

Dear Investor/Analyst/Shareholder,

Thank you for your support for Phison (8299TT). Please see the details of our December 2021 revenue below:

Phison Electronics (8299TT), a leading manufacturer of NAND controller and NAND storage solution, announced today (1/7) the operating results for December 2021. Consolidated revenue was NT\$4.993 billion, an increase of 20% from the same period last year (YoY); revenue for the full year of 2021 reached NT\$62.557 billion, a growth of nearly 29% compared with the same period last year (YoY), setting a new record for the same period in history.

PHISON 8299TT	Sales Revenue (NT\$bn)	YoY	Remarks
December 2021	4.993	20 %	
2021 Full Year	62.557	29 %	Record high for the same period in history

Compared with the same period last year (YoY), the total shipments of PCIe SSD controllers in December grew by more than 20%; the total shipments of industrial controllers grew by more than 21%. In addition, the cumulative annual growth rate of PCIe SSD controller shipments for the entire year was nearly 115%, a record high for the same period in history; the annual growth rate of total industrial controller shipments is close to 30% (YoY), and the annual cumulative total memory bit shipments (Total Bits) also grows close to 40% (YoY), both setting new historical highs over the same period.

PHISON 2021 Business Highlights	YoY	Remark
Total shipments of PCIe SSD controller	20 %	
Total shipments of industrial-grade controller	21 %	
Cumulative annual total shipments of PCIe SSD controller for 2021	115 %	Record high over the same period
Cumulative total shipments of industrial-grade controller for 2021	30 %	Record high over the same period
Cumulative total memory shipments (Total Bits) for 2021	40 %	Record high over the same period

K.S.Pua, CEO of Phison, explained that 2021 was a challenging year for Phison, including problems such as tight foundry capacity, insufficient supply of NAND Flash memory, and price increases by upstream and downstream suppliers. Phison has also learned a lot of valuable experience from it, which will become the nutrients for Phison's next wave of growth momentum.

K.S.Pua then emphasized the pandemic has accelerated the digital transformation around the world and because of that, the global demand for semiconductor products and NAND



storage solutions increased exponentially and will continue to rise. Furthermore, the wide expansion of 5G wireless technology maintains the growth momentum in various storage applications, such as e-sports gaming solutions, automotive and industrial electronic systems and devices, cloud servers, AR/VR applications, various edge computing devices, etc. Phison's successful transformation into a technology company and move into the highend storage market has allowed the company to stay up to speed and even ahead of the digital transformation trends globally. Because of its successful business model, Phison's 2021 annual revenue has grown substantially compared to 2020.

Lastly, K.S.Pua highlighted that starting from the end of 2021, due to the traditional offseason, Phison has stepped up resource preparations in order to avoid the problem of insufficient resources in 2021. The company is in a great position to continue this growth and will further strengthen research and development investments in order to meet the increasing demand for NAND storage applications.



## [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 3,000 employees globally, and more than 70% are engineers.
- Nearly 2,000 memory-related patents globally.
- Target long-term revenue of NT\$100 billion through the 5+5 growth strategy
- Exceeds 20% of the global market share of SSD controllers
- \$1.64B sales revenue in 2020.
- <u>Unique business model</u> that can produce consistently strong cashflow and profits over long-term NAND memory market cycles.
- Committed to maintaining 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.