

Dear Investor/Analyst/Shareholder,

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

KEY TAKEAWAYS

- December 2020 revenue totaled NT\$4.175bn, while accumulated revenue for Jan.- Dec. 2020 reached NT\$48.497bn, up 9% YoY.
- Looking forward to 2021, many customers have deepened their cooperation projects with Phison because they recognize Phison’s technological leadership. Therefore, in 2021, there will be opportunities to continue to maintain revenue and profit growth. Phison remains positively optimistic about the future.

Phison announced today (1/8) the operating results for December 2020, with consolidated revenue of NT\$4.175billion, an increase of 2% over the same period last year (YoY). The total revenue of the whole year to December reached NT\$48.497 billion, with an annual growth rate (YoY) of nearly 9%, a record high in revenue.

PHISON 8299	Sales Revenue (NT\$bn)	YoY	Remark
December 2020	4.175	2%	
Jan. to Nov. 2020	48.497	9%	Historical high for the same period

Compared with the same period last year (YoY), the total shipments of SATA and PCIe SSD controller in November grew by nearly 26%; the total shipments of eMMC module products also benefited from the continuous recovery of the embedded application market, where the YoY growth is over 66%. In addition, for the total annual growth rate (YoY) of total shipments accumulated throughout the year (January to December), the total shipments of SSD and eMMC memory modules grew by nearly 25%, setting a new historical high for the same period; total shipments of PCIe SSD controller grew by nearly 82%, a record high over the same period in history; total shipments of industrial controller grew by nearly 11%, 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.

November 2020 Business Highlights (PHISON 8299)	YoY	Remark
Total shipments of SATA and PCIe SSD Controllers	26 %	
Total shipments of eMMC memory products	66 %	
Accumulated total shipments of SSD and eMMC module for Jan.- Dec.	25 %	Record high over the same period
Accumulated total shipments of PCIe SSD controller for Jan.- Dec.	82 %	Record high over the same period
Accumulated total shipment of industrial controller for Jan.- Dec.	11 %	Record high over the same period
Accumulated Total Memory Bits Shipment for Jan.- Dec.	12 %	Record high over the same period

K.S. Pua, CEO and Chairman of Phison, said that 2020 was a difficult year for the NAND flash storage industry. It has not only experienced the impact of the epidemic, but also has fundamentally changed the lifestyle of all human beings. I was never used to communicating with customers through video conferences every day, but now I have gradually become accustomed to and even find video conferences more convenient. Such changes have also driven the demand for various derivative applications of WFH (Work From Home), including cloud services, game industry, remote teaching, and NB computer industry. These applications all require NAND storage products, which drives Phison's overall revenue to a new high in 2020.

K.S. Pua went on to emphasize that, looking forward to 2021, through the world's first PCIe Gen4 SSD controller [PS5016-E16](#) to the world's only PCIe Gen4 SSD controller that reaches read and write speed of 7000MB/s ([Phison's PS5018-E18 controller](#)), Phison's technical capabilities have not only been recognized by global customers, but also have attracted many new customers to further engage with Phison. Phison will also continue to work hard to continue to achieve 2021 annual revenue and profitability goal.

[PHISON IR Distribution List Application Form]

If you would like to receive PHISON press release or announcement, please register our IR distribution application form from the link: [Phison IR Distribution List](#)

[PHISON's Quick Facts]

- Over 20 years experiences in NAND controller IC design and module integration.
- Over 2,300 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.

PHISON Spokesperson

Antonio Yu
TEL: +886-37-586-896 #1019
Mobile: +886-979-105-026
Email: antonioyu@phison.com

PHISON Deputy Spokesperson

Kuo-Ting Lu
TEL: +886-37-586-896 #2622
Mobile: +886-979-075-330
Email: kuoting_lu@phison.com

[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 cyclicalities, 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.