



Nanya Technology Q1 2021 Investor Conference



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Q1'21 Financial Results Summary

Amount in Million NT\$, except for EPS & BVPS		Q1'21		Q4'20		QoQ	Q1'20		YoY
Net Sales		17,731	100%	14,773	100%	20.0%	14,419	100%	23.0%
Gross Profit (Loss)	Gross Margin(%)	5,162	29.1%	3,251	22.0%	58.8%	3,436	23.8%	50.2%
Operating Income (Loss)	Operating Margin(%)	3,027	17.1%	1,304	8.8%	132.2%	1,832	12.7%	65.2%
EBITDA*	EBITDA Margin (%)	6,769	38.2%	4,937	33.4%	37.1%	5,437	37.7%	24.5%
Non-operating Income (Expense)		307	1.7%	-167	-1.1%		492	3.4%	
Income Tax Benefit (Expense)		-630	-3.6%	-213	-1.4%		-395	-2.7%	
Net Income (Loss)	Net Margin (%)	2,704	15.3%	924	6.3%	192.6%	1,928	13.4%	40.2%
Earnings Per Share (NT\$)		0.88**		0.30			0.63		
Book Value Per Share (NT\$)		51.0***		50.0			50.4		

Remark: * EBITDA = Operating income + Depreciation & Amortization Expenses

*** BVPS is calculated based on 3,085M outstanding shares

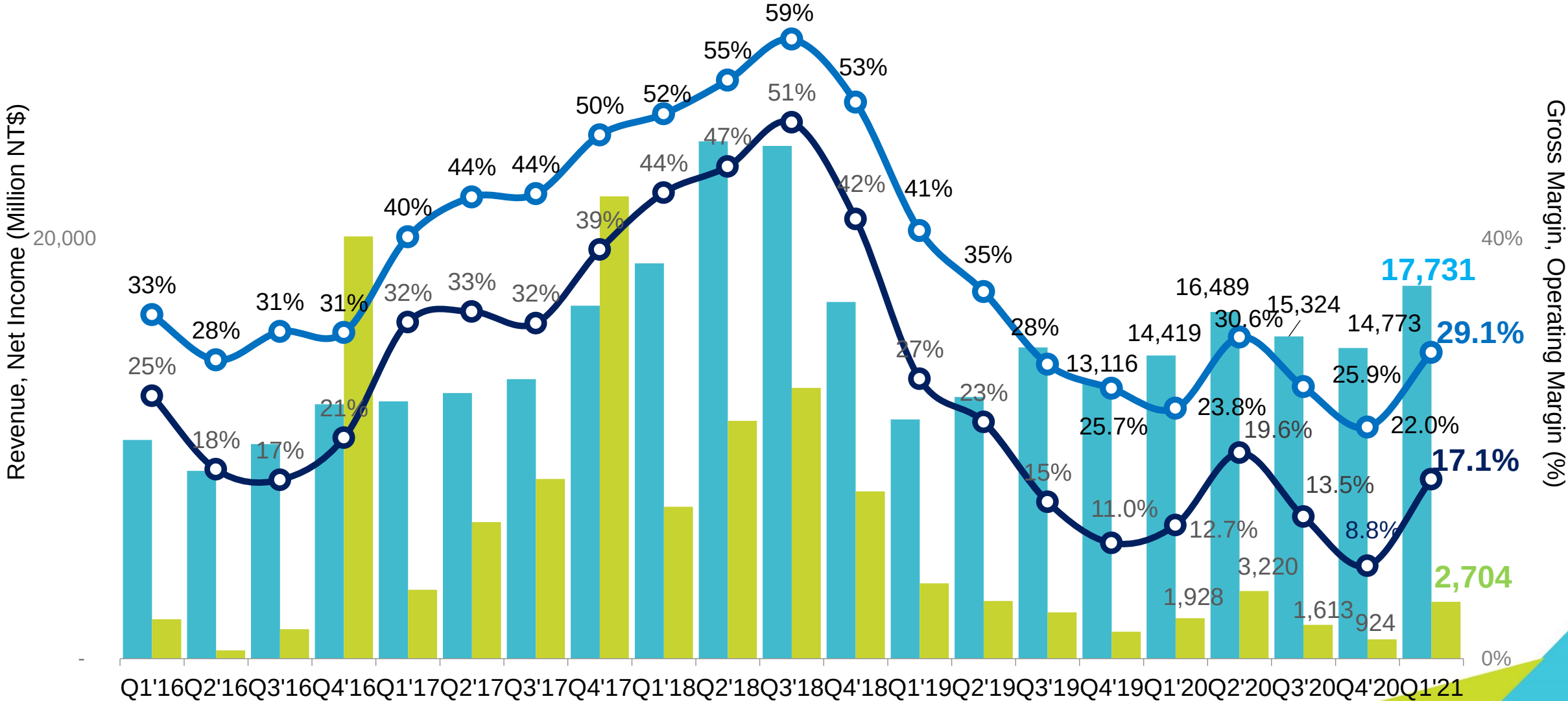
** EPS is based on weighted average outstanding shares of 3,081M

Q1'21 vs. Q4'20 Results Comparison

Amount in Million NT\$	Q1'21	Q4'20	QoQ (PPT* Delta)	Remarks
Net Sales	17,731	14,773	+20.0%	■ Bit shipment increased mid-single digits% ■ ASP increased mid-teens% ■ FX negative impact 1.5%
Gross Profit (Loss) Gross Margin(%)	5,162 29.1%	3,251 22.0%	+7.1%	■ Q1'21 Gross profit increased NT\$ 1,911M, mainly due to ASP increase
Operating Expense	2,135 12.0%	1,948 13.2%	-1.2%	■ R&D expense increased NT\$ 203M
Operating Income (Loss) Operating Margin(%)	3,027 17.1%	1,304 8.8%	+8.3%	■ Q1'21 OP income increased NT\$ 1,723M
Net Income (Loss) Net Margin (%)	2,704 15.3%	924 6.3%	+9.0%	■ Net Income increased NT\$ 1,780M • OP Income increase of NT\$ 1,723M • FX gain: NT\$ 440M favorable (Q1'21: NT\$ +38M; Q4'20: NT\$ -402M) • Income tax: NT\$ 417M unfavorable

Quarterly Financial Highlights

■ Revenue (Million NT\$)
 ■ Net Income (Million NT\$)
 ● Gross Margin(%)
 ● Operating Margin(%)



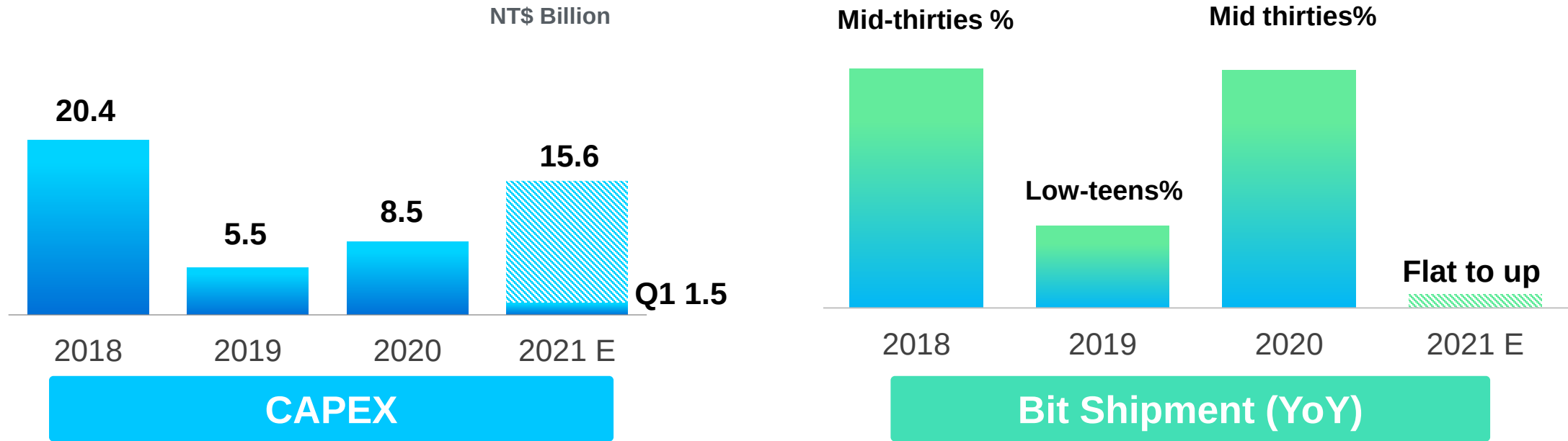
Cash Flows

	Q1'21	Q4'20	Q1'20
Unit: Million NT\$			
Beginning Balance	51,726	47,126	44,149
Cash from Operating Activities	8,388	7,986	4,080
Capital expenditures	-1,485	-3,549	-838
Financial Activities & others	484*	164	141
Ending Balance	59,113	51,726	47,532
Free Cash Flow ⁽¹⁾	6,903	4,436	3,242

(1) Free Cash Flow = Cash from operating activities – Capital expenditures

* mainly from treasury stock sold to employees

CAPEX & Bit Shipment



Capital

Expenditure (CAPEX)

- Q1'21 CAPEX NT\$ 1.5 billion (B)
- 2021 CAPEX plan is up to NT\$ 15.6B

Bit Shipment

- Q1'21 bit shipment increased by mid single digits% QoQ
- Q2'21 bit shipment estimated to be relatively flat
- 2021 YoY bit shipment expected to be flat to marginally increase

Market Outlook(Q2'21)

Outlook

- Global economics recovery forecasted, favoring DRAM demand growth
- Q2'21 robust consumer electronics demand, NB remains strong, server recovery, smartphone demand improved
- COVID-19 Pandemic control and vaccinations, US-China trade tension, supply chain unbalanced issues may impact long term market outlook

Supply

- DRAM suppliers' inventory level low, 1H21 industry bit supply growth limited.
- Supplier's capacity deployment in 2H'21 determine 2022 market balance

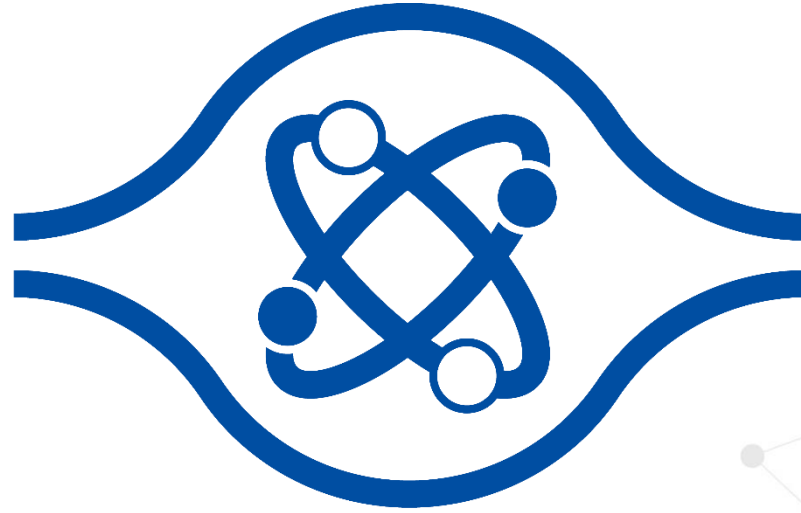
Demand

- **Mobile Market:** Smart phone shipment resume growth 2021, low power DRAM demand improve YoY
- **Server Market:** Stay-at-Home economy and new server platform launch driving up datacenter capex, DRAM content/system continue to grow
- **PC market:** E-learning and new platform launch stimulate NB, Chromebooks, SSD, HDD and video conference modules demand throughout the year
- **Consumer Market:** Promising outlook for DTV, STB, 5G networking, new-gen game consoles, wearable devices and automotive electronics

Nanya Business Review & Outlook

- Improved Q1'21 results driven by strong demand from various applications
- Q2'21 DRAM market outlook optimistic with strong demand
- Cash dividend of NT\$ 4.0B (Approx. NT \$ 1.3 /share) proposed to the AGM on May 27, 2021
- DDR4 3200Mbps and LPDDR4X 4267Mbps validated by major chipset vendors
- Sampling 1st 10nm-class 8Gb DDR4 2H'21, DDR5 development ongoing
- Piloting 2nd 10nm-class product Q3'21
- Received Green Factory Label certificate by M.O.E.A*

*M.O.E.A: Ministry of Economic Affairs, R.O.C



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Thanks & Questions

Q1'21 Consolidated Income Statement

Amount: Million NT\$

	Q1'21		Q4'20		QoQ	Q1'20		YoY
Net Sales	17,731	100.0%	14,773	100.0%	20.0%	14,419	100.0%	23.0%
Cost of Goods Sold	12,569	70.9%	11,522	78.0%		10,983	76.2%	
Gross Margin	5,162	29.1%	3,251	22.0%	58.8%	3,436	23.8%	50.2%
SG&A Expenses	492	2.8%	509	3.4%		533	3.7%	
R&D Expenses	1,643	9.3%	1,439	9.7%		1,071	7.4%	
Operating Income	3,027	17.1%	1,304	8.8%	132.2%	1,832	12.7%	65.2%
Non-operating Income (Exp.)	307	1.7%	-167	-1.1%		492	3.4%	
Income before Tax	3,334	18.8%	1,137	7.7%	193.3%	2,324	16.1%	43.5%
Income Tax Benefit (Expense)	-630	-3.6%	-213	-1.4%		-395	-2.7%	
Net Income	2,704	15.3%	924	6.3%		1,928	13.4%	
EPS(NT\$)	0.88		0.30			0.63		
Book Value Per Share(NT\$)	51.00		50.02			50.40		