

Dear Investor/Analyst/Shareholder,

Thank you for your support for Phison (TPEX: 8299). Please see the details of our July, 2020 earnings below:

KEY TAKEAWAYS

- July 2020 revenue totaled NT\$3,849mn, an increase of nearly 15% (MoM) from the previous month.
- Accumulated revenue for Jan.- July 2020 reached NT\$27,571mn, up 20% YoY.
- Although the epidemic has affected the demand of the NAND storage market, Phison has shown strong vitality and strives to reach its growth goal.

Phison's July 2020 revenue totaled NT\$3,849mn, an increase of nearly 15% (MoM) from the previous month. Accumulated revenue for Jan. - July 2020 reached NT\$27,571mn, with an annual growth rate (YoY) of nearly 20%. The raging COVID-19 has indeed had a considerable impact on the global economy, and all countries are striving to recover steadily. Phison also continues to actively strive for global customer orders, and through Phison's flexible cooperation model, it achieves a win-win effect of customer satisfaction, thereby increasing revenue and profit.

PHISON 8299	Sales Revenue (NT\$mn)	Growth Rate
July 2020	3,849	15% MoM
Jan. to July 2020	27,571	20% YoY

Compared with the same period last year (YoY), the total shipments of memory modules in July were flat. However, the total shipments of PCIe SSD controller ICs grew by 108%, setting a record single-month high. The total shipment growth of eMMC memory products also reached 142%. In addition, for the annual growth rate (YoY) of cumulative shipments from January to July, the total shipments of SSD and eMMC controller ICs increased by 27%, the total shipments of PCIe SSD controller ICs increased by 116%, the total shipment of eMMC memory products reached 231%, the total shipment of industrial products reached 46%, and the total shipped memory bits (Total Bits) grew by nearly 13%, all of which hit a record high in the same period. It shows that although the epidemic has affected the demand of the NAND storage market, Phison has shown strong vitality and strives to reach its growth goal.

July 2020 Business Highlights (PHISON 8299)	YoY	Remark
Total shipments of memory modules	Flat	
Total shipments of PCIe SSD controller ICs	108 %	Record High
Total shipments of eMMC memory products	142 %	
Accumulated total shipments of SSD and eMMC controller for Jan.- July	27 %	Record high

Accumulated total shipments of PCIe SSD controller for Jan.- July	116 %	Record high
Accumulated total shipment of eMMC memory products for Jan.- July	231 %	Record high
Accumulated total shipment of industrial products for Jan.- July	46 %	Record high
Accumulated Total Memory Bits Shipment for Jan.- July	13 %	Record high

K.S. Pua, Phison CEO and Chairman, said that Phison has entered the high-end industrial storage market more than ten years ago and has begun to show results in recent years. For example, in recent years, due to the demand for charging stations driven by the rise of electric vehicles, Phison has integrated customers' industrial computers, and jointly design-in the charging station system of the largest independent electric vehicle service provider in the United States, and has begun shipping. The requirements of this type of industrial application need that NAND storage products can be used normally under different outdoor environmental conditions. The temperature range may be from low temperature -40 degrees to high temperature of 85 degrees, and it requires 24 hours of uninterrupted operation. It is a considerable challenge for NAND storage products. Through the accumulation of 20 years of technical experience, Phison can not only provide industrial-required storage products that meet the needs of customers of the charging station, but also allow customers to perform remote network control through customized SSD functions, which greatly saves client's maintenance resources. According to data from market research agencies, the global charging station market has reached 12.7 million units in 2020, which will be positively helpful to Phison's continued increase in the proportion of high-end storage revenue.

[PHISON IR Distribution List Application Form]

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[PHISON's Quick Facts]

- Over 20 years experiences in NAND controller IC design and module integration.
- Over 2,000 employees globally, and more than 75% are engineers
- Over 1900 memory-related patent globally.
- 3 major focuses: enterprise, embedded, and consumer market.
- 600M average annual controller shipment.
- \$1.45B sales revenue in 2019 (no debt).
- Confident that our [unique business model](#) can produce consistently strong cashflows and profits over the long-term amidst NAND memory market cycles.
- Strongly maintain long-term partnerships with our global NAND flash supply sources and with our downstream module customers.

[About PHISON]

Phison Electronics Corp. (TPEX:8299) is a global leader in NAND Flash controller IC and storage solutions. We provide a variety of services from controller design, system integration, IP licensing to total turnkey solutions, covering applications across SSD (PCIe/SATA/PATA), eMMC, UFS, SD and USB interfaces, reaching out to consumer, industrial and enterprise markets. As an active member of industry associations, Phison is on the Board of Directors for SDA, ONFI, UFSA and a contributor for JEDEC, PCI-SIG, MIPI, NVMe and IEEE-SA.

To know more about Phison, please visit [Phison Website](#) or [Phison Q&A](#) for details.

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[Forward-looking Statements]

Information included in this press release that are not historical in nature are "forward-looking statements". Phison cautions readers that forward-looking statements are based on Phison's reasonable knowledge and current expectations, and are subject to various risks and uncertainties. Actual results may differ materially from those contained in such forward-looking statements for a variety of reasons including without limitation, risks associated with demand and supply change, manufacturing and supply capacity, design-win, time to market, market competition, industrial cyclicality, customer's financial condition, exchange rate fluctuation, legal actions, amendments of the laws and regulations, global economy change, natural disasters, and other unexpected events which may disrupt Phison's business and operations. Accordingly, readers should not place reliance on any forward-looking statements. Except as required by law, Phison undertakes no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.