

# SWL Technology

Total SAN, WAN, LAN Solutions

Phase One

# Network Storage Business Plan

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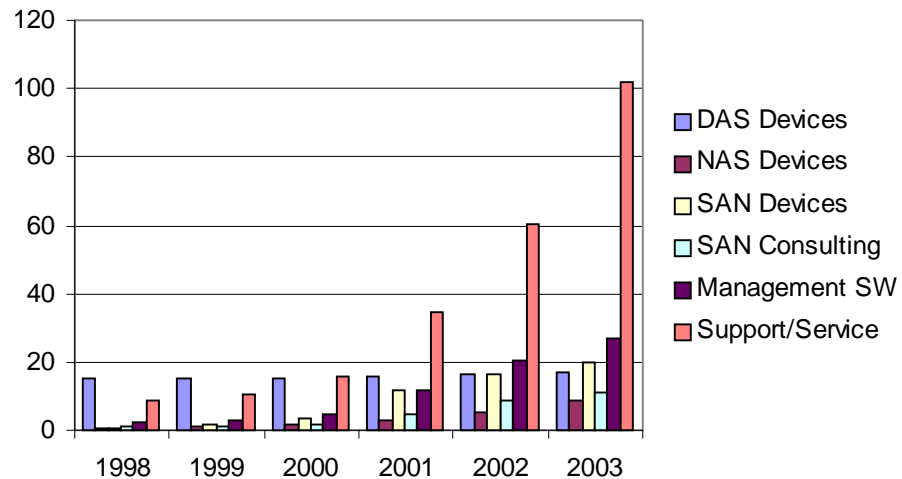
The logo graphic consists of a vertical black line on the left, a horizontal black line below it, and a cluster of overlapping colored squares (yellow, red, blue) to the left of the vertical line.

# SWL Technology Inc.

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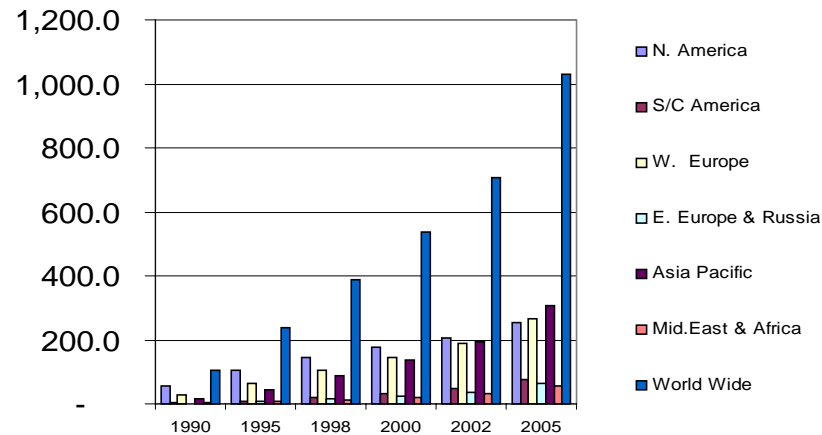
- Since 1993, SWL Technology's founders have been engaged in the design, develop, manufacture and marketing of server, network, telecommunication, wireless, and storage solutions
- **Our Mission:** To develop *cutting-edge technology* for the Storage Network Marketplace.
- **Our Goals:** To operate in a responsive and ethical manner and to create partnerships with our customers.
- SWL Technology is a Total Solution Provider that is focused on delivering Total Storage and Networking Technologies to its business customers.

# Network Storage Forecast



	1998	1999	2000	2001	2002	2003
<b>DAS Devices</b>	15	15.1	15.3	15.6	16.2	16.7
<b>NAS Devices</b>	0.5	0.9	1.7	2.8	5.2	8.5
<b>SAN Devices</b>	0.5	1.7	3.4	11.5	16.4	20
<b>SAN Consulting</b>	1.2	1.4	2.0	4.6	8.6	11.2
<b>Management SW</b>	2.1	3.2	4.7	11.8	20.7	27.0
<b>Support/Service</b>	8.7	10.4	15.7	34.5	60.3	102
<b>Total</b>	28.0	32.7	42.8	80.8	127.3	185.4

# Computer Industry Forecast



	1975	1980	1985	1990	1995	2000	2005
<b>U.S. PC Shipments (#M)</b>	0.04	0.8	5.6	9.5	20	40	65
<b>U.S. PC Installed Base (#M)</b>	0.04	1.4	19	51	92	165	250
<b>Worldwide PC Shipments (#M)</b>	0.05	1.1	10	24	56	130	220
<b>Worldwide Installed Base (#M)</b>	0.05	2.1	33	98	222	530	1050



# Medium/Small Business Facts

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- Information Technology (IT) adoption rates, spending, modes of access, future implementation plans / interests, and primary drivers of the Internet, E-Business and Telephony markets will be explored.
- The U.S. Small/Medium Business (SB & MB) market continues to represent extremely strong opportunity for IT products and services.
- Total Internet / Web spending among U.S. SBs for 1999 was \$16 billion, and telecommunications spending was \$75.8 billion.
- Total 1999 IT and Telecom/Datacom spending among U.S. MBs was \$68.6 billion.
- There are 157K US MB companies with 100-999 employees; and 7.3M US SB companies with less than 100 employees.
- Average annual IT spending is \$12,450 per SB and \$378,000 per MB.



# SWLtech Business Strategy

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- Maintain and expand LAN customer bases
- Expand SAN & WAN customer bases, focus on ASP, SSP, ISP, & medium/small business.
- Execute marketing campaign.
- Alliance with key players.
- Alliance with OEM and ODM.
- Strong management and technical teams.
- Develop Unique Performance Products.

The logo consists of a vertical black line on the left, intersected by a horizontal black line. To the left of the intersection are three overlapping squares: a yellow one at the top, a red one in the middle, and a blue one at the bottom. The text "SWL Technology Inc." is positioned to the right of the logo.

# SWL Technology Inc.

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- Management Team
  - Business Development – Dr. Henry Chen
  - Marketing/Operation - Mr. Chung Chu
  - Sales – Mr. Erroll Jenkins
  - IT/Service – Mr. Jesse Ku
  - Purchasing/Product Manager – Mr. Robin Tso
  - Production/Administration – Mr. Harry Lau
  - Customer Support – Mr. Eric Wu



# SWL Technology Inc.

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- **Technical Team**

- System Architecture /Network – Dr. Henry Chen
- RF/Wireless Engineering – Dr. Alex Pummer
- Network Storage Engineering – Dr. Stephen Pan\*
- Telecommunications Engineering – Mr. Alan deSchweinitz\*
- Fiber Optical Engineering – Dr. Po-Chiang Lu\*
- Network Software Engineering – Mr. Albert Chi\*
- Storage Software Engineering – Mr. Karl Wei
- Storage Hardware Engineering – Mr. Robert Chu
- System Firmware Engineering – Mr. T. C. Lin\*
- ASIC Design Engineering – Ms. Lily Hsuang\*
- Quality Assurance – Mr. Nelson Hung\*

\* part-time or consultant, currently.



# Network / Storage Solutions

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- High Speed Network Storage System.
- DynaCrypto™ VPN Gateway.
- 1Gbps+ Wireless SAN Bridge.
- 4Gbps+ SAN Switch/Router.
- High Speed FC Cache SSSD.
- High Performance Network Server.
- Network Attached Storage (NAS).



# SWLtech Marketing Plan

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**To create Overall Name and Product recognition by utilizing the below opportunities:**

- **Trade Shows (Q1- 2001)**
- **Strategic Partnership (Q1- 2001)**
- **Website Promotion (Q1 – 2001)**
- **Print Media (Q1 – 2001)**
- **Internet Advertising (Q2 – 2001)**
- **Channel Marketing (Q2 – 2001)**
- **OEM Agreement (Q4 – 2001)**



# SWLtech Sales Plan

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- **Target Market** – SWL Technology will focus on the
  - *ASP* – Application Service Providers
  - *ISP* – Internet Service Providers
  - *SSP* – Storage Service Providers
  - *Networking* – Multi-department companies
  - *Telecommunication* – Globe Enterprises

These industries represent the greatest growth and the most immediate need for storage solutions.

- **Representation** - Outside Technology Consultants will be assigned to the above industry to prospect and canvass
- **Services** - We will provide custom configured SAN solution and array of other services specifically design to meet the technology need of this industry.



# SWLtech Revenue Stream

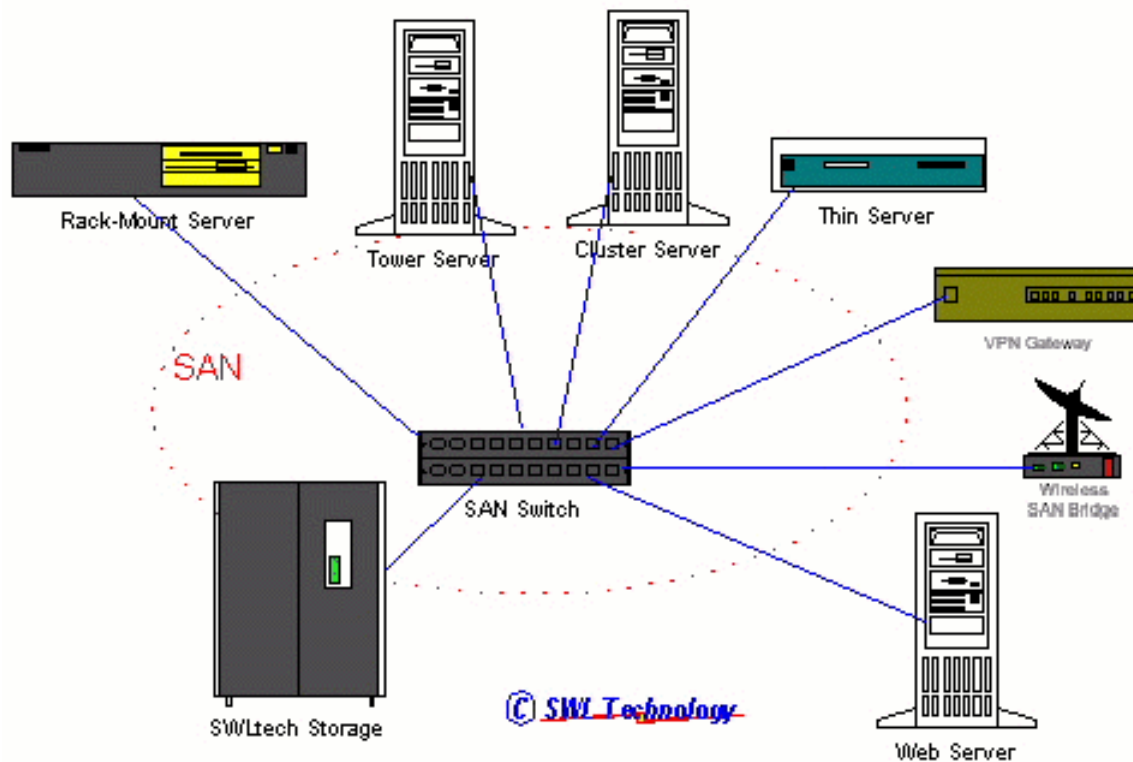
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*Our revenue will be built from the below models:*

- *SAN Solution (Hardware & Software).*
- *Consulting.*
- *After Sales Engineering Support.*
- *Installation and Training Services.*
- *On-Site Maintenance Service contract.*
- *Integration of Intel Rack-mount Servers (NT, Linux, Unix) and Workstations.*
- *OEM and ODM Products to Alliance.*

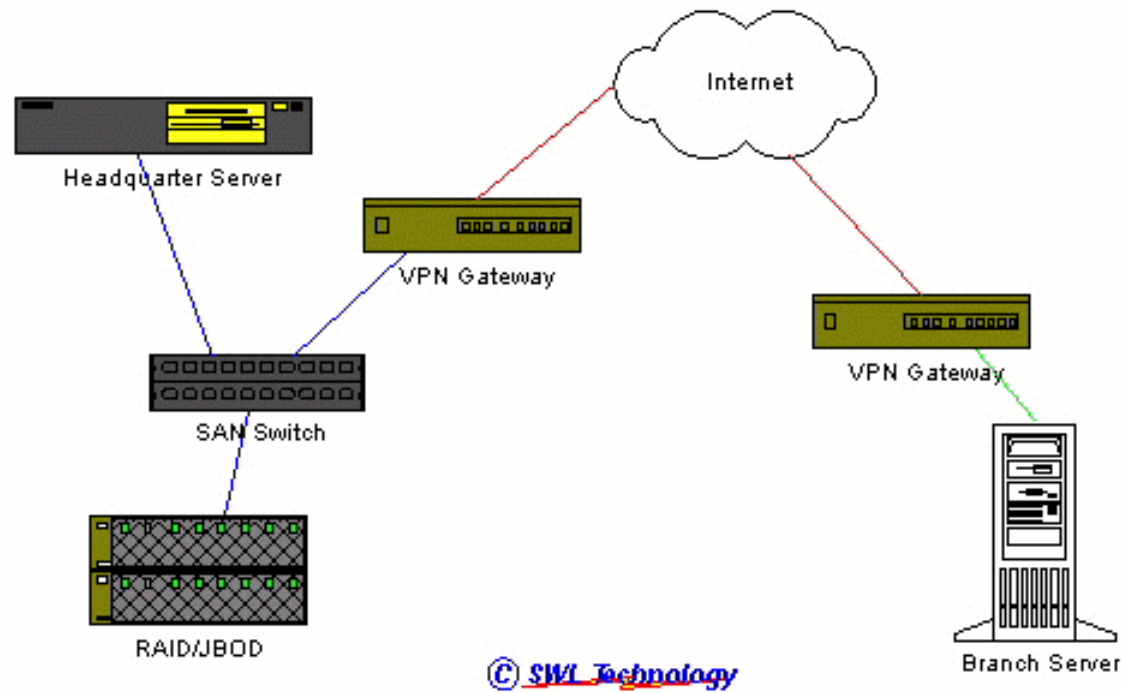
# SWLtech Storage Products

## Network / Storage Solutions for Storage Area Network (SAN)



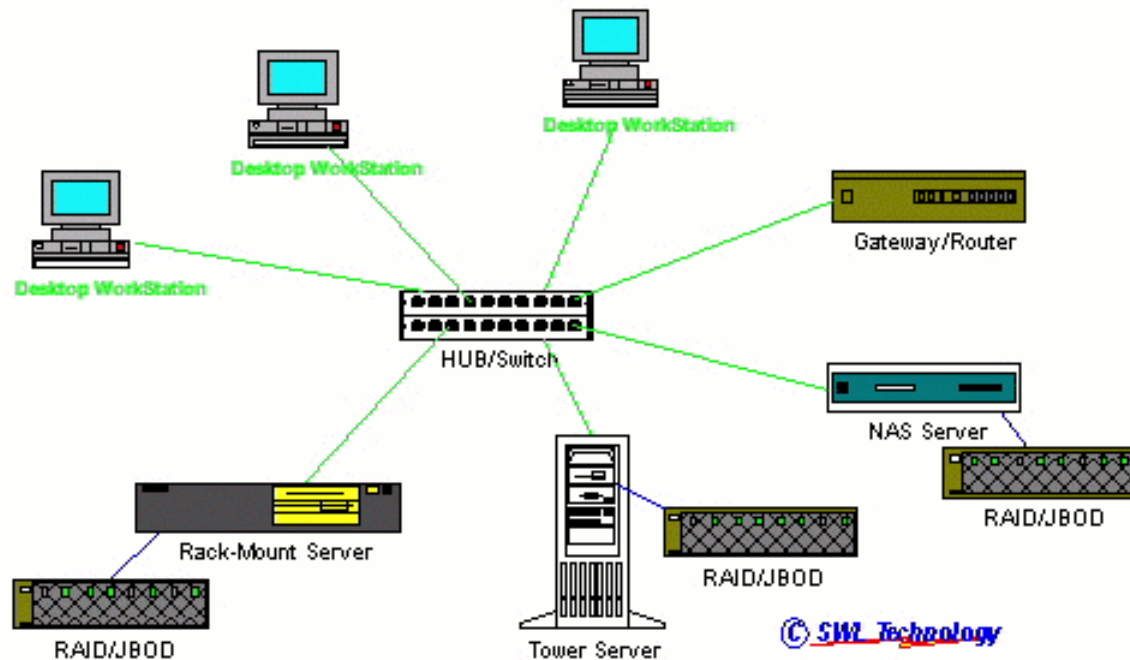
# SWLtech Storage Products

## Network / Storage Solutions for Wide Area Network (WAN)

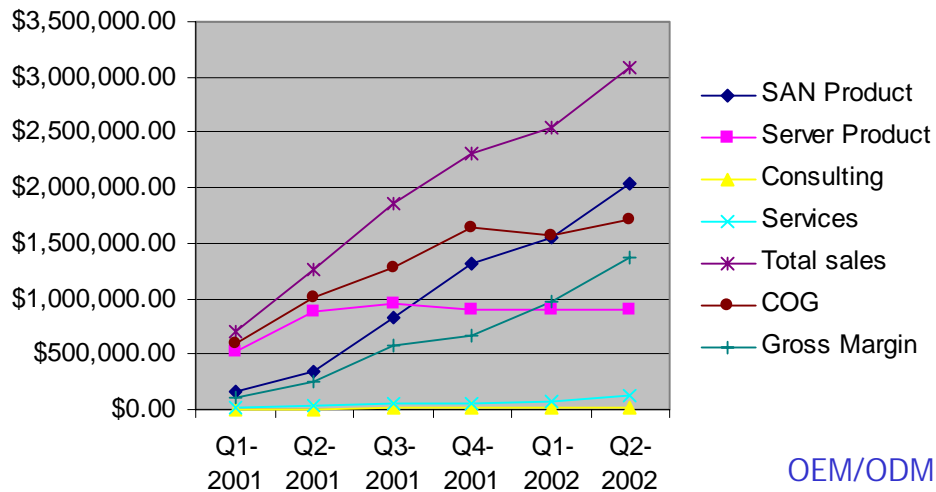


# SWLtech Storage Products

## Network / Storage Solutions for Local Area Network (LAN)



# SWLtech Sales Forecast



Sales	Q1-2001	Q2-2001	Q3-2001	Q4-2001	Q1-2002	Q2-2002	Total 18M
SAN Product	\$160,000.00	\$338,000.00	\$835,000.00	\$1,320,000.00	\$1,555,000.00	\$2,041,000.00	\$6,249,000.00
Server Product	\$525,000.00	\$885,000.00	\$960,000.00	\$910,000.00	\$900,000.00	\$900,000.00	\$5,080,000.00
Consulting	\$2,500.00	\$7,500.00	\$11,000.00	\$15,000.00	\$18,000.00	\$22,000.00	\$76,000.00
Services	\$17,500.00	\$32,000.00	\$48,000.00	\$58,000.00	\$78,000.00	\$120,000.00	\$353,500.00
<b>Total sales</b>	<b>\$705,000.00</b>	<b>\$1,262,500.00</b>	<b>\$1,854,000.00</b>	<b>\$2,303,000.00</b>	<b>\$2,551,000.00</b>	<b>\$3,083,000.00</b>	<b>\$11,758,500.00</b>
<b>COG</b>	<b>\$592,000.00</b>	<b>\$1,017,000.00</b>	<b>\$1,285,000.00</b>	<b>\$1,635,000.00</b>	<b>\$1,572,500.00</b>	<b>\$1,710,000.00</b>	<b>\$7,811,500.00</b>
<b>Gross Margin</b>	<b>\$113,000.00</b>	<b>\$245,500.00</b>	<b>\$569,000.00</b>	<b>\$668,000.00</b>	<b>\$978,500.00</b>	<b>\$1,373,000.00</b>	<b>\$3,947,000.00</b>



# SWLtech Storage Products

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- ***New Product Development***
  - 1Gbps+ Wireless SAN Bridge
    - release at Q2 2001
  - DynaCrypto™ VPN Gateway
    - release at Q4 2001
  - Ultra speed SAN Switch/Router
    - release at Q2 2002
  - Ultra speed FC Controller Chipset
    - release at Q4 2002



# 1Gbps+ Wireless SAN Bridge

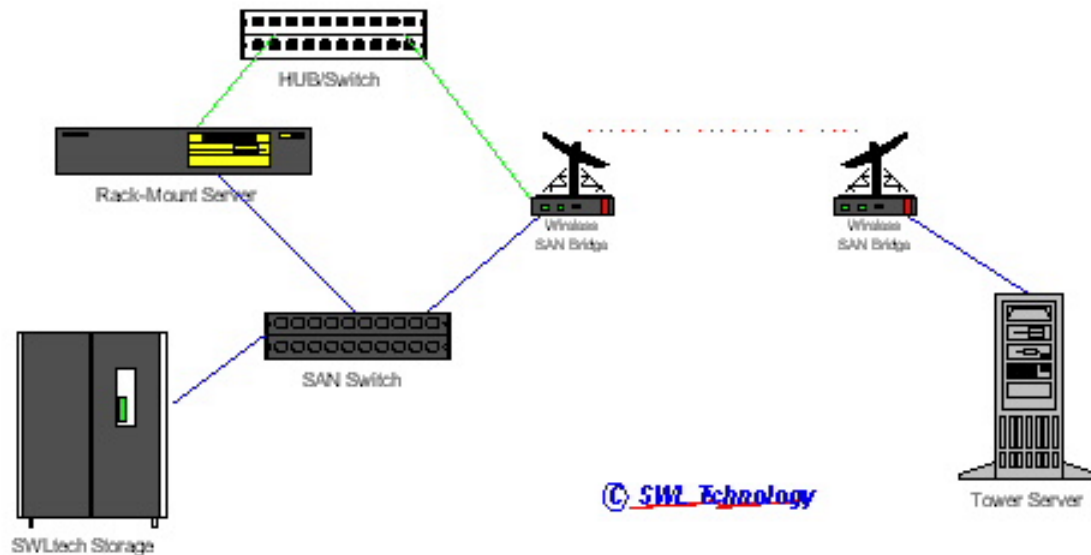
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## ■ *Product Benefits*

- Super-Secure data access via wireless media.
- Speed-up remote data access.
- Dynamic encryption between DynaCrypto™ units.
- SAN/Intranet Application.
- Simplify Storage Management.
- Reduce Installation Cost.

# 1Gbps+ Wireless SAN Bridge

## Campus Network / Storage Solutions





# DynaCrypto<sup>TM</sup> VPN Gateway

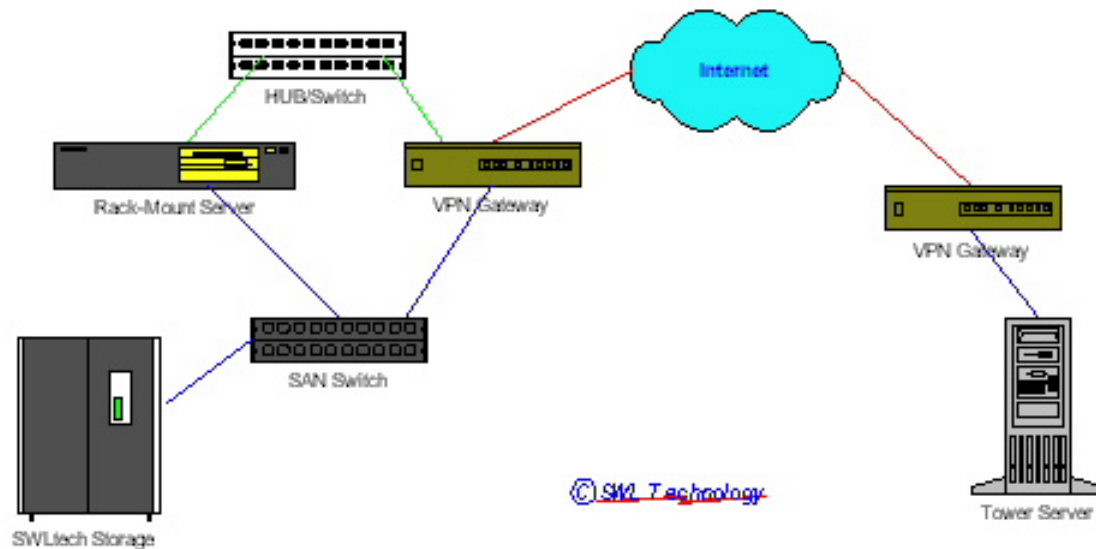
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## ■ *Product Benefits*

- Super-Secure data access through Internet.
- Speed-up data access throughput.
- Reduce LAN traffic.
- Dynamic encryption between DynaCrypto<sup>TM</sup> units.
- Internet/Intranet Application.
- Simplify Storage Management.

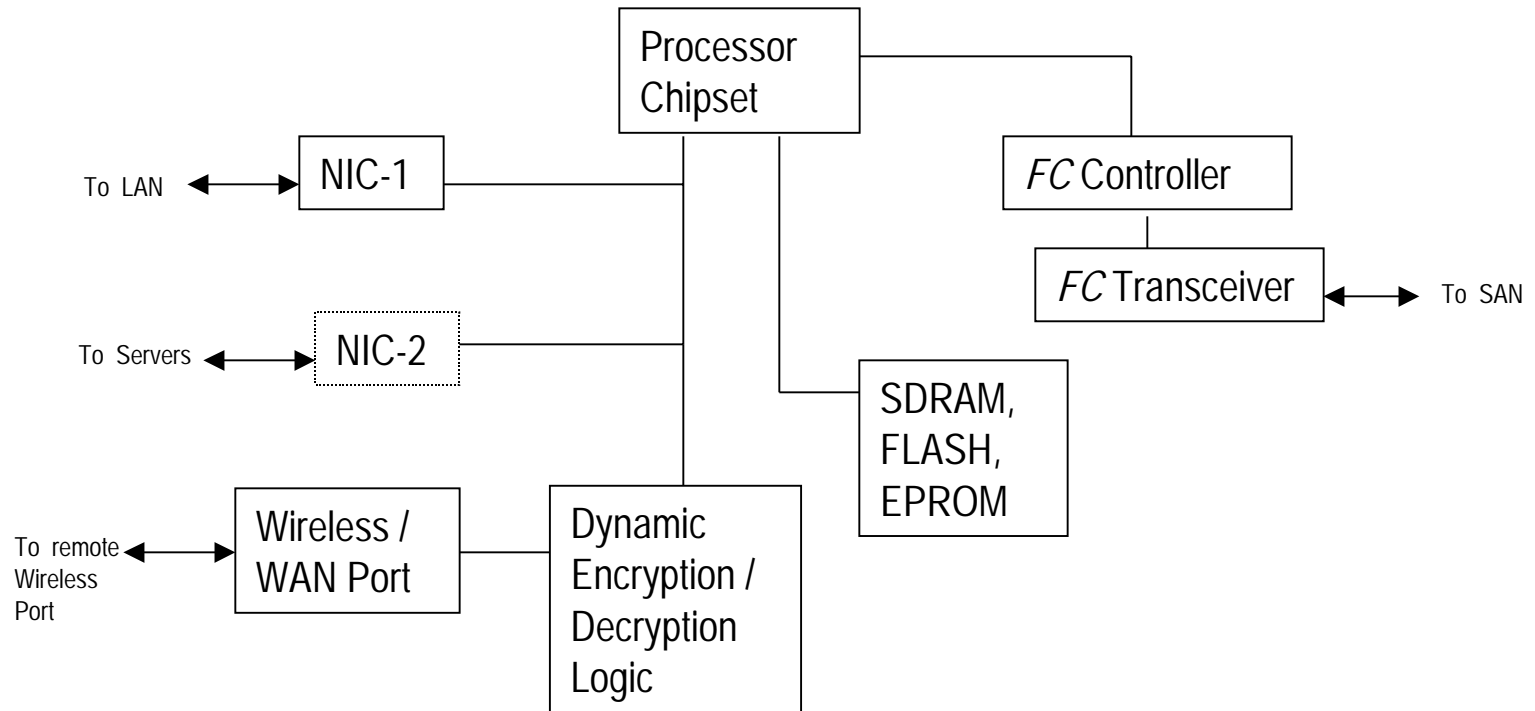
# DynaCrypto™ VPN Gateway

## Globe Network / Storage Solutions



# Wireless/VPN SAN Bridge/Gateway

## ■ Block Diagram





# SanBlaze™ FC Controller

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- *Product Benefits*

- Ultra High Speed FC Access.
- Support Multiple SMF/MMF ports.
- Interface with DWDM transceiver.
- Support OC-192c/SDH VC-4-64c.
- Compatible w/ IEEE802.3ae (Q1-2002).
- Support InfiniBand or RapidIO.



# SanBlaze™ FC Controller

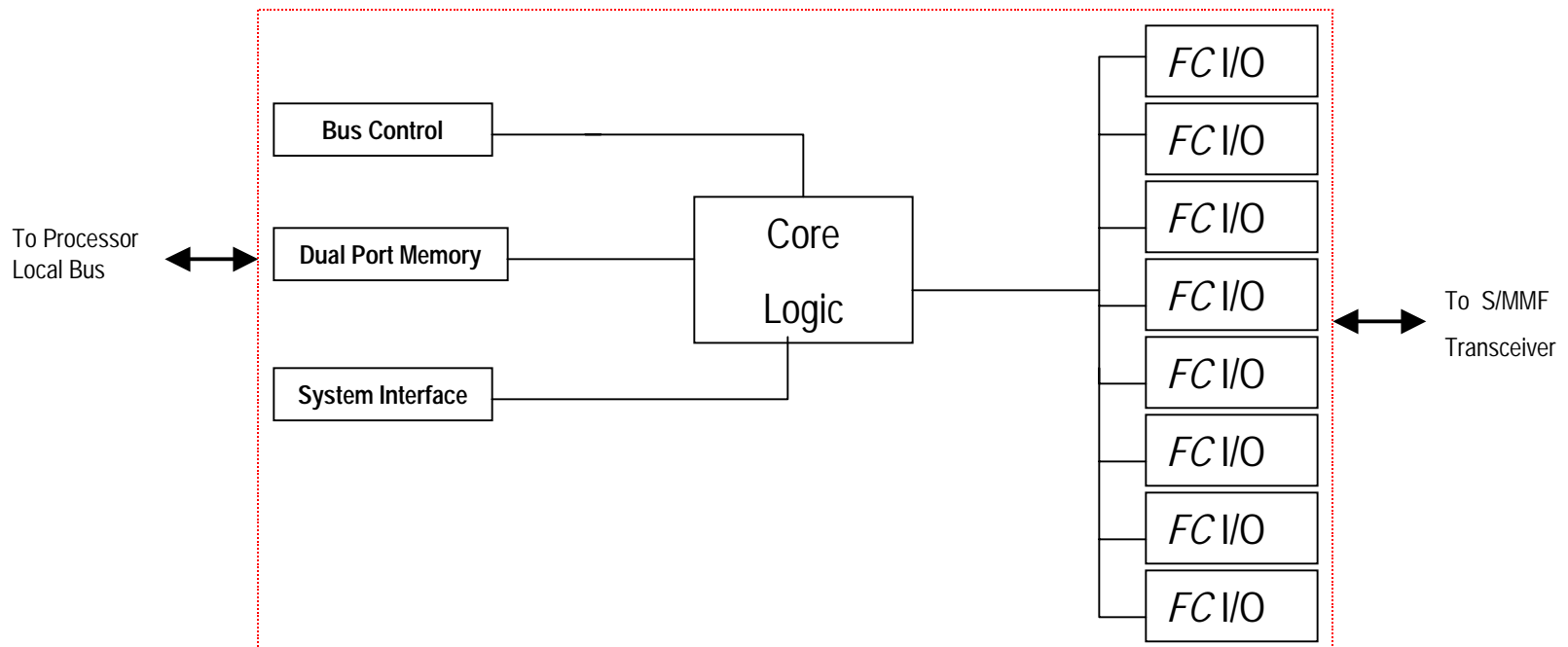
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- *Product Highlights*

- Virtex-E FPGA (2.5 or 1.8 V).
- High Performance ASIC (0.18 or 0.1 micron).
- Fast Dual-port RAM (upto 1.6 Tbps).
- 6-Layer Copper Interconnection.
- 4/8/16+ Gbps Interface to FC Transceiver.
- Support Multiple platforms.

# SanBlaze™ FC Controller

## ■ Block Diagram



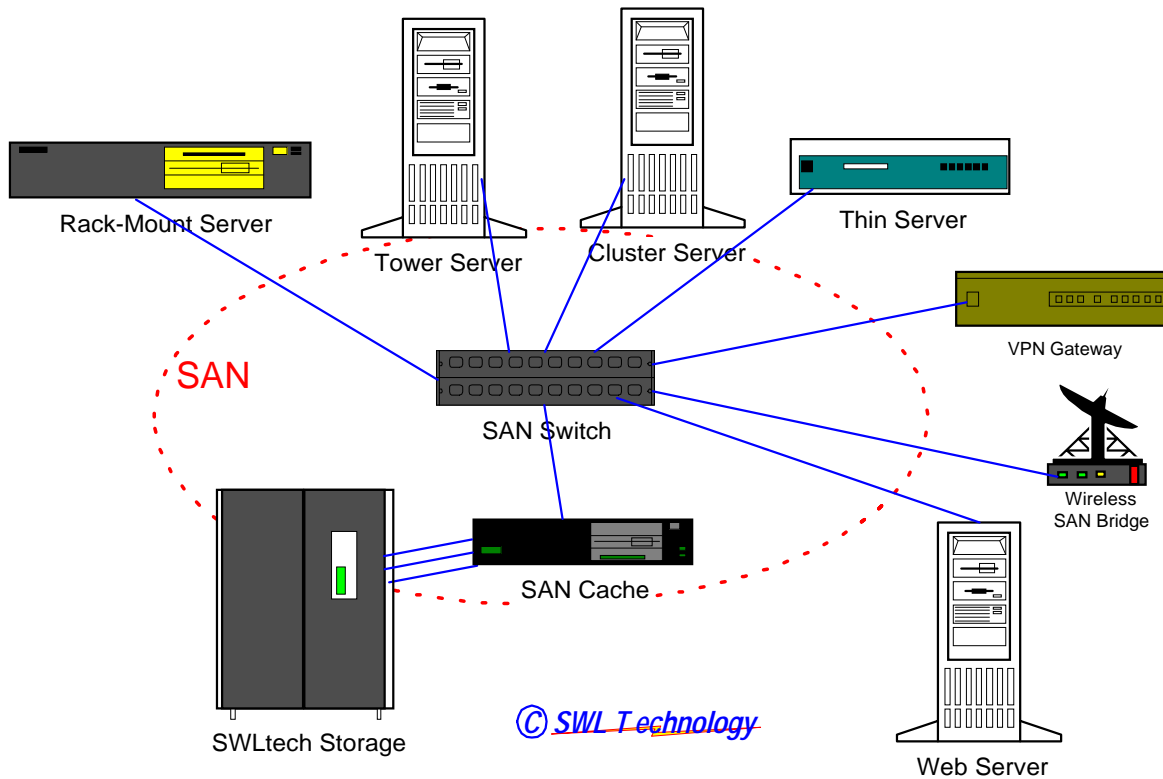


# SanBlaze™ HBA, Switch / Router

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- ***Product Benefits***
  - High Speed Fibre Channel (*FC*) Access.
  - Speed-up Data Process.
  - Increase Storage Through-put.
  - Support *FC* and *TCP/IP* protocols.
  - Support Multiple Platforms.
  - User-friendly SAN Management Software.
  - *FC* HBA, *FC* Switch, *FC* Cache, *FC* Router, etc.

# SanBlaze™ Applications





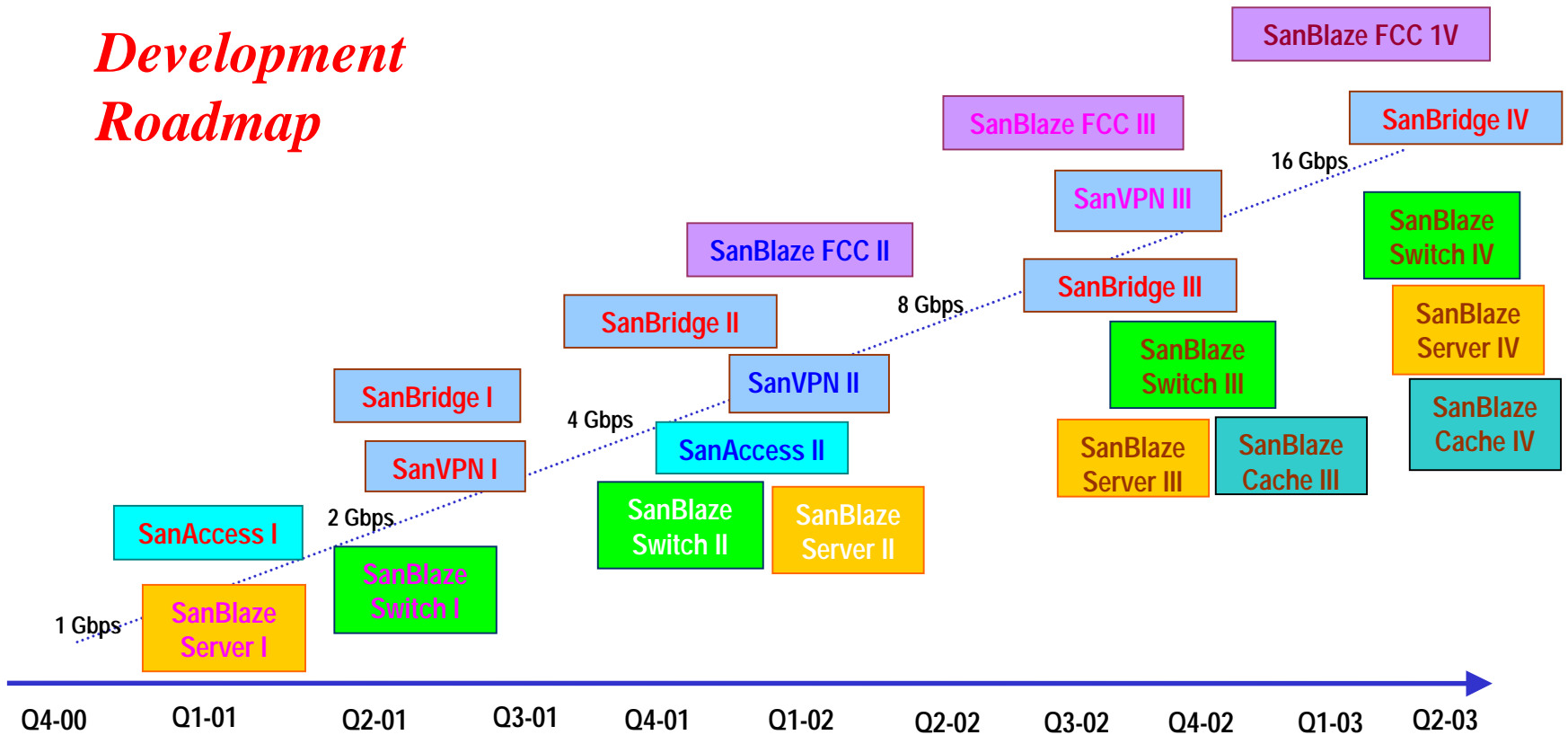
# Software Specifications

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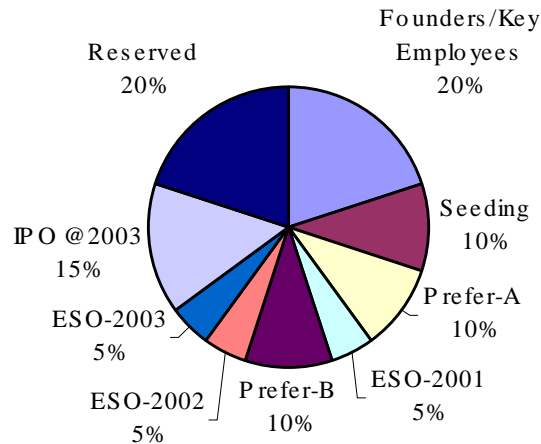
- ***Product Highlights***
  - P2P Dynamic Encryption/Decryption.
  - Express WAN to SAN data transportation.
  - High-speed LAN to SAN data transportation.
  - User Friendly Storage Management.
  - Storage-on-demand Management.
  - Multi-Building Storage Management.
  - Globe Storage Management.
  - Remote Resource Acquisition.

# SWLtech SAN Products

## *Development Roadmap*



# SWLtech Stock Distribution



Total Registered Shares = 50,000,000					
<i>Distribution</i>	<i>Shares (M)</i>	<i>Ratio</i>	<i>Equity Value</i>	<i>cost/share</i>	<i>Operating Capital</i>
Founders & Key employees	10.0	20%	\$500,000.00	\$ 0.05	
Seed funding prior 01-15-2001	5.0	10%	\$1,000,000.00	\$ 0.20	\$1,000,000.00
Prefer-A @ 04-15-01 to 05-15-01	5.0	10%	\$5,000,000.00	\$ 1.00	\$6,000,000.00
Employee Stock Option during 2001	2.5	5%	\$250,000.00	\$ 0.10	deferred
Prefer-B @ 01-15-02 to 02-15-02	5.0	10%	\$25,000,000.00	\$ 5.00	\$31,000,000.00
Employee Stock Option during 2002	2.5	5%	\$1,250,000.00	\$ 0.50	deferred
Employee Stock Option during 2003	2.5	5%	\$2,500,000.00	\$ 1.00	deferred
Reserved for IPO @2003	7.5	15%	\$300,000,000.00	\$ 40.00	\$306,000,000.00
Reserved for future expansion	10.0	20%	\$800,000,000.00	\$ 80.00	\$1,106,000,000.00
<b>Total:</b>	50.0	100%	\$1,135,000,000.00		



# SWLtech Finance

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- Seed Funding (ending Jan. 15, 2001)

We are looking for \$1M funding (\$0.20 per share, 10% of 50M shares) to:

1. Maintain the adequate workforce to accomplish the sales goals for first and second quarters of 2001.
2. Execute the "Wireless SAN Bridge" development.
3. Inventory acquisition for production.
4. Execute marketing plan.
5. Execute the Prefer-A Fund Raising activity.
6. Rents for using ISOPRO facility prior the closing of Prefer-A funding.



# SWLtech Finance

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- Prefer-A Funding (ending April 15, 2001)

We are looking for \$5M funding (\$1.00 per share, 10% of 50M shares) to:

1. Expand the workforce to accomplish the sales goals for third & Forth quarters of 2001 and year 2002.
2. Execute the "SAN VPN", "4Gbps+ SAN Switch/Router", and "Ultra high-speed FC controller" developments.
3. Inventory acquisition for productions.
4. Execute marketing plans.
5. Relocate to larger facility, acquire equipments for operation, production and R&D.