

**Contact**

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

WIN SEMI. REPORTS 4Q19 CONSOLIDATED RESULTS (UNAUDITED)

Taiwan, Feb. 12, 2020: WIN Semiconductors Corp. (WIN Semi., TPEX: 3105), the global leader in GaAs foundry services, today reported its fiscal year 2019, fourth quarter (4Q19) consolidated financial results.

4Q19 Results Highlights

- ◆ Net revenue for the quarter finished at NT\$6,904 million, reaching a record high, up 8% quarter on quarter and 64% year on year.
- ◆ Gross margin increased sequentially by 2.1 percentage points to 44.2% and operating margin increased 2.3 percentage points to 33.7%, both set historical records.
- ◆ Operating profit reached a record high at NT\$2,329 million, up 16% quarter on quarter and 195% year on year.
- ◆ Net profit of NT\$1,840 million reached a record high, up 12% quarter on quarter and 151% year on year. EPS also reached an unprecedented level of NT\$4.40, compared to NT\$3.90 for the third quarter of 2019.

1Q20 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 1Q20 revenue to decline low-teens QoQ.
- ◆ We expect 1Q20 gross margin to be around the level of low-forties.

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.

Management Comments

“2019 was a fruitful year for WIN Semi. Although the industry remained sluggish at the beginning of the year, with the changes in the smartphone market and strong customer demand our revenue has shown quarterly growth throughout the year. Revenue for the fourth quarter was NT\$6.9 billion, reaching another record high for a single quarter. As we were running at full capacity, our gross margin exceeded the previous quarter and set a historical record of 44.2%. Given that our operating margin and net margin both reached a three-year single quarter high, our EPS hit an unprecedented level of NT\$4.4. The full-year revenue in 2019 increased by 23% from the previous year to NT\$21.4 billion, and EPS was NT\$10.59, both setting historical records.

Entering 2020, governments or telecom operators in all countries are accelerating the release of 5G spectrum and engaging in 5G infrastructure construction. It is expected that smartphone manufacturers will also launch multiple 5G models to meet end demand. According to the estimates from various research institutions, the global penetration rate of 5G smartphones is predicted to increase from 1% in 2019 to 15-20% in 2020, and more than 30% in 2021. Therefore, 5G is expected to formally enter a growth stage from this year. As a global leader in power amplifiers for wireless communication, we not only have offered 5G Cellular PA solutions to customers as early as a few years ago, but have also shipped in volume in the second half of 2019. In 2019, 5G Cellular PA has contributed to over 10% of our overall Cellular PA revenue, and base station-related infrastructure revenue has increased by more than 50% from the previous year, reaffirming our confidence in the growth of 5G demand in 2020. In addition, for optical devices, we continue to hold our market leading position in 3D sensing in 2019, and we will add more applications and customers this year to create greater contributions to our company. In response to customer demand, we are actively executing our capacity expansion plan of adding monthly capacity by 5,000 wafers, aiming to contribute to the peak season this year.

Looking ahead to the first quarter of 2020, due to fewer working days and the impact of traditional off-season effects, we expect revenue to decline low-teens quarter-on-quarter and gross margin to be around the level of low-forties.”

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.