

The image features the word "EMemory" in a bold, orange, lowercase sans-serif font at the top. The background is white with a pattern of light gray wireframe cubes. Some cubes are arranged in a diagonal line from the top left towards the bottom right, while others are scattered or form vertical columns on the right side.

EMemory

Q4 2016 Investor Conference

Feb. 15th , 2017

IPR Notice

All rights, titles and interests contained in this information, texts, images, figures, tables or other files herein, including, but not limited to, its ownership and the intellectual property rights, are reserved to eMemory. This information may contain privileged and confidential information. Some contents in this information can be found in Logic Non-Volatile Memory (The NVM solutions from eMemory), published in 2014. Any and all information provided herein 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.

Cautionary Statement

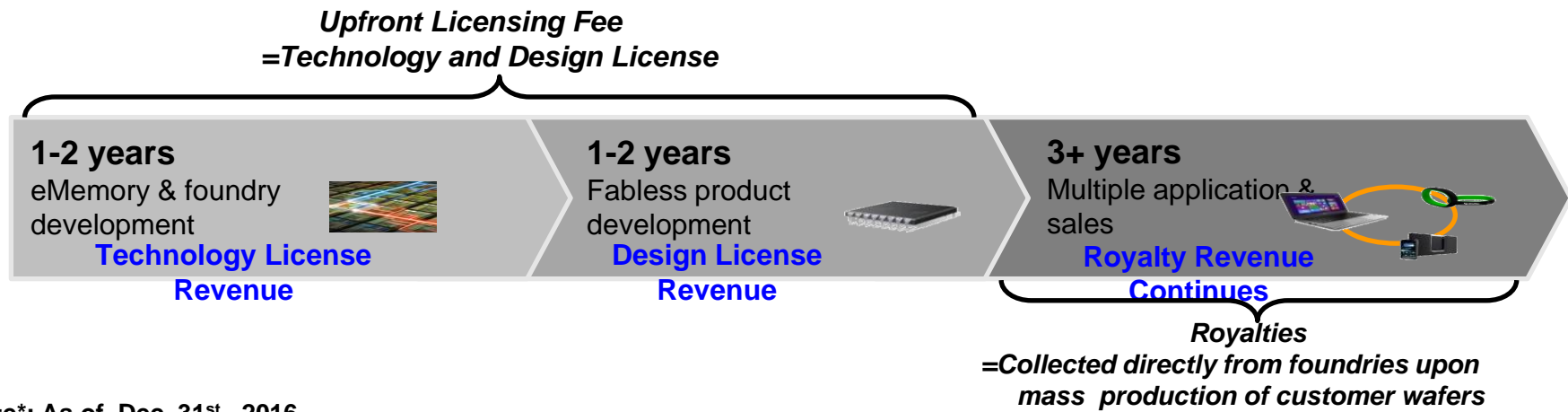
This presentation contains forward-looking statements, which are subject to risk factors associated with semiconductor and intellectual property business. It is believed that the expectations reflected in these statements are reasonable. But they may be affected by a variety of variables, many of which are beyond our control. These variables could cause actual results or trends to differ materially which include, but are not limited to: wafer price fluctuation, actual demand, rapid technology change, delays or failures of customers' tape-outs into wafer production, our ability to negotiate, monitor and enforce agreements for the determination and payment of royalties, any bug or fault in our technology which leads to significant damage to our technology and reputation, actual or potential litigation, semiconductor industry cycle and general economic conditions. Except as required by law, eMemory undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Outline

- **Business Model**
- **Review of Operations for Q4 2016**
- **Future Outlook**
- **Q & A**

Business Model

- Founded in 2000. First customer engaged in 2002. Achieved profitability in 2005 and IPO in 2011. The largest logic non-volatile memory IP company, 232 employees (162 R&D)*.
- Since its IPO, the company initiated no new fund raising or bank debt, and has distributed in excess of 100% of earnings in cash dividends.
- **Growth Indices:** 1) No. of on-going technology platforms
2) No. of design licenses
3) Royalty



Note*: As of Dec. 31st, 2016

Worldwide Customers



Foundry



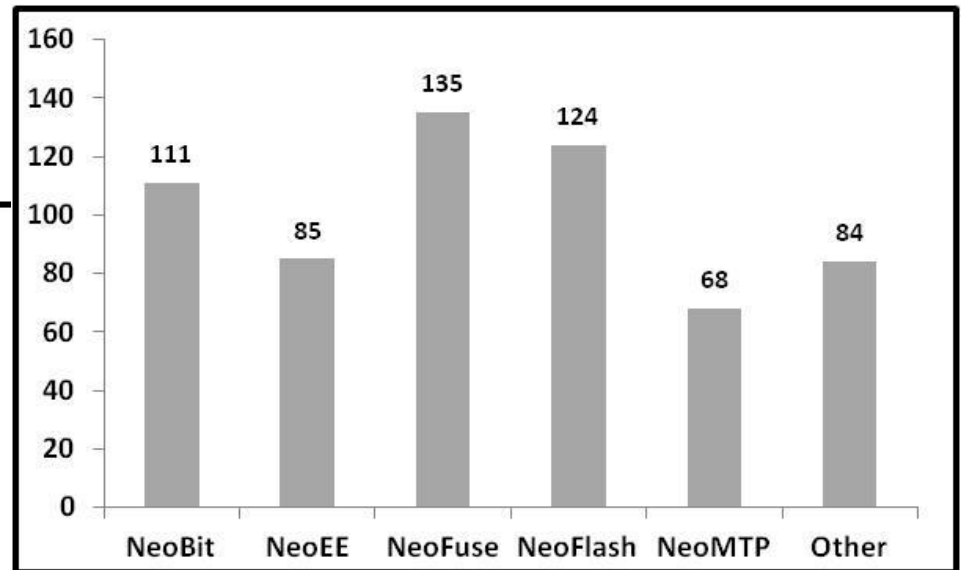
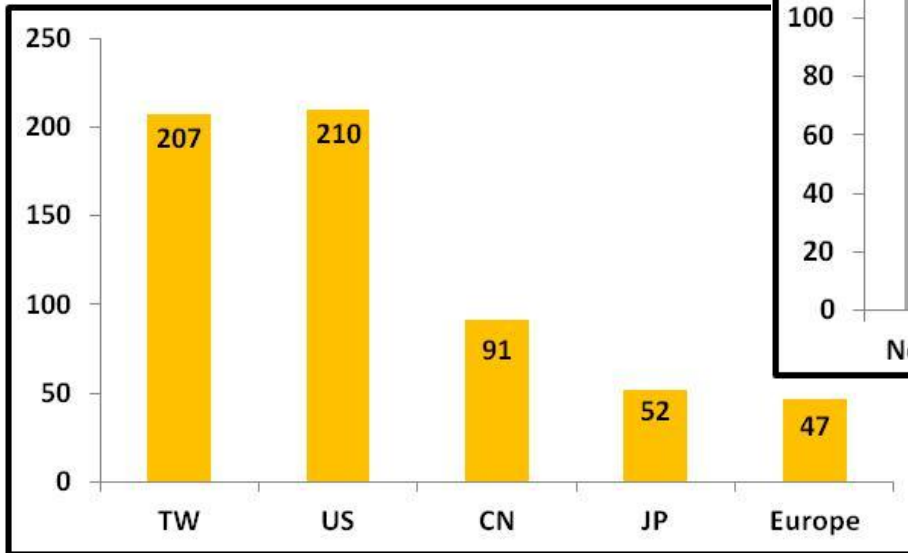
IDM



| | Taiwan | China | Korea | Japan | North America | Europe | Others |
|---------|--------|-------|-------|-------|---------------|--------|--------|
| Foundry | 5 | 7 | 3 | 3 | 1 | 2 | 1 |
| IDM | 0 | 0 | 0 | 8 | 2 | 1 | 0 |
| Fabless | 264 | 496 | 66 | 51 | 226 | 111 | 50 |

Patent Portfolio

| | Q3 16 | Q4 16 | Diff. |
|--------------|------------|------------|-------------|
| Pending | 204 | 218 | + 14 |
| Issued | 371 | 389 | + 18 |
| Total | 575 | 607 | + 32 |

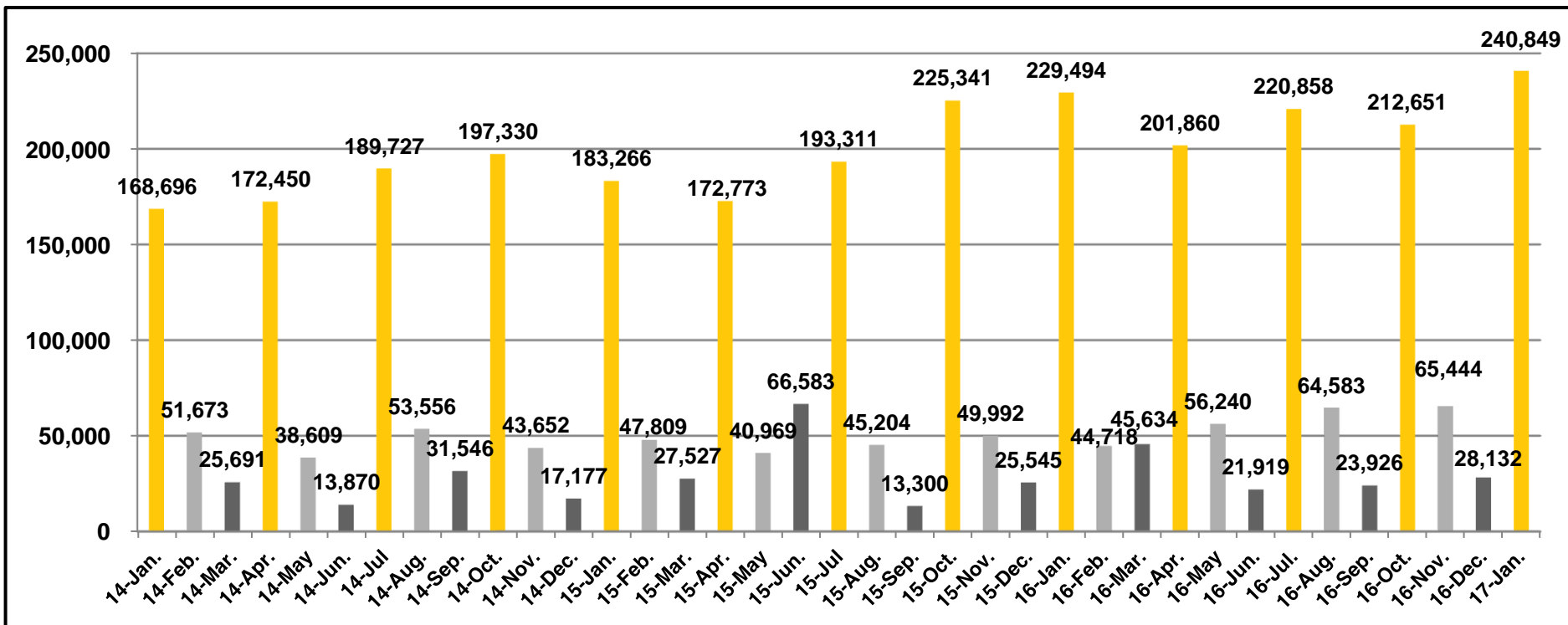


Note*: As of Dec. 31st, 2016

Quarterly Revenue Pattern

- The quarterly royalty from most of foundries are collected at first month of each quarter and from some other foundries are collected at second month, and none at third month.

Unit : NTD Thousands



Outline

- **Business Model**
- **Review of Operations for Q4 2016**
- **Future Outlook**
- **Q & A**

Q4 Revenue Breakdown

Unit: NTD thousands

| | Q4 2016 | Q3 2016 | QoQ | Q4 2015 | YoY | 2016 | 2015 | YoY |
|-----------|---------|---------|--------|---------|--------|-----------|-----------|--------|
| Licensing | 79,684 | 86,712 | -8.10% | 69,307 | 14.97% | 330,087 | 267,512 | 23.39% |
| Royalty | 226,543 | 222,655 | 1.75% | 231,571 | -2.17% | 885,372 | 824,108 | 7.43% |
| Total | 306,227 | 309,367 | -1.01% | 300,878 | 1.78% | 1,215,459 | 1,091,620 | 11.34% |

Unit: Number of contracts

| | | Q4 2016 | Q3 2016 | 2016 | 2015 |
|---------------------|-------|---------|---------|------|------|
| Technology Licenses | | 10 | 6 | 43 | 28 |
| Design Licenses | NRE | 12 | 18 | 56 | 57 |
| | Usage | 73 | 81 | 311 | 349 |

Financial Income Statement

| (Unit: NTD thousands) | Q4 2016 | Q4 2015 | % change | 2016 | 2015 | % change |
|-----------------------|-----------|---------|----------|-------------|-----------|----------|
| Revenue | 306,227 * | 300,878 | 1.8% | 1,215,459 * | 1,091,620 | 11.3% |
| Gross Margin | 100% * | 100% | - | 100% * | 100% | - |
| Operating Expenses | 171,681 * | 156,216 | 9.9% | 685,650 * | 570,403 | 20.2% |
| Operating Margin | 43.9% * | 48.1% | -4.2ppts | 43.6% * | 47.7% | -4.1ppts |
| Net Income | 132,361 * | 128,090 | 3.3% | 534,917 * | 479,111 | 11.6% |
| Net Margin | 43.2% * | 42.6% | +0.6ppts | 44.0% * | 43.9% | +0.1ppts |
| EPS (Unit: NTD) | 1.75 * | 1.69 | 3.6% | 7.06 * | 6.32 | 11.7% |
| ROE | 28.3% * | 28.4% | -0.1ppts | 28.6% * | 26.6% | +2.0ppts |

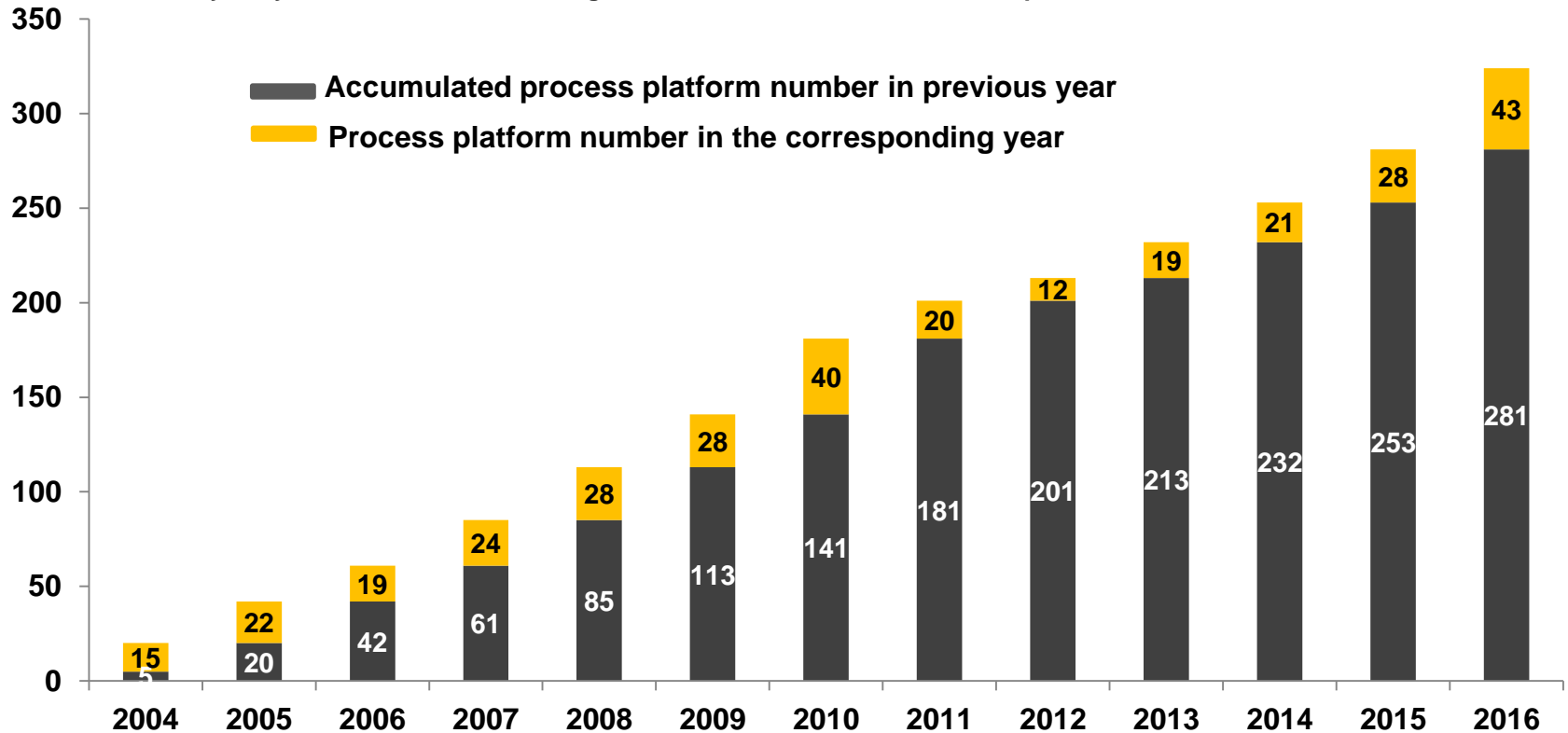
* Unaudited

Technology License

Unit: Number of contract

| Year | 2013 | 2014 | 2015 | 2016 |
|----------------|------|------|------|------|
| License number | 19 | 21 | 28 | 43 |

Note: The terms (including number of process platforms and licensing fees) for each technology license are set contractually. Payments are made according to set milestones, and there are no particular seasonal factors involved.



Current Technology Development Platforms

- Total (As of Dec.) : **104**
- **19** for NeoBit, **43** for NeoFuse, **22** for NeoEE, and **20** for NeoMTP.

| | 7/10nm | 14/16nm | 28nm | 40nm | 55/65nm | 80/90nm | 0.11~ 0.13um | 0.15~ 0.18um | >0.25 um |
|----------|--------|---------|------|------|---------|---------|-----------------|-----------------|-------------|
| NeoBit | - | - | - | - | - | - | 6 | 13 | |
| NeoFuse | 2 | 3 | 8 | 6 | 10 | 5 | 6 | 3 | - |
| NeoFlash | - | - | - | - | - | - | - | - | - |
| NeoEE | - | - | - | - | - | - | 5 | 17 | - |
| NeoMTP | - | - | - | - | 1 | 2 | 5 | 12 | - |

Current Technology Development Platforms

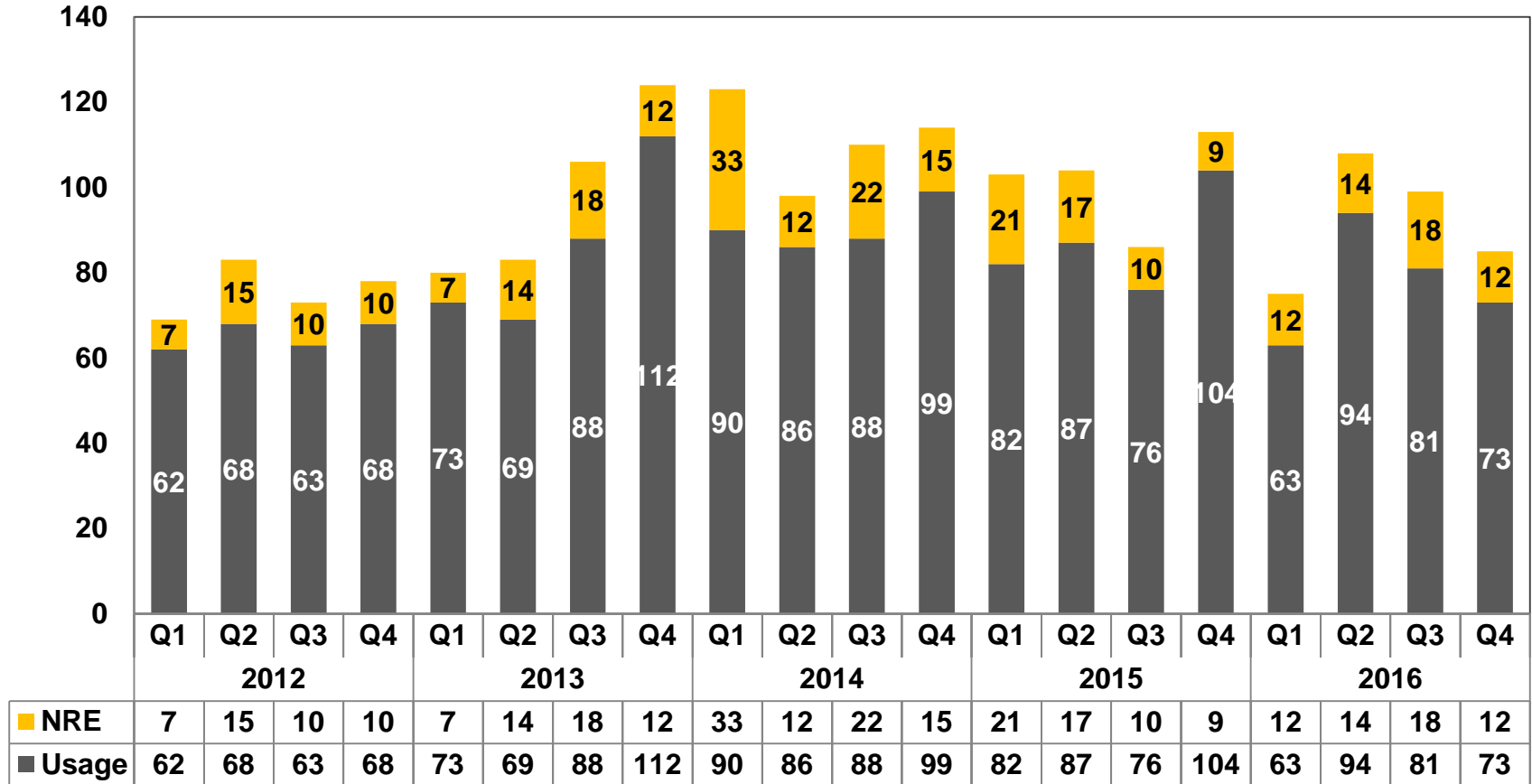
| 12" Fabs | Production | Development | NVM Type | Process Type |
|-------------|------------|-------------|-----------------|--------------------------------|
| 7/10nm | 0 | 2 | OTP | FF |
| 14/16nm | 1 | 3 | OTP | FF+ |
| 28nm | 6 | 8 | OTP | LP/HPM, HLP/HPM, LPS |
| 40nm | 4 | 6 | OTP, MTP | HV-DDI, LP |
| 55/65nm | 14 | 11 | OTP, MTP, Flash | LP, HV-DDI, HV-OLED, DRAM, CIS |
| 80/90nm | 6 | 7 | OTP, MTP | HV-DDI, HV-OLED, LP |
| 0.13/0.11um | 8 | 2 | OTP, Flash | HV-DDI, BCD, Generic |
| 0.18um | 1 | 0 | OTP | BCD |

| 8" Fabs | Development | NVM Type | Process Type |
|-------------------|-------------|-----------------|-------------------------------------|
| 0.13/0.11um | 20 | OTP, MTP, Flash | HV-DDI, BCD, LP, RF, CIS, LL |
| 0.18/0.16/0.152um | 45 | OTP, MTP | Generic, LP, LL, MR, HV, Green, BCD |
| 0.25um | 0 | OTP, MTP | BCD |
| 0.35um | 0 | OTP | UHV |

Note*: As of Dec. 31st, 2016

Quarterly Design Licensing (New Tape Out)

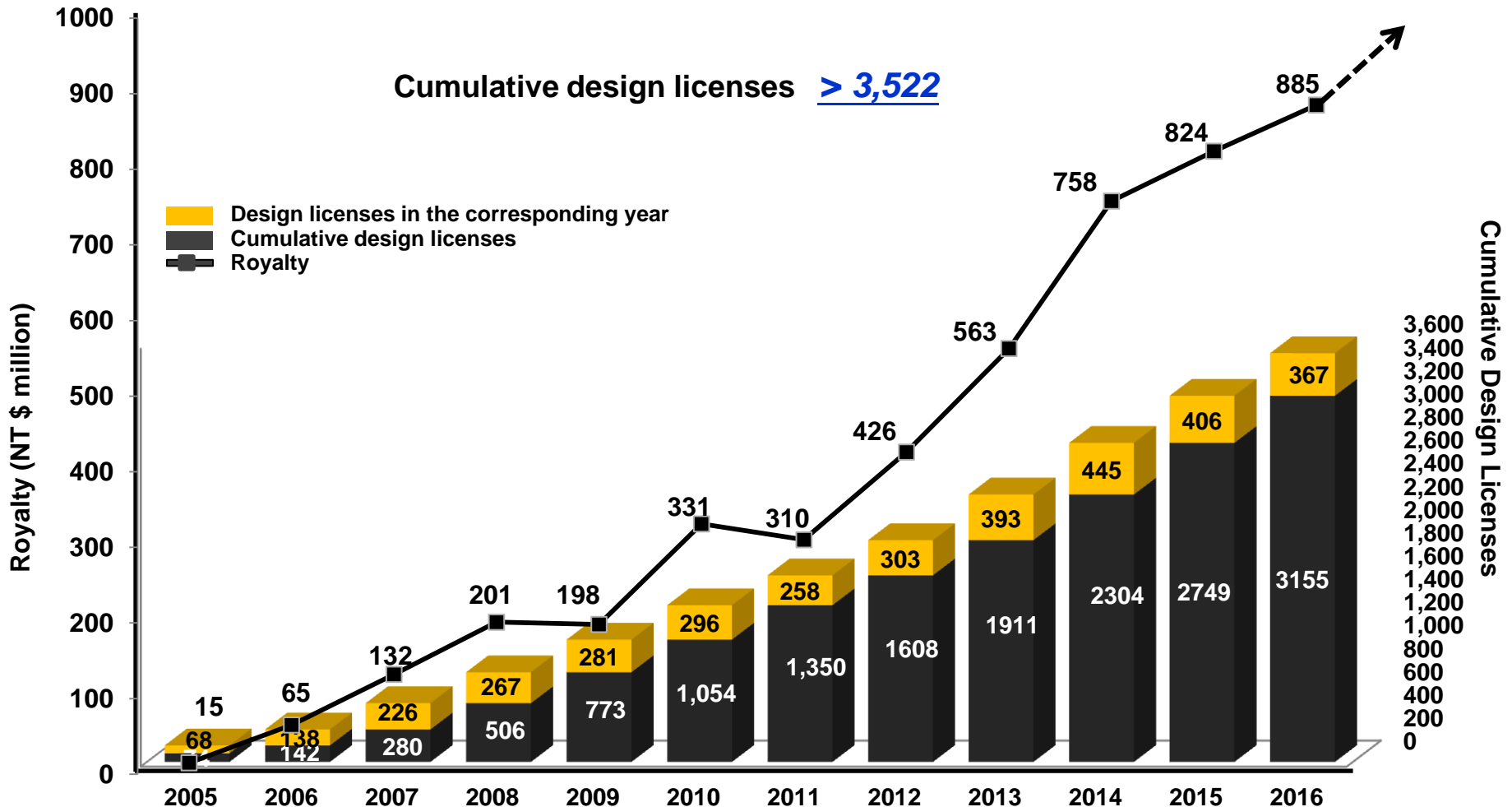
- Total **367** NTO as of 2016(**406**@2015,**445**@2014, **393**@2013, **303**@2012)



Note*: As the applications of MCU at several foundries have gradually entered mass production, and the business model of the main foundry partner which provides green process has shifted to — eMemory licenses IP cell to the foundry for it to provide direct design service to customers — as the result, the new tape out number of MCU has been affected, but the royalty coming from IP cell usage continues to roll in.

In summary, even the new tape out number of MCU is lower than before; the corresponding wafer output and royalty continue to grow.

Cumulative Licenses Drive Future Royalties

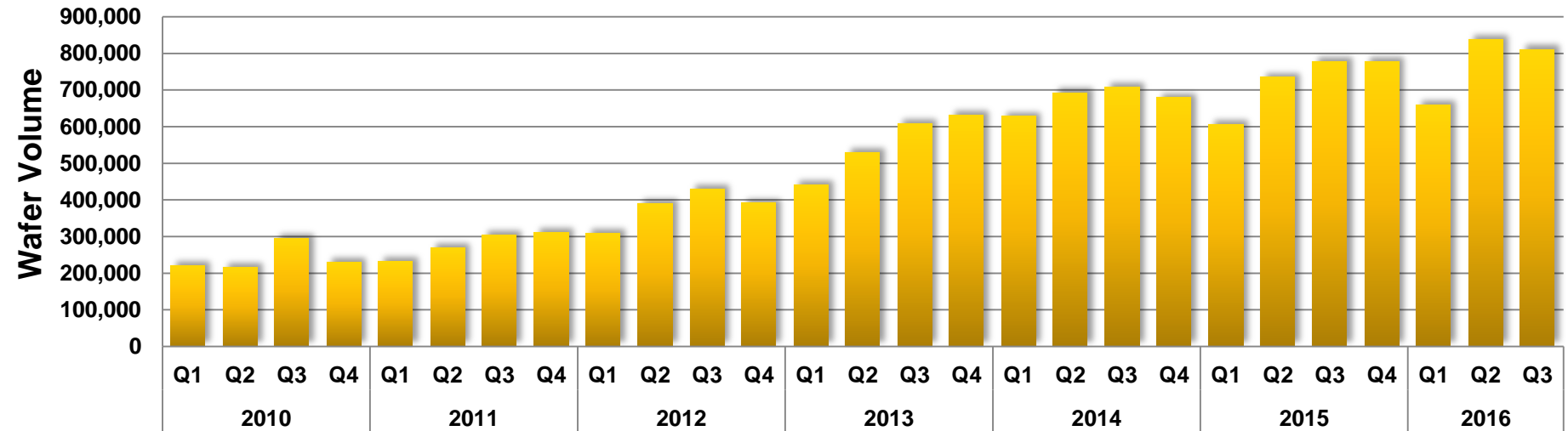


note 1: Due to the 2009 recession, royalty income was down annually 1.5%.

note 2: Pre-payment of royalty fees by a single customer contributed to 2010 annual growth of 67%, causing a drop of 6.3% in the following year, 2011.

note 3: CAGR for 2009-2013 was 30%.

Wafer Production Volume



embedded eMemory IP in T Company (\$revenue); * % of Process node in T company total revenue in Q4 2016

| | Process node | *% of T | Q4 16 | Q3 16 | 2016 | 2015 |
|-------|--------------|---------|--------|--------|--------|--------|
| 8" | 0.25/0.35 | 2% | 26.80% | 26.44% | 28.15% | 33.49% |
| | 0.15/0.18 | 10% | 10.93% | 13.07% | 12.43% | 8.73% |
| | 0.11/0.13 | 2% | 58.06% | 40.96% | 42.61% | 29% |
| 12" | 90nm | 5% | 14.8% | 3.83% | 12.50% | 19.85% |
| | 65nm | 11% | 3.9% | 3.85% | 3.59% | 0.55% |
| | 40/45nm | 12% | 0 | 0 | 0.00% | 0% |
| | 28nm | 24% | 0.70% | 0.61% | 0.55% | 0.05% |
| | 16/20nm | 33% | 0% | 0 | 0.00% | 0% |
| 8" | | 15% | 18.60% | 20.1% | 18.86% | 16.64% |
| 12" | | 85% | 1.56% | 0.87% | 1.44% | 1.87% |
| Total | | 100% | 4.12% | 3.95% | 4.27% | 4.76% |

Outline

- **Business Model**
- **Review of Operations for Q4 2016**
- **Future Outlook**
- **Q & A**

Outlook for 2017

- **In license revenues :**

- › **Strong demand for building advanced process and MTP platform in worldwide foundry partners will increase technology license and design license revenues.**

- **In royalty revenues :**

- › **8" wafer royalty will grow further due to multiple fingerprint customers are ramping up production and more customers will start volume production later this year.**

- › **PMIC related royalty will increase due to new chips in fast charger wireless charger, and our largest US customer ramping up their new generation of PMIC in second half of 2017.**

- › **Automotive platforms have been successfully built and customers already start small volume production**

Outlook for 2017

- › For 12" wafer royalty, the volume production of TDDI, OLED, STB/ DTV, CIS and security have continuously increased.
- › We had first 16nm tape-out in 2016. The 10nm IP have been successfully verified and 7nm test chip is expected to tape out in Feb. All these will increase our penetration rate in 12" fab.

Key Growth Drivers

Growth in application per mobile devices

- More chip applications per smartphone/tablet product.

Growth into more markets

- From consumer electronics and mobile devices to wearable devices.
- Adding new NVM product lines further enable more product applications.

Growth in advanced technology

- Higher royalty per wafer is contributed from more advanced technology nodes.

Great IoT era

- Embedded Logic NVM will be a must.

Q & A



eMemory

Embedded Wisely, Embedded Widely