

CLASSIC OVERVIEW

What makes us the best choice in the independent channel?

- Nearly 40 years as a recognized market leader
- Consistently ranked among top global independents
- Private ownership flexibility
- Growth through investment and performance
- Risk-free sourcing
- Leading edge QMS
- 16 global locations including distribution hubs in Hong Kong and USA
- Worldwide sales & procurement teams
- Critical shortage, cost reduction and asset recovery services
- Value-add services and BOM management
- Financial services





GLOBAL FOOTPRINT

We Offer Regional Support with Global Oversight







LINE CARD **SPECIALTY LINES**

Top Brands & Component **Partners**

AMD Ledil Adamtech Littelfuse / IXYS Amphenol Marvell Analog Dev/ Lin Tech/ Maxim Meanwell APTIV / Delphi Microchip / Microsemi / Atmel Attend Micrel AVX / Kyocera Micron **Bel Fuse Bourns** Molex Broadcom / Avago / PLX **Monolithic Power Systems Cherry Switches** Murata **Cypress** Nanya Diodes Inc. NDK Grayhill Nexperia Hirose NIC Hitachi IDT **Nichicon** Infineon / Int'l Rectifier Nidec Intel / Altera NXP / Freescale ISSI OnSemi ITT / Cannon **Panasonic** Johanson Pulse **JST** Renesas / Intersil Kemet Keystone Rohm **KOA Speer** RoyalOhm Lattice Samsung Ledil Samtec Littelfuse / IXYS Sandisk

Lattice

Sanyo Semtech Sharp Shenzen Qiyue Silicon Labs / Silabs **SK Hynix SMK** Sony ST Micro Stackpole Taiyo Yuden TDK / Epcos TE / Tyco / AMP Texas Instruments Toshiba **TRW** Vishay Walsin / Sincera Wurth Xilinx Yageo Yazaki



LINE CARD FRANCHISED LINES

Top Brands & Component Partners

CALCHIP

Capacitors & Resistors

CAPXON

Capacitors

ELNA

Caps: Electrolytic, Film, Double-

Layer

GENERAL TOUCH

Touchscreen, Touch Monitor

GK LIGHTING

LED Modules/Strip Lighting

GREENCONN

Connectors

HO CHIEN

Diodes, Connectors, Cables

KINGTRONICS

Electrolytic Caps, Diodes, Rectifiers

TXC/QST

Crystals/Oscillators
Wireless Charging, Solenoids

LEDIST OPTO

Chip LED, LED Modules

LEDTRONICS

LED Lighting (Indoor &

Outdoor)

NEWHAVEN DISPLAY

TFT/LCD/OLED

ORIENT DISPLAY

TFT/LCD/Touch

PARALIGHT

LED Lighting

P-DUKE

Power Supplies

TECATE

Caps: Ceramic, Film, Polymer

TLC ELECTRONIC

PTC/NTC/Fuses

















Material Cost Reduction & Lead Time Buys

- Exclusive OEM/CEM/EMS relationships
 - Leverage competitive contract pricing to drive incremental profit
 - Purchase on standard L/T for scheduled orders
 - Access to volume discounts
- Committed quality performance Industry leading QMS practices
- Leverage Classic's financial stability for scheduled orders
- Supply & Demand data alignment managed through centralized team
- Predictable Cost Savings—Manageable, measurable and reportable quarterly P/L contribution
- Price protection
 - Classic will agree to price protection on purchases for agreed upon commodities
 - Price protection will be based on orders that ship in following Quarters where
 Direct or Franchise pricing levels have increased above current order price
- Flexible push-out delivery schedules and non-NCNR orders
 - Rescheduling privileges up to 60 days (or additional options considered on case-by-case basis
 - Cancellation privileges on L/T buys where Classic has same terms with Vendor



Shortage Solutions

- Effective regional partnerships
- Thorough and effective supplier management processes
- Price protections through inventory bonding
- Industry leading Quality Management Systems
- No risk sourcing
- Stringent authentication processes
- Flexible terms
- Second sourcing with our authorized brands
- Dedicated Account Management team
- Aggressive sourcing



VMI

- Redirect capital to other spend categories as needed
- Supplement procurement requirements with tactical PPV
- Improved business revenue results and inventory turns
- Reduce Total Cost of Ownership
- Scheduling out to 12 months if required
- \$0 Carrying Costs / \$0 Restocking fees
- Cancellation and Rescheduling Privileges
 - Vendor specific Classic will reciprocate any return privilege we can secure with our Vendors
 - If return not available Classic will attempt to remarket material for optimal asset recovery
- Blended PPV to offset any cost overruns PPV savings offset inflated shortages
- Tiered rebate structure based on total monthly sales
- Dedicated Account Management team



Financing & Logistics Solutions

- Customized to address your specific needs
- Inventory Financing
- EMS Inventory Transit Solutions
- Long-Term Scheduling
- See Supply Chain Finance Presentation for more



Last Time Buy & Obsolete Part Sourcing

- Inventory risk reduction for constrained components and medium-to-long term life-cycle products
- Supplier owned inventory stored at Classic warehouse location or on-site
- Fully insured and secure storage facilities
- Blended buys from extensive network of partners to reduce cost
- Certified QMS Processes and Policies
- Real-Time Industry Alert Monitoring
- Traceable Sourcing
- Identify Potential Cross/Substitution Opportunities



Excess/Surplus Mitigation

- Outright Lot Purchases
- Line-Item Purchases
- Inventory Consignment (physically and/or virtually)
- Strategic Marketing of the Materials



USA & Hong Kong Logistic & Quality Inspection Hubs





- State of the art Quality Inspection facilities
- Full duplication of process between Hong Kong and global HQ (LA, CA)
- Inventory bonding services
- Highly secure location for product storage
- Improved TLC (Total Landed Cost) and L/T for most customers
- Increased Asia region market penetration
- Convenient business district location for customer/partner business reviews
- Space and facilities available for ongoing Sales Team expansion





ISO 9001 AS 9120B ANSI/ESD S20.20 ERAI Member



Certificate of Registration

This is to certify that the Electrostatic Discharge Control Program of:

Classic Components Corporation

23605 Telo Ave. Torrance, CA 90505

has been assessed for conformance with the provisions set forth by

ANSI/ESD S20.20 2014

This certificate is valid for the following product / service ranges:

Distribution, inspection, and logistics services.

The assessment was performed in accordance with the latest requirements set forth by the ESD Association. ISA is accredited under the ESD Association guidelines for Accredited Certification Bodies.

Lead Auditor Scott Donovan

Certificate No. ESD1439-1 Date of Issuance: 01/27/2016 Recertification: 03/31/2022 Date of Expiration: 03/30/2023



Such processes or services snail oe manufactured or ordered at or from, only the address given above. This registration is granted subject to the organization maintaining compliance to the noted standard. This certificate is not transferable and remains the property of International Standards Authority.



President Sash John

International Standards Authority, Inc.



www.isaregistrar.com 525 Queensland Cir. Corona, CA 92879, USA Tel: 951-736-0035





Certificate of Registration

This is to certify that the Electrostatic Discharge Control Program of:

Classic Components Corporation

Futura Plaza 111-113 How Ming Street 10/F, Rm 3, 6-8 Kwun Tong Hong Kong

has been assessed for conformance with the provisions set forth by

ANSI/ESD S20.20 2014

This certificate is valid for the following product / service ranges:

Distribution, inspection, and logistics services.

The assessment was performed in accordance with the latest requirements set forth by the ESD Association. ISA is accredited under the ESD Association guidelines for Accredited Certification Bodies.

Lead Auditor Scott Donovan

Certificate No. ESD1439-2 Date of Issuance: 01/27/2016 Recertification: 03/31/2022 Date of Expiration: 03/30/202



Such processes or services shall be manufactured or offered at or from, only the address given above. This registration is granted subject to the organization maintaining compliance to the noted standard. This certificate is not transferable and remains the property of International Standards Authority.









www.isaregistrar.cor 525 Queensland Cir. Corona, CA 92879, US Tel: 951-736-0035



Quality Policy

Classic Components Corporation will provide electronic components, related products and necessary services such as product processing, inspection and testing that consistently meet or exceed the requirements and expectations of our customers. We will actively pursue continual quality improvements that increase effectiveness of our Quality Management System, products and services.



Global Quality Objectives

- 100 % Total Quality
- 0 DPPM
- 100 % On Time Delivery
- 100 % Customer Satisfaction
- Stronger relationships with external business partners
- Accurate and Effective communication with internal customers



Risk Mitigation & Counterfeit Avoidance

- Supplier Management: Screening and Selection
 - Established supplier rating system
 - Regular Audits of Supply Base
 - Performance statistics
 - USL (Unapproved Supplier Listing) report to Membership Organizations
 - Real-time Management Review
- Traceability Documentation (Specify supply chain traceability to the OCM or after market manufacturer that identifies the name and location of all the supply chain intermediaries from the part manufacturer to the direct source of the product. If this traceability is unavailable, a risk mitigation plan is required.)
 - CoC (Certificates of Conformance) requirements
 - Verifiable Chain of Custody
 - Regularly update and maintain a comprehensive package & die pedigree photo repository DB to help identify counterfeits
- Compliance Verification
 - Visual Inspection
 - Testing
 - Physical Analysis



Risk Mitigation & Counterfeit Avoidance

- Traceability Control Process
 - ERP driven flow down of customer traceability requirement
 - Clear identification of supplier type within the ERP
 - Established control points to ensure compliance
- Authorized Sources
 - 100 % real-time review of supplier(s) picked through the ERP by the order approval process
 - Real-time Product Management confirmation of supplier's authorized lines
 - Documentation of supplier's current authorized lines in the ERP
 - Risk profile driven inspection and sampling to ensure the proper level of risk mitigation steps are performed while maintaining material integrity and ability to meet customer commitments
 - Procurement of materials through specialized SPB agents that perform expert analysis and front-end risk mitigation
 - Top management, including the order approval process, review of SPB transaction to verify traceability and material support
 - Real-time Product Management confirmation that all SPB criteria, including statutory requirements, have been satisfied per transaction



Risk Mitigation & Counterfeit Avoidance (cont.)

- Risk Profiler System based on AS6171 Risk Identification and Analysis Requirements:
 - Identification of all areas of risk and individual risk factors
 - Precise analysis of risk and accurate reflection through aggregate scoring
 - Flow down of risk information and establishment of multiple points of control
 - Processes and procedures driven by a complete risk profile score
- Consolidated Core Risk Data Points:
 - Traceability level of material
 - End customer application
 - Supplier rating and type
 - Customer classification
 - Supporting quality data (e.g., historical information, ERAI reports, etc.)
- Algorithmic Weighted Scale
 - Practical modeling of weight assigned to each consolidated risk data point to ensure total quality without sacrificing OTD
 - Determination of a comprehensive risk profile for counterfeit avoidance and mitigation processes
- Risk Profile Driven Inspection and Sampling Program
 - Business Risks Details and requirements of the order against the final risk profile
 - Inspection Criteria Inspection plan against the final risk profile
 - Sampling Criteria Sampling plan against the final risk profile



Risk Mitigation & Counterfeit Avoidance (cont.)

- Supply Chain Management Controlling Body
- New Supplier Qualification and Approval:
 - AS registered and audited process and forms
 - Policy and procedure driven process
 - Consolidation and central management of supplier data
 - Product Management review of all data and audit results
- Supplier Management and Maintenance
 - Real-time Product Management review of transactional data
 - Criteria based management of supplier status, type and rating
 - Centralized management of supplier audits and quality metrics
- Optimized Flow Down and Distribution of Information
 - Workflow integrated flow down and distribution of supplier data including historical transactions, status, type and rating
 - Distribution and control of policies
 - Final review of complete order data prior to shipment
 - Distribution center for all critical order and material information for post-delivery support and services



INSPECTION & TEST

Incoming Inspection

- Quality Inspection Checkpoints
- External Packaging
 - Original, sealed packaging, labels, QC markings, correct colors, bar code discrepancies, lot codes, marking font and clarity of labels
- Internal Packaging
 - Bar code, logo discrepancies, dry pack, moisture barrier bags vacuum sealed anti-static bags, desiccant, carrier originality, labels consistent with manufacturer's specs
- Product Inspection
 - Physical arrangement in packaging, pin orientation, coplanarity, cut or bent leads, BGA damage, lead blemishes, discoloration, rust, tarnish, evidence of remarking, lot codes and country of origin, discoloration, sandblasting/blacktopping evidence, surface scratches and blemishes
- Escalation Critical Inspection
 - XRF
 - X-ray
 - Solderability Test
 - Destructive Decapsulation
 - Outsourced Partner Electrical Testing





INSPECTION & TEST

Incoming Inspection EQUIPMENT

- XRF RoHS / Pb Inspection and Verification
 - Olympus Vanta VMW with Tungsten Anode
- X-Ray Inspection (Creative Electron TruView Prime)
 - Automated Reel-to-Reel Inspection and Comparative Analysis
- Solderability Test
 - Plato SP-500TP Solder Pots
- Decapsulation Nisene JetEtch Pro Acid Decap System
 - Air Science USA Fume Hood



External Packaging





- Original, sealed packaging
- Labels, QC markings, colors correct
- Look for misspelled words



Any discrepancy results in isolation of goods until the problem is resolved.



External Packaging (cont.)





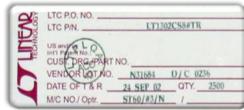
- Bar Code discrepancies
- Lot code consistent with manufacturer specifications
- Marking font & clarity of labels
- Photos of packaging documented and stored
- **❖** Any discrepancy results in isolation of goods until the problem is resolved.



Internal Packaging













- Bar code, logo discrepancies & inconsistencies
- Dry pack, moisture barrier bags, vacuum sealed anti-static bags, desiccant
- Carrier originality
- Labels consistent with manufacturer's spec

❖ Any discrepancy results in isolation of goods until the problem is resolved.



Detailed Bench Inspection



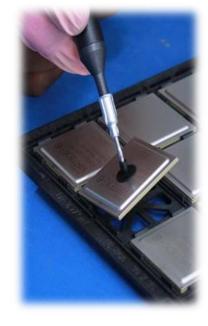


- Pin orientation
- Photos again documented and stored





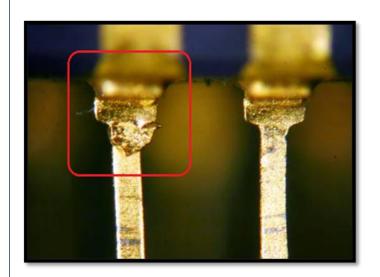




❖ Any discrepancy results in isolation of goods until the problem is resolved.



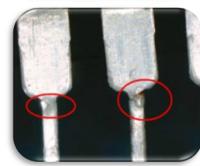
Detailed Bench Inspection (cont.)





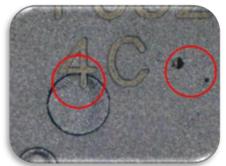
- Evidence of remarking
- Discoloration & Oxidation
- Marking permanency
 - Blacktopping
 - Sandblasting
 - Scrape test
- Surface scratches & blemishes

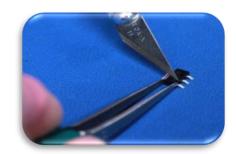














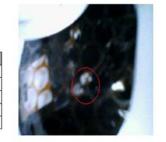
XRF RoHS/PB Inspection & Verification (Olympus Vanta)

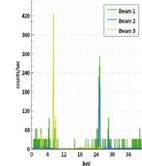


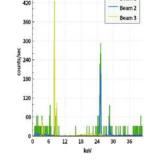




£ì	PPM	+/- 30	
Cr	ND	<230	Pass
Br	ND	<16	Pass
Cd	ND	<18	Pass
Hg	ND	<11	Pass
Pb	29	12	Pass











X-Ray Inspection (TruView Prime R)

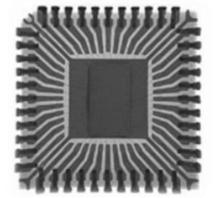




X-Ray Inspection (Failure Analysis Test Cases)

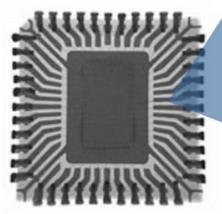
Known Good Part



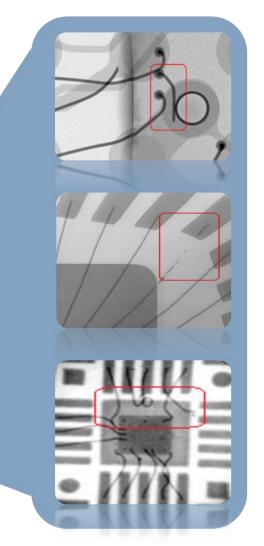


 Materials that are apparently identical on the outside can be found to be completely different inside when inspected with X-ray Images. (Clear evidence of falsification)





- Fragmented connections
- Broken wire bonds





Solder Test (Plato SP-500TP Solder Pots)





 Solderability test utilized when inspecting legacy parts and as a requirement of any customer purchase order.









Microscopic photos examined and digitally stored



Decapsulation (JetEtch Pro Acid Decap System)

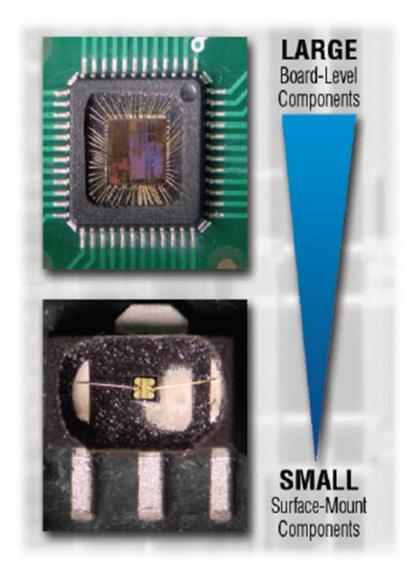
- Etches precise openings in plastic packages of all sizes and compositions.
- Advanced pumping principle offers benefits in acid control, safety etc.
- Market-leading speeds for etch head heating & cooling. This provides maximum uptime when changing acid mixes and package types.
- User-friendly extended maintenance.
- Intuitive control -- all system controls are front panel mounted.
- Unique dual waste bottle setup that is an extension of its diversion process.





Decapsulation (Air Science USA Fume Hood)







Decapsulation (Cont.)



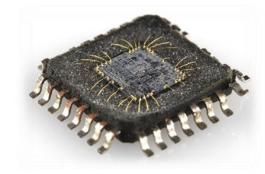
- Inspect die for part, serial, and/or identification numbers
- Cross-inspect against known series number
- Inspect for manufacturer's or partner logo



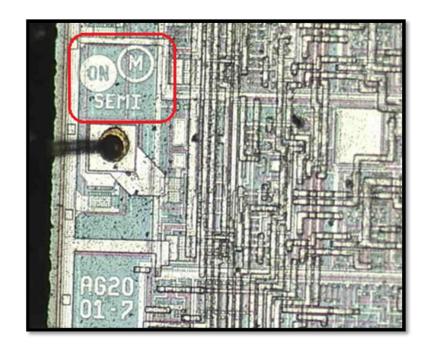
Decapsulation (Test Case)



1. Products received are compared with a "Golden Sample" - Product on the left is the original Atmel item (Golden Sample)



2. After the decapsulation process, the "die" is closely inspected under the microscope.



3. It is clear the decapsulated item is counterfeited (Atmel product with On-Semi details)



