

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

2Q 2017 Investor Conference

Aug. 8th, 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.

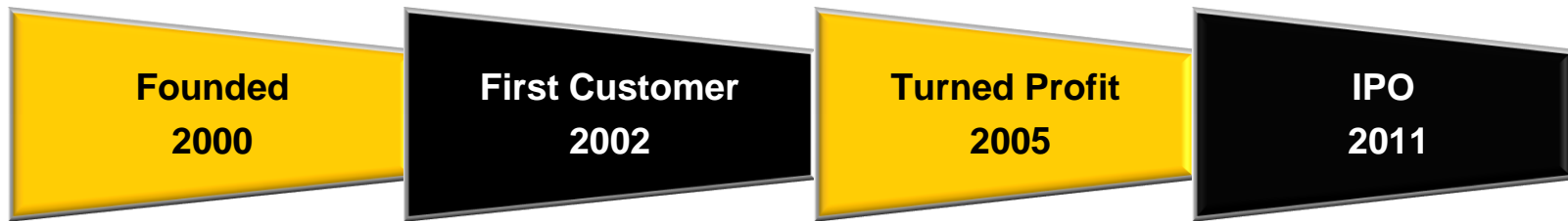
Cautionary Statement

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 2Q 2017**
- **Future Outlook**
- **Q & A**

About eMemory



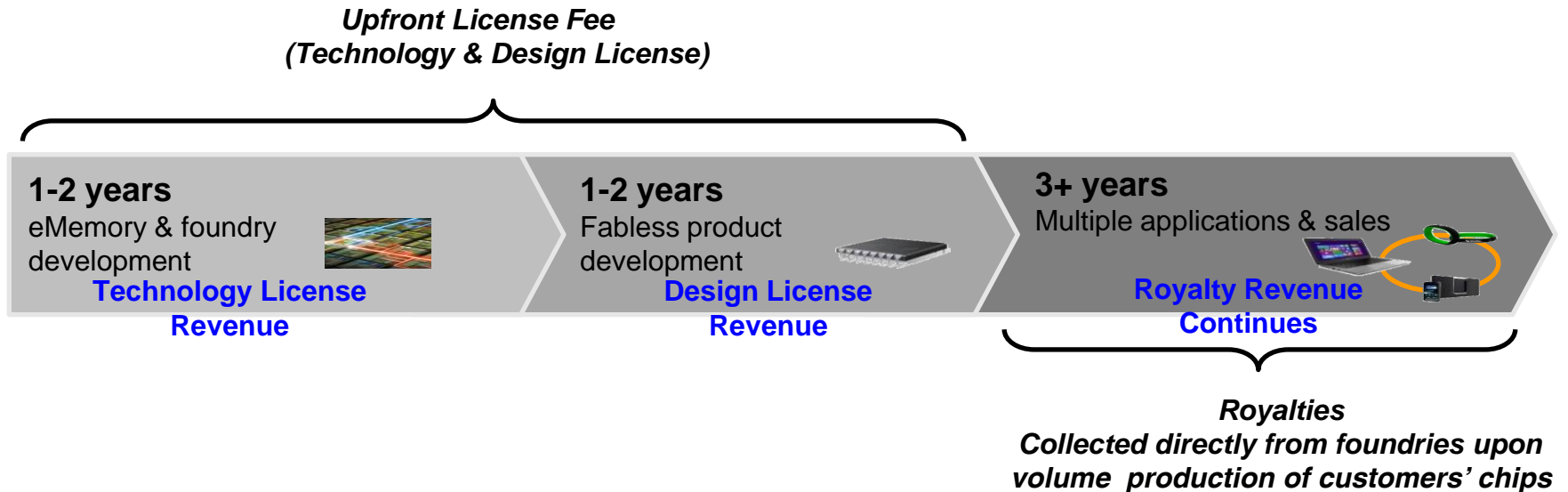
- **Largest Logic Non-Volatile Memory (NVM) IP company**
- **234 employees (161 R&D)*.**
- **No fundraising from capital markets or bank loans since IPO in 2011.**
- **Over 90% of earnings distributed in cash dividends.**

Note*: As of June 30th, 2017

Business Model

- Growth Metrics

- › No. of Embedded Platforms
- › No. of Design Licenses
- › Royalty



Worldwide Customers



Foundry



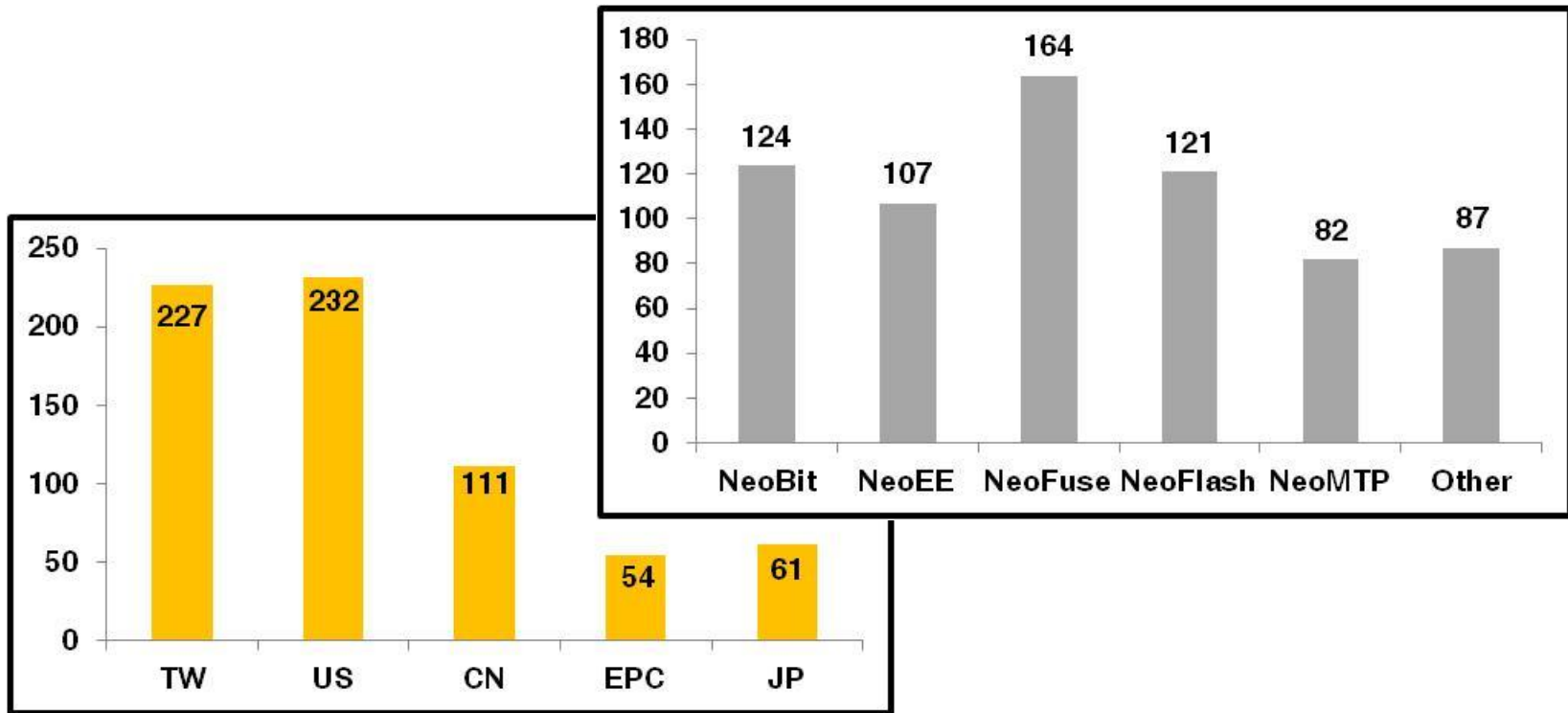
IDM



| | Taiwan | China | Korea | Japan | North America | Europe | Others |
|---------|--------|-------|-------|-------|---------------|--------|--------|
| Foundry | 5 | 8 | 3 | 4 | 1 | 2 | 1 |
| IDM | 0 | 0 | 0 | 8 | 2 | 1 | 0 |
| Fabless | 261 | 513 | 71 | 52 | 242 | 111 | 53 |

Patent Portfolio

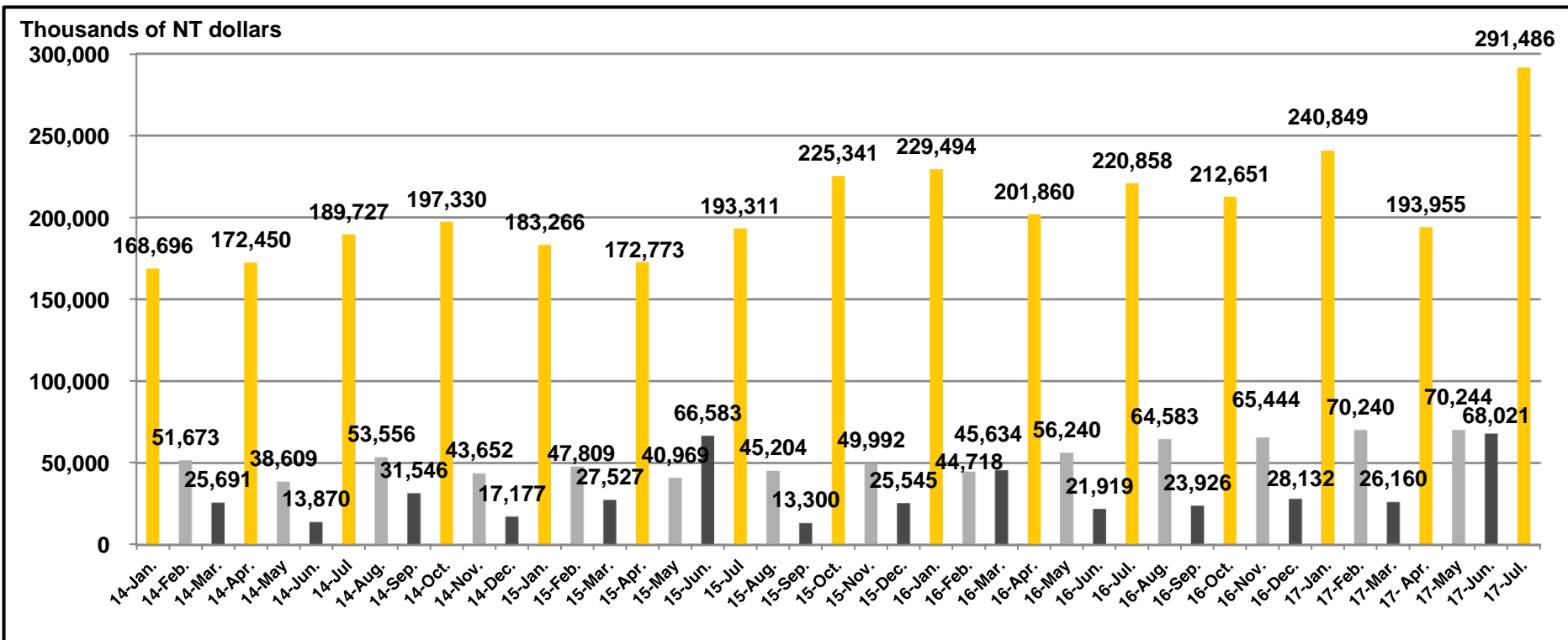
| | 1Q 17 | 2Q 17 | Change |
|--------------|------------|------------|-------------|
| Pending | 244 | 232 | - 12 |
| Issued | 416 | 453 | + 37 |
| Total | 660 | 685 | + 25 |



Note: As of June 30th, 2017

Quarterly Revenue Pattern

- 1st month: Receive **License Fees** of the month and **Royalty** from most foundries on previous quarter's wafer shipments
- 2nd month: Receive **License Fees** of the month and **Royalty** from other foundries
- 3rd month: **License Fees Only**.



Outline

- **Business Model**
- **Review of Operations for 2Q 2017**
- **Future Outlook**
- **Q & A**

Q2 Revenue Breakdown

Thousands of NT dollars

| | Q2 2017 | Q1 2017 | QoQ | Q2 2016 | YoY | H1 2017 | H1 2016 | YoY |
|-----------|---------|---------|---------|---------|--------|---------|---------|--------|
| Licensing | 134,140 | 74,146 | 80.91% | 77,715 | 72.61% | 208,286 | 163,691 | 27.24% |
| Royalty | 198,080 | 263,103 | -24.71% | 202,304 | -2.09% | 461,183 | 436,174 | 5.73% |
| Total | 332,220 | 337,249 | -1.49% | 280,019 | 18.64% | 669,469 | 599,865 | 11.60% |

Number of Licenses

| | Q2 2017 | Q1 2017 | 2016 | 2015 |
|---------------------|---------|---------|------|------|
| Technology Licenses | 8 | 5 | 43 | 28 |
| Design Licenses | NRE | 13 | 8 | 57 |
| | Usage | 79 | 88 | 349 |

Financial Income Statement

Amount in Thousands of NT Dollars, except margins/EPS/ROE

| | Q2 2017 | Q1 2017 | Q2 2016 | change (QoQ) | change (YoY) |
|--------------------|---------|---------|---------|--------------|--------------|
| Revenue | 332,220 | 337,249 | 280,019 | -1.5% | 18.6% |
| Gross Margin | 100% | 100% | 100% | - | - |
| Operating Expenses | 188,562 | 193,603 | 163,276 | -2.6% | 15.5% |
| Operating Margin | 43.2% | 42.6% | 41.7% | 0.6ppts | 1.5ppts |
| Net Income | 135,610 | 151,378 | 106,245 | -10.4% | 27.6% |
| Net Margin | 40.8% | 44.9% | 37.9% | -4.1ppts | 2.9ppts |
| EPS | 1.79 | 2.00 | 1.40 | -10.5% | 27.9% |
| ROE | 29.6% | 30.2% | 24.5% | -0.6ppts | 5.1ppts |

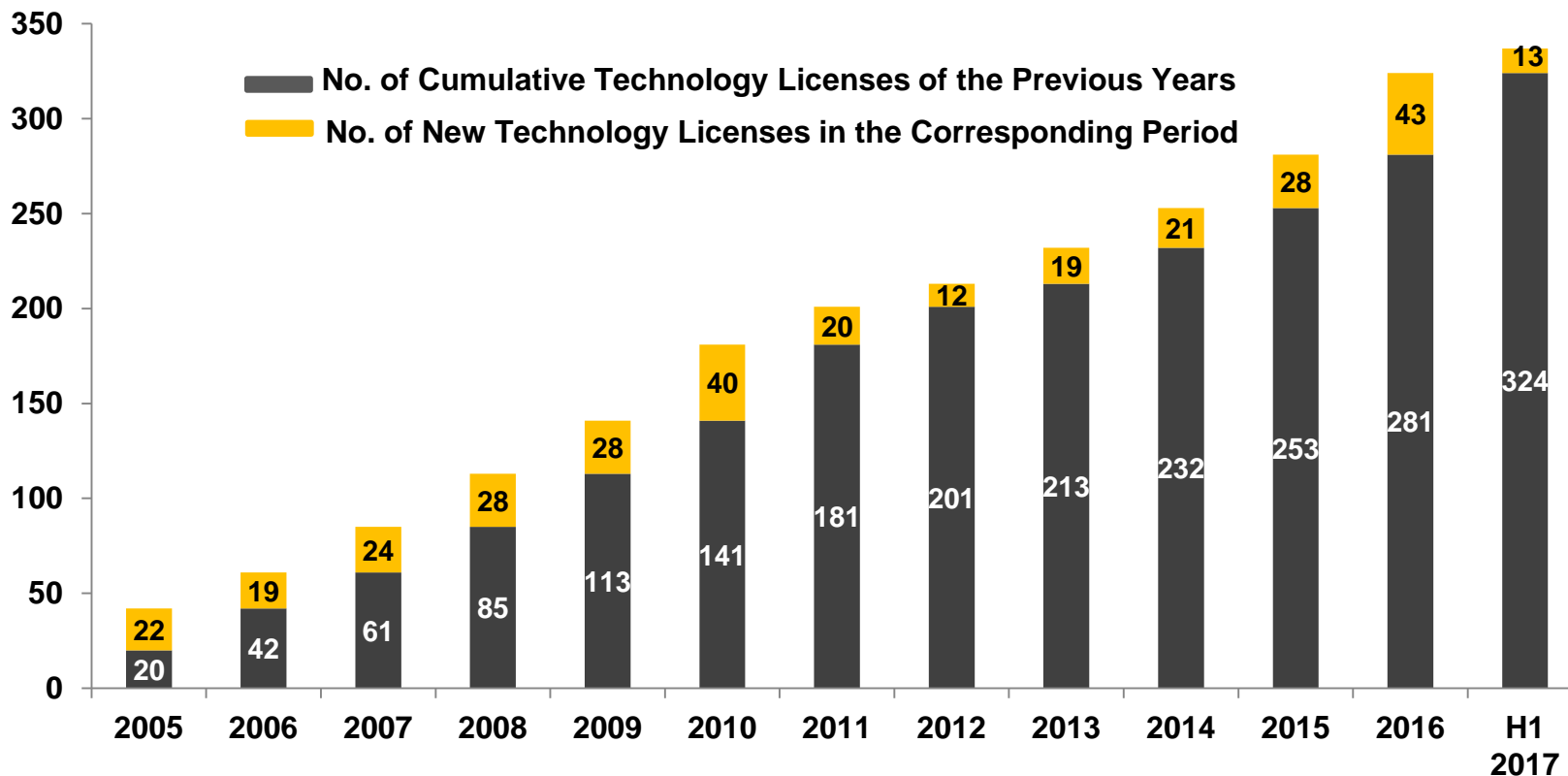
Note : Revenue amount in US dollars, QoQ growth of 2.2% and YoY growth of 26.8%.

Technology Licensing

Number of Licenses

| Year | 2014 | 2015 | 2016 | H1 2017 |
|---------|------|------|------|---------|
| License | 21 | 28 | 43 | 13 |

Note: 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.



New Technologies Under Development

- New technologies being developed for **104** platforms by Q2 17.
- **21** for NeoBit, **40** for NeoFuse, **20** for NeoEE, and **23** for NeoMTP.

| | 7/10nm | 12/14/16nm | 28nm | 40nm | 55/65nm | 80/90nm | 0.11~ 0.13um | 0.15~ 0.18um | >0.25 um |
|---------|--------|------------|------|------|---------|---------|-----------------|-----------------|-------------|
| NeoBit | - | - | - | - | - | - | 8 | 13 | - |
| NeoFuse | 3 | 3 | 8 | 3 | 10 | 6 | 4 | 3 | - |
| NeoEE | - | - | - | - | - | - | 3 | 17 | - |
| NeoMTP | - | - | - | - | 1 | 2 | 7 | 13 | - |

Note: As for June 30th, 2017

Technology Developments by Processes

| 12" Fabs | Production | Development | NVM Type | Process Type |
|--------------|------------|-------------|----------|--|
| 7/10nm | 0 | 3 | OTP | FF |
| 12/14/16nm | 2 | 3 | OTP | FF+ |
| 28nm | 8 | 8 | OTP | LP/HPM, HLP/HPM, LPS |
| 40nm | 8 | 3 | OTP, MTP | HV-DDI, LP, eFlash |
| 55/65nm | 14 | 11 | OTP, MTP | LP, HV-DDI, HV-OLED, DRAM, CIS, eFlash |
| 80/90nm | 6 | 5 | OTP, MTP | HV-DDI, HV-OLED, LP, eFlash |
| 0.13/0.11um | 9 | 1 | OTP | HV-DDI, BCD, Generic |
| 0.18um | 1 | 0 | OTP | BCD |
| Total | 48 | 34 | | |

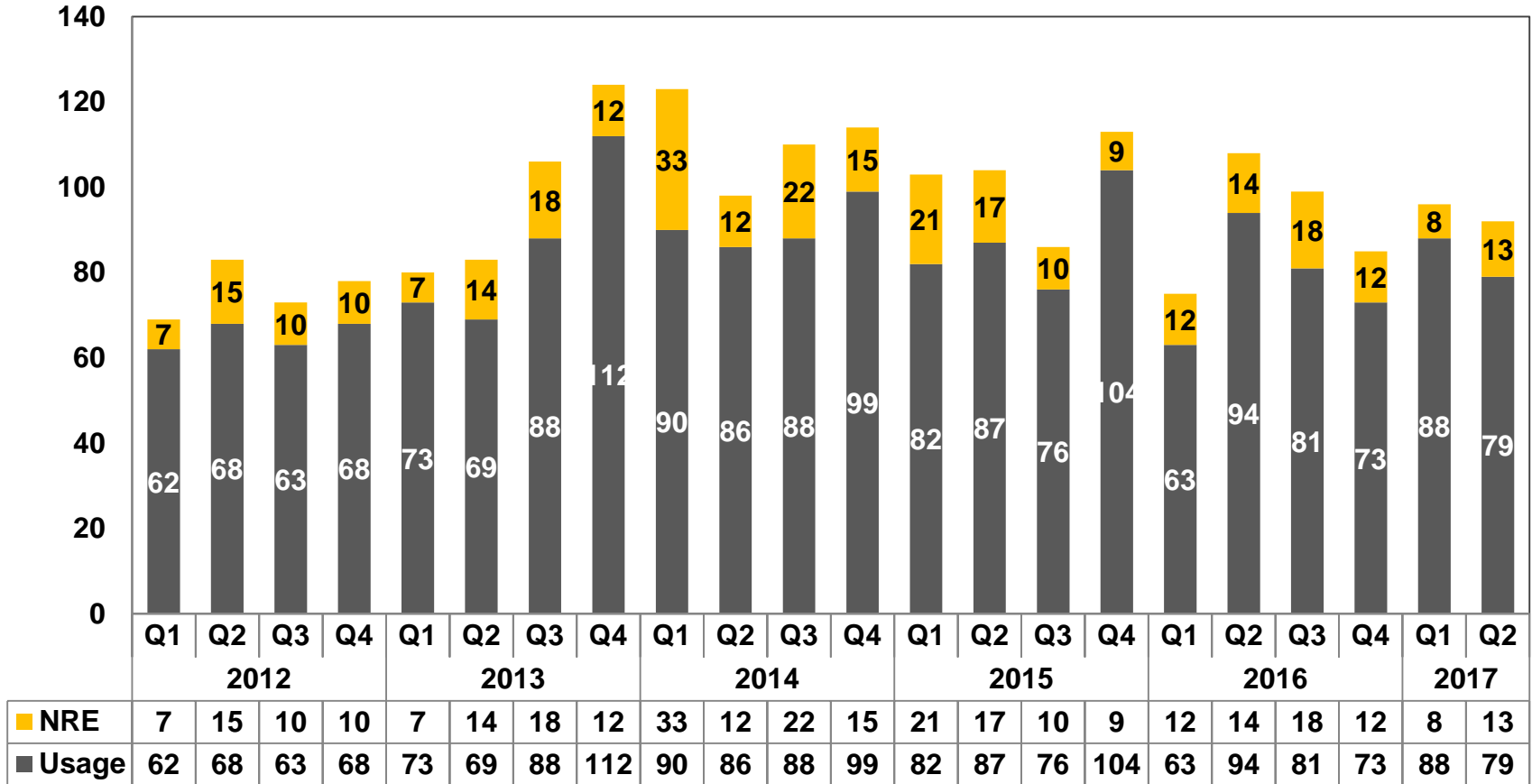
| 8" Fabs | Development | NVM Type | Process Type |
|-------------------|-------------|----------|-------------------------------------|
| 90nm | 3 | OTP | HV-DDI, LL |
| 0.13/0.11um | 21 | OTP, MTP | HV-DDI, BCD, LP, RF, CIS, LL, Green |
| 0.18/0.16/0.152um | 46 | OTP, MTP | Generic, LP, LL, MR, HV, Green, BCD |
| 0.25um | 0 | OTP, MTP | BCD |
| 0.35um | 0 | OTP | UHV |
| Total | 70 | | |

Note: As of June 30th, 2017

Confidential

Design Licensing (New Tape-Out)

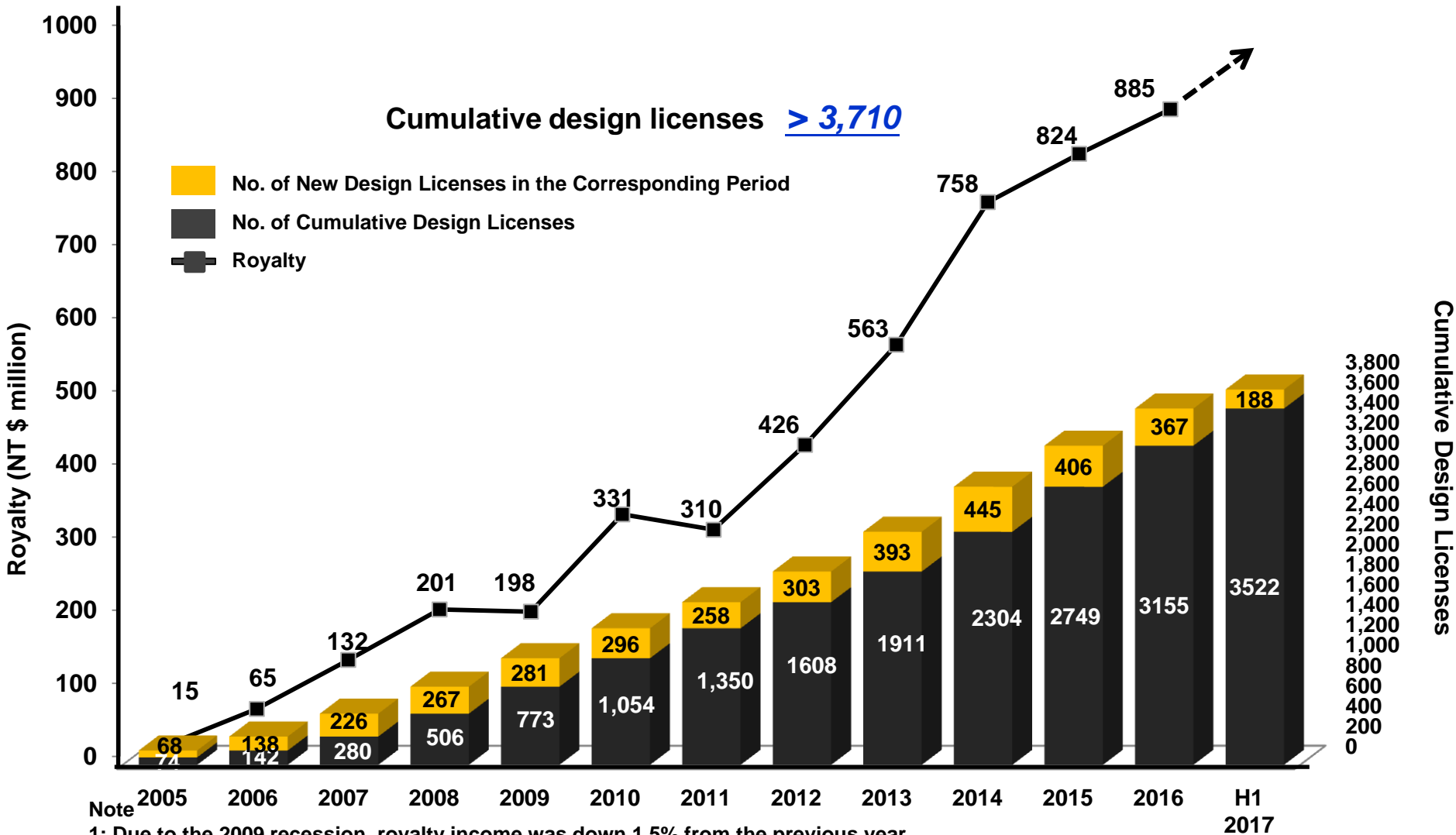
- A total **188** NTO in H1 2017 (**367**@2016, **406**@2015, **445**@2014, **393**@2013)



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.

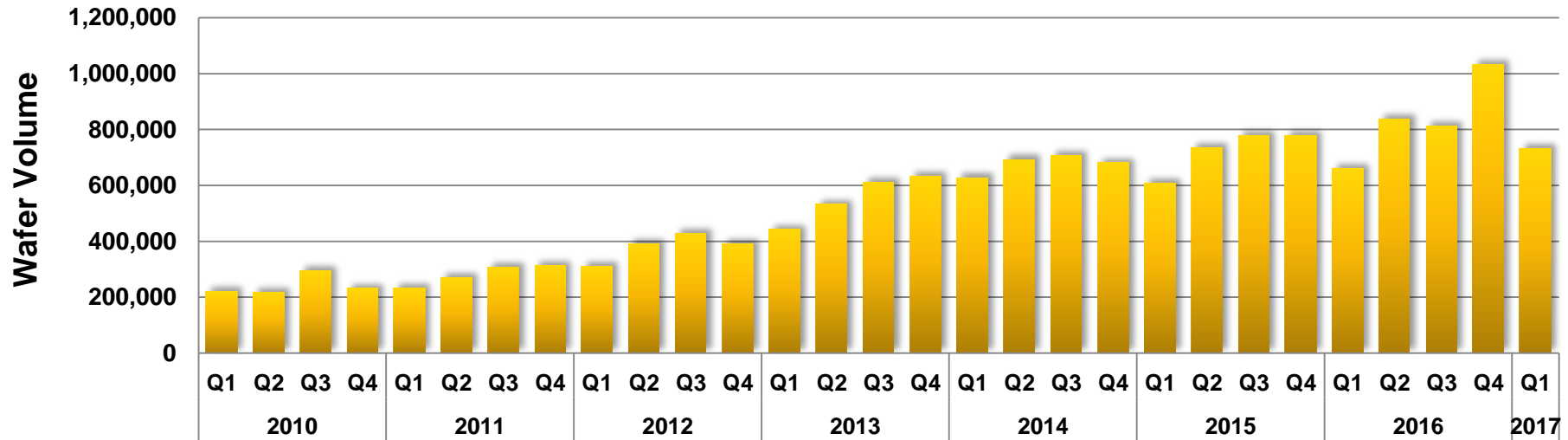
In summary, even the new tape out number of MCU is lower than before; the corresponding wafer output and royalty continue to grow.

Cumulative Licenses Drive Future Royalties



Note
 1: Due to the 2009 recession, royalty income was down 1.5% from the previous year.
 2: Prepaid royalty from a single customer contributed to 2010 annual growth of 67%, followed by a drop of 6.3% in 2011.
 3: CAGR for 2009-2013 was 30%.

Wafer Production Volume



eMemory IP's Penetration Rates in T Company (in US\$revenue)

| | Process node | *% of T | Q2 17 | Q1 17 | 2016 | 2015 |
|--------------|----------------|-------------|--------------|--------------|--------------|--------------|
| 8" | 0.25/0.35 | 3% | 44.84% | 37.05% | 28.15% | 33.49% |
| | 0.15/0.16/0.18 | 11% | 7.36% | 9.10% | 12.43% | 8.73% |
| | 0.11/0.13 | 3% | 58.76% | 41.92% | 42.61% | 29% |
| 12" | 80/90nm | 5% | 12.73% | 10.96% | 12.50% | 19.85% |
| | 55/65nm | 10% | 4.73% | 3.50% | 3.59% | 0.55% |
| | 40/45nm | 13% | 0% | 0% | 0% | 0% |
| | 28nm | 27% | 0.18% | 0.56% | 0.55% | 0.05% |
| | 16/20nm | 26% | 0% | 0% | 0% | 0% |
| 8" | | 18% | 21.77% | 16.13% | 18.86% | 16.64% |
| 12" | | 82% | 1.43% | 1.15% | 1.44% | 1.87% |
| Total | | 100% | 5.07% | 3.54% | 4.27% | 4.76% |

* T company's Q2 2017 revenues broken down by process nodes

Outline

- **Business Model**
- **Review of Operations for 2Q 2017**
- **Future Outlook**
- **Q & A**

Outlook for Q3 and beyond

Revenue growth to accelerate in H2 2017

- **Key drivers to licensing revenue:**
 - › Worldwide foundry partners keep developing advanced processes and MTP platforms.
 - › We're establishing partnerships with more foundries worldwide.
 - › Our growing IP library will also boost design license revenue.
- **Key drivers to royalty revenue :**
 - 8-inch processes
 - › Fingerprint royalty grow explosively due to an expansion from high-end to mid-low smartphones markets as well as our market share gains.

Outlook for Q3 and beyond

- **PMIC royalty will increase strongly with content increase of new smartphones. Growths will be driven by the ramp of new products by a US smartphone maker in H2, as well as a shift of business terms with the largest US chipmaker from “one-time fee” to “royalty-based”.**
- **MTP IP series start contributing to royalty with more design-wins.**
- **Automotive applications start generating royalty.**

12-inch processes

- **With display technology migrating toward TDDI and OLED, our customers continue volume production of high-end TDDI (55nm) and OLED (40nm) products.**
- **STB, Multimedia and Network-related applications have been taped out subsequently in 28nm and below.**

Outlook for Q3 and beyond

- **R&D developments**

- › **Our IP has been taped out at 12nm and 22nm SOI process. The 7nm IP first taped out in April at one foundry, and one more tape-out expected in September at another foundry.**
- › **NeoPUF, our security IP, has been taped out at a major foundry and is to be designed into products by the end of this year.**
- › **Autotronic customers have started volume production beginning this year.**

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.

Outline

- **Business Model**
- **Review of Operations for 2Q 2017**
- **Future Outlook**
- **Q & A**

Q & A



eMemory

Embedded Wisely, Embedded Widely