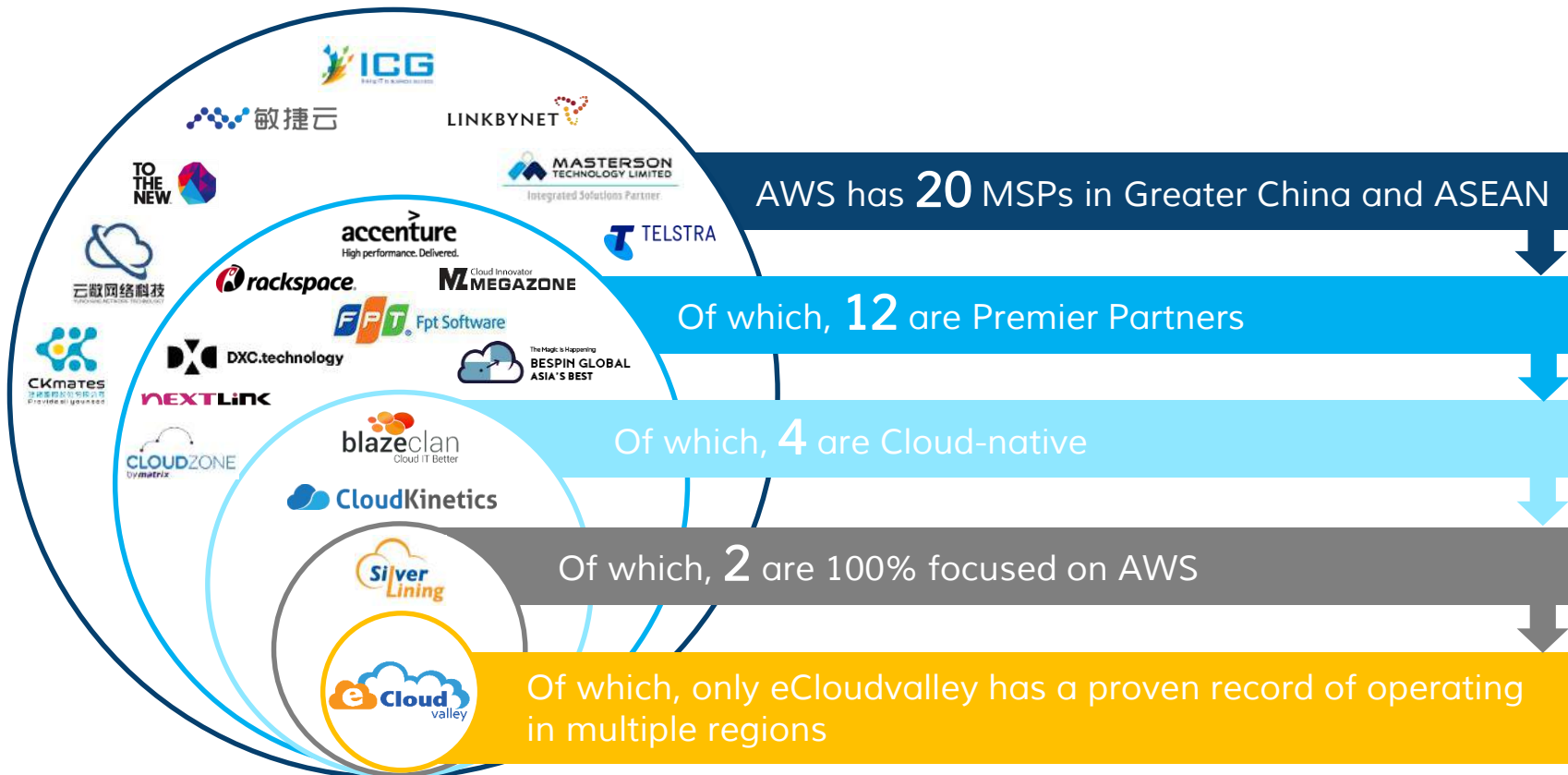
New competencies



Deeper engagement with clients

*IaaS = Infrastructure as a Service, PaaS = Platform as a Service

Uniquely Positioned among AWS MSPs in Greater China & ASEAN



... and We Hold a Competitive Position in China



AWS has **20** MSPs in Greater China and ASEAN

Of which, **9** are current AWS MSPs in China

Of which, **7** are headquartered in Greater China, which have advantages to capture the growth opportunity in China. Of which, eCloudvalley has the largest team dedicated to AWS.

We Plan to Grow on Top of a Solid Foundation



High Renewal Rate



93% Client Renewal Rate in 2017

We Are an Experienced First-mover

The First Premier Consulting Partner in Greater China Region (since Apr 2017)

210+ AWS Certifications

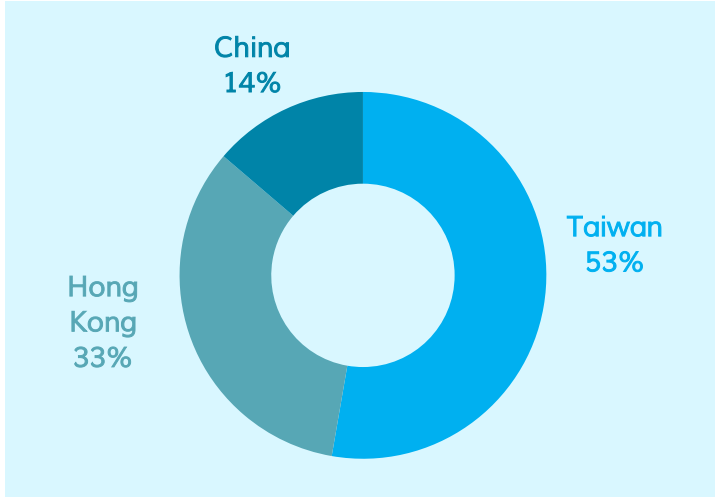


500+ Enterprise Engagements over the Past 4 Years

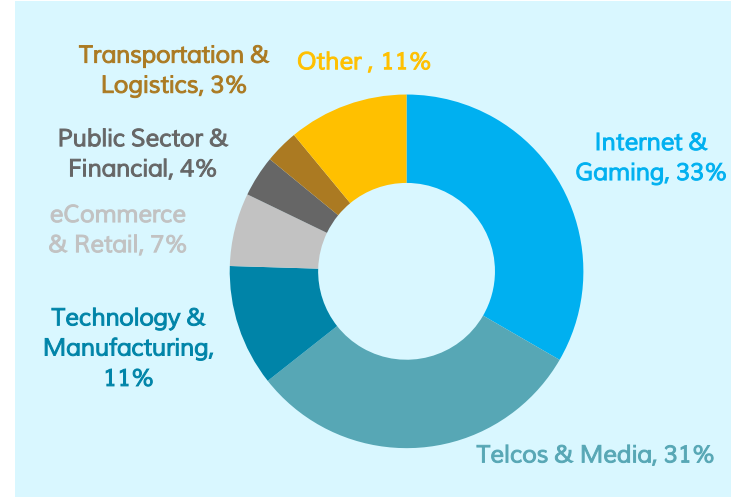


eCloudvalley: Beyond Taiwan, Multiple Industries

2017 Cloud revenue by geography: From Greater China to Pan-Pacific



2017 Cloud revenue by industry: Proven expertise in multiple industries



Expansion Plan: From Greater China to Pan-Pacific

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Effective Talent Pool Development

We are one of the few AWS authorized training partners in Greater China



Systematic training to shorten the learning curve for new employees

Lecture on AWS/Cloud courses at universities to develop talent pool

Consolidated Income Statement



NT\$ million	2015*	2016*	2017	1H18	YoY (%)		
					2016	2017	1H18
Revenue	948.4	1,605.8	2,348.5	1,673.7	69.3	46.3	59.2
Gross Profit	62.0	141.0	238.9	129.0	127.4	69.4	16.5
Operating Expenses	58.6	113.9	163.3	100.6	94.3	43.5	43.4
Operating Profit	3.4	27.1	75.6	28.4	696.7	178.5	(30.1)
Non Operating Income/(Loss)	-7.9	-8.5	13.3	-0.2			
Income before Tax	-4.5	18.6	88.9	28.1	515.9	377.9	(41.8)
Tax Expenses	0.0	2.9	12.2	4.4			
Net Income to Parent	-4.5	15.7	76.7	23.8	451.0	388.6	(44.4)
EPS (NT\$)			4.80	0.93			
Key Financial Ratios (%)							
Gross Margin	6.5	8.8	10.2	7.7			
Operating Expense Ratio	6.2	7.1	7.0	6.0			
Operating Margin	0.4	1.7	3.2	1.7			
Effective Tax Rate	0.0	15.6	13.7	15.5			
Net Margin	(0.5)	1.0	3.3	1.4			

*eCloudvalley acquired Allianz Vantage (enterprise storage distribution) in Jan 2017. 2015 and 2016 are unaudited pro-forma consolidated financials.

Consolidated Balance Sheet



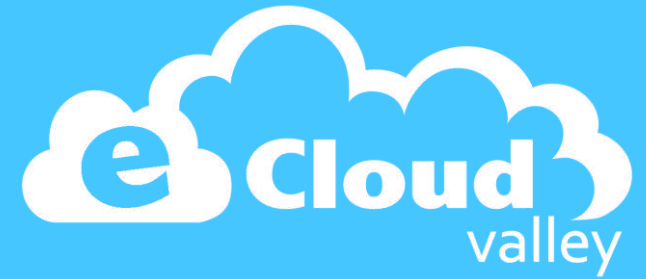
NT\$ million	2015*		2016*		2017		1H18	
	Amount	%	Amount	%	Amount	%	Amount	%
Cash & marketable security	37.3	8.8	33.2	6.2	140.6	12.3	301.4	24.8
A/R & N/R	233.6	55.0	316.5	58.7	504.3	44.0	428.5	35.3
Inventories	104.7	24.7	145.6	27.0	461.7	40.3	439.9	36.2
Other current assets	48.0	11.3	10.4	1.9	29.3	2.6	30.5	2.5
Total current assets	423.6	99.7	505.7	93.7	1,136.0	99.1	1,200.4	98.7
PP&E	0.3	0.1	1.8	0.3	2.3	0.2	1.6	0.1
Other L-T assets	0.9	0.2	32.0	5.9	8.6	0.7	13.6	1.1
Total assets	424.7	100.0	539.5	100.0	1,146.9	100.0	1,215.6	100.0
Short-term debt	192.0	45.2	252.8	46.9	240.4	21.0	99.1	8.2
A/P & N/P	27.0	6.4	131.6	24.4	376.7	32.8	277.9	22.9
Other curr. liab.	127.2	30.0	32.5	6.0	120.1	10.5	121.3	10.0
Total current liab.	346.2	81.5	416.8	77.3	737.2	64.3	498.3	41.0
Total L-T liab.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total liabilities	346.2	81.5	416.8	77.3	737.3	64.3	498.3	41.0
Capital	85.7	20.2	114.5	21.2	230.0	20.1	302.5	24.9
Capital reserve	0.0	0.0	0.0	0.0	121.0	10.5	363.5	29.9
Retained earning	-7.2	-1.7	8.2	1.5	68.5	6.0	51.0	4.2
Other adjusted items	0.0	0.0	0.0	0.0	-9.8	-0.9	0.4	0.0
Total equity	78.5	18.5	122.7	22.7	409.6	35.7	717.3	59.0
Key Financial Ratios								
A/R Turnover Days			62.5		63.8		50.9	
Inventory Turnover Days			31.2		52.5		53.3	
A/P Turnover Days			19.8		44.0		38.7	
Cash Conversion Cycle			74.0		72.4		65.5	
ROE (%)			15.6		28.8		8.4	

*2015 and 2016 are unaudited pro-forma consolidated financials

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**Your Next-Generation
Cloud Technology Partner**

Q&A