Dear Investor/Analyst/Shareholder,

Thank you for your support for Phison (8299TT). Please see the details of our December 2023 revenue below:

Phison Electronics (8299TT), a leading provider of NAND controllers and NAND storage solutions, announced its operational results for December 2023 today (1/10). The consolidated revenue reached NT$5.182 billion, representing a nearly 30% year-over-year (YoY) growth, setting a historical high for the same period. The overall revenue for the fourth quarter reached NT$15.748 billion, with a YoY growth exceeding 28%, also achieving a second-highest historical record for the same period. The total annual revenue for the year reached NT$48.222 billion, with a YoY growth of -19%.

PHISON 8299TT	Sales Revenue (NT$bn)	Growth Rate	Remark
December 2023	5.182	30% YoY	Historical high for the same period
4Q 2023	15.748	28% YoY	Second-highest record for the same period
Jan. to Dec. 2023	48.222	-19% YoY	

In 2023, the cumulative total shipment volume of PCIe SSD modules experienced a YoY growth of 20%, reaching a historical high for the same period. Additionally, the YoY growth rate of the overall NAND storage bit shipments exceeded 30%, setting a new historical high. This indicates a continuous, gradual recovery in overall NAND market demand. Coupled with the consistent attitude of NAND manufacturers towards production reduction and price increases, it is expected to contribute to overall supply-demand balance and stimulate stable orders from end-system customers to meet market demand and replenish inventory.

Phison stated that the significant YoY growth in Q4 2023 revenue implies that the most challenging period for the NAND storage market has passed. Phison continues to actively assist global customers in creating higher value-added NAND storage solutions based on its IC design capabilities. In Q4, Phison successfully secured numerous design-win customer collaboration cases, including Retimer IC, aiDAPTIV+ solutions, automotive NAND storage, PCIe 5.0 SSD, etc. It is anticipated that these collaborative projects will gradually contribute to revenue growth in the upcoming quarters of 2024.

Finally, given Phison's continuous expansion in the NAND storage application market and operational scale, along with ongoing investment in advanced NAND

controllers technology, and considering the persistent demand from global customers for additional customized services and new collaboration projects, Phison will gradually increase research and development scale and expenditure. Additionally, Phison will actively recruit more suitable engineers, aiming to consistently build a more robust technical foundation and sustain growth momentum in response to market and customer demands.

[PHISON IR Distribution List Application Form]

If you would like to receive Phison press releases or announcements, please register with our IR distribution application form in this link: Phison IR Distribution List

[PHISON's Quick Facts]

• Over 23 years experiences in NAND controller IC design and module integration.

• Over 3,800 employees globally, and more than 75% are engineers.

• Nearly 2,000 memory-related patents globally.

• Target long-term revenue of over NT$100 billion through the 5+5 growth strategy.

• Exceeds 20% of the global market share of SSD controllers.

• NT$60.256B sales revenue in 2022.

• Unique business model 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]