

Dear Investor/Analyst/Shareholder,

Thank you for your support for Phison (8299TT). Please see the details of our consolidated earnings of 4Q21 and Feb.22 revenue below:

#### KEY TAKEAWAYS

- 4Q21 consolidated revenue was NT\$16.832 billion, up 31% year-on-year (YoY), while the annual revenue in 2021 reached NT\$62.557 billion, a year-on-year increase of 29% (YoY), a record high for the same period.
- The ESP for the full year of 2021 is NT\$41.34.
- Phison has gradually get rid of the business cycle of the NAND storage industry, and become a value-growing company worthy of long-term investment.

Phison Electronics (8299TT), a leading provider of NAND controller and NAND storage solutions, announced today (3/4, Taiwan) its consolidated financial results for the fourth quarter of 2021 and revenue for February 2022. Fourth-quarter consolidated revenue was NT\$16.832 billion, up 31% year-on-year (YoY); the annual revenue in 2021 reached NT\$62.557 billion, a year-on-year increase of 29% (YoY), a record high for the same period.

Gross profit in the fourth quarter reached NT\$4.775 billion, an increase of 61% over the same period of the previous year (YoY); gross profit in 2021 also hit a record high of NT\$19.09 billion in the same period, an increase of 56% over the same period of the previous year (YoY). In addition, the gross profit margin in the fourth quarter reached 28.37%, and the overall gross profit margin in 2021 reached 30.53%; net profit after tax and EPS in the fourth quarter also reached NT\$1.81 billion and NT\$9.19 respectively; the ESP for the full year of 2021 is NT\$41.34.

4Q21 and 2021 Earnings	NT\$	Growth Rate	Remarks
4Q21 Consolidated Revenue	16.832 bn	31% YoY	A record high over the same period in history
4Q21 Gross Profit	4.775 bn	61% YoY	A record high over the same period in history
4Q21 EPS (NT\$)	9.19	/	Second highest over the same period in history
2021 Consolidated Revenue	62.557 bn	29% YoY	A record high over the same period in history
2021 Gross Profit	19.09 bn	56% YoY	A record high over the same period in history
2021 EPS (NT\$)	41.34	/	Second highest over the same period in history

Compared with the same period of the previous year (YoY), the total shipments of SATA and PCIe controllers in the fourth quarter of 2021 increased by more than 6%, of which the total shipments of PCIe SSD controllers increased by nearly 87%. In terms of cumulative shipments in 2021, the total shipments of PCIe SSD controllers increased by 114%, and the total

shipments of total bits (Total Bits) increased by nearly 40%, setting a new record for the same period in history.

<b>4Q21 and 2021 Business Highlights</b>	<b>YoY</b>	<b>Remarks</b>
4Q21 Total shipment of SATA and PCIe SSD controller	6 %	Historical single-season high
4Q21 Total shipment of PCIe SSD controller	87 %	Historical single-season high
2021 Total shipment of PCIe SSD controller	114 %	A record high over the same period in history
2021 Total shipment of memory bit	40 %	A record high over the same period in history

K.S.Pua, CEO of Phison, said that in 2021, Phison's non-consumer/retail overall revenue contribution exceeded 70%, and the revenue continued to grow (Top-line Growth), and the gross profit margin also met the long-term target range of 27%  $\pm$  3%. It not only represents the successful transformation of Phison, but also shows that the foundation of Phison's revenue and profit is becoming more and more stable, gradually getting rid of the business cycle of the NAND storage industry, and becoming a value-growing company worthy of long-term investment.

K.S.Pua went on to explain that the recent contamination of the NAND factory KIOXIA and WD has affected the supply of the NAND storage industry. It is very likely that the global NAND storage products will be in shortage during the traditional peak season (2Q to 3Q), which will lead to a rise in market prices. Furthermore, since Phison has always had a better sense of the market's supply and demand situation than its peers and made rolling adjustments to the inventory level according to customer needs, Phison has a relatively sufficient inventory level to meet the needs of global customers in this contamination incident. In other words, what looks like good luck to the outside world is actually due to Phison's accumulated experience in market supply and demand for more than 20 years. In the face of future market changes, Phison will continue to join hands with global customers to create common prosperity.

In addition, for the revenue in February 2022, the consolidated revenue was NT\$5.307 billion, an increase of 45% over the same period last year (YoY); the cumulative revenue from 2022 to February reached NT\$10.726 billion, an increase of 39% (YoY) compared with the same period last year, setting a new record for the same period in history.

<b>Feb.22 Revenue</b>	<b>Sales Revenue (NT\$bn)</b>	<b>YoY</b>	<b>Remarks</b>
Feb. 2022	5.307	45%	
Jan. to Feb. 2022	10.726	39%	A record high over the same period in history

### [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 3,400 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
- The global market share of SSD controller exceeds 20%
- \$2.23B USD sales revenue in 2021.
- 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.