

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the First quarter of year 2021

Unit: Millions of New Taiwan dollars

	Yearly Comparison			Sequential Comparison		
	1Q 2021	1Q 2020	YOY%	1Q 2021	4Q 2020	QOQ%
Net Sales	108,033	60,863	77.5%	108,033	96,405	12.1%
Operating costs	(59,513)	(34,626)	71.9%	(59,513)	(53,542)	11.2%
Gross profit	48,520	26,237	84.9%	48,520	42,863	13.2%
Operating expenses						
Selling expenses	(3,388)	(3,556)	-4.7%	(3,388)	(3,713)	-8.8%
Administrative expenses	(2,508)	(1,542)	62.6%	(2,508)	(1,753)	43.1%
Research and development expenses	(22,427)	(15,336)	46.2%	(22,427)	(22,025)	1.8%
Total operating expenses	(28,322)	(20,435)	38.6%	(28,322)	(27,491)	3.0%
Operating income	20,198	5,802	248.1%	20,198	15,373	31.4%
Non-operating income and expenses	8,878	928	856.7%	8,878	1,519	484.6%
Net income before income tax	29,076	6,730	332.0%	29,076	16,891	72.1%
Income tax expense	(3,298)	(926)	256.3%	(3,298)	(1,934)	70.5%
Net income	25,777	5,804	344.1%	25,777	14,957	72.3%
Net other comprehensive income	13,541	7,350	84.2%	13,541	18,361	-26.3%
Total comprehensive income	39,318	13,154	198.9%	39,318	33,318	18.0%
Net income attributable to :						
Owners of the parent	25,572	5,715		25,572	14,746	
Non-controlling interests	205	89		205	211	
	25,777	5,804		25,777	14,957	
Basic Earnings Per Share (NTD)	16.21	3.64		16.21	9.35	

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three months ended March 31, 2021 and 2020

Unit: Millions of New Taiwan dollars

	<u>2021</u>	<u>% to sales</u>	<u>2020</u>	<u>% to sales</u>	<u>YOY%</u>
Net Sales	108,033	100.0%	60,863	100.0%	77.5%
Operating costs	(59,513)	-55.1%	(34,626)	-56.9%	71.9%
Gross profit	<u>48,520</u>	<u>44.9%</u>	<u>26,237</u>	<u>43.1%</u>	<u>84.9%</u>
Operating expenses					
Selling expenses	(3,388)	-3.1%	(3,556)	-5.8%	-4.7%
Administrative expenses	(2,508)	-2.3%	(1,542)	-2.5%	62.6%
Research and development expenses	(22,427)	-20.8%	(15,336)	-25.2%	46.2%
Total operating expenses	<u>(28,322)</u>	<u>-26.2%</u>	<u>(20,435)</u>	<u>-33.6%</u>	<u>38.6%</u>
Operating income	20,198	18.7%	5,802	9.5%	248.1%
Non-operating income and expenses	8,878	8.2%	928	1.5%	856.7%
Net income before income tax	<u>29,076</u>	<u>26.9%</u>	<u>6,730</u>	<u>11.1%</u>	<u>332.0%</u>
Income tax expense	(3,298)	-3.1%	(926)	-1.5%	256.3%
Net income	<u>25,777</u>	<u>23.9%</u>	<u>5,804</u>	<u>9.5%</u>	<u>344.1%</u>
Net other comprehensive income	13,541	12.5%	7,350	12.1%	84.2%
Total comprehensive income	<u>39,318</u>	<u>36.4%</u>	<u>13,154</u>	<u>21.6%</u>	<u>198.9%</u>
Net income attributable to :					
Owners of the parent	25,572		5,715		
Non-controlling interests	205		89		
	<u>25,777</u>		<u>5,804</u>		
Basic Earnings Per Share (NTD)	<u>16.21</u>		<u>3.64</u>		

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
As of March 31, 2021 and 2020

Unit: Millions of New Taiwan dollars

	2021	%	2020	%	YOY%
Current assets					
Cash and cash equivalents	194,097	33.1%	174,839	37.4%	11.0%
Financial assets at fair value through profit or loss-current	7,521	1.3%	6,596	1.4%	14.0%
Financial assets at fair value through other comprehensive income-current	10,973	1.9%	16,879	3.6%	-35.0%
Financial assets measured at amortized cost-current	892	0.2%	256	0.1%	247.9%
Trade receivables, net	46,371	7.9%	25,376	5.4%	82.7%
Inventories, net	56,668	9.7%	32,669	7.0%	73.5%
Other current assets	13,633	2.3%	8,661	1.9%	57.4%
Total current assets	<u>330,156</u>	<u>56.2%</u>	<u>265,277</u>	<u>56.7%</u>	<u>24.5%</u>
Non-current assets					
Funds and investments	130,414	22.2%	81,096	17.3%	60.8%
Property, plant and equipment	38,586	6.6%	38,485	8.2%	0.3%
Intangible assets	75,572	12.9%	74,186	15.9%	1.9%
Other assets	12,321	2.1%	8,772	1.9%	40.5%
Total non-current assets	<u>256,892</u>	<u>43.8%</u>	<u>202,538</u>	<u>43.3%</u>	<u>26.8%</u>
Total assets	<u><u>587,047</u></u>	<u><u>100.0%</u></u>	<u><u>467,814</u></u>	<u><u>100.0%</u></u>	<u><u>25.5%</u></u>
Current Liabilities					
Short-term borrowings	27,220	4.6%	52,139	11.1%	-47.8%
Trade payables	43,301	7.4%	23,202	5.0%	86.6%
Other current liabilities	88,868	15.1%	49,074	10.5%	81.1%
Total current liabilities	<u>159,390</u>	<u>27.2%</u>	<u>124,415</u>	<u>26.6%</u>	<u>28.1%</u>
Non-current liabilities					
Total non-current liabilities	<u>14,703</u>	<u>2.5%</u>	<u>14,851</u>	<u>3.2%</u>	<u>-1.0%</u>
Total liabilities	<u>174,092</u>	<u>29.7%</u>	<u>139,266</u>	<u>29.8%</u>	<u>25.0%</u>
Equity					
Share capital	15,904	2.7%	15,900	3.4%	0.0%
Capital surplus	77,422	13.2%	82,760	17.7%	-6.4%
Legal reserve	44,583	7.6%	41,508	8.9%	7.4%
Undistributed earnings	199,381	34.0%	138,662	29.6%	43.8%
Other equity	74,514	12.7%	47,703	10.2%	56.2%
Treasury shares	(56)	0.0%	(56)	0.0%	0.0%
Equity attributable to owners of the parent	<u>411,748</u>	<u>70.1%</u>	<u>326,477</u>	<u>69.8%</u>	<u>26.1%</u>
Non-controlling interests	<u>1,207</u>	<u>0.2%</u>	<u>2,071</u>	<u>0.4%</u>	<u>-41.7%</u>
Total equity	<u>412,955</u>	<u>70.3%</u>	<u>328,548</u>	<u>70.2%</u>	<u>25.7%</u>
Total liabilities and equity	<u><u>587,047</u></u>	<u><u>100.0%</u></u>	<u><u>467,814</u></u>	<u><u>100.0%</u></u>	<u><u>25.5%</u></u>

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three months ended March 31, 2021 and 2020

Unit: Millions of New Taiwan dollars

	2021	2020
Cash flows from operating activities :		
Profit before tax from continuing operations	29,076	6,730
Adjustments for:		
The profit or loss items which did not affect cash flows:		
Depreciation	1,173	1,126
Amortization	1,259	977
Expected credit gains	(18)	(11)
Losses on financial assets and liabilities at fair value through profit or loss	353	211
Interest expenses	40	298
Interest income	(426)	(936)
Dividend income	(854)	(259)
Share-based payment expenses	115	270
Share of profit of associates and joint ventures accounted for using the equity method	880	55
Losses on disposal of property, plant and equipment	2	0
Property, plant and equipment transferred to expenses	-	0
(Gains) losses on disposal of intangible assets	(0)	0
Gains on disposal of investments	(8,430)	-
Gains on disposal of investments accounted for using the equity method	(37)	-
Others	(1)	(1)
Changes in operating assets and liabilities:		
Financial assets mandatorily measured at fair value through profit or loss	1,244	560
Notes receivables	42	1
Trade receivables	(13,787)	1,502
Trade receivables from related parties	(45)	1
Other receivables	(415)	1,177
Inventories	(20,379)	(5,057)
Prepayments	(64)	(169)
Other current assets	(287)	(73)
Contract liabilities	(4,697)	(609)
Trade payables	8,705	709
Trade payables to related parties	545	153
Other payables	(3,332)	(3,477)
Other payables to related parties	91	(10)
Other current liabilities	7,048	(1,319)
Net defined benefit liabilities	(3)	(6)
Non-current liabilities-others	82	30
Cash (used in) generated from operating activities	(2,121)	1,875
Interest received	362	268
Dividend received	275	248
Interest paid	(39)	(322)
Income tax refund (paid)	73	(138)
Net cash (used in) provided by operating activities	(1,450)	1,931
Cash flows from investing activities :		
Acquisition of financial assets at fair value through other comprehensive income	(460)	(1,401)
Proceeds from disposal of financial assets at fair value through other comprehensive income	939	6,117
Proceeds from capital return of financial assets at fair value through other comprehensive income	37	41
Acquisition of financial assets measured at amortized cost	(1,996)	(1,442)
Proceeds from redemption of financial assets measured at amortized cost	6	-
Acquisition of investments accounted for using the equity method	(873)	(1,210)
Proceeds from disposal of investments accounted for using the equity method	217	-
Proceeds from capital return of investments accounted for using the equity method	74	-
Disposal of subsidiary	(841)	-
Acquisition of property, plant and equipment	(1,696)	(900)
Proceeds from disposal of property, plant and equipment	0	-
Increase in refundable deposits	(27)	(82)
Acquisition of intangible assets	(2,038)	(560)
Net cash (used in) provided by investing activities	(6,658)	562
Cash flows from financing activities :		
Increase (decrease) in short-term borrowings	5,745	(5,141)
Decrease in deposits received	(29)	(49)
Cash payment for the principal portion of the lease liabilities	(183)	(149)
Proceeds from exercise of employee stock options	44	18
Change in non-controlling interests	-	705
Net cash provided by (used in) financing activities	5,578	(4,615)
Effect of changes in exchange rate on cash and cash equivalents	46	(584)
Net decrease in cash and cash equivalents	(2,483)	(2,706)
Cash and cash equivalents at the beginning of the period	196,580	177,545
Cash and cash equivalents at the end of the period	194,097	174,839

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