



2H21 Investor Conference

Feb. 11th, 2022

winbond
We Deliver

- We have made forward-looking statements in this presentation. Our forward-looking statements contain information regarding, among other things, our financial condition, future expansion plans and business strategies. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions about us.
- We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this conference might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.
- The information contained herein shall also not constitute an offer to sell or a solicitation of an offer to buy the company's securities nor shall there be any sale of such securities in any state or country in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or country.

Agenda

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01 Financial Results

Jessica Huang - CFO

02 Business Recap & Outlook

James Chen - President

03 Q & A

James Chen & Jessica Huang

In the bottom left corner, there are several overlapping, outlined geometric shapes in a light red color. These shapes include squares and diamonds of various sizes, some of which are nested within each other.

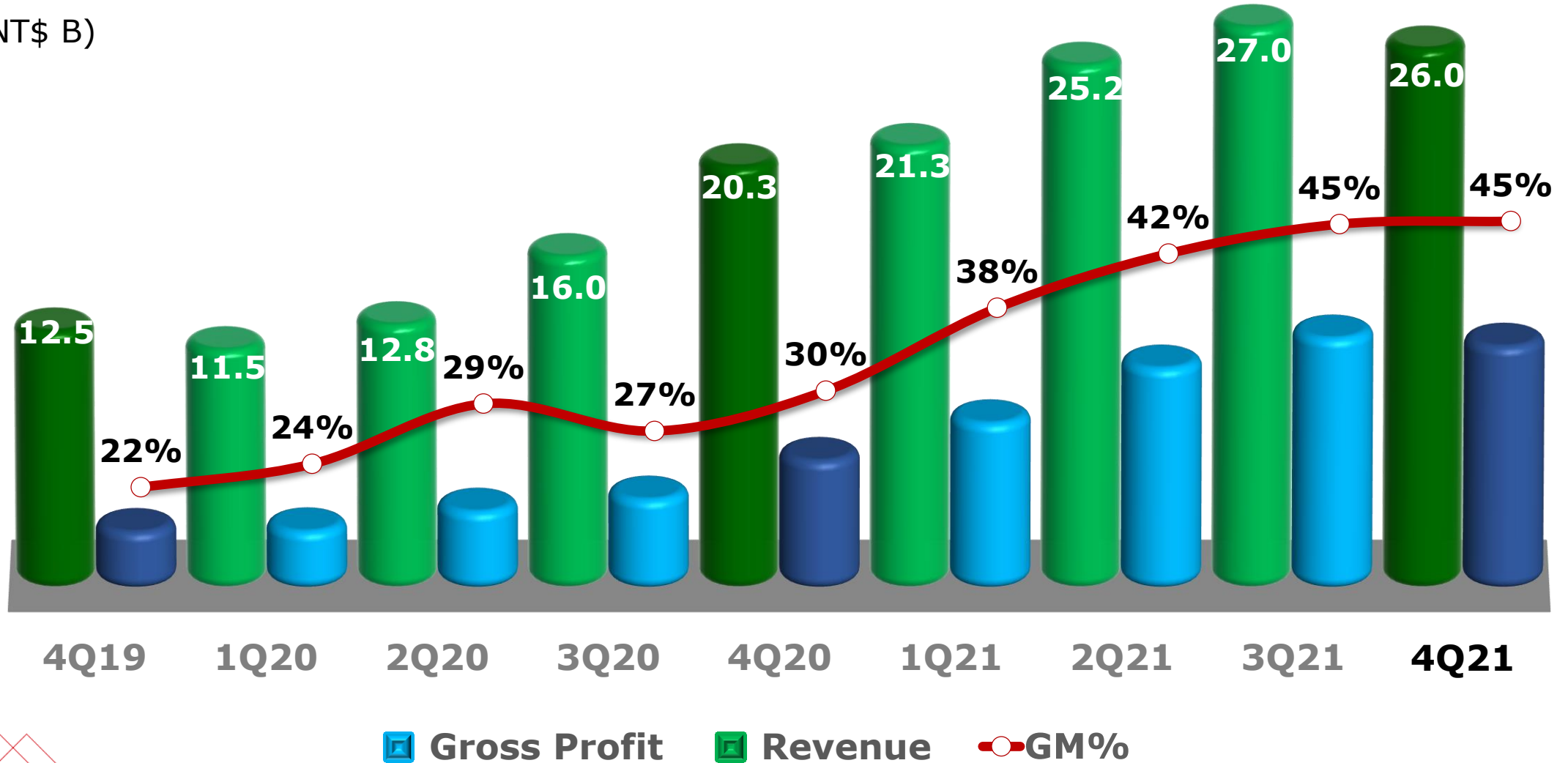
Financial Results

Statement of Comprehensive Income - Consolidated

Unit: NT\$ M	2H21	1H21	HoH	2021	2020	YoY
Net Sales	53,010	46,560	6,450	99,570	60,683	38,887
Gross Profit	23,817	18,664	5,153	42,481	17,040	25,441
Gross Margin	45%	40%	+5 pts	42%	28%	+14 pts
Operating Income	11,510	6,918	4,592	18,428	1,627	16,801
Net Non-Operating Income (Loss)	(191)	(14)	(177)	(205)	185	(390)
Income Tax Benefit (Expense)	(1,808)	(1,415)	(393)	(3,223)	(293)	(2,930)
Net Income (Loss)	9,511	5,489	4,022	15,000	1,519	13,481
Earnings Per Share (Unit: NT\$)	2.18	1.24	0.94	3.42	0.33	3.09
EBITDA	17,697	12,387	5,310	30,084	11,090	18,994

Revenue and GM Trend - Consolidated

(NT\$ B)



Balance Sheet - Consolidated

Unit: NT\$ M	Dec. 31, '21	%	Jun. 30, '21	%	Dec. 31, '20	%
Cash	30,914	20%	17,751	13%	11,744	9%
Inventory(Net)	15,941	10%	14,454	10%	14,141	11%
Property, Plant and Equipment	61,080	40%	60,417	43%	61,453	49%
Total Assets	152,740	100%	139,208	100%	126,043	100%
L/T Liability	23,305	15%	21,381	15%	20,534	16%
Total Liabilities	62,707	41%	56,647	41%	55,450	44%
Shareholders' Equity	90,033	59%	82,561	59%	70,593	56%
Debt / Equity Ratio	0.70		0.69		0.79	
Current Ratio	2.53		2.26		1.87	

Statement of Cash Flow - Consolidated

Unit: NT\$ M	2H21	1H21	HoH	2021	2020	YoY
Operating Cash Flow	20,632	9,743	10,889	30,375	11,439	18,936
Depreciation & Amortization	6,187	5,469	718	11,656	9,463	2,193
Investing Cash Flow	(5,783)	(2,817)	(2,966)	(8,600)	(15,165)	6,565
CAPEX	(5,366)	(4,454)	(912)	(9,820)	(8,356)	(1,464)
Financing Cash Flow	(1,296)	(489)	(807)	(1,785)	4,152	(5,937)
Net Change	13,163	6,006	7,157	19,170	276	18,894
Cash & Equivalents	30,914	17,751	13,163	30,914	11,744	19,170

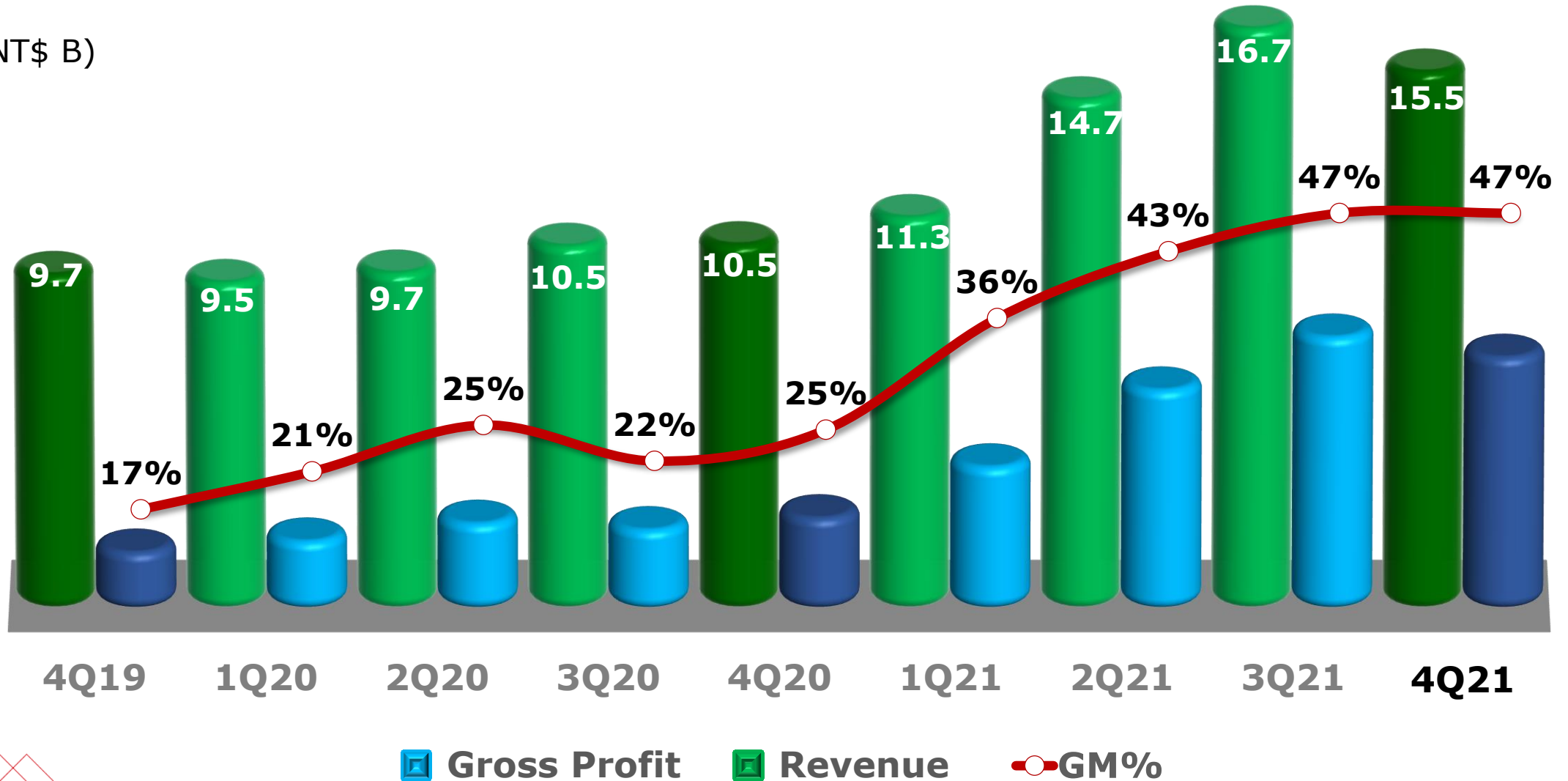
Memory Business Performance (1)

Unit: NT\$ M	2H21	1H21	HoH	2021	2020	YoY
Net Sales	32,252	26,029	6,223	58,281	40,208	18,073
Cost of Goods Sold	17,102	15,578	1,524	32,680	30,836	1,844
Gross Profit	15,150	10,451	4,699	25,601	9,372	16,229
Gross Margin	47%	40%	+7 pts	44%	23%	+21 pts
Operating Expense	5,745	4,779	966	10,524	8,012	2,512
Operating Income	9,405	5,672	3,733	15,077	1,360	13,717
Operating Income Margin	29%	22%	+7 pts	26%	3%	+23 pts

Memory Business Performance (2)

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(NT\$ B)



Unit: NT\$ M	2H21	1H21	HoH	2021	2020	YoY
Net Sales	20,769	20,687	82	41,456	20,668	20,788
Gross Profit	8,594	8,262	332	16,856	7,707	9,149
Gross Margin	41%	40%	+1 pts	41%	38%	+3 pts
Operating Income	2,031	1,296	735	3,327	322	3,005
Net Non-Operating Income (Loss)	18	200	(182)	218	421	(203)
Income Tax Benefit (Expense)	(318)	(286)	(32)	(604)	(210)	(394)
Net Income (Loss)	1,731	1,210	521	2,941	533	2,408
Earnings Per Share (Unit: NT\$)	4.20	3.07	1.13	7.27	1.81	5.46

Unit: NT\$ M	Dec. 31, '21	%	Jun. 30, '21	%	Dec. 31, '20	%
Cash	9,699	28%	6,270	20%	5,882	18%
Inventory(Net)	6,859	20%	6,280	20%	6,250	19%
Property, Plant and Equipment	5,249	15%	5,626	18%	6,547	20%
Total Assets	34,408	100%	31,107	100%	32,322	100%
L/T Liability	1,500	4%	1,875	6%	2,708	8%
Total Liabilities	18,854	55%	17,714	57%	20,801	64%
Shareholders' Equity	15,554	45%	13,393	43%	11,521	36%
Debt / Equity Ratio	1.21		1.32		1.81	
Current Ratio	2.24		1.87		1.59	

Statement of Comprehensive Income - Parent Company Only

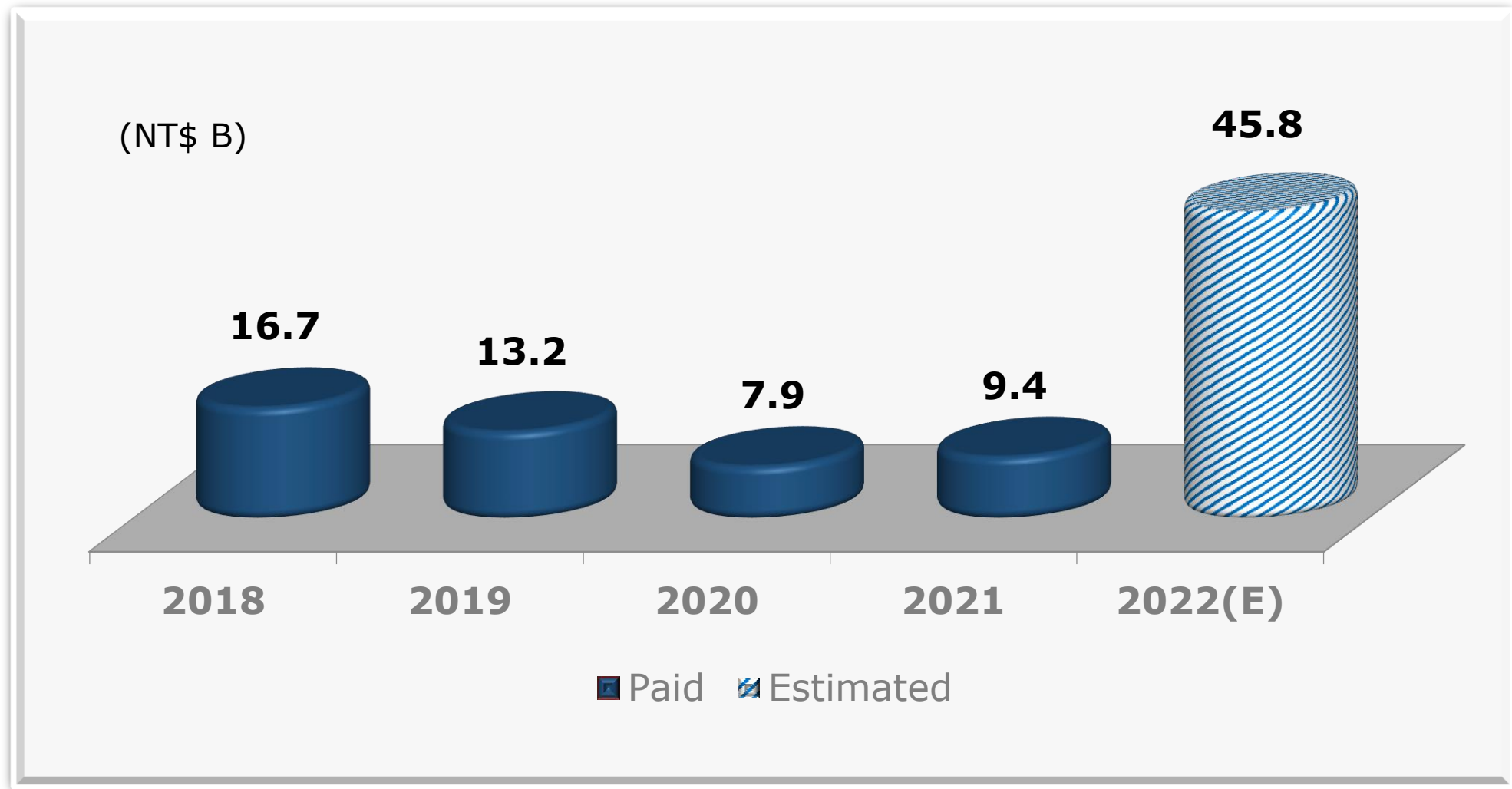
Unit: NT\$ M	2021	%	2020	%	YoY	%
Net Sales	57,533	100%	39,650	100%	17,883	-
Gross Profit	24,757	43%	8,807	22%	15,950	+21 pts
Operating Income	14,678	26%	1,091	3%	13,587	+23 pts
Net Non-Operating Income (Loss)	1,363	2%	259	1%	1,104	+1 pts
Income Tax Benefit (Expense)	(2,446)	-4%	(46)	0%	(2,400)	-4 pts
Net Income (Loss)	13,595	24%	1,304	3%	12,291	+21 pts
Earnings Per Share (Unit: NT\$)	3.42	-	0.33	-	3.09	-
EBITDA	24,963	43%	9,736	25%	15,227	+18 pts

Balance Sheet - Parent Company Only

Unit: NT\$ M	Dec. 31, '21	%	Dec. 31, '20	%
Cash	20,226	16%	4,818	5%
Inventory(Net)	9,196	7%	7,920	8%
Property, Plant and Equipment	55,352	44%	54,399	54%
Total Assets	125,945	100%	100,053	100%
L/T Liability	21,805	17%	17,826	17%
Total Liabilities	43,501	35%	34,604	35%
Shareholders' Equity	82,444	65%	65,449	65%
Debt / Equity Ratio	0.53		0.53	
Current Ratio	2.62		1.96	

Statement of Cash Flow - Parent Company Only

Unit: NT\$ M	2021	2020	YoY
Operating Cash Flow	24,319	9,978	14,341
Depreciation & Amortization	10,285	8,645	1,640
Investing Cash Flow	(9,393)	(8,661)	(732)
CAPEX	(9,292)	(7,885)	(1,407)
Financing Cash Flow	482	(1,924)	2,406
Net Change	15,408	(607)	16,015
Cash & Equivalents	20,226	4,818	15,408



Cash Basis, as of Feb. 11th, 2022

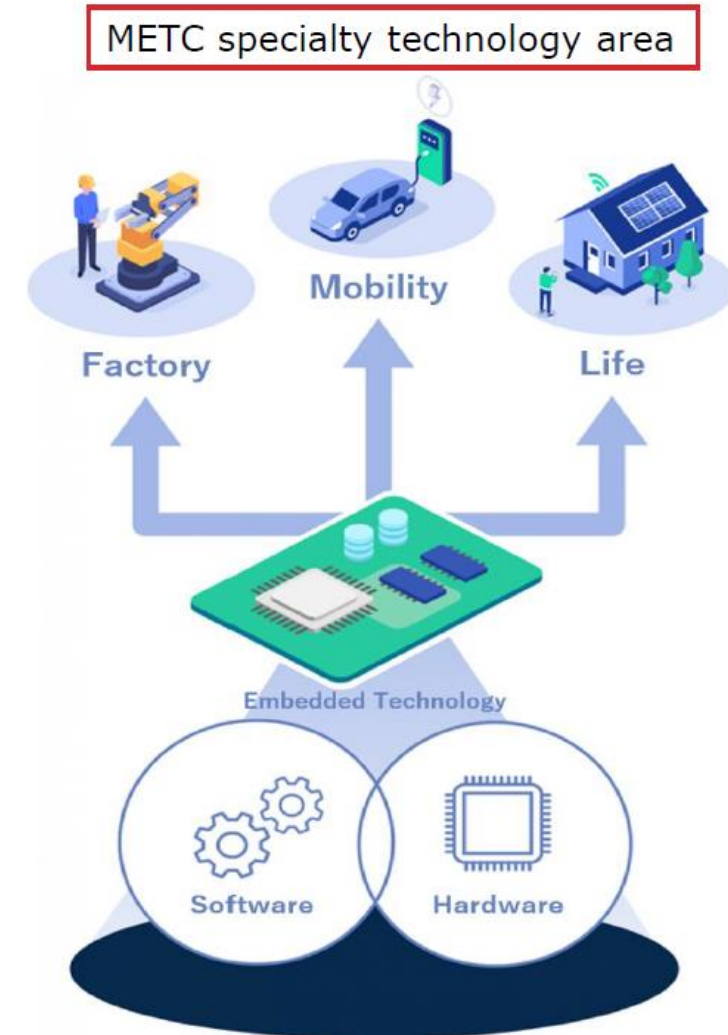
Acquisition of METC from Nuvoton Japan

❑ Miraxia Edge Technology Corporation (METC)

- ❖ Capital: JPY 200M
- ❖ Location: Nagaokakyo City, Kyoto, Japan
- ❖ Establishment: Jan, 1997
- ❖ Business: Development of embedded software designed for automotive, industrial and consumer use and system design combining software and hardware

❑ Transaction

- ❖ Price: JPY 1.462B
- ❖ Closing Date: Nov. 1st, 2021
- ❖ Purpose: Business integration and product synergies between Winbond and METC



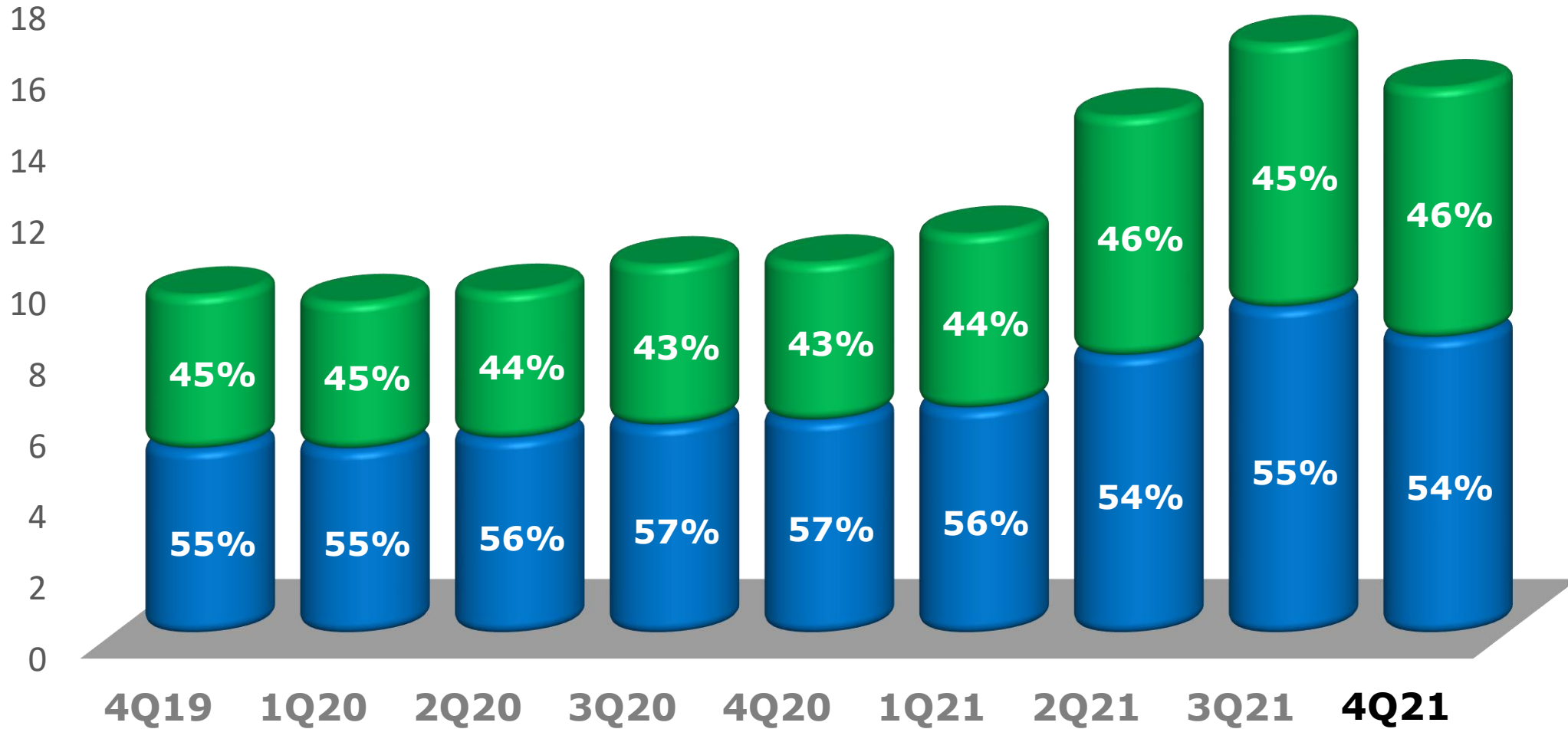
A decorative graphic in the bottom left corner of the slide, featuring several overlapping, thin-lined geometric shapes, primarily squares and diamonds, in a light purple or pinkish hue.

Business Recap & Outlook

Memory Business Revenue Breakdown by Product

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(NT\$ B)

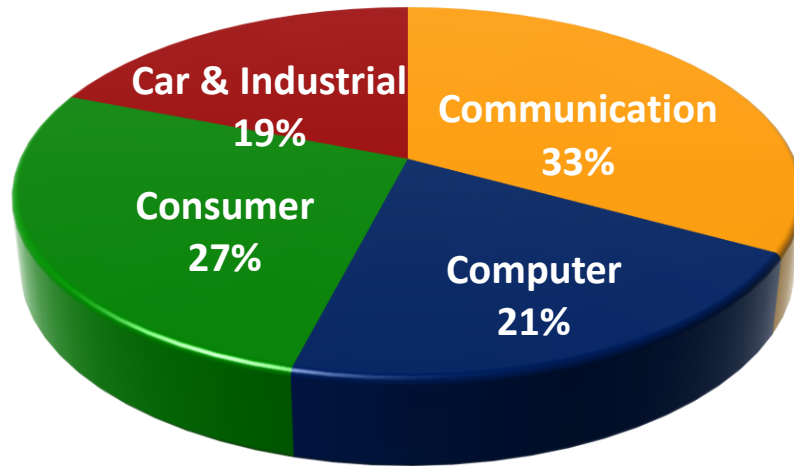


Flash DRAM

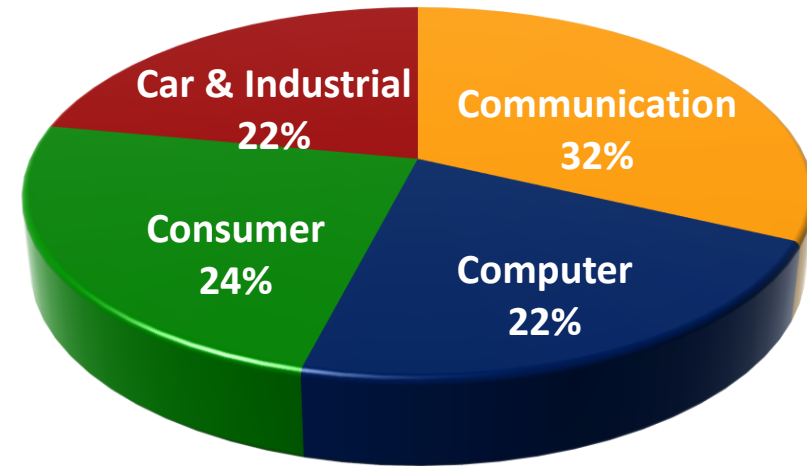
Memory Business Revenue Breakdown by Application

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2020

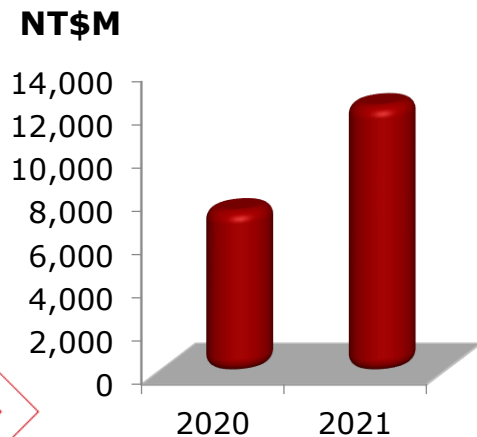


2021

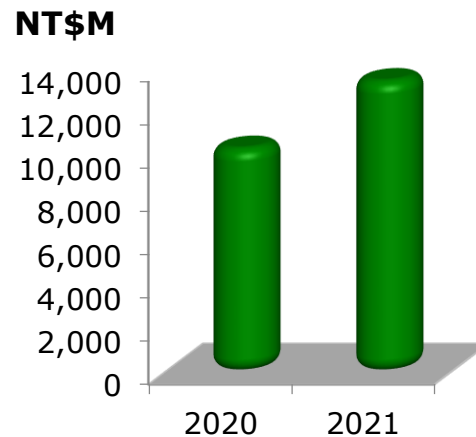


Note: Rev excluded foundry and others

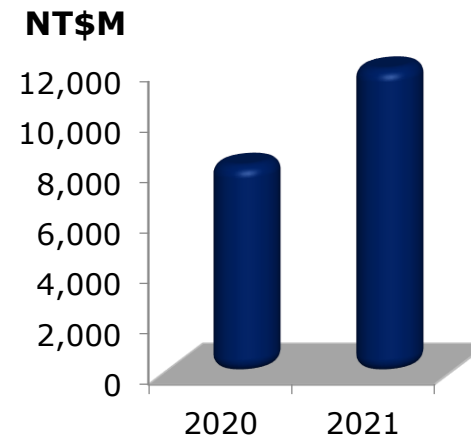
Car & Industrial
YoY +65%



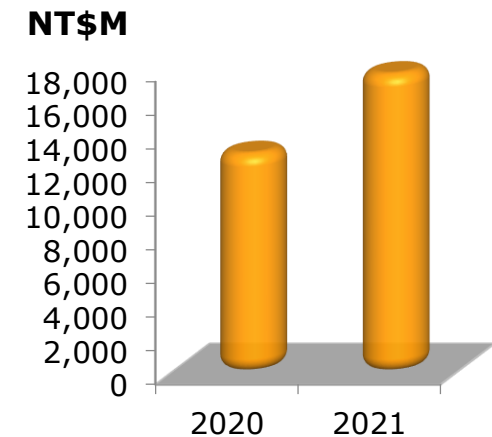
Consumer
YoY +30%



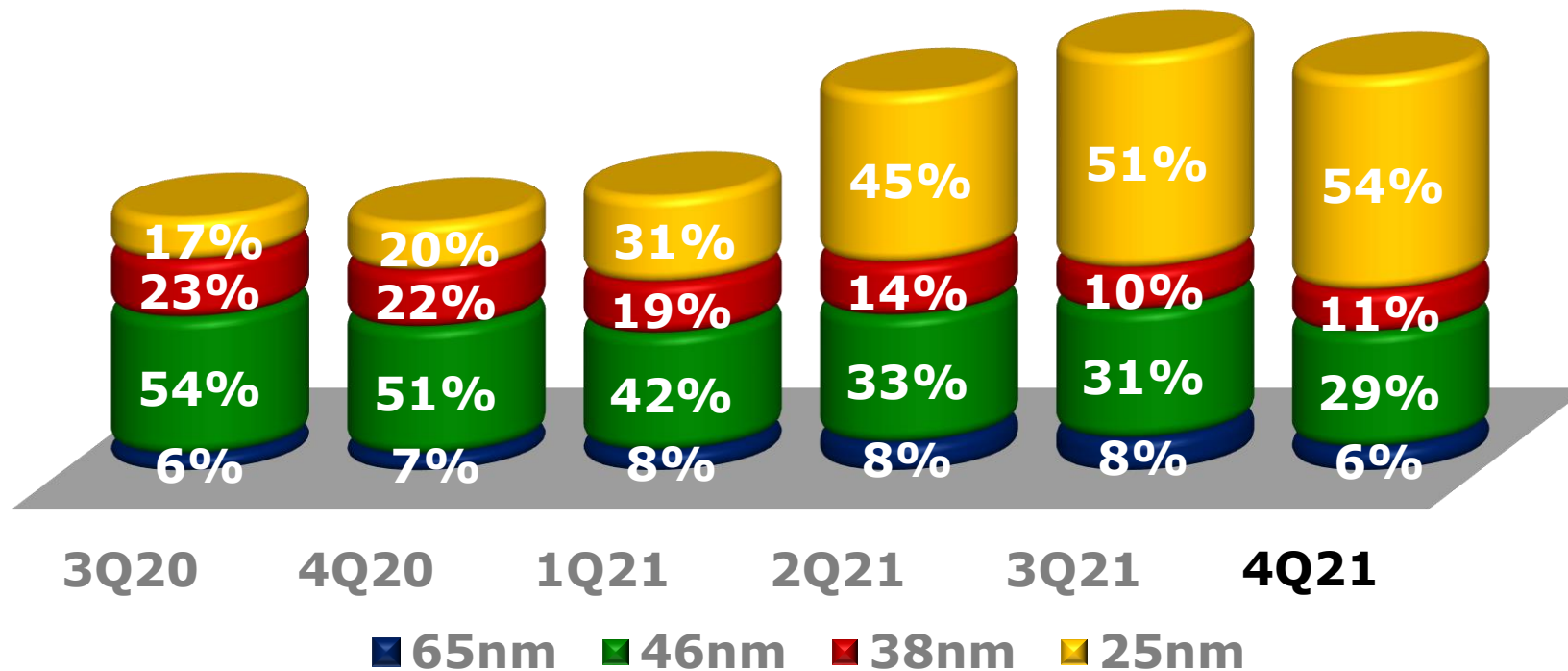
Computer
YoY +47%



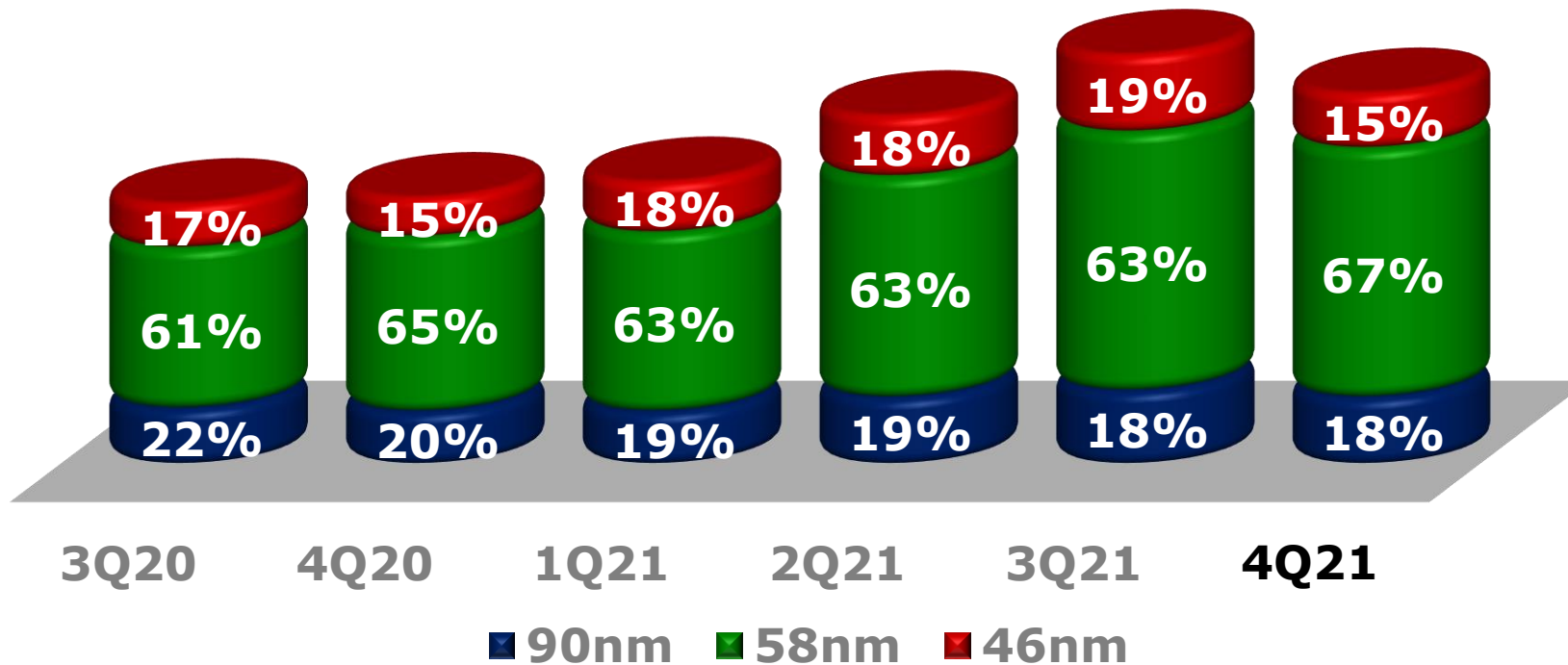
Communication
YoY +36%



- ❑ Revenue was up by over 50% YoY in 2021
- ❑ Bit shipment increased by mid teens % YoY in 2021
- ❑ 25nm revenue contributed over 50% of total DRAM revenue in 2H21



- ❑ Revenue was up by over 40% YoY in 2021
- ❑ Bit shipment in 2021 was flattish vs 2020
- ❑ Revenue from high-density NOR continued to increase



❑ Specialty DRAM

- ❖ Balanced Supply: Inventory adjustment will be done soon
- ❖ Healthy Demand: Wi-Fi 6/6E, Industrial and Surveillance
- ❖ Focus on products with low power consumption, high bandwidth, and small footprint
- ❖ Provide customers a stable supply with self-owned technology and Fab

❑ Code Storage Flash

- ❖ Limited Supply: No significant capacity expansion from major suppliers before Y2023
- ❖ Stable Demand: PC, Network, M2M, Surveillance, Image Sensor, and Automotive
- ❖ Increase the visibility and share of TrustME® Secure Flash & QspiNAND Flash in the market

❑ Overall Market

- ❖ Component supply mismatch is easing and a balanced demand-supply in 1H'22 is expected
- ❖ Outlook in 2H'22 is cautious on a possible inventory adjustment among entire supply chain
- ❖ Disciplined capex from memory players in 2020 & 2021 may stabilize the overall supply in 2022

❑ Winbond Business

- ❖ Taichung Fab: Capacity will be expanded to 60K wpm in 4Q'22
- ❖ Kaohsiung Fab: Low volume production in 3Q'22 and mass production with 10K wpm in 4Q'22
- ❖ Development of new process technologies for DRAM (20nm) and Flash (32 & 45nm) is on track
- ❖ Green production and energy saving products constantly reduce carbon emission

Q & A



Thank you