CPTA, A Stepping Stone into the China Market

Mr. Zhu Yadong, Chairman
PowerCore
Content

- The Introduction of CPTA
- The Importance of China Market
- Marketing Strategy
- How to come to China
- Support Services
CPTA Introduction

Establishment and Objective

In October 28, 2014, China Power Technology Alliance (CPTA) was established in Suzhou, Mr. Yang Xue Shan, vice minister of MIIT, served as president of CPTA. CPTA will facilitate and promote the ecosystem construction of domestic server based on POWER CPU.

CPTA aims at building an ecosystem based on OpenPOWER technology. The ecosystem is used to share professional knowledge, investments and server IP, in order to satisfy the developing requirements from customers.
CPTA Kick-off Meeting
CPTA Goal

1. Open the Power architecture to China, create secure & controllable China Power chips, and elevate the industrial innovative in hardware and software stack through open collaboration.

2. Promote the expansion of the hardware and software stack, eventually transform to 100% China Local Stack, that fits China market the most.

3. Build a complete China Power-based ecosystem with market leadership in China, that provide customers with an alternative comparable to Intel System.

Join the conversation at #OpenPOWERSummit
CPTA Member

Join the conversation at #OpenPOWERSummit
The Importance of China Market

Domestic Server Situation

Current situation: lack of Secure & Controllable domestic server

<table>
<thead>
<tr>
<th>Critically Impacts National Security</th>
<th>Loss of Great Economic Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Governmental Security: Having risk of leaking out confidential information</td>
<td></td>
</tr>
<tr>
<td>• Social Security: Social information is incontrollable, and having risk of leaking out national and social relating information.</td>
<td></td>
</tr>
<tr>
<td>• Financial Security: The security and confidence of vital national finance can’t be promised.</td>
<td></td>
</tr>
<tr>
<td>• The value of worldwide server market is over 50 billion dollars.</td>
<td></td>
</tr>
<tr>
<td>• Chinese server enterprises can hardly build Secure &amp; Controllable industry clusters, because of being lack of core technology.</td>
<td></td>
</tr>
</tbody>
</table>
# The Importance of China Market

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Media</td>
<td>83,113</td>
<td>122,241</td>
<td>291,552</td>
<td>318,809</td>
<td>473,007</td>
<td>578,123</td>
<td>11%</td>
<td>13%</td>
<td>24%</td>
<td>24%</td>
<td>32%</td>
<td>35%</td>
<td>1,412,381</td>
<td>23%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government</td>
<td>159,715</td>
<td>203,290</td>
<td>259,454</td>
<td>291,921</td>
<td>306,084</td>
<td>313,839</td>
<td>21%</td>
<td>22%</td>
<td>21%</td>
<td>22%</td>
<td>21%</td>
<td>19%</td>
<td>1,288,485</td>
<td>21%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teleco/TEM</td>
<td>124,023</td>
<td>125,992</td>
<td>125,294</td>
<td>131,442</td>
<td>123,459</td>
<td>148,660</td>
<td>17%</td>
<td>14%</td>
<td>10%</td>
<td>10%</td>
<td>8%</td>
<td>9%</td>
<td>661,568</td>
<td>11%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance</td>
<td>83,052</td>
<td>101,850</td>
<td>114,624</td>
<td>105,028</td>
<td>99,853</td>
<td>115,625</td>
<td>11%</td>
<td>11%</td>
<td>9%</td>
<td>8%</td>
<td>7%</td>
<td>7%</td>
<td>528,909</td>
<td>9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>92,506</td>
<td>103,564</td>
<td>125,109</td>
<td>125,368</td>
<td>113,398</td>
<td>115,620</td>
<td>12%</td>
<td>11%</td>
<td>10%</td>
<td>10%</td>
<td>8%</td>
<td>7%</td>
<td>583,101</td>
<td>10%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>61,275</td>
<td>84,346</td>
<td>99,906</td>
<td>104,941</td>
<td>100,080</td>
<td>99,106</td>
<td>8%</td>
<td>9%</td>
<td>8%</td>
<td>8%</td>
<td>7%</td>
<td>6%</td>
<td>472,714</td>
<td>8%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>30,148</td>
<td>36,358</td>
<td>55,516</td>
<td>70,073</td>
<td>78,288</td>
<td>82,589</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>289,551</td>
<td>5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>28,889</td>
<td>43,089</td>
<td>51,791</td>
<td>42,387</td>
<td>47,157</td>
<td>49,553</td>
<td>4%</td>
<td>5%</td>
<td>4%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>223,484</td>
<td>4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation</td>
<td>32,191</td>
<td>39,582</td>
<td>41,495</td>
<td>36,672</td>
<td>35,300</td>
<td>33,035</td>
<td>4%</td>
<td>4%</td>
<td>3%</td>
<td>3%</td>
<td>2%</td>
<td>2%</td>
<td>192,994</td>
<td>3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health</td>
<td>9,886</td>
<td>17,551</td>
<td>21,462</td>
<td>26,105</td>
<td>33,004</td>
<td>31,026</td>
<td>1%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>115,175</td>
<td>2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resource</td>
<td>34,755</td>
<td>37,591</td>
<td>39,629</td>
<td>32,896</td>
<td>30,462</td>
<td>32,136</td>
<td>5%</td>
<td>4%</td>
<td>3%</td>
<td>3%</td>
<td>2%</td>
<td>2%</td>
<td>181,974</td>
<td>3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution</td>
<td>3,502</td>
<td>5,558</td>
<td>9,228</td>
<td>19,992</td>
<td>28,789</td>
<td>30,165</td>
<td>0%</td>
<td>1%</td>
<td>1%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>73,540</td>
<td>1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>1,255</td>
<td>1,648</td>
<td>2,478</td>
<td>4,765</td>
<td>6,542</td>
<td>5,548</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>18,236</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>744,310</td>
<td>922,660</td>
<td>1,237,538</td>
<td>1,310,399</td>
<td>1,475,423</td>
<td>1,651,782</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>6,042,112</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

IDC China Server Market Report

Join the conversation at #OpenPOWERSummit
The Importance of China Market

Chinese Server Demand

Year

2009 2010 2011 2012 2013 2014

Join the conversation at #OpenPOWERSummit
Marketing Strategy

1. Customer

<table>
<thead>
<tr>
<th>Software Developer/ System Integrator and Technical Support Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Big Data, Cloud and Industrial Applications</td>
</tr>
<tr>
<td>Transplant and Test</td>
</tr>
<tr>
<td>Basic Software Technical Support</td>
</tr>
<tr>
<td>Chip and Main System Develop</td>
</tr>
</tbody>
</table>

2. Technology

- Major Industry and Customer
  - Software Developer
  - System Integrator
  - Smart City
  - Big Data
  - Cloud
  - Middleware
  - Database
  - System Design
  - Chip Design

- Central Government and Ministry
  - Software Developer
  - System Integrator
  - Smart City
  - Big Data
  - Cloud
  - Middleware
  - Database
  - System Design
  - Chip Design

- Local Government and Enterprise
  - Software Developer
  - System Integrator
  - Smart City
  - Big Data
  - Cloud
  - Middleware
  - Database
  - System Design
  - Chip Design

3. Service

- Pre-Sale: Application Transplanting, Tuning, Server Customization
- In-Sale: Application Implementing and Launching
- Post-Sale: Warranty

Join the conversation at #OpenPOWERSummit
How to come to China

OpenPower Route
• IBM China
• OpenPower Foundation

Potential Global Partner
Synergy - Creates Complementary Route

China Market

CPTA Route
• China Power Technology Alliance
• Powercore
• Unisource

For CPTA Route
Apply → Assessment Center → Decision → Join CPTA

Join the conversation at #OpenPOWERSummit
Support Services

Marketing and Client
- Client Development
- Marketing Promotion
- Training and Publicity

Technology and Cooperation
- Technology Promotion
- Enterprise Cooperation and Communication
- International Cooperation
We are Partner

Welcome to China, Welcome to Join Us
Thank you!