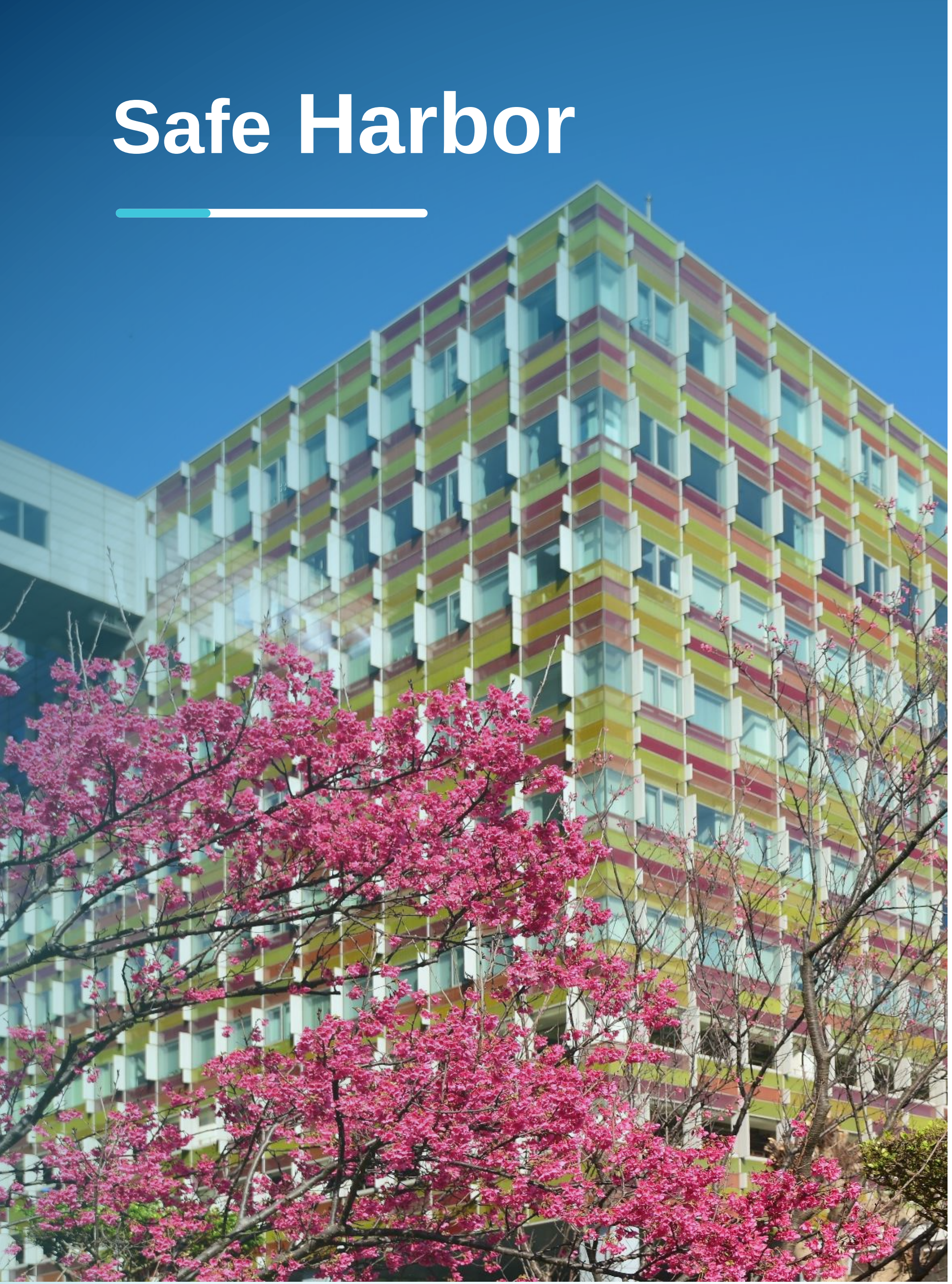
Nanya Technology
Q4 2022 Investor Conference

Safe Harbor



The information herein and the presentation made during the conference contain forward-looking statements. Neither Nanya Technology Corp. nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements or undertakes duty to update the statements.

You are urged to review carefully the information provided herein. This information shall not be distributed, reproduced or disclosed in whole or in part without prior written permission of NANYA Technology Corp.

Q4'22 Financial Results Summary

Amount in Million NT$, except for EPS & BVPS	Q4'22		Q3'22		QoQ	Q4'21		YoY
Net Sales	7,954	***100%***	11,022	***100%***	-27.8%	21,399	***100%***	-62.8%
Gross Profit (Loss) *Gross Margin(%)*	1,037	***13.0%***	3,597	***32.6%***	-71.2%	10,563	***49.4%***	-90.2%
Operating Income (Loss) *Operating Margin(%)*	-1,544	***-19.4%***	920	***8.3%***	-267.8%	8,023	***37.5%***	-119.2%
EBITDA* *EBITDA Margin (%)*	2,217	***27.9%***	4,717	***42.8%***	-53.0%	11,850	***55.4%***	-81.3%
Non-operating Income (Expense)	125**	***1.6%***	2,243	***20.3%***		101	***0.5%***	
Income Tax Benefit (Expense)	272	***3.4%***	-522	***-4.7%***		-1,670	***-7.8%***	
Net Income (Loss) *Net Margin (%)*	-1,146	***-14.4%***	2,641	***24.0%***	-143.4%	6,454	***30.2%***	-117.8%
Earnings Per Share (NT$)	-0.37***		0.85			2.08		
Book Value Per Share (NT$)	58.41****		59.29			55.85		

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

** FX loss unfavorable NT$2,333M QoQ

*** EPS is based on weighted average outstanding shares of 3,098M

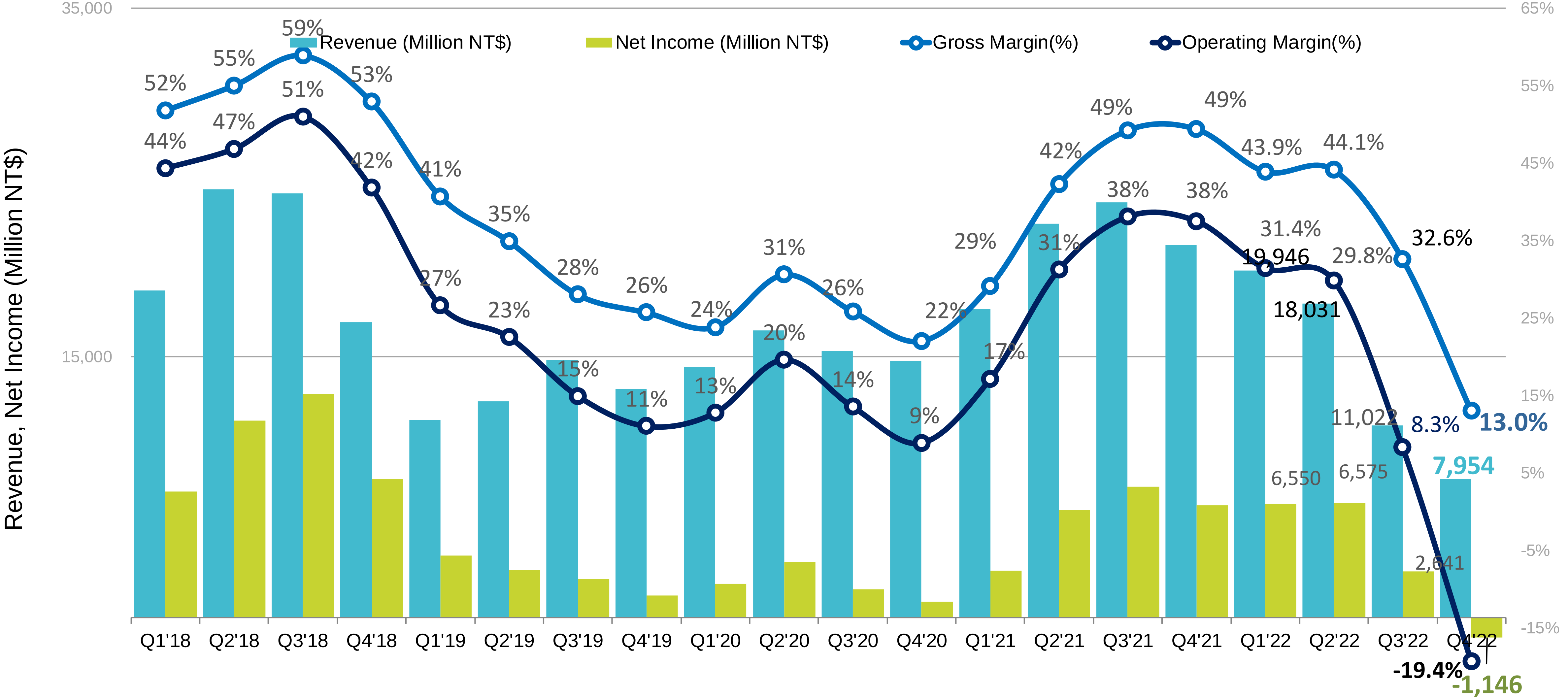
**** BVPS is calculated based on 3,098M outstanding shares

Q4’22 vs. Q3’22 Results Comparison

Amount in Million NT$	Q4’22		Q3’22		QoQ (PPT* Delta)	Remarks
Net Sales	7,954		11,022		-27.8%	■ ASP decreased mid-twenties% ■ Bit shipment decreased low-single digits% ■ FX positive low-single digits% increase
Gross Profit (Loss) Gross Margin(%)	1,037	***13.0%***	3,597	***32.6%***	-19.6%	■ Q4’22 Gross profit decreased NT$ 2,560M, mainly due to ASP and shipment decrease
Operating Expense	2,581	***32.4%***	2,677	***24.3%***	8.1%	■ Operating expenses decreased NT$ 96M
Operating Income (Loss) Operating Margin(%)	-1,544	***-19.4%***	920	***8.3%***	-27.7%	■ Q4’22 OP income decreased NT$ 2,464M
Net Income (Loss) Net Margin (%)	-1,146	***-14.4%***	2,641	***24.0%***	-38.4%	■ Net Income decreased NT$ 3,787M • OP Income decreased NT$ 2,464M • FX loss unfavorable NT$2,333M • Interest income favorable NT$283M • Income tax favorable NT$794M

*PPT: Percentage Points

Quarterly Financial Highlights



Cash Flows

Unit: Million NT$

	Q4'22	Q3'22
Beginning Balance	**83,012**	**94,973**
Cash from Operating Activities	699	2,739
Capital Expenditures	-6,651	-7,517
Others	*-3,467	**-7,183
Ending Balance	**73,593**	**83,012**
Free Cash Flow (1)	**-5,951**	**-4,778**

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

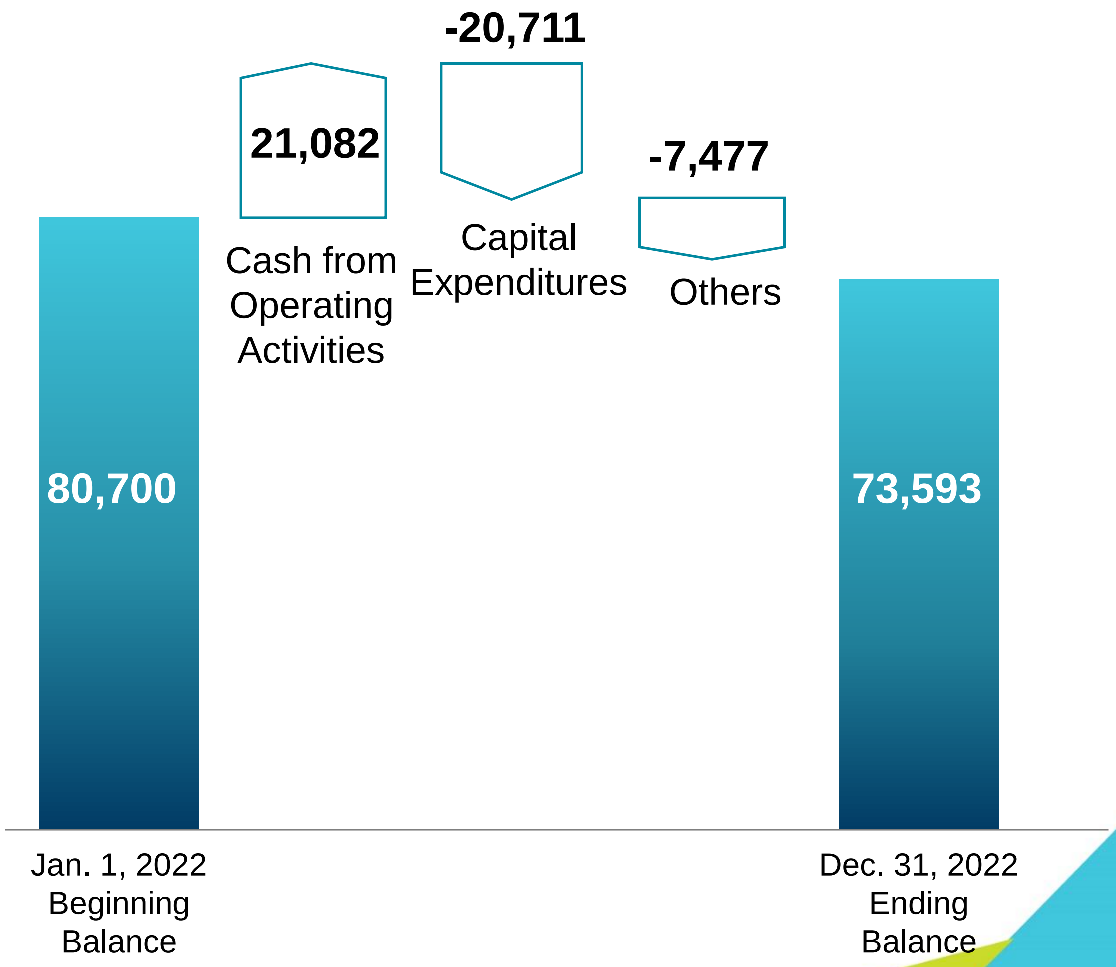
*   - NT$ 2.78 billion of exchange rate changes on cash and cash equivalents

** 1. - NT$ 11.47 billion of dividend payout

2. +NT$ 3.78 billion of exchange rate changes on cash and cash equivalents

Year 2022 Cash Flow

Unit: Million NT$



2022 Consolidated Income Statement

Amount: Million NT$	2022		2021		YoY
Net Sales	56,952	100.0%	85,604	100.0%	-33.5%
Cost of Goods Sold	35,610	62.5%	48,560	56.7%	
Gross Margin	21,342	37.5%	37,044	43.3%	-42.4%
SG&A Expenses	2,498	4.4%	2,358	2.8%	
R&D Expenses	7,841	13.8%	7,500	8.8%	
Operating Income	11,002	19.3%	27,186	31.8%	-59.5%
Non-operating Income (Exp.)	5,875*	10.3%	581	0.7%	
Income before Tax	16,877	29.6%	27,767	32.4%	-39.2%
Income Tax Benefit (Expense)	-2,258	-4.0%	-4,918	-5.7%	
Net Income	14,619	25.7%	22,849	26.7%	-36.0%
EPS(NT$)	4.72		7.40		
Book Value Per Share(NT$)	58.41		55.85		

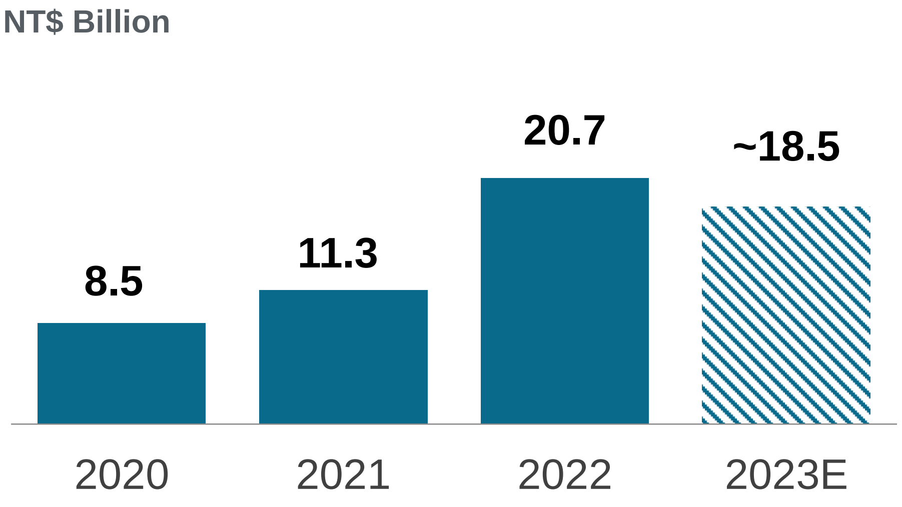
* FX gain NT$ 3,190M, interest income NT$ 1,395M, equity income NT$ 574M and other income

2022 vs. 2021 Results Comparison

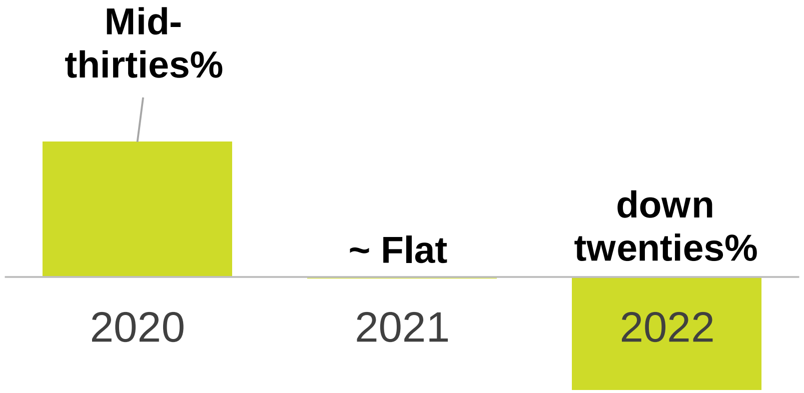
Amount in Million NT$	2022		2021		YoY (PPT* Delta)	Remarks
Net Sales	56,952		85,604		-33.5%	■ Bit shipment decreased twenties YoY ■ ASP decreased low-teens% YoY ■ FX positive mid-single digits% YoY
Gross Income (Loss) Gross Margin(%)	21,342	***37.5%***	37,044	***43.3%***	-5.8%	■ Gross Income decreased by NT$ 15,702M mainly due to shipment and ASP decrease
Operating Expense	10,340	***18.2%***	9,858	***11.5%***	6.7%	■ SG&A expense increased NT$ 140M, R&D expense increased NT$ 342M
Operating Income (Loss) Operating Margin(%)	11,002	***19.3%***	27,186	***31.8%***	-12.5%	■ Operating Income decreased NT$ 16,184M
Net Income (Loss) Net Margin (%)	14,619	***25.7%***	22,849	***26.7%***	-1.0%	■ Net Income decreased by NT$ 8,230M mainly due to: • Operating Income decreased NT$ 16,184M • FX gain favorable NT$ 3,513M (2022: NT$ +3,190M; 2021: NT$ -323M) • Interest income increase NT$ 1,121M • Income tax favorable NT$ 2,660M

*PPT: Percentage Points

CAPEX & Bit Shipment



CAPEX



Bit Shipment (YoY)

Capital Expenditure(CAPEX)

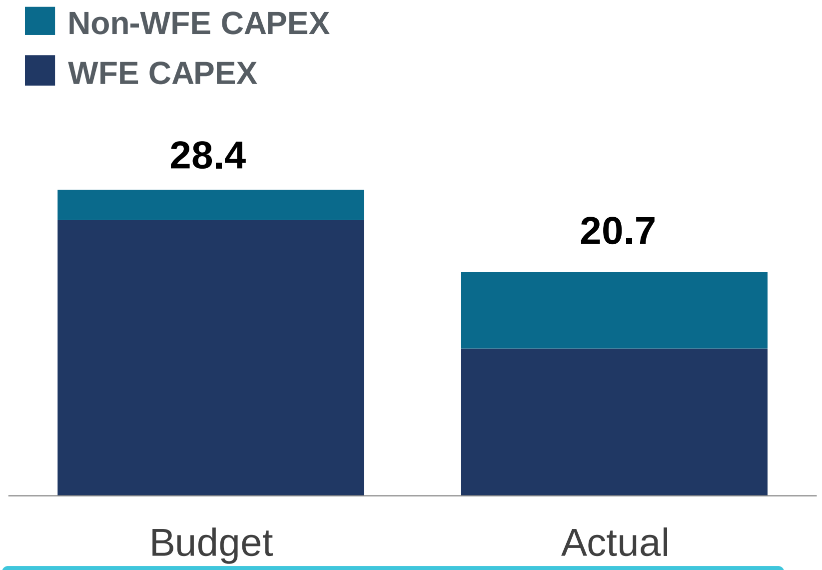
- 2022 CAPEX reduced 27% to NT$ 20.7B from NT$ 28.4B
- 2023 CAPEX plan estimated ~ NT$ 18.5B

Bit Shipment

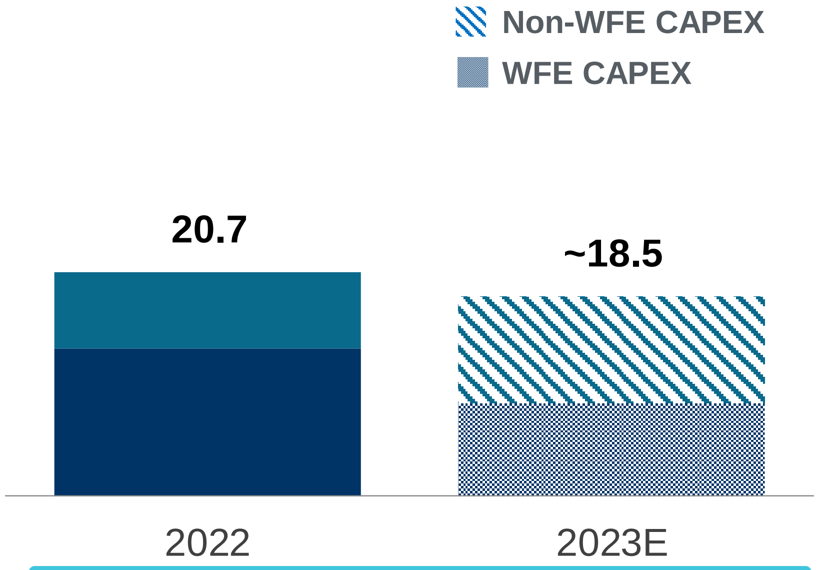
- 2022 YoY bit shipment down twenties% due to weak market demand
- 1H’23 weak demand may continue
- Production output reduction targeting up to 20% dynamically for 2023

CAPEX Update and Forecast

NT$ Billion



2022



2022 vs. 2023

- Actual CAPEX 27% less than original budget
- Cut 2022 WFE CAPEX by almost half

- 2023 CAPEX plan estimated ~ NT$ 18.5B
- WFE CAPEX less than 50% of total

Market Outlook(2023)

Outlook

- Q1'23, DRAM market to remain soft, due to corporates spending and consumer purchasing power decline. Globally, Economics downturn triggered by high inflation and interest rates. Regionally, Russia-Ukraine conflict & China COVID measures impact on supply chain & its domestic demand.
- Q2'23 some global and regional impact may remain uncertain or marginally improved; 2H'23, potentially, DRAM market may gradually recover from downturn

Supply

- Q1'23 DRAM suppliers' inventory continue to increase, some vendors took actions on CAPEX reduction, capacity adjustment and slowing down process migration

Demand

- **Server Market:** Enterprise cloud demand healthy, however consumer cloud vendors to reduce investment due to sluggish economy. 2H'23, as the components supply imbalance issue solved, the new CPU platform & DDR5 may stimulate server DRAM demand
- **Mobile Market:** U.S. & Korea mobile phone makers shipment relatively healthy. China brand smartphone relatively sluggish. Q2'23 inflation and inventory impact gradually eased; 2H'23 potentially, smartphone shipments may recover
- **PC Market:** Annual PC shipments continue to decline; average DRAM content remain growth
- **Consumer Market:** Q1'23 TVs and consumer electronics sales conservative, may improve in 2H23; Networking, industrial and automotive demand relatively healthy

Nanya Business Review & Outlook

Finance

- Q4’22 EPS NT$ -0.37; Y2022 EPS NT$ 4.72

Operation

- Flexible approach in adjusting product mix, production output and CAPEX to better respond weaker market demand
- 1st 10nm-class (1A) product small volume production; 2nd 10nm-class (1B) piloting and target small volume production in 2023
- Nanya consecutively selected into DJSI World Index and Emerging Markets Index
- Nanya received CDP Water Security “A” list, Climate Change leadership level

Market Outlook

- Q1’23 global economy slowdown, DRAM market remain soft, Q2’23 need to monitor China recovery, global supply chain restructure & inflation trend

Thanks & Questions

Q4’22 Consolidated Income Statement

Amount: Million NT$	Q4’22		Q3’22		QoQ	Q4’21		YoY
Net Sales	7,954	100.0%	11,022	100.0%	-27.8%	21,399	100.0%	-62.8%
Cost of Goods Sold	6,917	87.0%	7,425	67.4%		10,836	50.6%	
Gross Margin	1,037	13.0%	3,597	32.6%	-71.2%	10,563	49.4%	-90.2%
SG&A Expenses	622	7.8%	620	5.6%		584	2.7%	
R&D Expenses	1,959	24.6%	2,057	18.7%		1,956	9.1%	
Operating Income	-1,544	-19.4%	920	8.3%	-267.8%	8,023	37.5%	-119.2%
Non-operating Income (Exp.)	125	1.6%	2,243	20.3%		101	0.5%	
Income before Tax	-1,418	-17.8%	3,163	28.7%	-144.9%	8,125	38.0%	-117.5%
Income Tax Benefit (Expense)	272	3.4%	-522	-4.7%		-1,670	-7.8%	
Net Income	-1,146	-14.4%	2,641	24.0%	-143.4%	6,454	30.2%	-117.8%
Earnings Per Share (NT$)	-0.37		0.85			2.08		
Book Value Per Share(NT$)	58.41		59.29			55.85		