



Egis Technology Inc.

2017



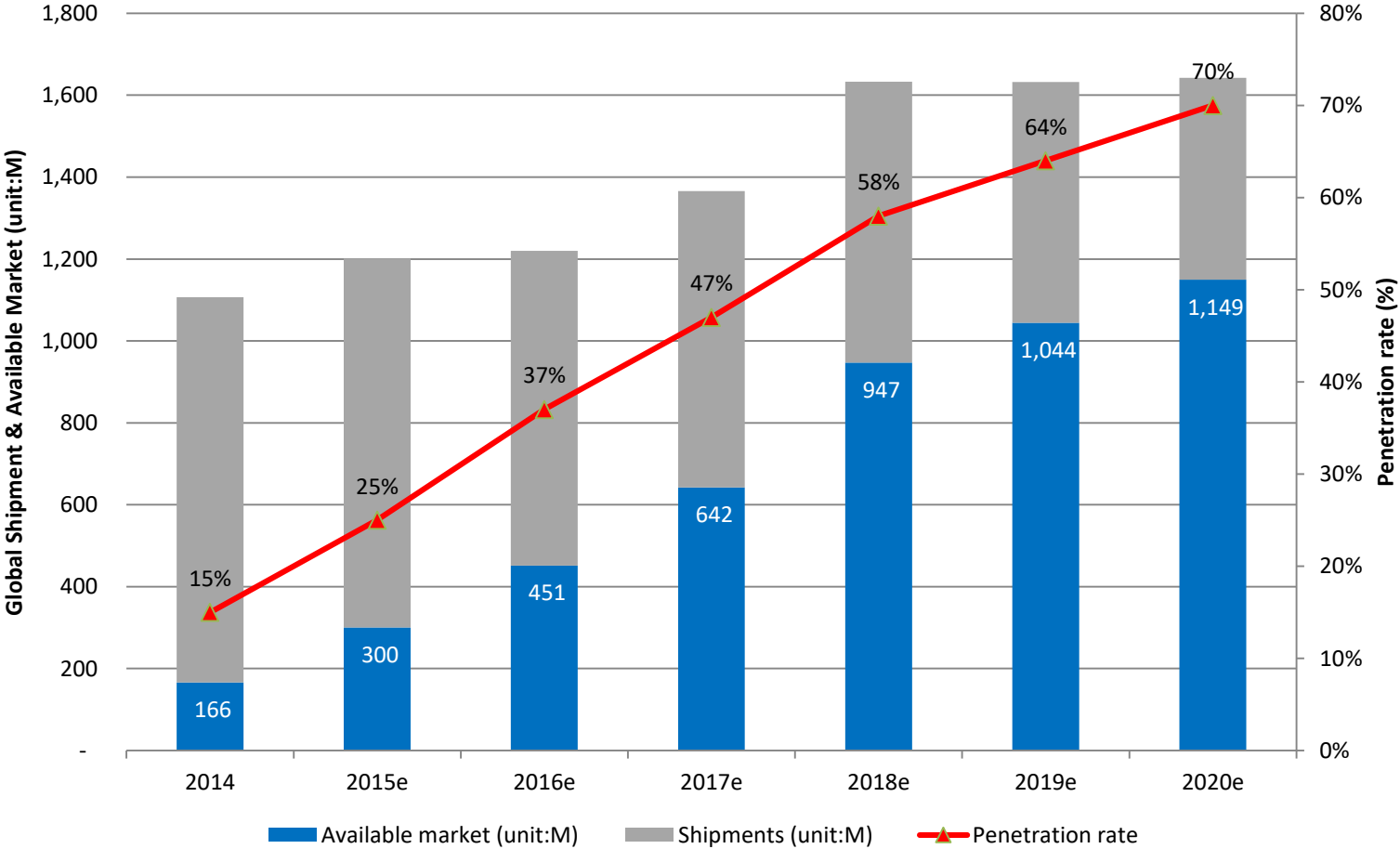
CONFIDENTIAL

Company Profile

 Country with Office

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- Founded on Dec 26, 2007 by acquire 3 entities
 - Fingerprint Sensor (since 2002), Match Algorithm (since 2000), Encryption
 - Paid-in capital over USD\$80M
 - 68,839,254 Outstanding Shares, IPO on Dec 23, 2015
 - Worldwide > 160 Employee
 - HQ in Taiwan, operates in Korea, China, Japan, USA

Fingerprint Sensors Shipments as % of Global ex.iOS Smartphone Shipments



Source: Carnegie Research, IDC, Gartner, comScore

Low Patents Infringement Risk

- Apple owns broad range of fundamental patents regarding active sensing
 - Apple acquired AuthenTec in 2012
 - Atrua was acquired by AuthenTec in 2009
 - UPEK was acquired by AuthenTec in 2010
- Egis owns patents of passive sensing and small area matching algorithm
 - Low patent infringement risk for multi-national brand customers
 - Competitive cost effective solution

Best-in-Class Algorithm enables Smaller Sensor

- Smaller Chip Size

- Lower cost

- Less metal layers
 - Less manufacturing costs
 - Process customization
 - Material change

- Industry design friendly

- Enables side mounted



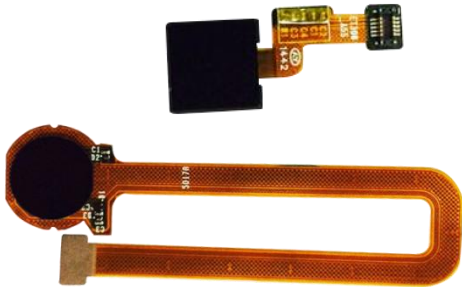
- Egis best-in-class and market proven algorithm achieves payment grade FAR and FRR in smaller sensing area than competitors

- 認假率 FAR (False Acceptance Rate) < 1/100,000
 - 拒真率 FRR (False Rejection Rate) < 1%
 - Response Time 0.1s

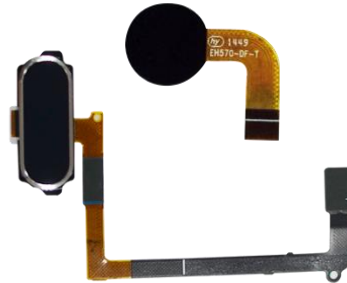
Non-Standard Package & Module

Moving toward unpackaged wafer biz model

Backside Button



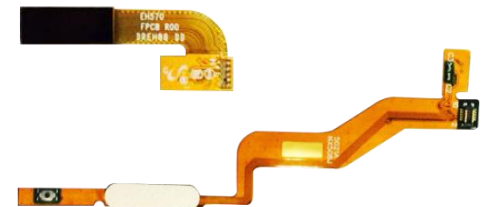
Home Button



Side Button

No bezel

Metal housing friendly



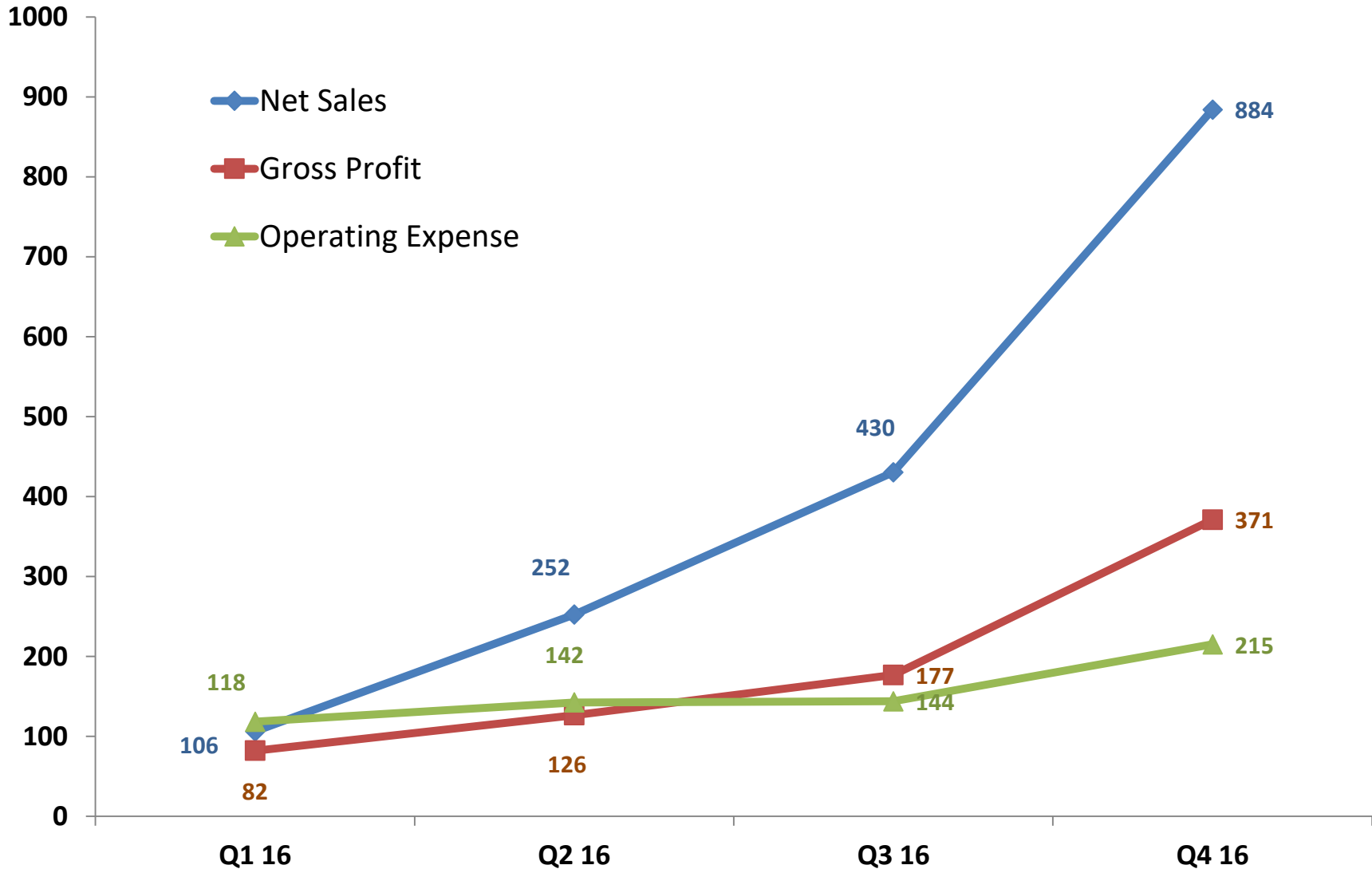
Financial Update

Income Statement Summary

Amount : NT thousands	Q1 16	Q2 16	Q3 16	Q4 16	2016
Net Sales	106,195	252,289	430,444	884,339	1,673,268
COGS	24,204	125,886	253,740	513,636	917,467
Gross Profit	81,991	126,403	176,704	370,703	755,801
Gross Margin	77%	50%	41%	42%	45%
Operating Expense	118,212	142,418	143,757	215,394	619,782
Operating Expense %	111%	56%	33%	24%	37%
Operating Income	(36,221)	(16,015)	32,947	155,308	136,019
Operating Margin	-34%	-6%	8%	18%	8%
Non-operating Income and Expense	(2,988)	4,905	(7,264)	28,080	22,733
Income before Tax	(39,209)	(11,110)	25,683	183,388	158,752
Income Tax	16,499	20,165	4,346	3,715	44,726
Net Income (Loss)	(55,708)	(31,275)	21,337	179,672	114,026
Net Margin	-52%	-12%	5%	20%	7%
Total comprehensive income	(55,963)	(29,834)	21,048	179,456	114,707
EPS (NT\$)	(0.81)	(0.45)	0.31	2.61	1.66

Trending of Financial Performance

Amount : NT millions



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