

Dear Investor/Analyst/Shareholder,

Thank you for your support for Phison (8299TT). Please see the details of our consolidated earnings of 4Q22 below:

Phison Electronics (8299TT), a leading provider of NAND controllers and NAND storage solutions, announced today (3/15) the operating results of the consolidated financial report for the fourth quarter of 2022. Consolidated revenue in the fourth quarter was NT\$12.29 billion, an increase of -15% compared to the third quarter of 2022 (QoQ quarterly growth rate), and the cumulative revenue for the whole year reached NT\$60.256 billion, an increase of -3% (YoY annual growth rate) compared with 2021, the second highest in the same period in history.

Gross profit in the fourth quarter was NT\$3.448 billion, the third highest in the same period in history, gross profit margin reached 28.06%, the second highest in the same period in history, and EPS reached NT\$1.14. The cumulative gross profit for the full year of 2022 is NT\$17.349 billion, and the gross profit rate is 28.79%, both of which are the second highest in the same period in history; the EPS for the full year of 2022 is NT\$27.71.

#### 4Q22 Earnings

|                         |              |          |  |
|-------------------------|--------------|----------|--|
| Consolidated Revenue    | NT\$12.29 bn | -15% QoQ |  |
| Gross Profit            | NT\$3.448 bn | -3% QoQ  | The third highest in the same period in history  |
| Gross Profit Margin     | 28.06%       | /        | The second highest in the same period in history |
| EPS (NT\$)              | NT\$1.14     | /        |  |
| Cumulative GPM for 2022 | 28.79%       | /        | The second highest in the same period in history |
| Cumulative EPS for 2022 | NT\$27.71    | /        |  |

Compared with the same period last year (YoY annual growth rate), the overall controller shipments in 2022 grew by more than 17%, of which the total shipments of PCIe SSD controllers grew by nearly 15%, both setting new historical highs for the same period.

| 2022 Business Highlights                | YoY  | Remarks                                       |
|---|------|---|
| Total shipments of overall controllers  | 17 % | A record high over the same period in history |
| Total shipments of PCIe SSD controllers | 15 % | A record high over the same period in history |

K.S.Pua, CEO of Phison, said that the losses of inventory evaluation caused by the slowdown in market demand affected the gross profit margin of Phison in the fourth quarter and 2022 to about 5% and 2.8% respectively; furthermore, in the fourth quarter, the equity method investment losses affected the EPS by about NT\$3.93, mainly because Hosin-Global's operating results were affected by the slowdown in the overall demand of the storage industry and the

epidemic's impact on logistics in mainland China. In other words, excluding the recognition of inventory evaluation losses and equity method investment losses, Phison's operating profitability and financial health are still relatively stable.

K.S.Pua went on to explain that in terms of the total shipments of controllers for the whole year, Phison's annual growth rate reached 17%, a record high; however, because the overall NAND ASP decline in 2022 is greater than the growth of Phison's shipments, Phison's revenue growth in 2022 was affected.

Finally, K.S.Pua added that although the overall NAND market conditions in the second half of 2022 were not good, benefiting from the successful transformation of the customized storage market, Phison still maintained a stable gross profit margin of 28.79% for the full year of 2022, which represents the continuous and steady growth of Phison in the customized value-added design service market. By assisting customers in the development of value-added NAND storage products or even ASIC designs in various application markets, Phison not only enhances the added value to customers, but more importantly, increases the trust with customers. This will further stabilize the foundation of Phison's long-term revenue and profitability, which will also be the main growth momentum of Phison's future development.

### [PHISON IR Distribution List Application Form]

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### [PHISON's Quick Facts]

- Over 22 years experiences in NAND controller IC design and module integration.
- Over 3,800 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%
- NT\$60.256B sales revenue in 2022.
- 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.