

Dear Investor/Analyst/Shareholder,

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

KEY TAKEAWAYS

- September 2020 revenue totaled NT\$4,341mn, up 16% MoM, while accumulated revenue for Jan.- Sep. 2020 reached NT\$35,656mn, up 14% YoY.
- Phison's leading technology in PCIe Gen4 SSD controller ICs not only increases Phison's global visibility, but also increases Phison's opportunities for cooperation with global customers.

Phison's September 2020 revenue totaled NT\$4,341mn, which not only increased by nearly 16% (MoM) from the previous month, but also set a new historical high in September. Accumulated revenue for Jan. - September 2020 reached NT\$35,656mn, with an annual growth rate (YoY) of nearly 14%, which is also a record high for the same period in history. Benefited from the peak shopping season in the second half of 2020 and the demand for new game consoles to be launched, Phison's global customers have been actively stocking up, which will have a positive effect on Phison's revenue and profit in the second half of the year.

PHISON 8299	Sales Revenue (NT\$mn)	Growth Rate	Remark
September 2020	4,341	16% MoM	New high in September
Jan. to Sep. 2020	35,656	14% YoY	Historical high for the same period

Compared with the same period last year (YoY), driven by Phison's PCIe Gen4 technology leadership, the total shipments of PCIe SSD controller ICs in September grew by 83%, setting a new historical monthly high. The total shipments of eMMC memory products also benefited from the continuous recovery of the embedded application market and grew by more than 113%. In addition, for the annual growth rate (YoY) of the annual cumulative total shipments (January to September), the total shipments of SSD and eMMC controller ICs grew by nearly 11%. The total shipment of PCIe SSD controller ICs grew by nearly 111%, a record high over the same period in history. The total shipments of industrial controller ICs grew by nearly 26%, a record high over the same period in history. The total number of memory bits (Total Bits) has grown by nearly 13%, which is also a record high over the same period in history. These shipment data not only show that the PCIe Gen4 platform firstly launched by AMD has successfully attracted consumers to gradually upgrade to high-speed PCIe SSD products, but the high-end industrial and embedded application markets are also gradually recovering. These market changes can not only

increase the revenue contribution of Phison's high-end products, but also stably increase Phison's profitability.

September 2020 Business Highlights (PHISON 8299)	YoY	Remark
Total shipments of PCIe SSD controller ICs	83 %	Historical monthly high
Total shipments of eMMC memory products	113 %	
Accumulated total shipments of SSD and eMMC controller for Jan.- Aug.	11 %	
Accumulated total shipments of PCIe SSD controller for Jan.- Aug.	111 %	
Accumulated total shipment of industrial controller for Jan.- Aug.	26 %	Record high over the same period
Accumulated Total Memory Bits Shipment for Jan.- Aug.	13 %	

K.S. Pua, CEO and Chairman of Phison, said that Phison's technology leadership in PCIe Gen4 has allowed global customers to re-recognize Phison again. Many new and old customers all over the world have actively contacted Phison, expressing the hope to deepen the cooperation with Phison, and even form a research and development team with Phison to co-develop next-generation customized NAND controllers and solutions; the forecast of certain orders in cooperation with NAND makers has even reached the first half of 2021. In addition, with the successful introduction of the Phison PCIe Gen4 SSD storage solution on the gaming console platform, customers are also successively distributing goods on shelves, and even adding orders to prepare for the launch of the new machine, which continues to contribute positively to Phison's future revenue.

[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 2,000 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.

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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.