INTRINSYC

Business Overview Presentation
September 10, 1999

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Elevator Pitch

Intrinsyc delivers solutions for creating, linking and managing networks of Internet Devices
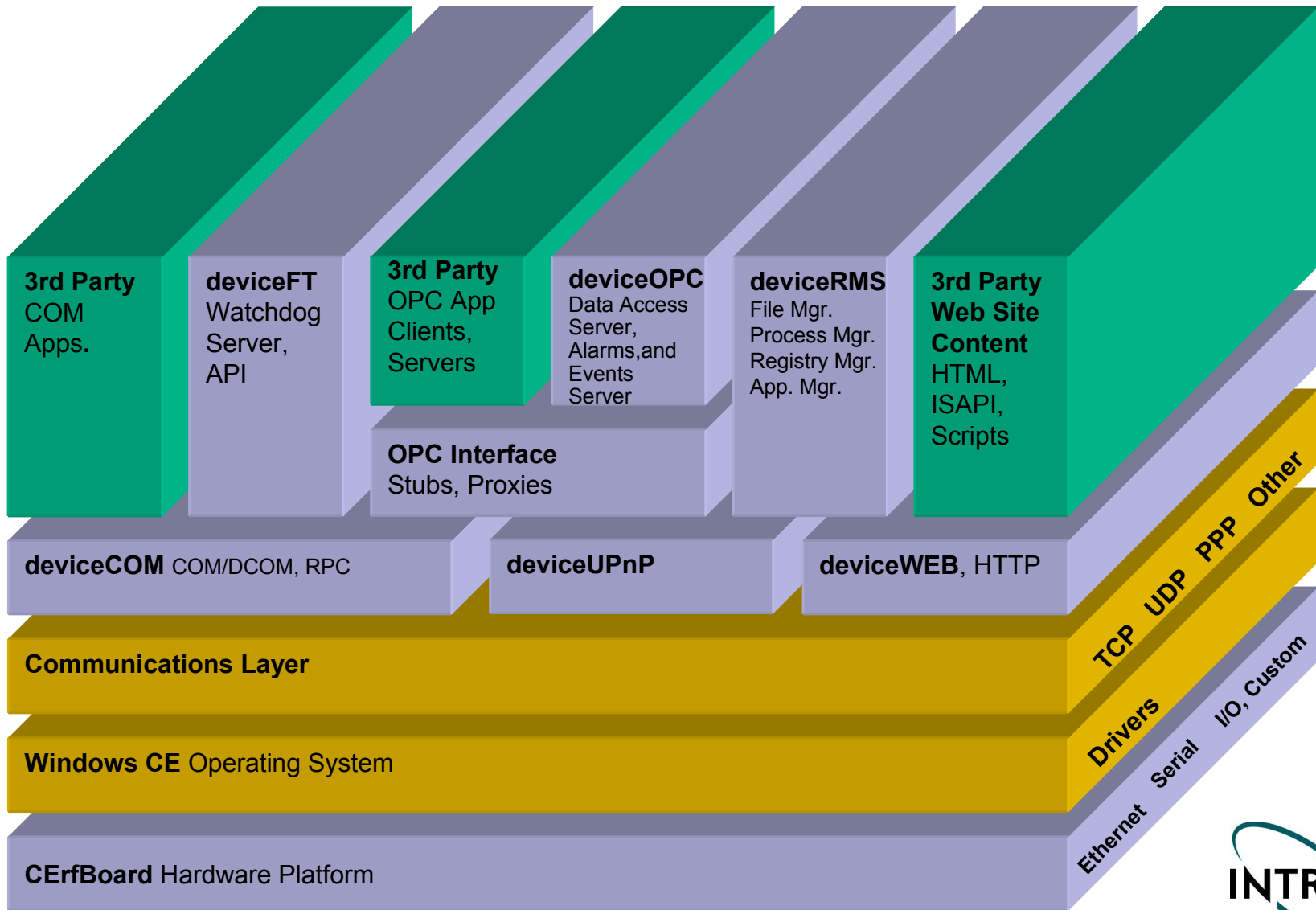
- Large and rapidly growing global markets
- Fortune 500 customers
- Compelling business model
- World class technology and leading the industry in technological innovation

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Technologies

- **deviceCOM**
- **deviceWEB**
- **deviceOPC**
- **deviceFT**
- **deviceUPnP**
- **deviceRMS**
- **deviceCOM "Lite"**
- **CErfBoard Reference Platforms**
- **Integration Expert for CE Tools**

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Technologies

- **3rd Party** COM Apps.
- **deviceFT** Watchdog Server, API
- **3rd Party** OPC App Clients, Servers
- **deviceOPC** Data Access Server, Alarms, and Events Server
- **deviceRMS** File Mgr. Process Mgr. Registry Mgr. App. Mgr.
- **3rd Party Web Site Content** HTML, ISAPI, Scripts

OPC Interface Stubs, Proxies

deviceCOM COM/DCOM, RPC

deviceUPnP

deviceWEB, HTTP

Communications Layer

Windows CE Operating System

CErfBoard Hardware Platform

TCP UDP PPP Other

Drivers

Ethernet Serial I/O, Custom

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Industrial Automation

SIEMENS

Intrinsyc provides connectivity solutions to facilitate the evolution from proprietary stand-alone systems to open standard, enterprise wide functionality.

- **Includes process control, test and measurement, and building automation.**
- **$6.5 Billion in the year 2000**
- **Growing at 18.5% per year**
- **CE & NT segment growing at 50.4% per year**

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Point-of-Sale

Intrinsyc provides connectivity solutions to facilitate the evolution from proprietary stand-alone systems and no on-line transaction capability to standard peripheral interoperability and full web integration.

- **Smart card, cash registers, bar code scanners, vending machines, kiosks, and ticket dispensers.**

- **$2.3 billion by the year 2003**

- **Growing at up to 37% per year**

Mobile Computing

Intrinsyc provides connectivity solutions to facilitate the evolution from proprietary stand-alone in-vehicle platform to standard in vehicle platform, robust application framework and full web integration.

- **In-vehicle network computing, vehicle management, intelligent vehicle systems, wireless communication for data exchange, traffic monitoring and management**
- **$1.3 billion by year 2002**

Embedded Systems

Market Opportunities

- **5 billion microprocessors into over $1 trillion products**
- **55.7 million Information Appliances by 2002**
- **Software portion of embedded systems (effective market for Intrinsyc) is expected to be over US$7 billion by the year 2001**

Market Drivers

- **Processing power essentially free**
- **Bandwidth becoming essentially free**
- **Networking/connectivity is key**
- **Windows CE**
- **Top floor to shop floor connectivity**
- **Open Standards**

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Revenue Growth

[August 31 – Fiscal Year End]

- **$60K in revenues in 1997**

- **$600K in revenues in 1998**

- **Q1 1999 $60**

- **Q2 1999 $537**

- **Q3 1999 $806**

- **Q4 1999 $846 (f)**

- **FY 1999 $2,249 (f)**

- **FY 2000 $10,000 (f)**

- **FY 2001 $25,000 (f)**

1999 Quarterly Revenues

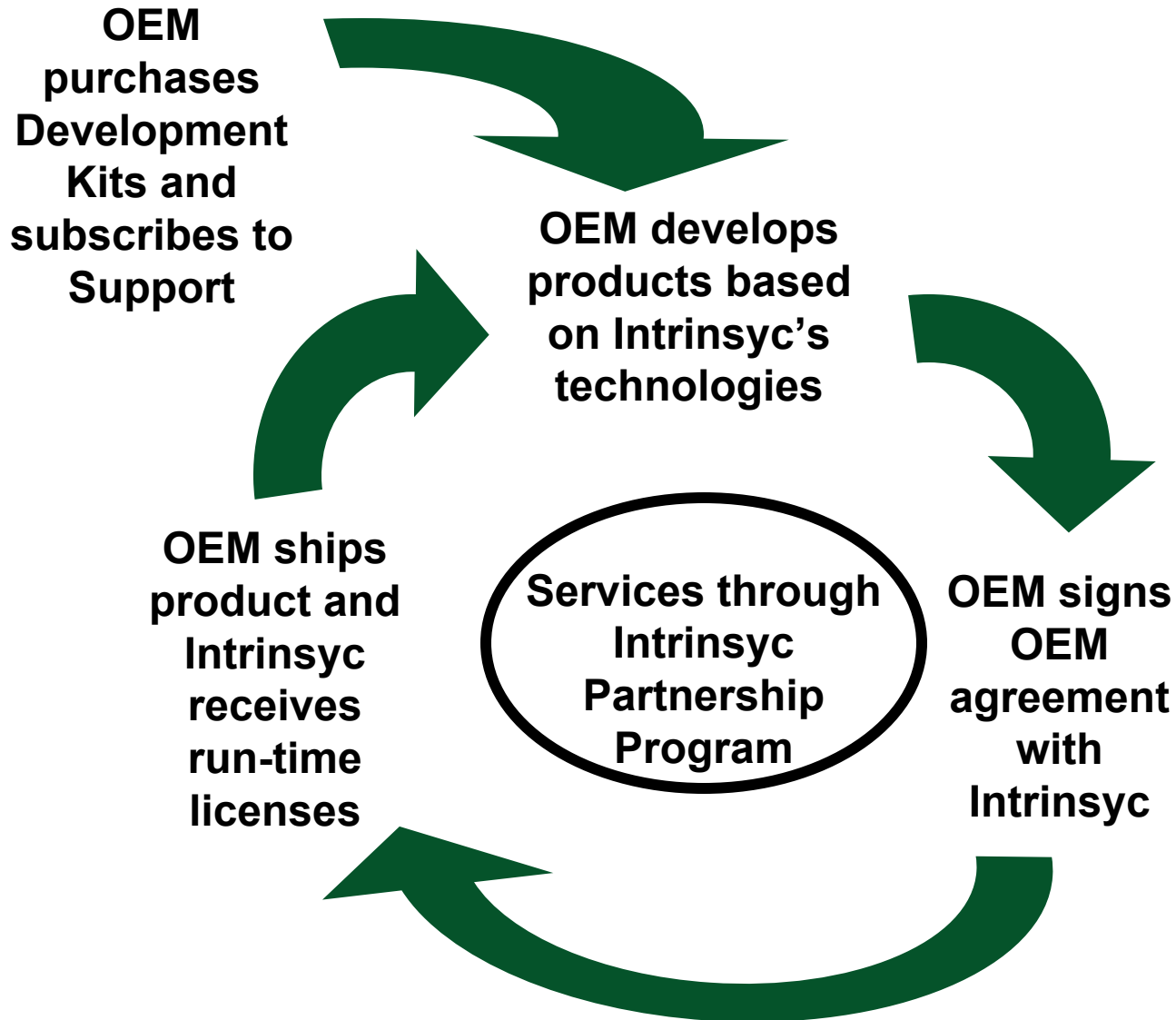**INTRINSYC**
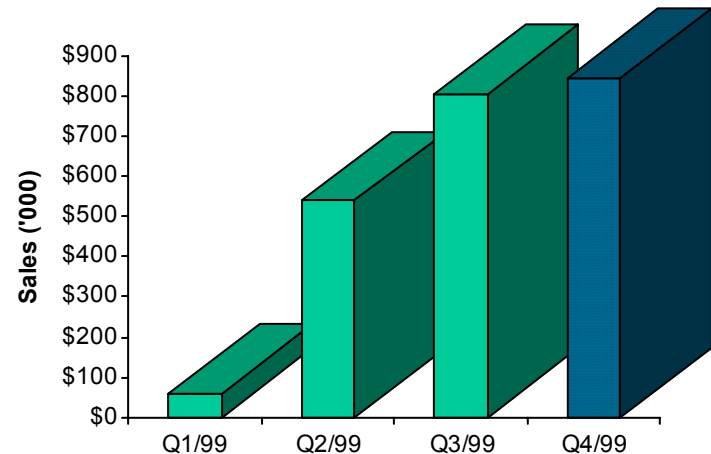
Financial History

- **Raised approximately $10 Million in capital to date**
- **Fiscal year end August 31**
- **Shares outstanding**   **19.1 million**
- **Shares Fully Diluted**   **25.7 million**
- **Cash & A/R (May 31, 1999)**   **$1.2 million**
- **Debt**   **$0**

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Business Model

OEM purchases Development Kits and subscribes to Support

OEM develops products based on Intrinsyc's technologies

OEM ships product and Intrinsyc receives run-time licenses

Services through Intrinsyc Partnership Program

OEM signs OEM agreement with Intrinsyc

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Business Model
Development/Evaluation Kits

- AT&T
- Bosch
- Canon
- Centigram (Mitel)
- Digital (Inde Electronics, Inc.)
- Eaton (Cutler Hammer)
- Hitachi
- Honeywell Inc.
- Iconics
- Intermec
- Intellution
- Johnson Controls
- Kanematsu
- Keops
- Motorola
- Object Automation

- PDQ Manufacturing
- PictureTel
- PC Soft
- RadiSys Corporation
- Raytheon
- Rockwell
- Rosemount Analytical
- Schneider Automation Inc.
- Siemens
- Softmart, Inc.
- The Universal Group
- Total Control Products
- Unidux, Inc.
- Western Money Systems
- Wonderware

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Business Model Partnership / Services

- **Canon**
- **Digital**
- **Eaton Corporation**
- **Intermec**
- **Fisher Rosemount Analytical**
- **Schneider Automation**
- **The Universal Group**
- **Western Money Systems**

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Business Model
OEM Agreements (Run-Time Licensing)

- **Digital**
- **Iconics**
- **Intermec**
- **PictureTel Corp.**
- **The Universal Group**

- **Eaton Corporation (pending)**
- **Fisher Rosemount Analytical (pending)**
- **Intellution (pending)**
- **Siemens Building Technologies (pending)**

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Recent News

3rd Quarter

- Strategic alliance with BSQUARE
- Microsoft link and validation of deviceCOM as a framework extending the power of COM/DCOM to specialized distributed Windows CE embedded systems
- Expansion of Corporate Headquarters and new visual identity program
- 13 new employees

4th Quarter

- Announced next release of technologies 3.0
- Announced OEM partnership with Intermec
- Windows CE DevCon in Denver
- New venture of the year runner up by TIA
- Cahners Electronics Group Top 10 award
- Announced OEM partnership with Digital
- 3 new employees

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Human Capital

- **40 Employees**

- **High retention history**

- **Reputation as a "cool" environment where software engineers are highly regarded/respected**

- **Vancouver location and lifestyle is a recruiting tool**

- **Generous option plan with wide participation**

- **Commitment to training and development**

- **Young, dynamic, aggressive management team with considerable large company experience**

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For internal use only

Intrinsyc's deviceCOM

DCOM (Distributed Component Object Model) is still not available for current versions of Windows CE and it is not clear whether it will become available in CE 3.0. On the other hand, there are some problems in Microsoft's DCOM implementation for Windows NT or 9x, e.g. the hard coded time until a timeout is detected.

These were the reasons for Intrinsyc (http://www.intrinsyc.com) to develop deviceCOM as an interim DCOM solution for CE and a specialized DCOM alternative for specific markets, e.g. for reliable embedded applications. deviceCOM implements the COM/DCOM object environment, has a small footprint of about 350k and is delivered with the necessary development tools such as Visual Studio add-ins and a compiler for IDL (Interface Definition Language).

deviceCOM version 2.2 will be released September 15. It will include the following new features:

- deviceCOM server runs as a NT service.
- The deviceCOM service on NT supports both DCOM and deviceCOM clients that connect to the same instance of a COM server
- The deviceCOM ODK (OEM Developers Kit) includes a library for creating COM servers. It is intended to replace ATL as a development framework for simple servers on systems that do not have the GDI module. In addition, the same code base compiles on NT as well as CE.
- deviceCOM now includes APIs that allow developers to create EXE servers on CE.
- deviceCOM includes APIs that can connect to deviceCOM servers without registering the server on the client machine. The API uses URIs (uniform resource identifiers) that contain the hostname and server CLSID.
- deviceCOM 2.2 allows client applications to receive notifications when a method call fails due to a network error or if the pinging mechanism decides that the connection is no longer live.

More information about deviceCOM can be found at http://www.intrinsyc.com. If you are interested in a time limited evaluation version of deviceCOM or if you have further questions, please contact Zoran Galovic (zgalovic@intrinsyc.com) at Intrinsyc.

About this newsletter

The MIB Technical Newsletter contains information about developments at Microsoft for software engineers at Siemens.
There is also a Management Newsletter available.
Responsible for these newsletters is the Microsoft Technology Information Broker (MIB), an initiative of ZT SE (Corporate Technology, Department Software & Engineering).
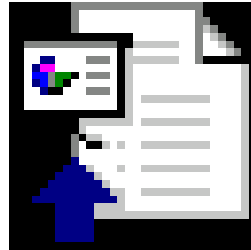
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Microsoft deviceCOM Endorsement

Microsoft PowerPoint

SlideShow

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Competitive Landscape
(Porting Opportunities)

- **Operating Systems**
  - **WindRiver (VxWorks)**
  - **ISI (pSOS)**
  - **QNX**
  - **Microware (OS-9)**

  - **Palm OS**

- **Inferior tools**
- **Unfamiliar APIs**
- **non-open architecture**
- **not as scalable as CE**

- **Narrow focus (PDA)**
- **Limited network connectivity**
- **Incomplete enterprise support**
- **No industry standard for expandability**
- **No color, graphics, enhanced audio**

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Competitive Landscape
(Porting Opportunities)

- **Symbian**

  - narrow focus (cellular)
  - limited network connectivity
  - limited enterprise support
  - vaporware (technology and products not available from consortium until after 2000)

- **JAVA**

  - Runs on top of CE
  - Success depends on industry adoption
  - Limited momentum in embedded space

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Competitive Landscape

- **deviceWEB**
  - **Microsoft**

  - **Go Ahead, Spyglass**

- **deviceRMS**
  - **Jini**

  - **Riverbed, Go Ahead, TCO Soft**

- **Vaporware**

- **deviceWEB is the most compatible with desktop technologies**
- **Intrinsyc distinguishes itself with its value-added extensions to the web server**

- **Success depends on industry adoption**

- **largely proprietary protocols**

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Competitive Landscape

- **deviceCOM**
  - **Microsoft**

  - **Think & Do, Wonderware, Radiant**

- **Vaporware**
- **NT4 DCOM (when ported) is not suitable for many mission critical and wireless applications**

- **not stand alone product**
- **in-house solutions that are less comprehensive and less flexible**
- **Intrinsyc offers and maintains a commercial product with supporting tools**

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Microsoft

- **Unique relationship**
- **Microsoft is the source of many Intrinsyc leads**
- **Intrinsyc opens new markets for Windows CE (such as Systems-on-a-chip, headless systems)**
- **Windows CE 3.0 is due out in 2000 with key new features**
  - **Real time Determinism**
  - **Predicted by all forecasters to dominate**
  - **New market adoptions certain based on 3.0 features**
- **Intrinsyc is a leading Certified CE Solution Provider**
- **Intrinsyc's technologies complement rather than compete with Microsoft. Our technologies extend the capabilities of CE, patents pending.**

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Investment Summary

- **Very positive market trends**

- **Proven technology to meet market needs**

- **Track record of innovation**

- **Referenceable Fortune 500 customers**

- **Focused sales efforts in key markets**

- **Core strengths - technology, people and partners**

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Exit Strategy

- **Nasdaq listing**

- **Strategic business combination / merger**

- **Takeover**

- **Dramatic share price appreciation**

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Our expectations

- **Value added venture capitalists / strategic investor**

  - **Additional business acumen**

  - **Facilitate relationship with strategic partners**

  - **Make us attractive to potential suitors**

  - **U.S. presence**

  - **Help us grow our business**

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now you can