



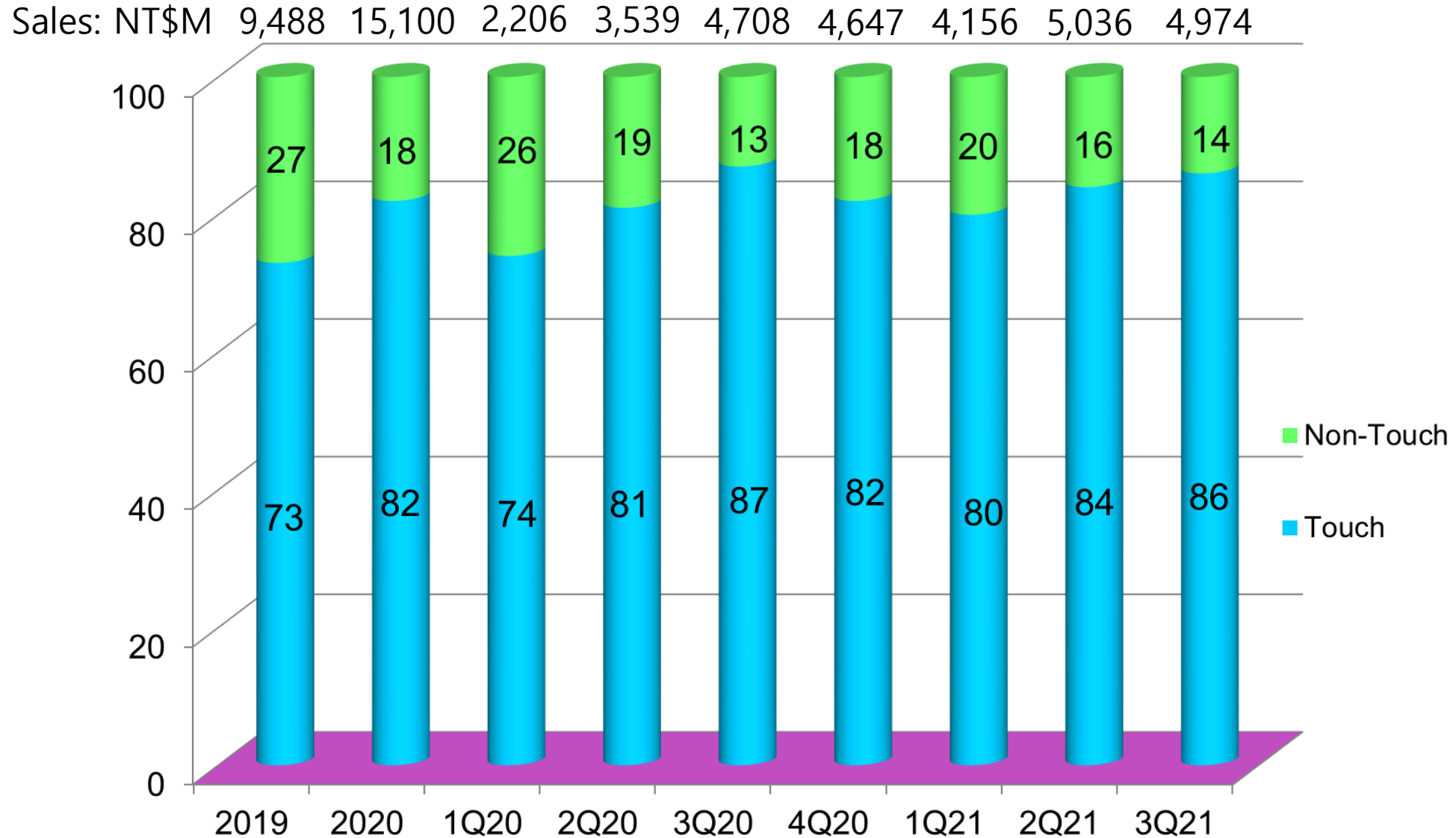
3Q21 Investor Conference

2021/11/04



ELAN Microelectronics Corporation

Sales Breakdown by Product Line (Consolidated)



- Touch: Touchscreen Controller, Touchpad, Biometrics
- Non-Touch: MCU, Pointing Stick, Affiliated Co. Products

3Q21 Income Statement

YoY Comparison (Consolidated)

	3Q21	%	3Q20	%	NT\$M YoY(%)
Sales	4,974	100.0	4,708	100.0	5.6
Gross profit	2,539	51.0	2,143	45.5	18.5
Sales expense	145	2.9	138	2.9	
G&A expense	138	2.8	128	2.7	
R&D expense	584	11.7	507	10.8	
OPEX	867	17.4	773	16.4	12.2
Operating profit	1,672	33.6	1,370	29.1	22.0
Non-operating income & exp.	9	0.2	(28)	(0.6)	
Profit before tax	1,681	33.8	1,342	28.5	25.3
Net profit	1,338	26.9	1,067	22.7	25.4
Belong					
Parent company	1,362		1,080		
Non-Controlling Interests	(24)		(13)		
* EPS (NT\$)	4.70		3.71		26.7

* 304 million shares issued; 285 million shares outstanding as of the end of Sep, 2021.

* 304 million shares issued; 291.4 million shares outstanding as of the end of Sep, 2020.

* Consolidated Statement of Financial Position (Unreviewed).

3Q21 Income Statement

QoQ Comparison (Consolidated)

	NT\$M				
	3Q21	%	2Q21	%	QoQ(%)
Sales	4,974	100.0	5,036	100.0	(1.2)
Gross profit	2,539	51.0	2,528	50.2	0.4
Sales expense	145	2.9	165	3.3	
G&A expense	138	2.8	134	2.7	
R&D expense	584	11.7	561	11.1	
OPEX	867	17.4	860	17.1	0.8
Operating profit	1,672	33.6	1,668	33.1	0.2
Non-operating income & exp.	9	0.2	0	0.0	
Profit before tax	1,681	33.8	1,668	33.1	0.8
Net profit	1,338	26.9	1,302	25.9	2.8
Belong					
Parent company	1,362		1,320		
Non-Controlling Interests	(24)		(18)		
* EPS (NT\$)	4.70		4.53		3.8

* 304 million shares issued; 285 million shares outstanding as of the end of Sep, 2021.

* 304 million shares issued; 291.4 million shares outstanding as of the end of Jun, 2021.

* Consolidated Statement of Financial Position (Unreviewed).

1Q21~3Q21 Income Statement

YoY Comparison (Consolidated)

	1Q21	%	2Q21	%	3Q21	%	1Q21~3Q21	NT\$M %
Sales	4,156	100.0	5,036	100.0	4,974	100.0	14,166	100.0
Gross profit	1,993	48.0	2,528	50.2	2,539	51.0	7,060	49.8
Sales expense	153	3.7	165	3.3	145	2.9	463	3.3
G&A expense	116	2.8	134	2.7	138	2.8	388	2.7
R&D expense	532	12.8	561	11.1	584	11.7	1,677	11.8
OPEX	801	19.3	860	17.1	867	17.4	2,528	17.8
Operating profit	1,192	28.7	1,668	33.1	1,672	33.6	4,532	32.0
Non-operating income & exp.	130	3.1	-	-	9	0.2	139	1.0
Profit before tax	1,322	31.8	1,668	33.1	1,681	33.8	4,671	33.0
Net profit	1,083	26.1	1,302	25.9	1,338	26.9	3,723	26.3
Belong								
Parent company	1,100		1,320		1,362		3,782	
Non-Controlling Interests	(17)		(18)		(24)		(59)	
* EPS (NT\$)	3.77		4.53		4.70		13.00	

* 304 million shares issued; 285 million shares outstanding as of the end of Sep, 2021.

* 304 million shares issued; 291.4 million shares outstanding as of the end of Mar. & Jun, 2021.

* Consolidated Statement of Financial Position (Unreviewed).

Balance Sheets

September 30, 2021 (Consolidated)

	NT\$M
Current assets	11,818
Cash and cash equivalents	3,536
Current financial assets	886
A/R&A/N	4,463
Inventory	2,049
Other current assets	47
Other current financial assets	837
Non-current financial assets	2,163
Fixed assets	879
Other non-current assets	1,474
Total Assets	16,334
Current liabilities	5,472
Non-current liabilities	1,092
Total Liabilities	6,564
Capital stock	3,039
Capital surplus	631
Retained earnings	6,655
Other equity interest	240
Treasury stock	(1,045)
Non-controlling interests	250
Total Stockholders' Equity	9,770

(Unreviewed)

Cash Flow Statement

September. 30, 2021 (Consolidated)

	NT\$M
Income before tax	4,671
Dep & Amort.	183
Inc. of A/R & N/R	(165)
Inc. of inventory	(349)
Net loss (gain) on financial assets at fair value through loss	(84)
Inc. of A/P & N/P	20
Others	(734)
Operating cashflow	3,542
Inc. F/A	(71)
Dividend received	38
Proceeds from return of capital of financial assets at fair value through profit or loss	16
Proceeds from return of capital of equity method investment	4
Inc. of investments	(9)
Dec. Time deposit with maturity over three-month	1,899
Acquisition of intangible assets	(57)
Cash Flows from acquisition of subsidiary	2
Cash Flows from disposal subsidiary	9
Inc. in refundable deposits	(124)
Investment cashflow	1,707
Distribution of cash dividends	(2,623)
Inc. in short-term loans payable	10
Dec. in short-term loans payable	(20)
Dec. in guarantee deposits received	(3)
Inc. of Treasury shares	(1,016)
Payment of lease liabilities	(181)
Inc. in non-controlling interests	90
Financing cashflow	(3,743)
Change in cash	1,506
Beg. Cash	2,030
End Cash	3,536

(Unreviewed)

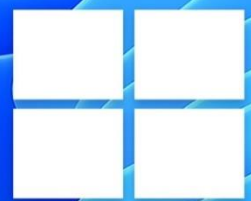
4Q21 Guidance

Based on Current Assumptions of Future Prospects, ELAN Expects:

- Consolidate Revenue to be Approximately between NT\$ 4.1Billion and NT\$ 4.3 Billion
 - Gross Margin to be about 50% to 53%
 - Operating Margin to be about 29.4% to 33.4%
-
- ELAN's forward-looking statements are subject to significant risks and uncertainties that could cause actual results to differ materially from the forward-looking statements made in this presentation.
 - Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

Windows 11 Launch !

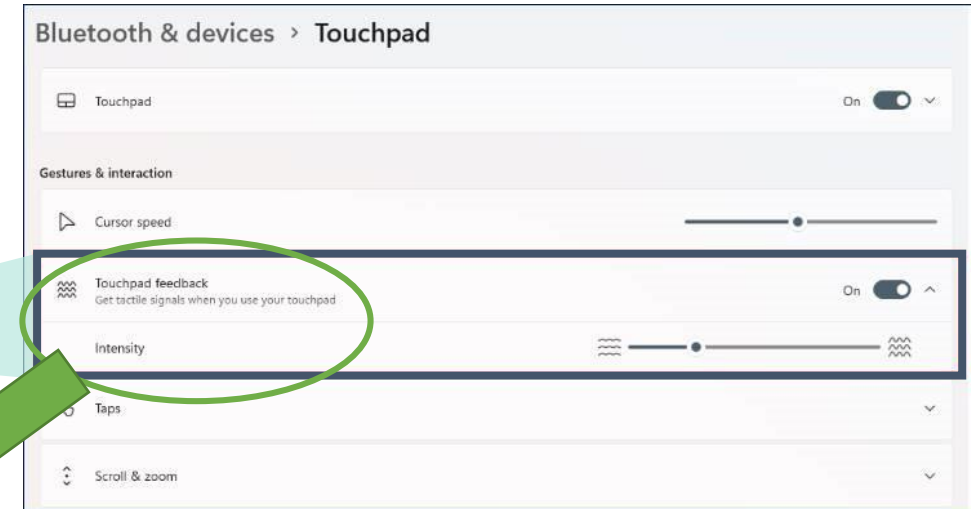
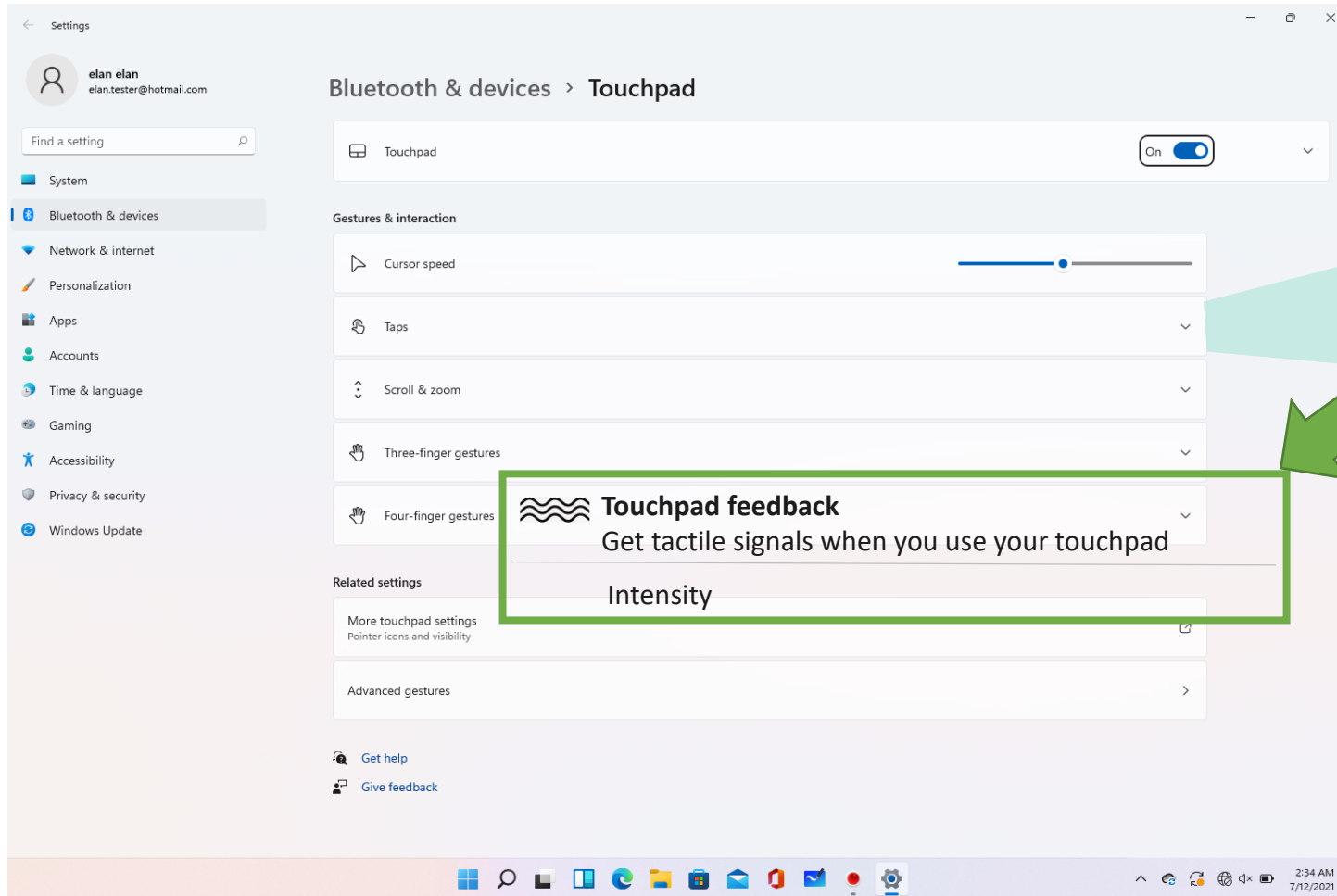
Win 8 Upgrade to Win 10 Take 3 Years ; Win 10 To Win 11 is 6 Years



Windows 11

Windows 11 Touchpad UI for ELAN's Smart-HapticPad™

Windows 11 is 1st Windows OS with Haptic Software Built-in



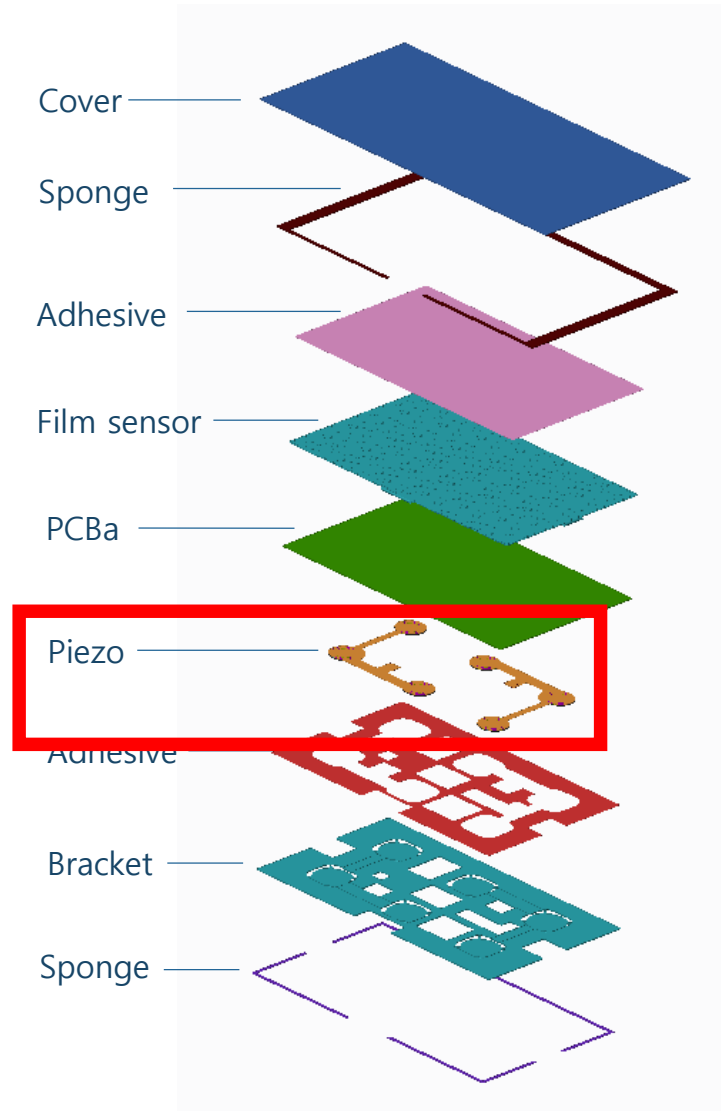
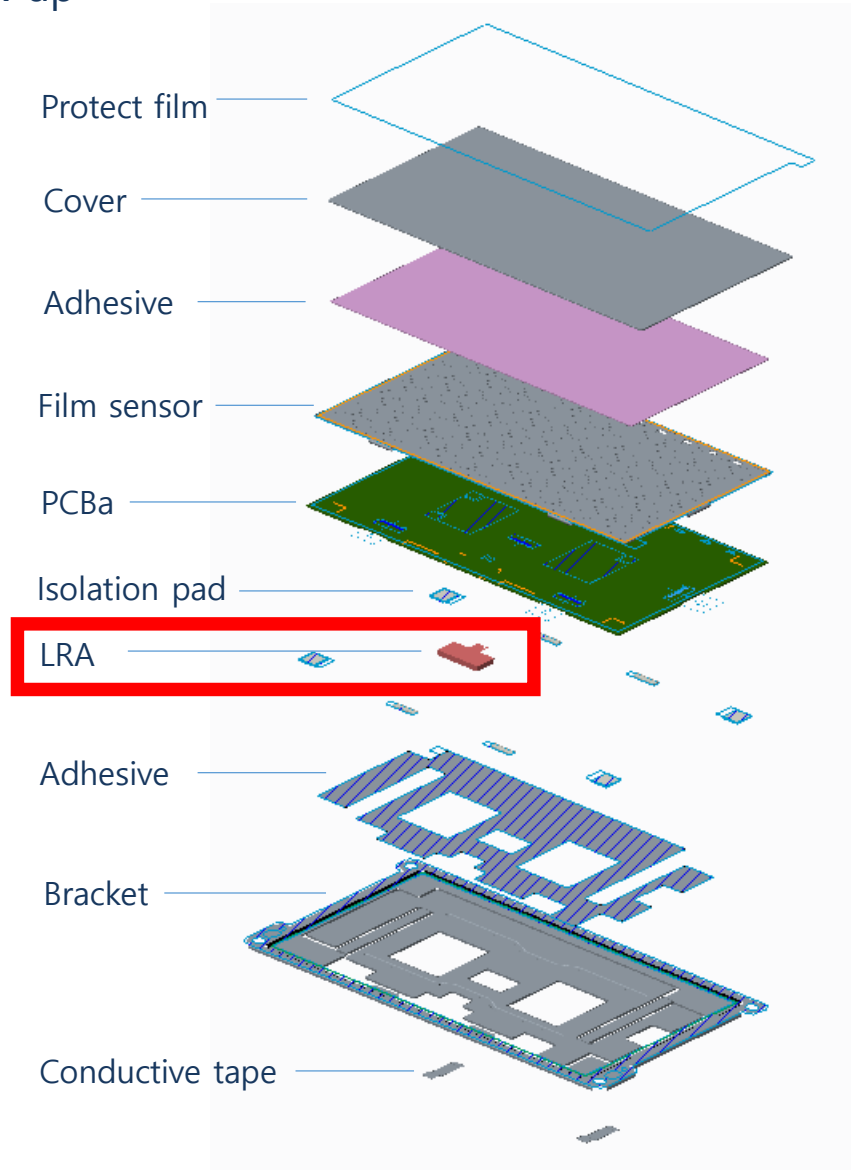
New Touchpad UI/Features:

- Global on/off toggle switch
- Haptic feedback intensity slider

Adjustable Haptic Feedback Intensity

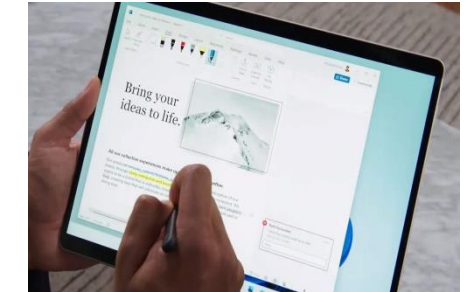
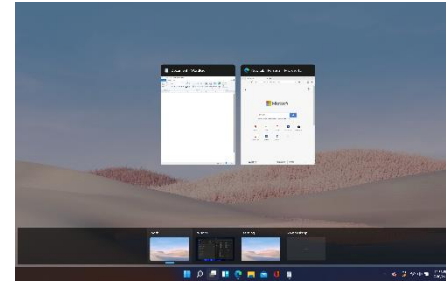
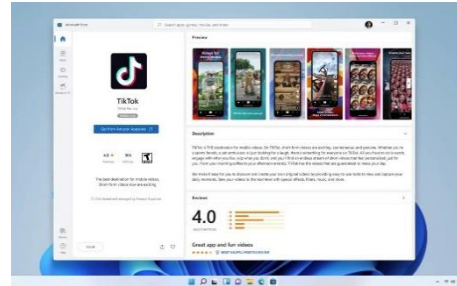
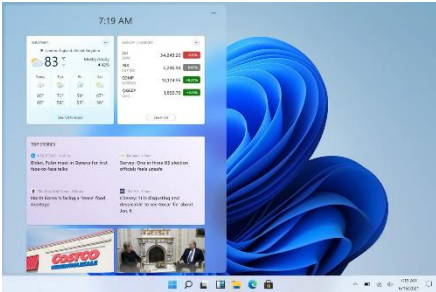
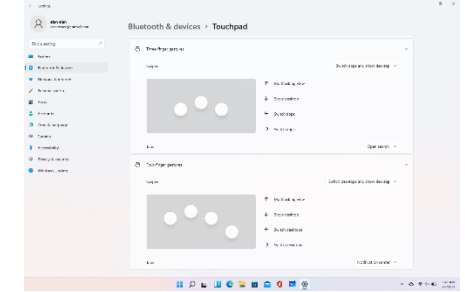
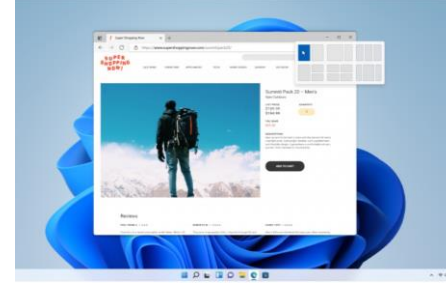
ELAN Smart-HapticPad™ Solution

Stack up



Windows 11: Leverage User Experience from Phone/Tablet to NB

Win 11 introduces 3F/4F Gestures on Touchscreen



Personalization

Widget

Dark Mode

Frictionless

Android APP

Build-in Teams

Productivity

Snap Layout/Docking

Multiple Desktop

Intuitive

Gesture Controls

Pen Updates



Microsoft Windows 11 MPP Next

Haptic Inside Pen to get Paper-like/Pen-like Feel

Creating excitement with new hardware

AMD

Ryzen
Cezanne

intel

Evo
Alder lake

Qualcomm

7C, 8C, & 8CX



USB 4

OLED

More OLED,
Introduce Mini LED



Touch / Voice



LTE, 5G (EDU)



HDR Display

AI Accelerators, Prox
Sensors, Cameras

Dynamic Refresh Rates



DirectX 12 &
Direct Storage



RTC
Experiences



Wifi 6e



MPP 2.6+

Windows 11 Level 2 Security Requirement

Fingerprint Module Must Support Match-on-Chip (MOC)

Commercial: required on devices launched from **2022/1**

Consumer: required on devices launched from **2022/4**

Year	Windows 11 L2 Security Requirement: Fingerprint Module must Support Match-on-Chip (MOC)
CY2021	L2 required for Commercial Modern Devices and Featured Devices
CY2022	L2 required for Commercial Modern Devices and Featured Devices Plus <ul style="list-style-type: none">- L2 required on all Back-to-school 2022 consumer Featured Devices that meet the supported hardware configuration*- L2 required on all Holiday 2022 (SV2) consumer and Commercial Devices that meet the supported hardware configuration*
CY2023	L2 required for all consumer and commercial devices

*AMD Ryzen™ 5/ Intel Core i5 / Qualcomm Snapdragon 8CX and above, 8GB+ Ram, 664 GB + SSD



ELAN Smart Human Interface for Metaverse

HTC VIVE Focus 3



Hand Gesture



Q & A

Thank You



ELAN Microelectronics Corporation

