

Dear Investor/Analyst/Shareholder,

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

KEY TAKEAWAYS

- October 2020 revenue totaled NT\$4.448bn, up 3% MoM, while accumulated revenue for Jan.- Oct. 2020 reached NT\$40.103bn, up 11% YoY.
- PCIe SSD has gradually become the mainstream storage specification in the PC market. Phison's technology leadership in PCIe Gen4 SSD, including the world's fastest flagship PCIe Gen4 SSD controller PS5018-E18, will continue to expand Phison's SAM (Serviceable Addressable Market).

Phison announced today (11/10) the operating results for October 2020, with consolidated revenue of NT\$4.448 billion. This is an increase of nearly 3% (MoM) from the previous month. The total revenue of the whole year to October reached NT\$40.103 billion, and the annual growth rate (YoY) was nearly 11%, setting a new historical high for the same period. Benefiting from the technological leadership of Phison's PCIe Gen4 SSD, global customers continue to deepen their cooperation with Phison, which will help Phison's revenue and profit in the fourth quarter.

PHISON 8299	Sales Revenue (NT\$bn)	Growth Rate	Remark
October 2020	4.448	3% MoM	
Jan. to Oct. 2020	40.103	11% YoY	Historical high for the same period

Compared with the same period last year (YoY), the total shipments of PCIe SSD modules in October grew by nearly 55%, a record high in a single month; the total shipments of eMMC module products also benefited from the continuous recovery of the embedded application market, where the YoY growth is nearly 70%. In addition, for the total annual growth rate (YoY) of total shipments accumulated throughout the year (January to October), the total shipments of SSD and eMMC memory modules grew by nearly 23%, setting a new historical high for the same period; Total shipments of PCIe SSD controller grew by nearly 94%, a record high over the same period in history; total shipments of industrial controller grew by nearly 22%, another record high for the same period in history; total shipments of memory bits (Total Bits) grew by nearly 12% , which also sets a new historical high over the same period. The overall growth in shipments shows that PCIe SSDs continue to penetrate the storage application market. In addition, Intel has also released a computer system platform that supports PCIe Gen4 SSDs, which will continue to drive PCIe SSD penetration in the PC market in the future. Furthermore, since Phison has the advantage of leading market peers in the mass production of PCIe Gen4 SSD controller for one and a half

years, Phison is expected to be the biggest beneficiary of the increase in the market share of PCIe Gen4 SSD, and it will continue to contribute to the revenue ratio of Phison’s high-end products.

October 2020 Business Highlights (PHISON 8299)	YoY	Remark
Total shipments of PCIe SSD modules	55 %	Historical monthly high
Total shipments of eMMC memory products	70 %	
Accumulated total shipments of SSD and eMMC module for Jan.- Oct.	23 %	
Accumulated total shipments of PCIe SSD controller for Jan.- Oct.	94 %	Record high over the same period
Accumulated total shipment of industrial controller for Jan.- Oct.	22 %	
Accumulated Total Memory Bits Shipment for Jan.- Oct.	12 %	

K.S. Pua, CEO and Chairman of Phison, said that Phison’s technical capabilities in PCIe Gen4 SSD controller have been recognized by global customers. Phison’s new-generation flagship PCIe Gen4x4 SSD controller PS5018-E18, just released on November 9th, is another demonstration of Phison’s technical muscles. PS5018-E18 is not only the fastest PCIe Gen4 SSD controller on the market, but also the only flagship product in the world that inherits the mass production experience and market verification of Phison’s PCIe Gen4 SSD controller. Looking forward to the future, Phison will continue to expand R&D expenditures, maintain its leading position in the industry, and continue to create substantial returns for employees and shareholders.

[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 cyclical, 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.