



4Q21 Investor Conference

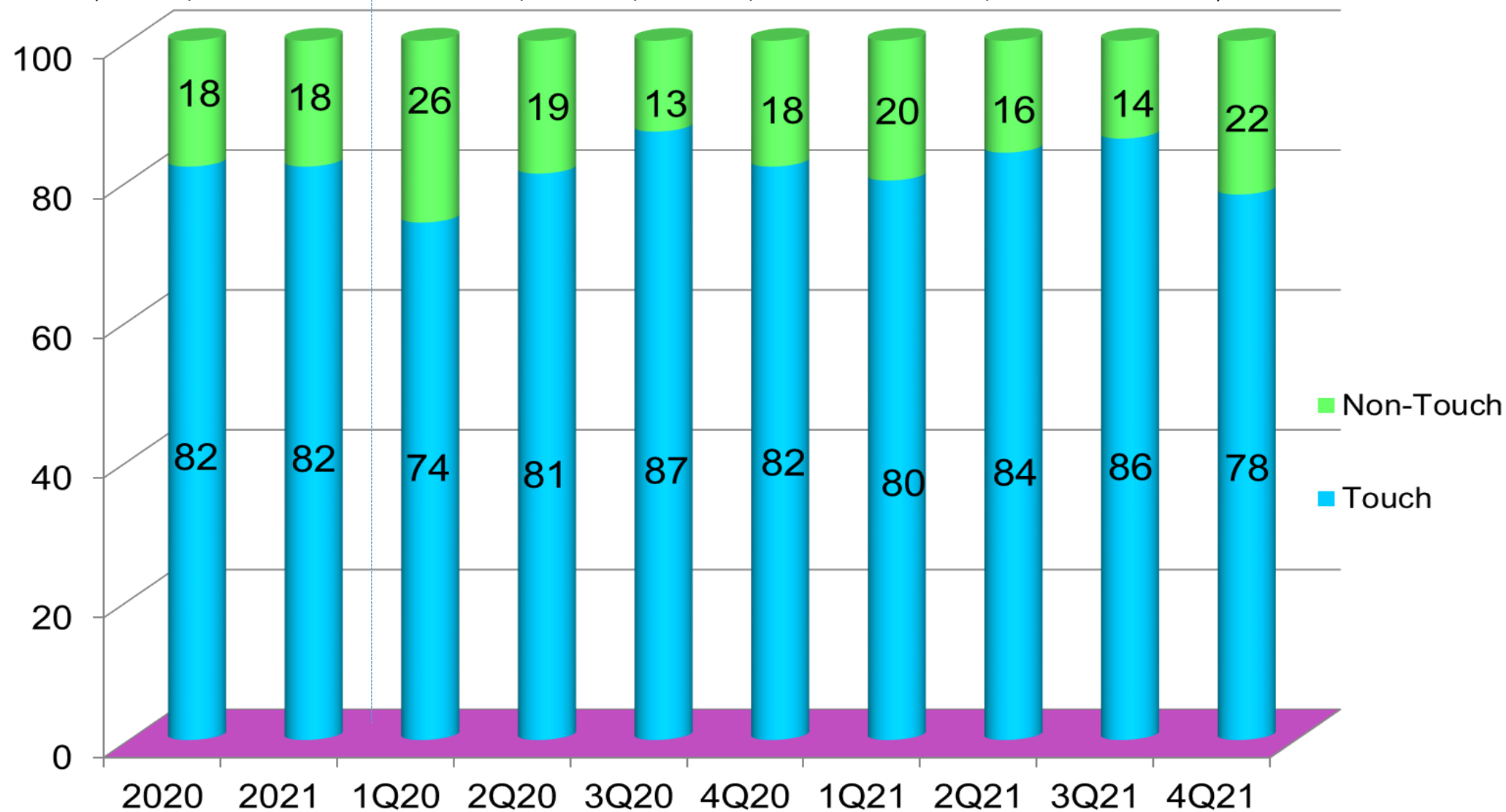
2022/02/22



ELAN Microelectronics Corporation

Sales Breakdown by Product Line (Consolidated)

Sales: NT\$M 15,100 18,328 2,206 3,539 4,708 4,647 4,156 5,036 4,974 4,162



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

4Q21 Income Statement

YoY Comparison (Consolidated)

	4Q21	%	4Q20	%	NT\$M YoY(%)
Sales	4,162	100.0	4,647	100.0	(10.4)
Gross profit	2,056	49.4	2,184	47.0	(5.9)
Sales expense	143	3.4	170	3.7	
G&A expense	142	3.5	138	2.9	
R&D expense	638	15.3	515	11.1	
OPEX	923	22.2	823	17.7	12.2
Operating profit	1,133	27.2	1,361	29.3	(16.8)
Non-operating income & exp.	257	6.2	37	0.8	
Profit before tax	1,390	33.4	1,398	30.1	(0.6)
Net profit	1,305	31.4	1,189	25.6	9.8
Belong					
Parent company	1,321		1,194		
Non-Controlling Interests	(16)		(5)		
* EPS (NT\$)	4.64		4.10		13.2

* 304 million shares issued; 284.6 million shares outstanding as of the end of Dec., 2021.

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

* Consolidated Statement of Financial Position (Unaudited).

4Q21 Income Statement

QoQ Comparison (Consolidated)

	4Q21	%	3Q21	%	NT\$M QoQ(%)
Sales	4,162	100.0	4,974	100.0	(16.3)
Gross profit	2,056	49.4	2,539	51.0	(19.0)
Sales expense	143	3.4	145	2.9	
G&A expense	142	3.5	138	2.8	
R&D expense	638	15.3	584	11.7	
OPEX	923	22.2	867	17.4	6.5
Operating profit	1,133	27.2	1,672	33.6	(32.2)
Non-operating income & exp.	257	6.2	9	0.2	
Profit before tax	1,390	33.4	1,681	33.8	(17.3)
Net profit	1,305	31.4	1,338	26.9	(2.5)
Belong					
Parent company	1,321		1,362		
Non-Controlling Interests	(16)		(24)		
* EPS (NT\$)	4.64		4.70		(1.3)

* 304 million shares issued; 284.6 million shares outstanding as of the end of Dec., 2021.

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

* Consolidated Statement of Financial Position (Unaudited).

2021 vs. 2020 Income Statement

YoY Comparison (Consolidated)

	NT\$M				
	2021	%	2020	%	YoY(%)
Sales	18,328	100.0	15,100	100.0	21.4
Gross profit	9,116	49.7	7,054	46.7	29.2
Sales expense	606	3.3	542	3.7	
G&A expense	530	2.9	437	2.8	
R&D expense	2,315	12.6	1,858	12.3	
OPEX	3,451	18.8	2,837	18.8	21.6
Operating profit	5,665	30.9	4,217	27.9	34.3
Non-operating income & exp.	396	2.2	(323)	(2.1)	
Profit before tax	6,061	33.1	3,894	25.8	55.6
Net profit	5,028	27.4	3,193	21.1	57.5
Belong					
Parent company	5,103		3,246		
Non-Controlling Interests	(75)		(53)		
* EPS (NT\$)	17.64		11.14		58.3

* 304 million shares issued; 284.6 million shares outstanding as of the end of Dec., 2021.

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

* Consolidated Statement of Financial Position (Unaudited).

Balance Sheets

December 31, 2021 (Consolidated)

	NT\$M
Current assets	12,070
Cash and cash equivalents	4,255
Current financial assets	773
A/R&A/N	2,971
Inventory	2,314
Other current assets	32
Other current financial assets	1,725
Non-current financial assets	2,423
Fixed assets	952
Other non-current assets	1,488
Total Assets	16,933
Current liabilities	4,853
Non-current liabilities	1,106
Total Liabilities	5,959
Capital stock	3,039
Capital surplus	631
Retained earnings	7,984
Other equity interest	195
Treasury stock	(1,106)
Non-controlling interests	231
Total Stockholders' Equity	10,974

(Unaudited)

Cash Flow Statement

December 31, 2021 (Consolidated)

	NT\$M
Income before tax	6,061
Dep & Amort.	257
Dec. of A/R & N/R	364
Inc. of inventory	(659)
Net loss (gain) on financial assets at fair value through loss	(346)
Dec. of A/P & N/P	(118)
Others	(296)
Operating cashflow	5,263
Inc. F/A	(153)
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
Dec. of investments	104
Dec. Time deposit with maturity over three-month	1,010
Acquisition of intangible assets	(106)
Cash Flows from acquisition of subsidiary	2
Cash Flows from disposal subsidiary	20
Inc. in refundable deposits	(158)
Others	2
Investment cashflow	779
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	(1,077)
Payment of lease liabilities	(194)
Inc. in non-controlling interests	90
Financing cashflow	(3,817)
Change in cash	2,225
Beg. Cash	2,030
End Cash	4,255

(Unaudited)

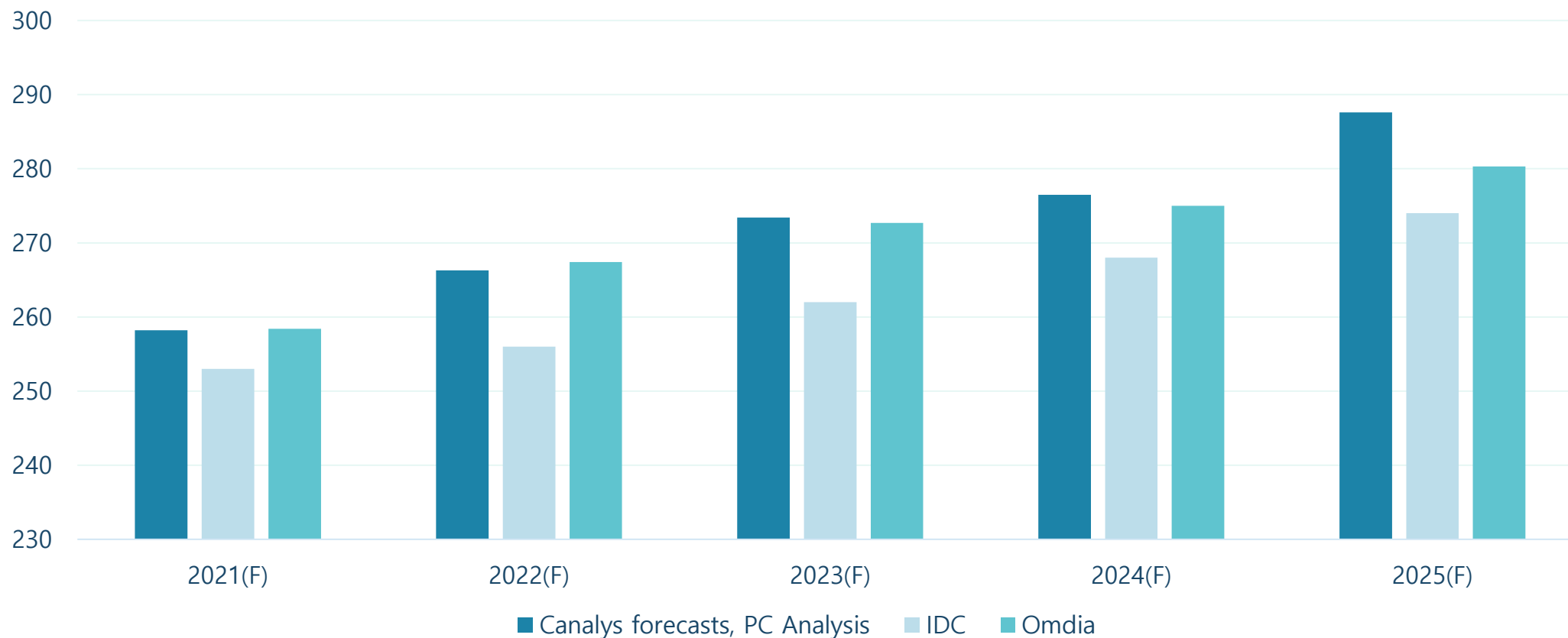
1Q22 Guidance

Based on Current Assumptions of Future Prospects, ELAN Expects:

- Consolidate Revenue to be Approximately between NT\$ 4.0Billion and NT\$ 4.2Billion
 - Gross Margin to be about 46.5% to 48.5%
 - Operating Margin to be about 24.8% to 27.8%
-
- 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.

The Content Value of Human-Machine Interfaces (HMI) Keeps Growing

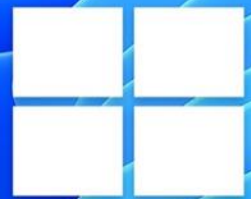
Unit: M units



Source	2021(F)	2022(F)	2023(F)	2024(F)	2025(F)	CAGR
Canalys forecasts,PC Analysis (2021/02)	258.2	266.3	273.4	276.5	287.6	2.7%
IDC (2021/12/13)	253	256	262	268	274	2.0%
Omdia (2021/12/7)	258.4	267.4	272.7	275	280.3	2.1%

Windows 11 Launch !

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



Windows 11

Windows 11 Eco-System will Bring Similar Core Inputs as Mac OS



MOC FPR on
Power-Button
(Touch ID)

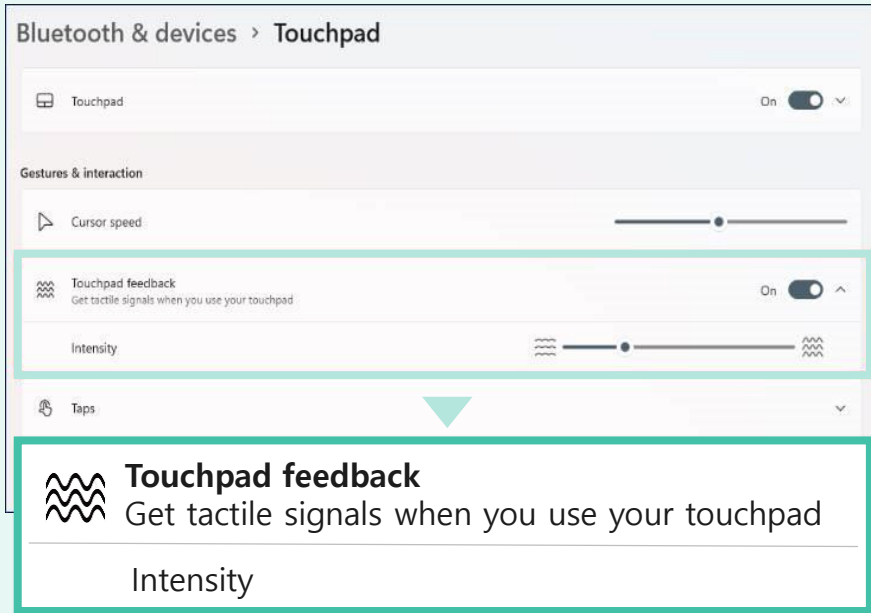
Haptic Touchpad

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

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

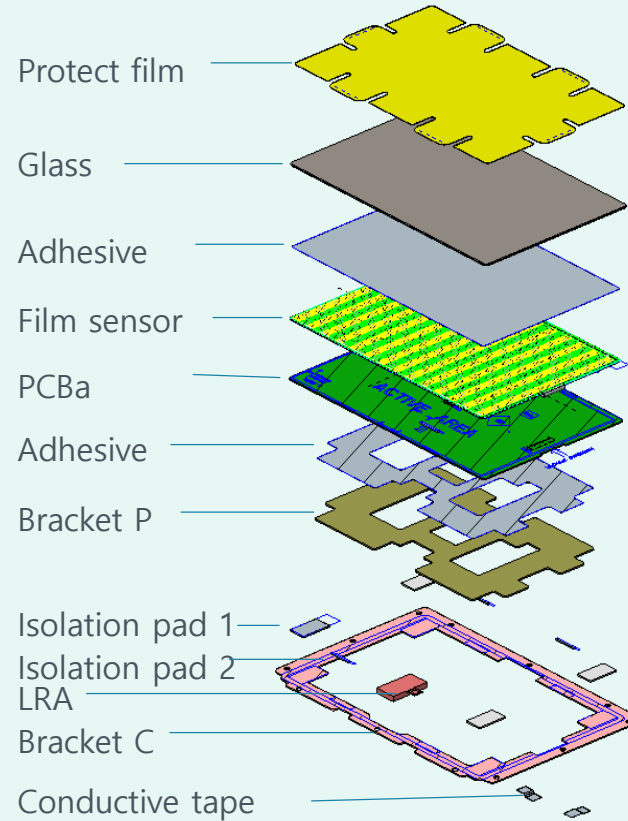
New Touchpad UI/Features:

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

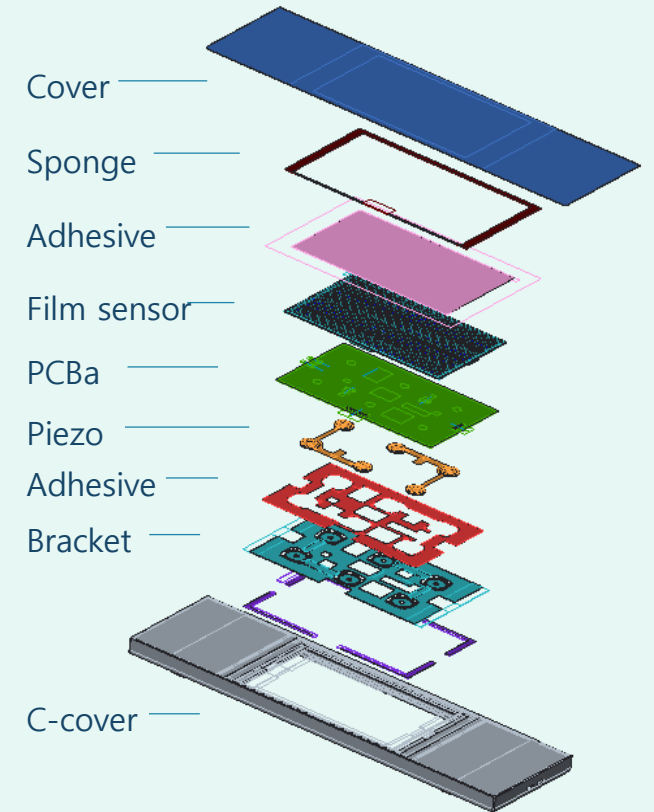


Adjustable Haptic Feedback Intensity

ELAN LRA Stack up



ELAN Piezo Stack up



Windows 11 Fingerprint Security Requirements

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)
CY2022	<p>L2 required for Commercial Modern Devices and Featured Devices Plus</p> <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	<p>L2 required for all consumer and commercial devices</p>

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



ELAN Innovations Announced
@ CES 2022

CES 2022 Highlights – ELAN Smart-HapticPad™ & Touch Bar & USI1.0

Lenovo

Lenovo Thinkpad Z13/Z16

Smart-HapticPad™



HP Elite Dragonfly
Chromebook

Smart-HapticPad™
Touch Screen with USI1.0

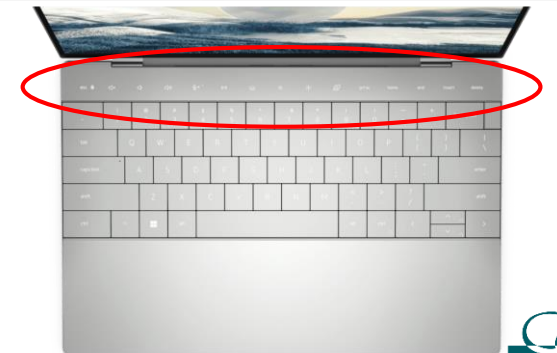


Those opting for the Elite Dragonfly Chromebook will get a 360-hinge design with a stylus included which has a stronger magnet than before and charges wirelessly.
It's also the world's first Chromebook to come with a haptic feedback trackpad that is tunable to your liking and has a Gorilla Glass surface.



Dell XPS 13 Plus

Touch Bar



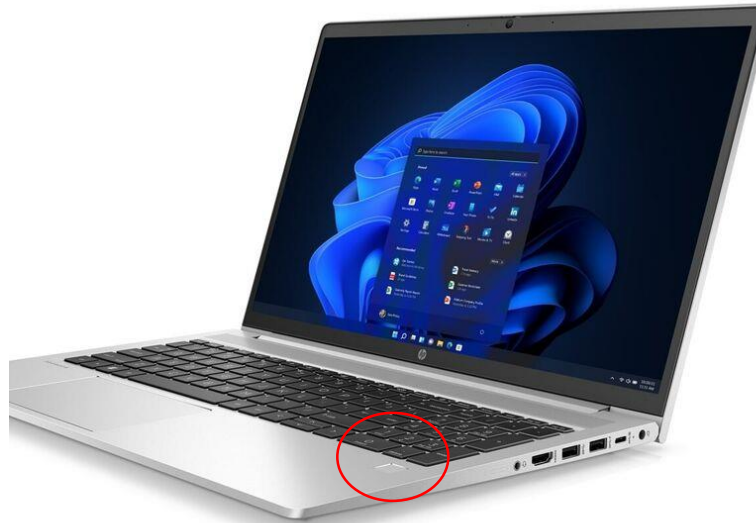
CES 2022 Highlights – ELAN Smart-ID™ Inside

Lenovo™

Lenovo Thinkpad Z13/Z16

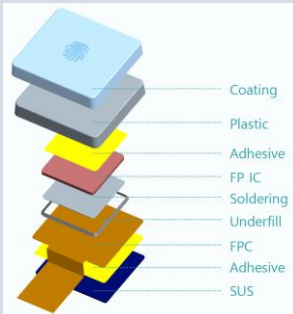


HP Probook 400



ASUS®

Asus Zenbook 14X
OLED



All of Fingerprint Modules from ELAN are already M-O-C and fully compliant to Windows 11 Level 2 Security

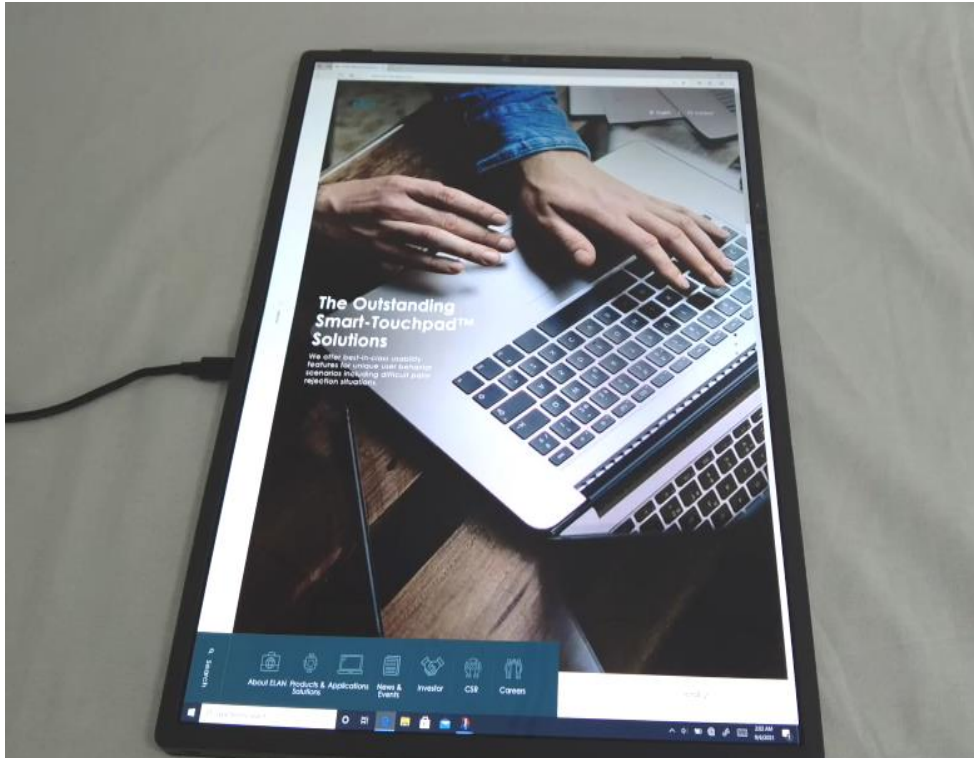
+ Industry Leading Anti-Spoofing Capabilities built-in



CES 2022 Highlights – ELAN Foldable Touch with MPP2.0

ELAN Successfully Introduced the Foldable Technology into NB Market

17.3" OLED panel with MPP 2.0



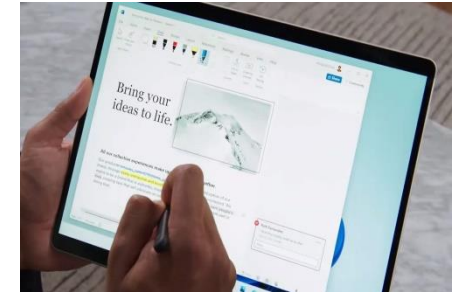
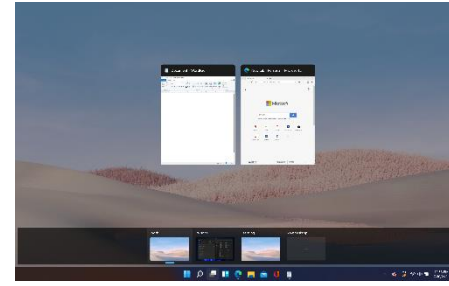
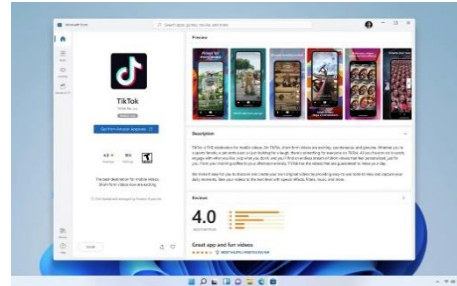
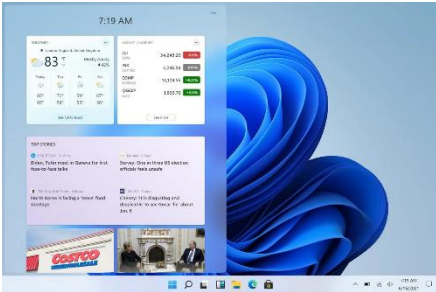
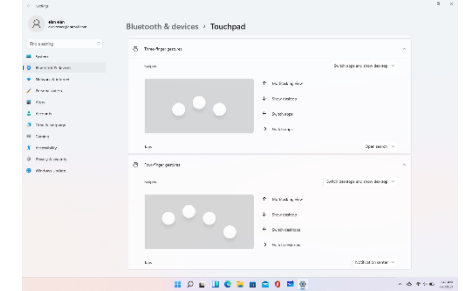
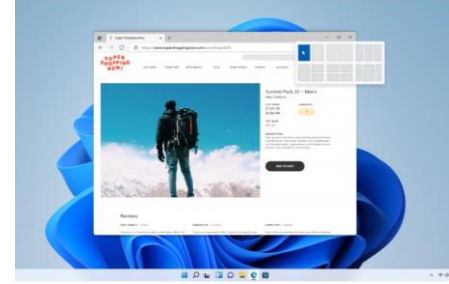
Increased loading and noise with thinner thickness

2022 CES Innovation
Asus Zenbook 17 Fold OLED



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



Q & A

Thank You



ELAN Microelectronics Corporation

