



eMemory

eMemory(3529)

A Logic NVM Technology Company

Rick Shen

Mar 26th, 2014

IPR Notice

All rights contained in this information, the text, images or other files herein, including but not limited its ownership and intellectual property rights, are reserved by eMemory. This information contains privileged and confidential information and shall not be disclosed, copied, distributed, reproduced or used in whole or in part without prior written permission of eMemory Technology Inc.

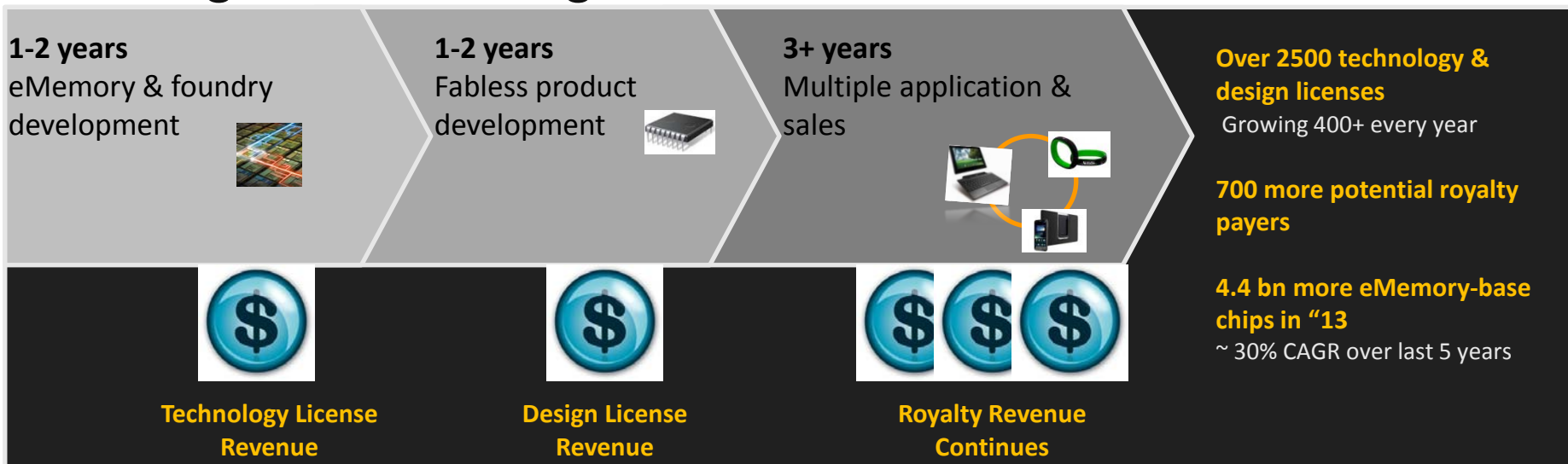
eMemory, NeoBit, NeoFlash, NeoEE, NeoMTP and NeoFuse are all trademarks and/or service marks of eMemory in Taiwan and/or in other countries.

Outline

- **Company Profile**
- **Technology Portfolio & Product Applications**
- **Operation Overview**
- **Future Outlook**

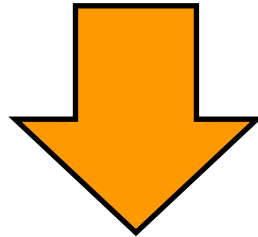
eMemory Introduction

- Global leader in the development of logic non-volatile memory (NVM) Technology and IP
- Innovative business model leads to high profit margin
 - › Upfront license fee – Technology License to foundry, Design License to IC companies
 - › Running royalties – collecting from foundries and IDMs
- Long-term secular growth



What's Logic Non-Volatile Memory (NVM)

Embedded NVM = LOGIC + 10 Masks



*30% more
cost reduction*

Embedded LOGIC NVM = LOGIC

Competitiveness

- **Complete NVM IP portfolio offers one-stop shop service**
 - › 700+ IP offering provides wide product applications
- **Strong foundry partnership**
 - › Consecutive 4-year (2009-2013) awarded TSMC best IP partners (ARM, Synopsys also)
- **Tight customer engagement**
 - › Provide “all you can use” membership
- **Largest logic-NVM talent camp**
 - › 70% employees in R&D teams

Outline

- **Company Profile**
- **Technology Portfolio & Product Applications**
- **Operation Overview**
- **Future Outlook**

Opportunities Drive Licensing



Communication



Computer



Automotive



Consumer



Communication



Consumer



Communication



Computer



Consumer



Smart Card



Computer



Communication



Consumer



Communication



Computer

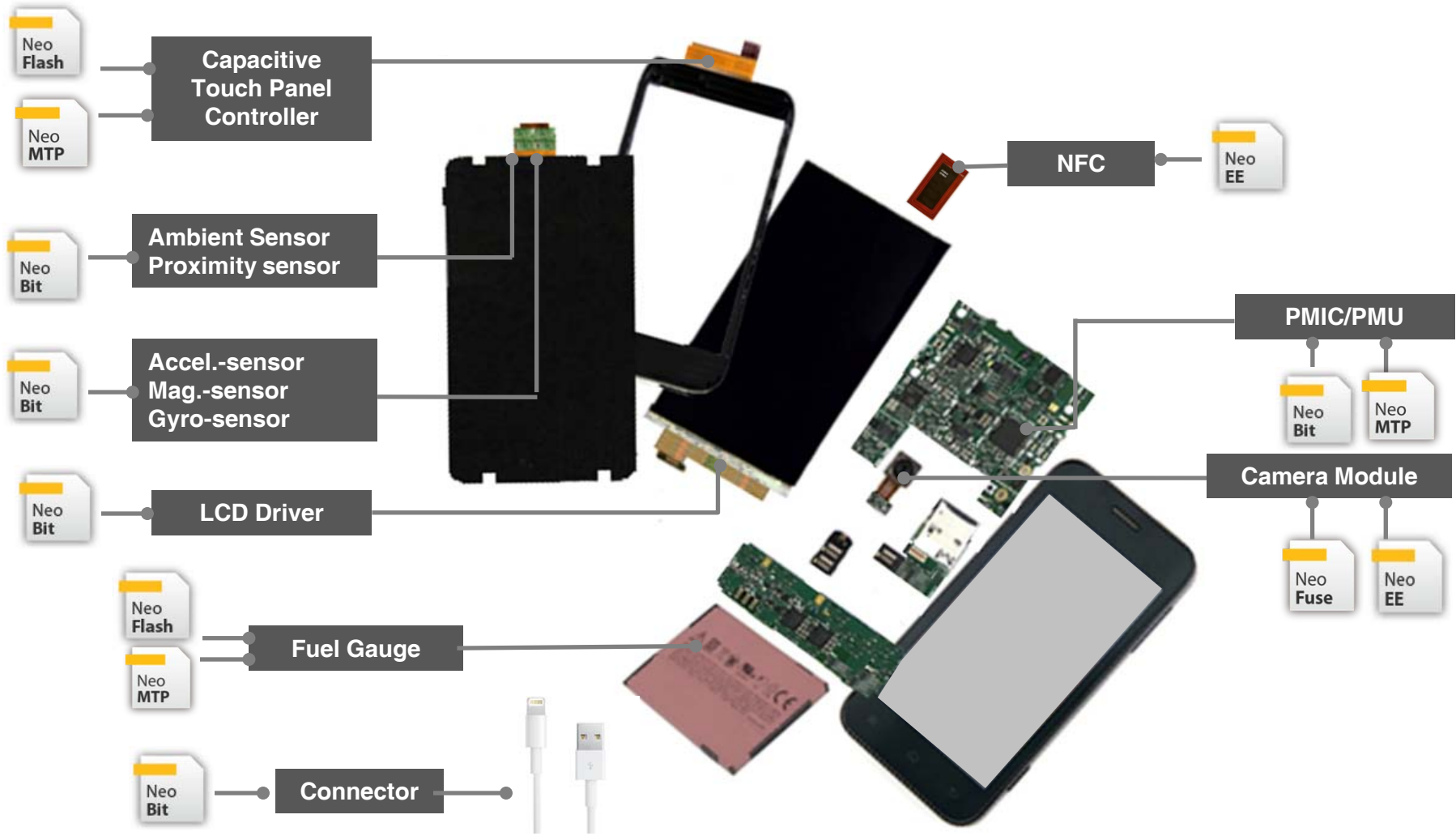


Consumer

Confidential

Embedded Wisely, Embedded Widely

eMemory's IPs in Smart Phone



Outline

- **Company Profile**
- **Technology Portfolio & Product Applications**
- **Operation Overview**
- **Future Outlook**

Q4 2013 Highlights

- **Licensing progress**

- › Design License

124 Design Licenses

- **Licensing and royalty growth drives 48.8% YoY revenue growth**

NTD 230.6M Q4 Revenues

- **eMemory continues to increase cash returns to shareholders**

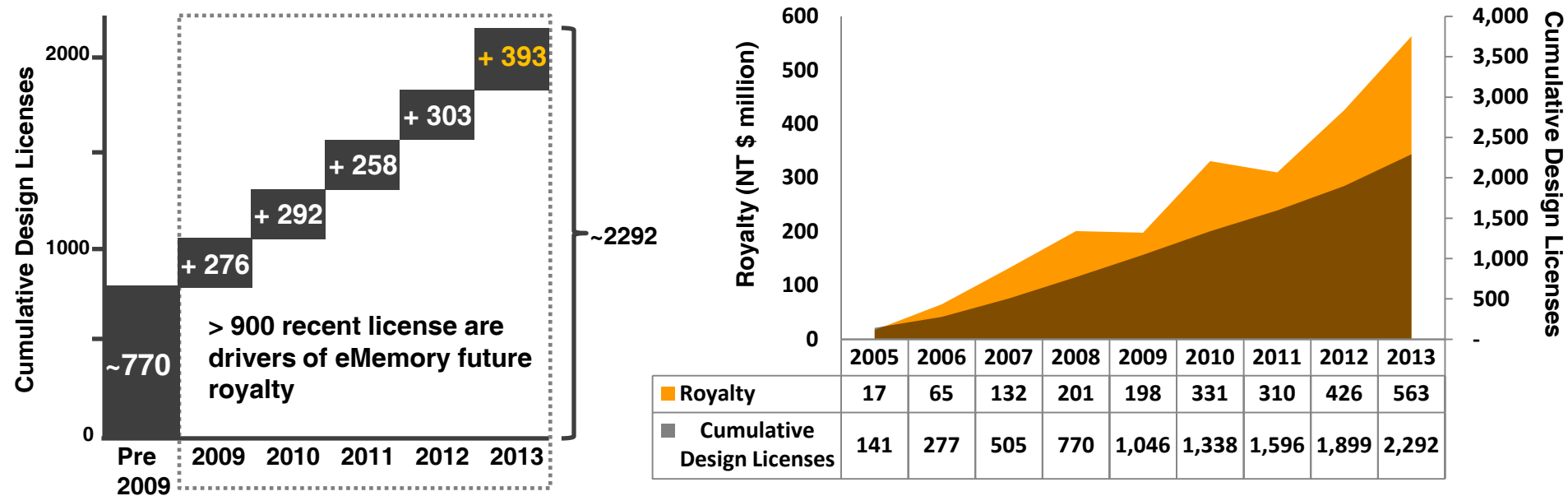
>100% cash dividend policy
59% quarterly EPS YoY growth
80% annual EPS YoY growth

FY 2013 – Revenue Summary

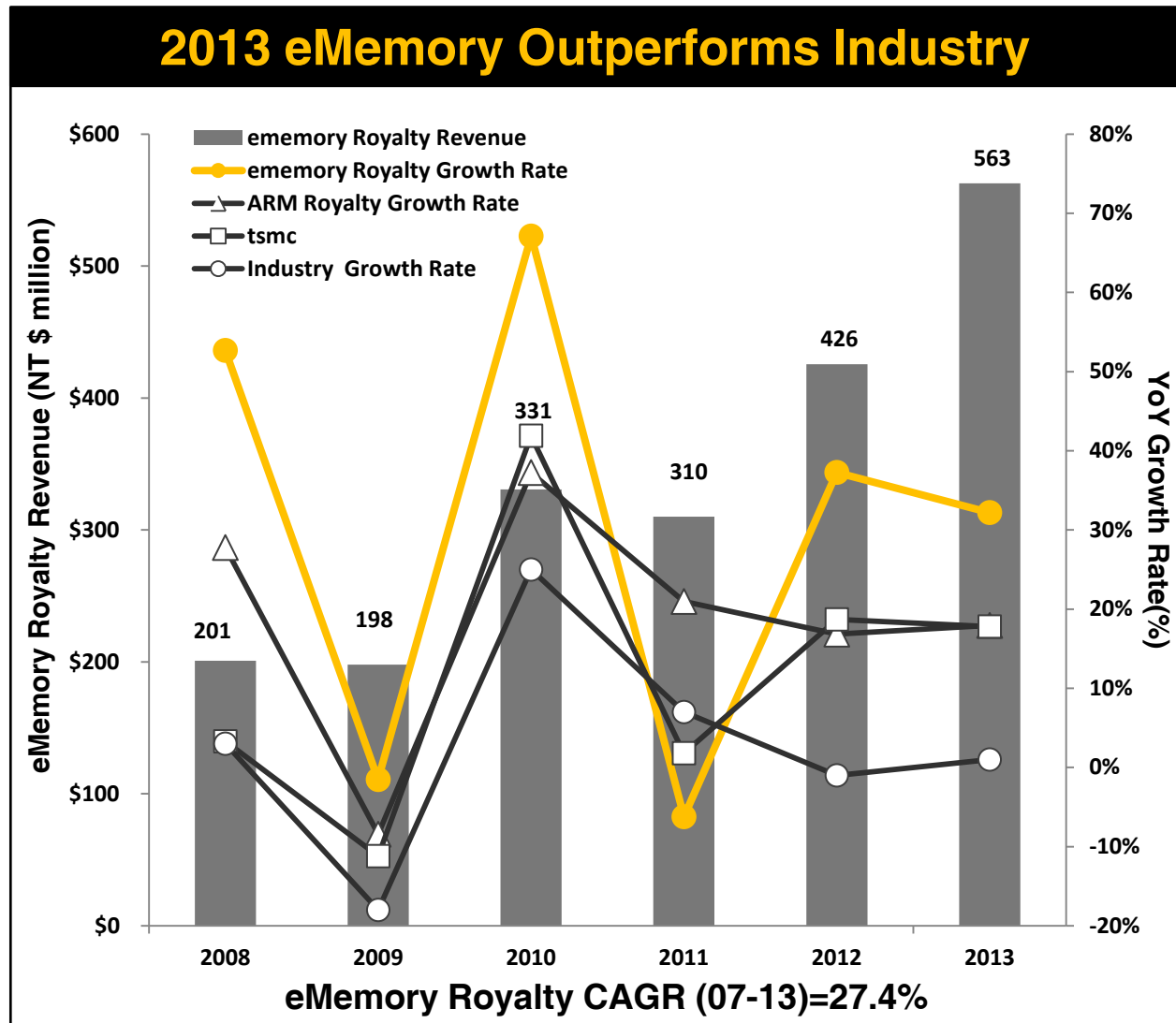
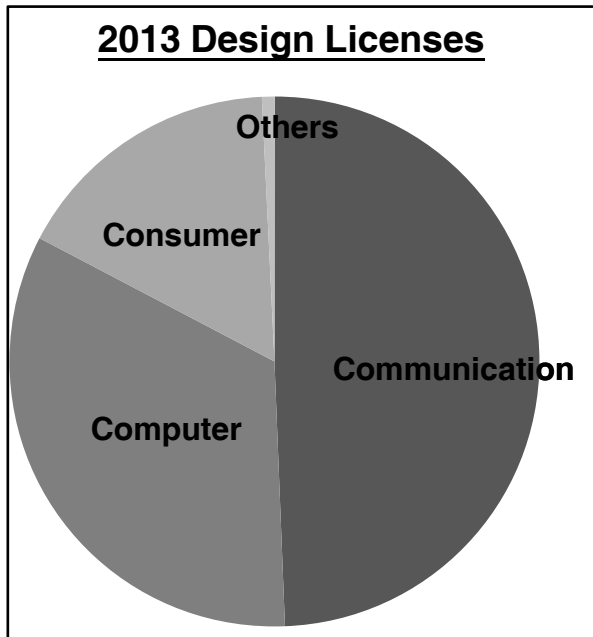
Million NTD	2013	2012	% Change
Licensing	245.69	184.88	32.9%
Royalty	562.57	425.56	32.2%
Total Revenue	808.26	610.44	32.4%

Licensing Drives Future Royalties

- 20 Technology and 393 design licenses were signed in 2013
- Current royalty revenues are derived from design licenses signed many years ago
- Growing license base leads to royalty revenues over long period



Strong Growth in Major Markets

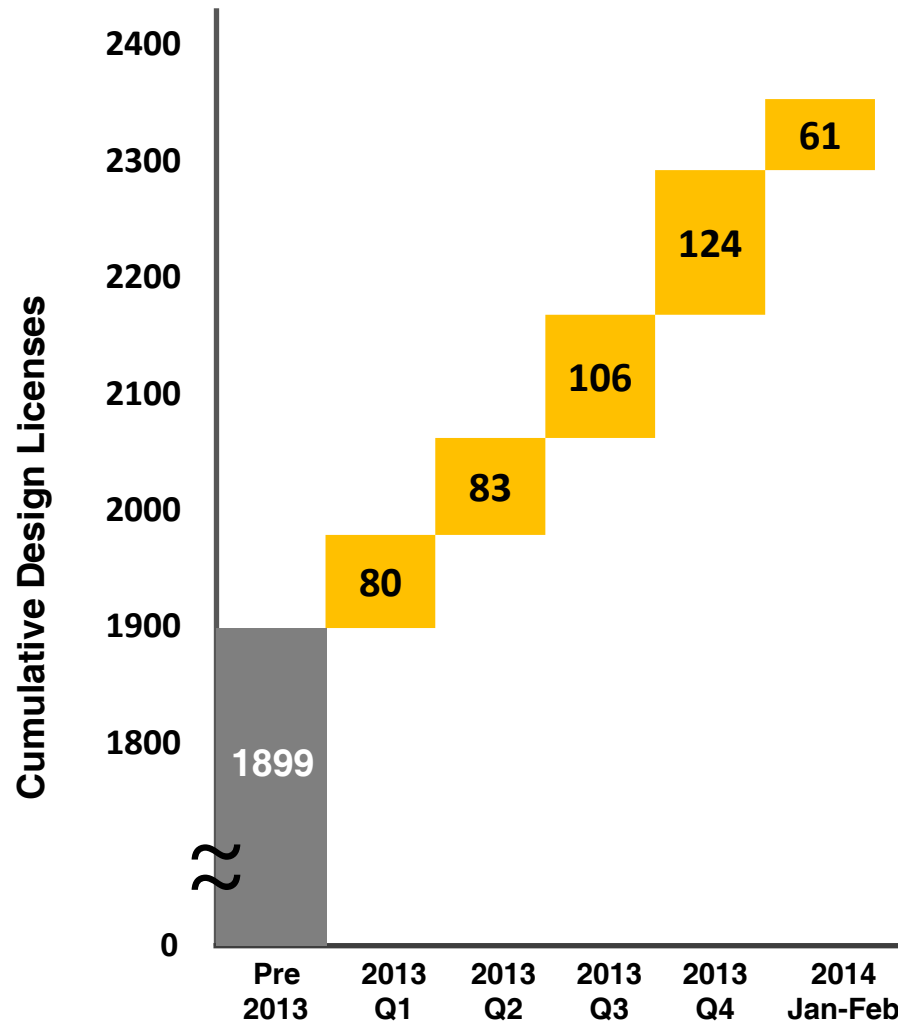


2012-2014 Revenue Breakdown

Million NTD

2012	Q1	Q2	Q3	Q4
Licensing	57	57	36	35
Royalty	100	90	115	120
Total Revenue	157	147	151	155
2013	Q1	Q2	Q3	Q4
Licensing	51	81	57	57
Royalty	114	126	148	174
Total Revenue	165	207	205	231
2014	Jan-Feb			
Licensing	49			
Royalty	171			
Total Revenue	220			

Substantial Growth in IP licensing



Outline

- **Company Profile**
- **Technology Portfolio & Product Applications**
- **Operation Overview**
- **Future Outlook**

Key Growth Drivers

- **Growth in value per mobile devices**
 - › More chip applications per smartphone/tablet product
- **Growth into more markets**
 - › From consumer electronics and mobile devices to wearable devices and IoT
 - › Adding new NVM product lines further enable more product applications
- **Growth in more advanced technology**
 - › Higher royalty per wafer is contributed from more advanced technology nodes

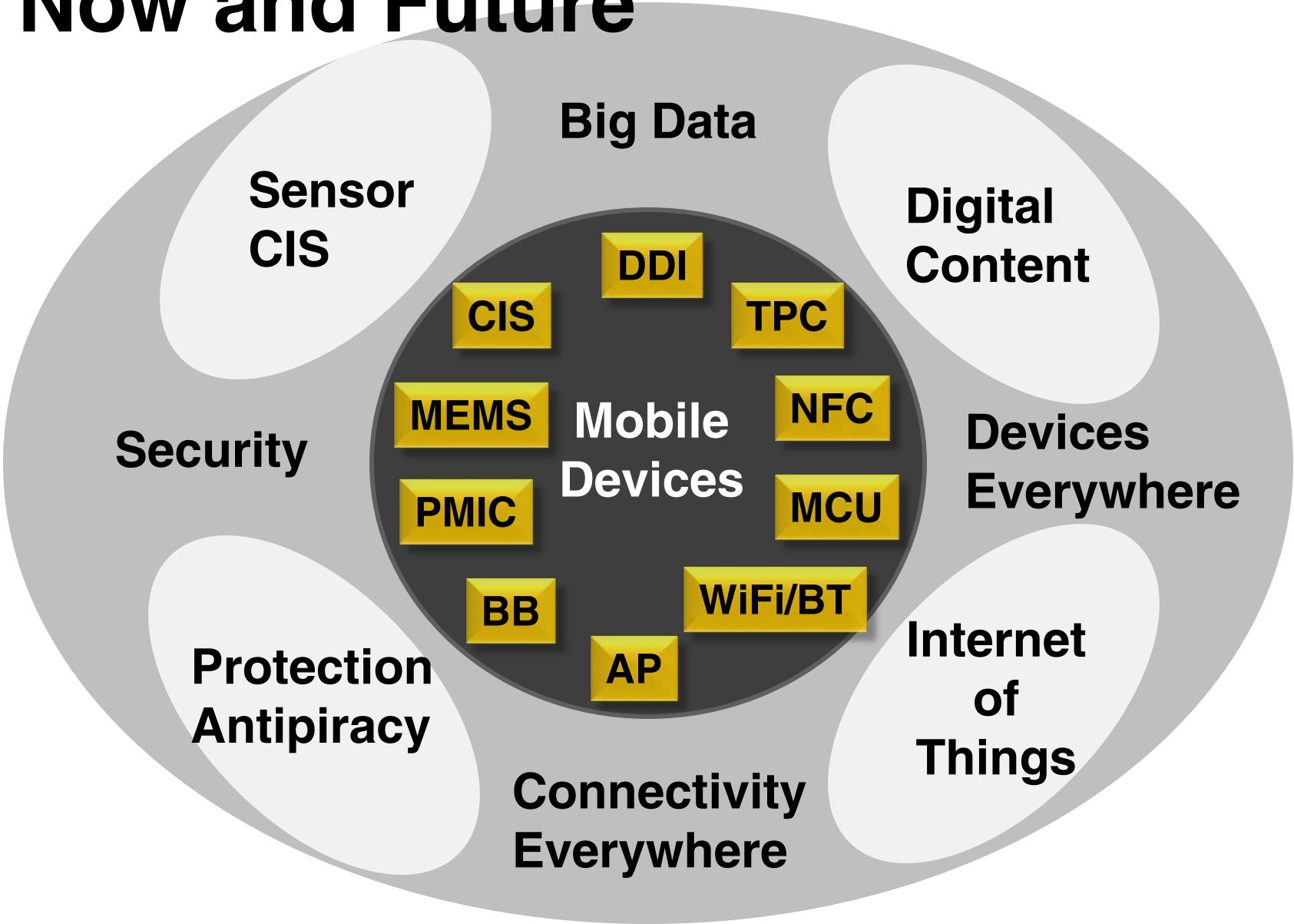
Strong Growth Opportunities



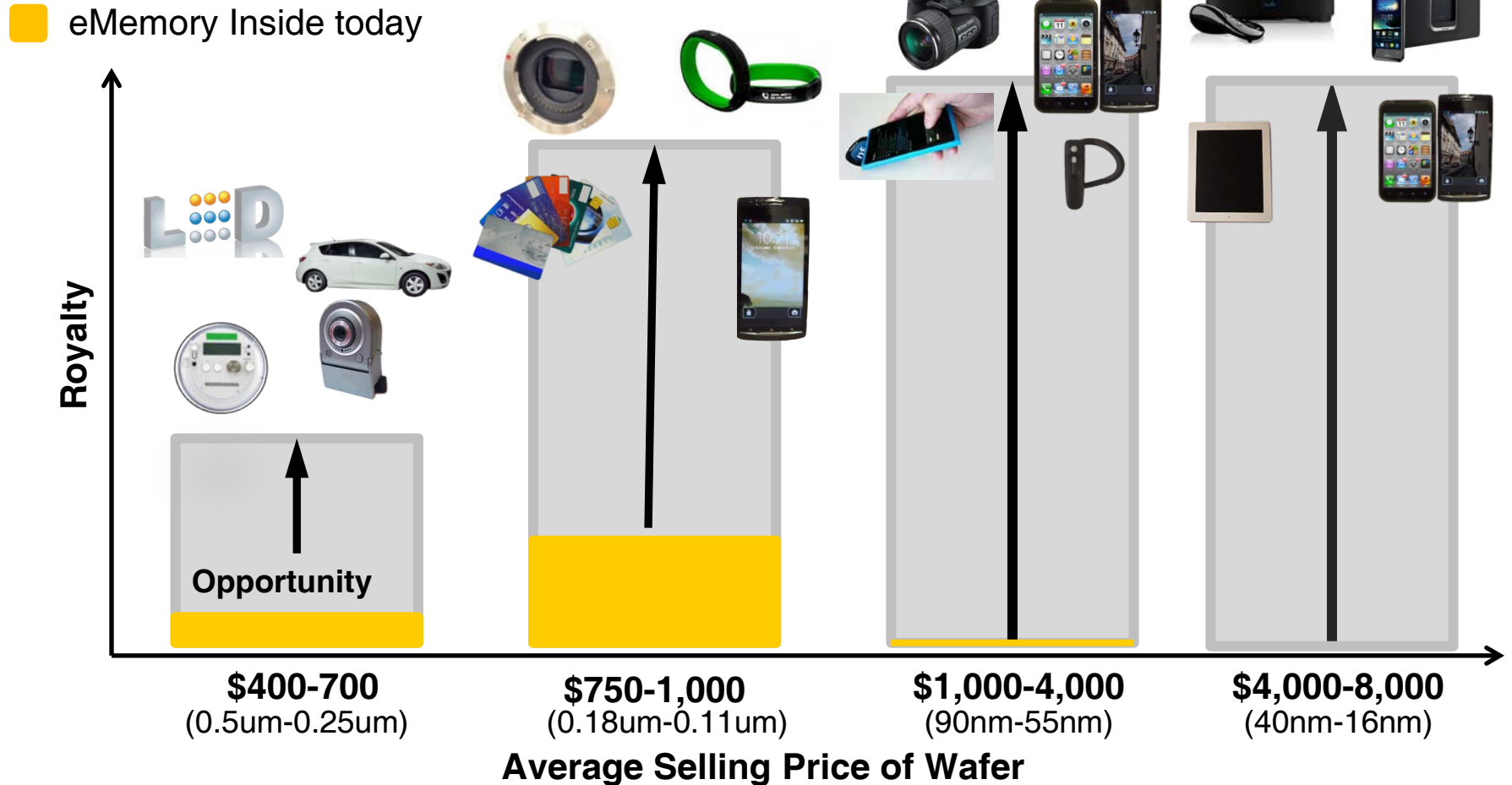
Growth Drivers

	Device	Chip	Strategy
Short-Term (<2 years)	Communication – smart phone	small-panel LCD driver IC (DDI), OLED driver IC, power management IC (PMU), gyro-sensor controller, touch-panel controller (TPC), power-bank controller	Increase customer usage/penetration in each existing device application (DDI, PMU, TPC, and sensor)
	Consumer – home appliance	4/8 bits MCU, MP3, Speech IC, LED controller, p-gamma	
	Computer -peripheral	2.4G RF, MCU	
Mid-Term (2 -5 years)	Communication – smart phone	CIS processor, NFC	Introduction of new NVM IP product lines and migration to advanced technology nodes
	Communication – wearable	DDI, PMU, sensor controller, TPC, RFIC, blue-tooth (BT)	
	Consumer – home entertainment	Set-up box, DTV	
Long-Term (>5 years)	Communication – IoT	DDI, PMU, sensor controller, TPC, BT, smartcard, RFID	Penetration in new market and product applications
	Communication – smart phone	AP	
	Consumer – home entertainment	CIS processor	

Now and Future



Opportunity at all Price Points



Note: 2.2 million 8" equivalent wafers with eMemory IP were shipped in 2013. (~5% of WW foundry capacity)

Summary

- **eMemory provides the comprehensive LOGIC NVM SIP product lines.**
- **The annual number of wafer production embedded with eMemory's SIP will continue to grow.**
- **Look into the near future, eMemory's SIP market share and new applications market penetration rate will continue to increase. The revenues are predicted to grow accordingly.**

The background of the slide is a light gray pattern of 3D cubes. The cubes are arranged in a grid-like fashion, with some cubes appearing to be stacked or overlapping, creating a sense of depth and perspective. The cubes are rendered in a simple, wireframe style.

eMemory

Embedded Wisely, Embedded Widely