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First Quarter 2015

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Web Presentation



Presentation by:



CEO & Founder

André S. Eriksen



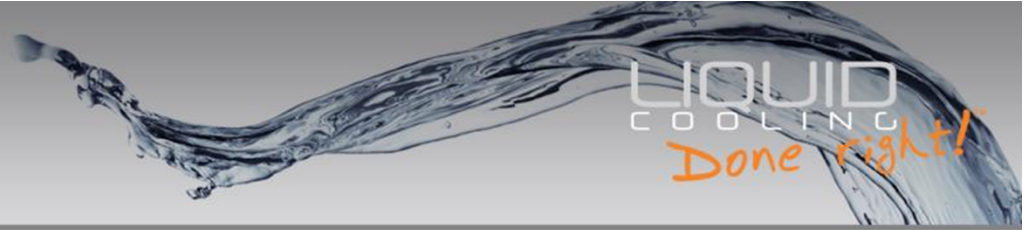
CFO

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Agenda



- I. Operations**
- II. Financials
- III. Summary and outlook
- IV. Q&A session



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Awarded first production order under Fujitsu OEM agreement

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OEM agreement and production order validates data center strategy pursued since 2012

- Fujitsu to incorporate RackCDU liquid cooling in its High Performance Computing product line
- Fujitsu will rollout RackCDU globally as part of the agreement
- Asetek's first design win with a global top 5 server OEM, the second agreement in total
- Asetek products will be sold under Fujitsu's brand and channel
- First Fujitsu product launch based on RackCDU expected in Q3 2015

RackCDU Production Order impact

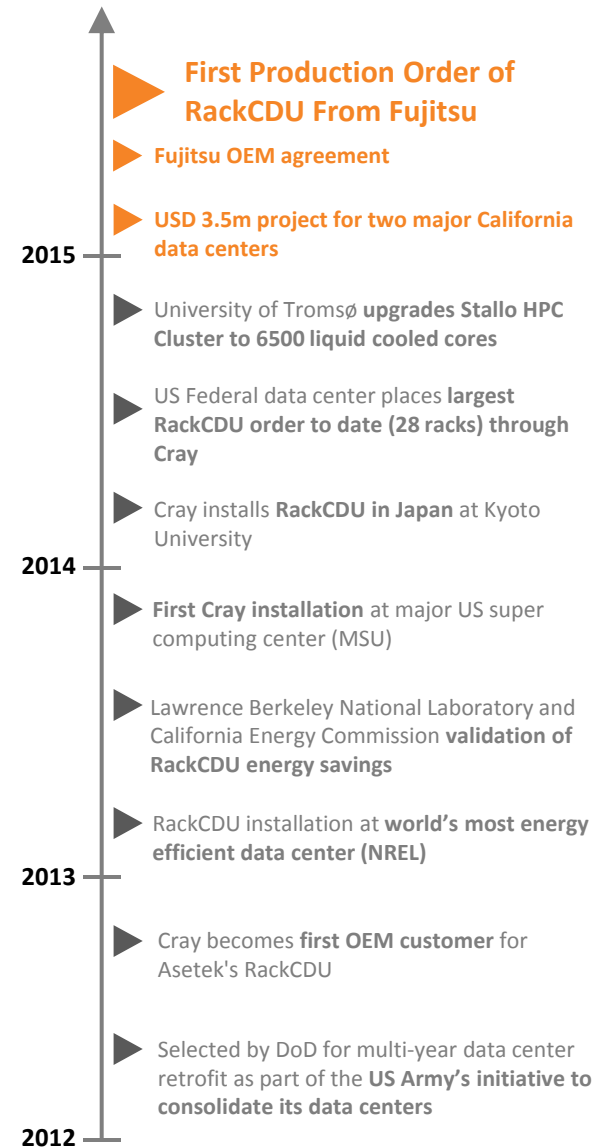


- Largest single order Asetek has received so far on its RackCDU products
- Value in excess of USD 550K
- Approximately 40 racks worth of cooling
- Delivery and revenue is currently scheduled for Q2 2015

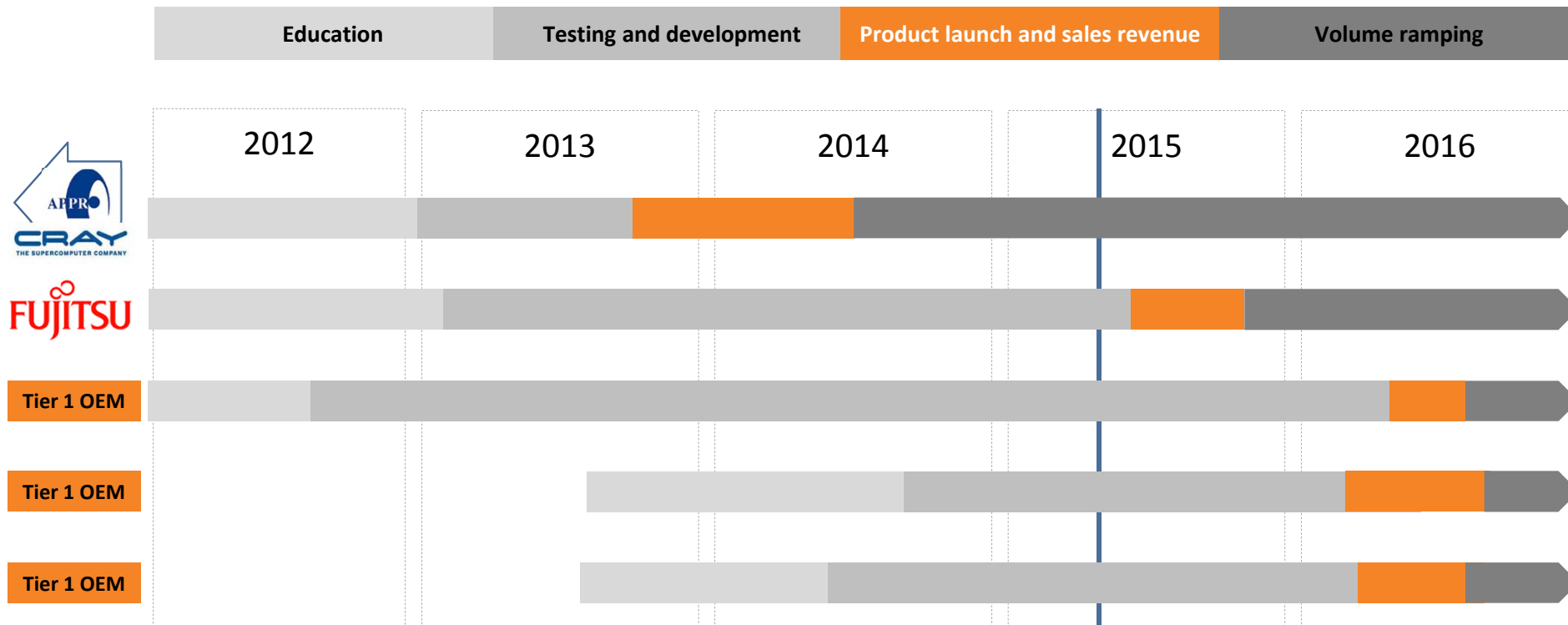
Awarded \$3.5m CEC project



- Asetek Selected for \$3.5M USD Project for Two Major California Energy Commission to be completed over 24 months starting in 2015



Pipeline pointing to further OEM agreements



Testing and development may affect timing and realization of technology adoption and sales



Desktop

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Operational highlights

- Desktop revenues increased 11% from Q1 2014
 - Strong increase in DIY sales, offset by decline in Workstations and Gaming/Performance PCs
- Gross margins declined to 36.4%
 - Explained by the change in mix of products shipped; more low margin (DIY) and less high margin products (Workstation and Gaming/Performance)
- Four new products utilizing Asetek liquid cooling were released to the market in Q1 2015:
 - Do-It-Yourself products:
 - Corsair H80i GT
 - Corsair H100i GTX
 - EVGA GeForce Hybrid graphics cooler
 - Workstation:
 - Dell Precision Tower

New product launches



Corsair H100i GTX



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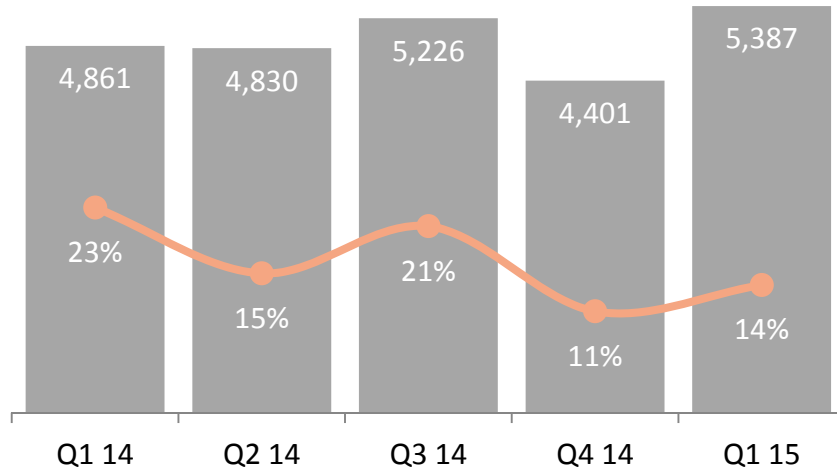
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Earnings development



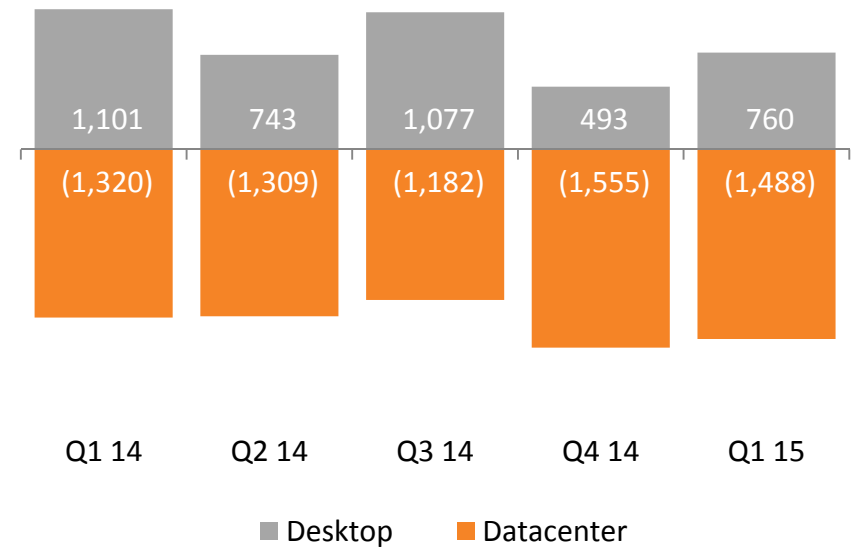
Desktop revenue and EBITDA margin

USD (000's)



Group EBITDA development

USD (000's)



Income Statement – segment breakdown



USD (000's)	Q1 2015			Q1 2014		
	Group	Desktop	Data center	Group	Desktop	Data center
Revenue	5 538	5 387	151	5 400	4 861	539
<i>Gross Margin</i>	36.6 %	36.4%	45.0%	41.9 %	43.5%	27.8%
Other operating expenses	2 756	1 200	1 556	2 482	1 012	1 470
EBITDA adjusted	(728)	760	(1 488)	(219)	1 101	(1 320)
Depreciations	486	228	258	413	169	244
Share based compensation	70	30	40	268	107	161
E B I T	(1 284)	502	(1 786)	(900)	825	(1 725)
<i>EBIT Margin</i>	-23.2 %	9.3%	N/A	-16.7 %	17.0%	N/A
HQ, Litigation expenses	620			547		
HQ, Share based compensation	23			61		
HQ, Other	232			254		
Headquarters costs	875			862		
EBIT, total	(2 159)			(1 762)		

- Desktop revenue increase of 11%
- Offset by decrease in data center revenues
 - Due to timing of shipments on a U.S. Government contract
- Gross margin down from Q1 14, affected by:
 - Increased sales in lower margin DIY market
 - Lower sales in higher margin Workstation and Gaming/Performance Desktop PC markets



Cash Flow Statement



USD (000's)	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Income (loss) for the period	(2 557)	(2 388)	(2 148)	(2 454)	(1 767)
Depreciation, amortization and impairment	486	409	546	419	433
Finance cost (income) and taxes	15	(909)	41	0	21
Share based compensation	93	135	204	272	329
Changes in current assets other than cash	(212)	676	(213)	828	(27)
Changes in payables and accrued liabilities	269	275	(18)	324	(811)
Net cash used in operating activities	(1 906)	(1 802)	(1 588)	(611)	(1 822)
Additions to intangible assets and other assets	(387)	(244)	(422)	(581)	(626)
Purchase of property and equipment & other	(178)	(33)	(57)	(43)	(39)
Net cash used in investing activities	(565)	(277)	(479)	(624)	(665)
Proceeds from debt issuance, other LT liabilities					-
Cash flows on credit lines/debt/lease	(24)	(129)	48	(159)	233
Proceeds from issuance of capital / conv debt	12 413	1	37	3	55
Net cash provided by financing activities	12 389	(128)	85	(156)	288
Effect of exchange rate changes on cash	640	125	194	60	(93)
Net changes in cash and cash equivalents	10 558	(2 082)	(1 788)	(1 331)	(2 292)
Cash and cash equivalents at beginning of period	4 170	6 252	8 040	9 371	11 663
Cash and cash equivalents at end of period	14 728	4 170	6 252	8 040	9 371

- Raised a USD 12.4m in gross proceeds through a private placement in march (USD 11.6m net)
 - Raised additionally USD 0.6m gross in subsequent offering in April
- USD 14.7m of cash on hand as of September 30, 2014

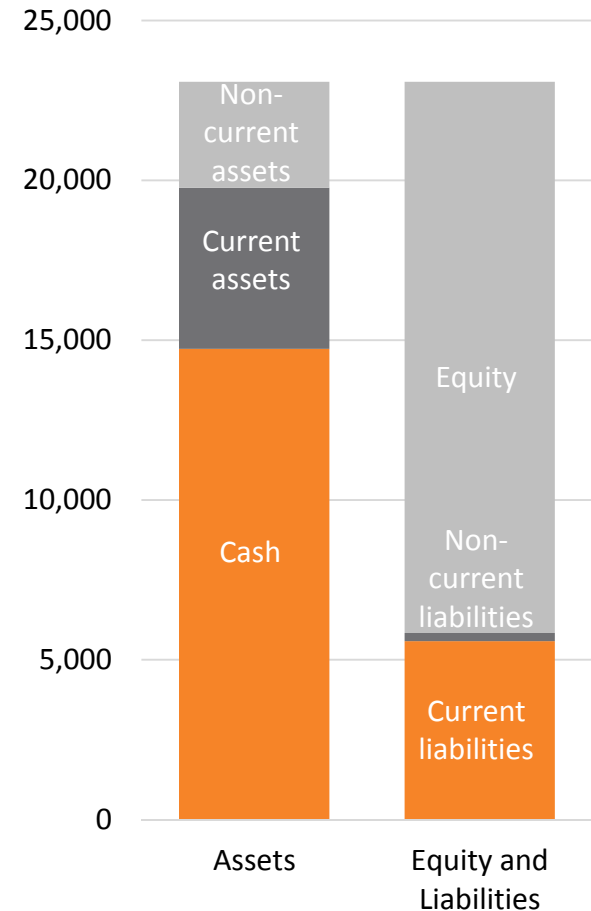


Balance sheet



USD (000's)	Q1 2015	Q4 2014	Q1 2014
Total non-current assets	3 316	3 356	3 480
Inventories	1 065	1 102	1 165
Receivables	3 976	4 186	4 933
Cash and equivalents	14 728	4 170	9 371
Total current assets	19 769	9 458	15 469
Total assets	23 085	12 814	18 949
Total equity	17 246	7 422	13 338
Total non-current liabilities	255	309	415
Total current liabilities	5 584	5 083	5 196
Total liabilities	5 839	5 392	5 611
Total equity and liabilities	23 085	12 814	18 949

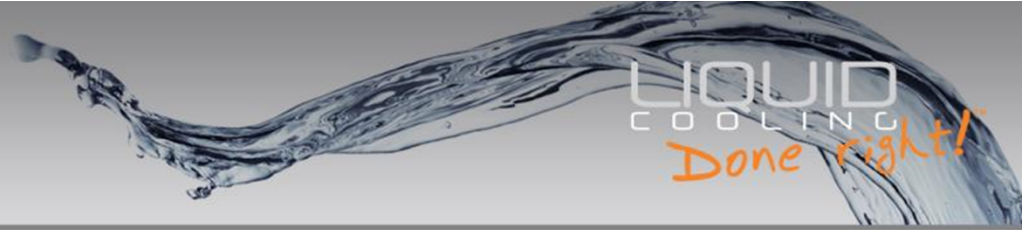
Balance sheet composition – Q1 2015



- Inventory turns: ~13 times per year
- Trade receivables DSO: ~44 days at Q1 2015



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Summary and outlook

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- Fujitsu OEM agreement key milestone
 - Confirms data center strategy potential
- Received first production order from Fujitsu in April
 - Value in excess of USD 550 thousand
- Strengthened financial growth platform and partner capacity through equity raise in March and April
 - 105m at NOK10 per share (~USD 12m net proceeds)
- USD 3.5 million project by the California Energy Commission
 - Will install RackCDU liquid cooling in two large scale data centers
- Revenues expected to pick up
 - Expect Q2 2015 desktop revenue upwards of 40% higher than the average revenue levels achieved recent quarters
 - Over time, Asetek anticipates significant data center revenue growth to be derived from RackCDU sales on Fujitsu platforms



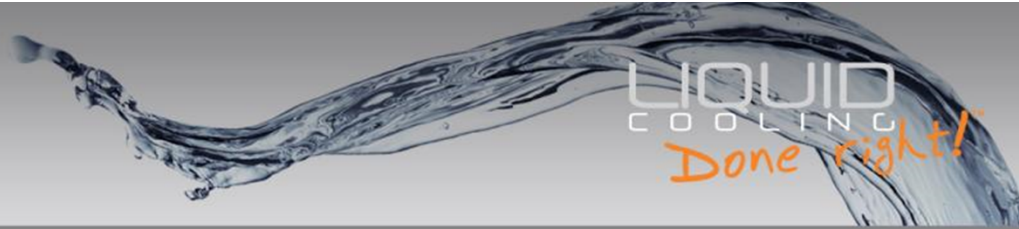
Cray installation at Mississippi State University
with Asetek RackCDU



Q&A

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Appendix



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Income statement



Figures in USD (000's)	Q1 2015		Q1 2014		2014
	Unaudited		Unaudited		Unaudited
Revenue	\$	5 538	\$	5 400	\$ 20 847
Cost of sales		3 510		3 156	12 137
Gross profit		2 028		2 244	8 710
Research and development		1 017		786	3 556
Selling, general and administrative		3 170		3 220	14 664
Total operating expenses		4 187		4 006	18 220
Operating income		(2 159)		(1 762)	(9 510)
Foreign exchange (loss) gain		(378)		20	(298)
Finance costs		(15)		(21)	(87)
Total financial income (expenses)		(393)		(1)	(385)
Income before tax		(2 552)		(1 763)	(9 895)
Income tax (expense) benefit		(5)		(4)	1 138
Income for the period		(2 557)		(1 767)	(8 757)
<i>Other comprehensive income items that may be reclassified to profit or loss in subsequent periods:</i>					
Foreign currency translation adjustments		628		(87)	335
Total comprehensive income	\$	(1 929)	\$	(1 854)	\$ (8 422)
Income per share (in USD):					
Basic	\$	(0.11)	\$	(0.07)	\$ (0.36)
Diluted	\$	(0.11)	\$	(0.07)	\$ (0.36)



Balance Sheet

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Figures in USD (000's)	31 Mar 2015	31 Dec 2014
	<i>Unaudited</i>	<i>Unaudited</i>
ASSETS		
<i>Non-current assets</i>		
Intangible assets	\$ 2 318	\$ 2 334
Property and equipment	741	730
Other assets	257	292
Total non-current assets	3 316	3 356
<i>Current assets</i>		
Inventory	1 065	1 102
Trade receivables and other	3 976	4 186
Cash and cash equivalents	14 728	4 170
Total current assets	19 769	9 458
Total assets	\$ 23 085	\$ 12 814
EQUITY AND LIABILITIES		
<i>Equity</i>		
Share capital	\$ 409	\$ 264
Share premium	75 965	64 451
Accumulated deficit	(59 771)	(57 307)
Translation and other reserves	643	14
Total equity	17 246	7 422
<i>Non-current liabilities</i>		
Long-term debt	255	309
Other long-term liabilities	-	-
Total non-current liabilities	255	309
<i>Current liabilities</i>		
Short-term debt	320	300
Accrued liabilities	1 392	1 255
Accrued compensation & employee benefits	749	882
Trade payables	3 123	2 646
Total current liabilities	5 584	5 083
Total liabilities	5 839	5 392
Total equity and liabilities	\$ 23 085	\$ 12 814



Cash Flow



Figures in USD (000's)	Q1 2015	Q1 2014	2014
	Unaudited	Unaudited	Unaudited
Cash flows from operating activities			
Income (loss) for the period	\$ (2 557)	\$ (1 767)	\$ (8 757)
Depreciation and amortization	486	413	1 771
Finance costs (income)	15	21	87
Income tax expense (income)	5	4	(1 138)
Impairment of intangible assets	-	20	36
Cash receipt (payment) for income tax	(5)	(4)	204
Share based payments expense	93	329	940
Changes in trade receivables, inventories, other assets	(212)	(27)	1 264
Changes in trade payables and accrued liabilities	269	(811)	(230)
Net cash used in operating activities	(1 906)	(1 822)	(5 823)
Cash flows from investing activities			
Additions to intangible assets	(387)	(626)	(1 873)
Purchase of property and equipment	(178)	(39)	(172)
Net cash used in investing activities	(565)	(665)	(2 045)
Cash flows from financing activities			
Cash received for leasing of previously purchased equipment	-	279	279
Funds drawn (paid) against line of credit	29	26	(141)
Proceeds from issuance of share capital	12 413	55	96
Principal and interest payments on finance leases	(53)	(41)	(145)
Net cash provided by financing activities	12 389	319	89
Effect of exchange rate changes on cash and cash equivalents	640	(124)	286
Net changes in cash and cash equivalents	10 558	(2 292)	(7 493)
Cash and cash equivalents at beginning of period	4 170	11 663	11 663
Cash and cash equivalents at end of period	\$ 14 728	\$ 9 371	\$ 4 170

