

**Contact**

Investor Relations
+886 3397 5999 ext. 1204
ir@winfoundry.com

WIN SEMI. REPORTS 2Q19 CONSOLIDATED RESULTS (UNAUDITED)

Taiwan, July 30, 2019: WIN Semiconductors Corp. (WIN Semi., TPEX: 3105), the global leader in GaAs foundry services, today reported its fiscal year 2019, second quarter (2Q19) consolidated financial results.

2Q19 Results Highlights

- ◆ Net revenue for the quarter finished at NT\$4,451 million, up 23% quarter on quarter, and down 3% year on year.
- ◆ Gross margin increased sequentially by 9 percentage points to 34.0%, and operating margin increased 12.3 percentage points to 20.6%.
- ◆ Operating profit came in at NT\$918 million, up 206% quarter on quarter, and down 3% year on year.
- ◆ Net profit reached NT\$774 million, up 413% quarter on quarter, and down 15% year on year. EPS was NT\$1.87, compared to NT\$0.41 for the first quarter of 2019.

3Q19 Outlook & Guidance

The following statements are forward-looking which are based on our current expectations of market demand and may involve risks and uncertainties, some of which are set forth under “Safe Harbor Notice” below.

- ◆ We expect 3Q19 revenue to increase around 30% QoQ.
- ◆ We expect 3Q19 gross margin to be better than the level of 2Q19.

Management Comments

“WIN Semi’s revenue for the second quarter was NT\$4.5bn, increasing by 23% quarter-on-quarter and decreasing by 3% year-on-year, respectively. Our better-than-expected second quarter sales growth were mainly due to Asia smartphone PA design companies increasing demand since the end of first quarter while this momentum continued to be strong during the second quarter. As new smartphones are being introduced to the market during the third quarter, we’ve also been benefited from client inventory accumulation. Though our first half of 2019 sales were NT\$8.1bn, decreasing around 10% year-on-year, as a result of low season lasting for three consecutive quarters, our June sales growth turned positive year-on-year, representing the beginning of high season. To prepare for demand during high season, our monthly wafer capacity has reached 36,000 by the end of second quarter. Our second quarter capacity utilization rate increased to 80% from 50% of first quarter and our second quarter gross margin was 34%, bottoming out from first quarter. Therefore, our second quarter operating margin was 20.6%, contributing to our second quarter EPS of NT\$1.87.

Looking ahead to the second half of 2019, WIN Semi is continuing benefited by its long-term strategy of developing various global fabless clients. Though not much 5G smartphones have been launched year-to-date, we believe 5G demand is imminent as a result of international carriers launching their 5G services and more smartphone manufacturers are rolling out 5G models. WIN Semi has finished 5G PA development projects with multiple customers and shipped out small-volume products during the first half of 2019. During the same period, we’ve seen 5G infrastructure demand becoming stronger, contributing not only to our 5G infrastructure sales growth to reach more than 40% year-on-year, but also to our confidence in 5G infrastructure demand during the second half of 2019.

Looking ahead to the third quarter of 2019, we expect revenue to increase around 30% QoQ. We expect gross margin for the third quarter to be better than the level of 2Q19.”

About WIN Semi.

WIN Semiconductors Corp. was founded in October of 1999, and has become the first pure-play 6-inch GaAs foundry in the world. In recognition of the growing demand, three advanced GaAs wafer fabs were established to manufacture cost-effective, high speed, and high quality GaAs MMIC's (monolithic microwave ICs) and RFIC's (radio frequency ICs).

WIN provides dedicated foundry services to design houses and integrated device manufacturers. Using state of the art GaAs technology, WIN supplies HBT and pHEMT MMIC fabrication services to worldwide IC corporations. With MMIC technique as basis, WIN also provides optoelectronic device fabrication services for optical communication and 3D sensing applications.

Safe Harbor Notice

This presentation contains certain forward-looking statements that are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Except as required by law, we undertake no obligation to update any forward – looking statements, whether as a result of new information, future events or otherwise.