

**MediaTek Inc. Reports First-Quarter Consolidated Results**

**MediaTek discloses Taiwan-International Financial Reporting Standards (TIFRS) financial measures and also provides Non-Taiwan-International Financial Reporting Standards (Non-TIFRS)<sup>Note1</sup> financial measures as supplemental information. Non-TIFRS financial information should be considered in addition to, not as a substitute for, TIFRS financial information. Earnings distribution is made in accordance with financial statements based on TIFRS.**

**Taiwan-International Financial Reporting Standards (TIFRS) financial measures**

- 1Q21 consolidated revenue of NT\$108,033 million, up 12.1% from previous quarter and up 77.5% year-over-year
- 1Q21 consolidated gross margin of 44.9%, up 0.4 percentage points from previous quarter and up 1.8 percentage points year-over-year
- 1Q21 consolidated operating income of NT\$20,198 million, up 31.4% from previous quarter and up 248.1% year-over-year
- 1Q21 consolidated net income of NT\$25,777 million; EPS of NT\$16.21

**Consolidated Revenue**

MediaTek Inc. today announced financial results of first-quarter ended March 31, 2021. The first-quarter revenue was NT\$108,033 million, up 12.1% sequentially and up 77.5% year-over-year. The quarter-over-quarter increase was mainly due to 5G smartphone market share gains. The year-over-year increase was mainly due to 5G smartphone and WiFi 6 market share gains, and sales increases in consumer electronics such as Chromebook, IoT and TV.

**Consolidated Gross Profit and Gross Margin**

The first-quarter gross profit was NT\$48,520 million, up 13.2% sequentially and up 84.9% year-over-year. Gross margin for the quarter was 44.9%, up 0.4 percentage points sequentially and up 1.8 percentage points year-over-year. The quarter-over-quarter and year-over-year increases in gross margins were mainly due to better product mix.

**Consolidated Operating Expenses**

Operating expenses for the quarter was NT\$28,322 million (26.2% of revenue), compared with NT\$27,491 million (28.5% of revenue) in the previous quarter and NT\$20,435 million (33.6% of revenue) in the same period last year. The quarter-over-quarter and year-over-year increases were mainly due to increases in R&D investments and higher expenses associated with higher sales.

Operating expenses for the quarter included:

- R&D expenses of NT\$22,427 million (20.8% of revenue), increased from NT\$22,025 million in the previous quarter and increased from NT\$ 15,336 million in the same period last year.

**Note1: Non-TIFRS financial information should be considered in addition to, not as a substitute for, TIFRS financial information. Reconciliations between TIFRS and Non-TIFRS results include share-based compensation, amortization of acquisition related assets, tax effect and other items. Further information is included in supplemental information.**

- Selling expenses of NT\$3,388 million (3.1% of revenue), decreased from NT\$3,713 million in the previous quarter and decreased from NT\$3,556 million in the same period last year.
- Administration expenses of NT\$2,508 million (2.3% of revenue), increased from NT\$1,753 million in the previous quarter and increased from NT\$1,542 million in the same period last year.

#### **Consolidated Operating Income and Operating Margin**

Operating income for the quarter was NT\$20,198 million, up 31.4% sequentially and up 248.1% year-over-year. Operating margin for the quarter was 18.7%, increased from 15.9% in the previous quarter and increased from 9.5% in the year-ago quarter.

#### **Consolidated Non-operating Income (loss) and Income Tax**

Non-operating income for the quarter was NT\$8,878 million, or 8.2% of revenue. It was mainly from interest income, dividend income and the gains on disposal of the shares of Xiamen Sigmaster Technology Ltd. Income tax expense for the quarter was NT\$3,298 million.

#### **Consolidated Net Income, Net Profit Margin and EPS**

Net income for the quarter was NT\$25,777 million, up 72.3% sequentially and up 344.1% year-over-year. Net profit margin for the quarter was 23.9%, increased from 15.5% in the previous quarter and increased from 9.5% in the year-ago quarter. EPS was NT\$16.21, up from NT\$9.35 in the prior quarter and NT\$3.64 in the year-ago quarter. The quarter-over-quarter and year-over-year increases in net income, net profit margin and EPS were mainly due to higher revenue and gross margin this quarter.

#### **Consolidated Cash and Financial Assets-Current**

Cash and financial assets-current at the end of the quarter was NT\$213,483 million. This represents 36.4% of the company's total assets. Cash and financial assets-current was NT\$210,113 million and NT\$198,570 million at the end of previous quarter and the year-ago quarter, respectively. Financial assets-current portfolio includes mutual funds, bonds, derivatives and so on.

#### **Consolidated Accounts Receivable**

Accounts receivable (net) at the end of the quarter was NT\$46,371 million. The accounts receivable turnover was 34 days based on quarterly average net receivables divided by annualized net revenue. The turnover was same as 34 days in the last quarter and lower than 39 days in the year-ago quarter.

#### **Consolidated Inventory**

Net inventory at the end of the quarter was NT\$56,668 million. The inventory turnover was 72 days based on quarterly average inventory divided by annualized cost of goods sold. The turnover was higher than 59 days in the last quarter and lower than 79 days in the year-ago quarter.

#### **Consolidated Cash Flow from Operations**

Net cash used in operating activities during the quarter was NT\$1,450 million, compared with net cash provided by operating activities of NT\$38,611 million in the prior quarter and net cash provided by operating activities of NT\$1,931 million in the year-ago quarter.

**Earnings Webcast**

MediaTek will hold a public webcast today (April 28). A live webcast of the conference call will be available through the Investor Relations section of the MediaTek website. Investors who want to raise questions may use the toll number attached below.

**Schedule and Webcast Links:**

Wednesday, April 28, 2021

**Time: 3:00 – 4:00 p.m. (Taiwan Time) Language: English**

<https://webpage-ott2b.cdn.hinet.net/webpage/live?contentProvider=mediatek>

**Dial-in Number:** +886-2-21928016

**Password:** 248771#

**About MediaTek Inc.**

MediaTek Incorporated (TWSE: 2454) is a global fabless semiconductor company that enables nearly 2 billion connected devices a year. We are a market leader in developing innovative systems-on-chip (SoC) for mobile device, home entertainment, connectivity and IoT products. Our dedication to innovation has positioned us as a driving market force in several key technology areas, including highly power-efficient mobile technologies, automotive solutions and a broad range of advanced multimedia products such as smartphones, tablets, digital televisions, 5G, Voice Assistant Devices (VAD) and wearables. MediaTek empowers and inspires people to expand their horizons and achieve their goals through smart technology, more easily and efficiently than ever before. We work with the brands you love to make great technology accessible to everyone, and it drives everything we do. Visit [www.mediatek.com](http://www.mediatek.com) for more information.

## Taiwan-International Financial Reporting Standards (TIFRS)

### MediaTek Inc. Consolidated Income Statement (Unaudited)

(In NT\$ millions, except EPS)	1Q21	4Q20	1Q20	Q-Q	Y-Y
Net Sales	108,033	96,405	60,863	12.1%	77.5%
Operating costs	(59,513)	(53,542)	(34,626)		
Gross profit	48,520	42,863	26,237	13.2%	84.9%
Selling expenses	(3,388)	(3,713)	(3,556)		
Administration expenses	(2,508)	(1,753)	(1,542)		
R&D expenses	(22,427)	(22,025)	(15,336)		
Operating expenses	(28,322)	(27,491)	(20,435)		
Operating income	20,198	15,373	5,802	31.4%	248.1%
Net non-operating income	8,878	1,519	928		
Net income before income tax	29,076	16,891	6,730		
Income tax expense	(3,298)	(1,934)	(926)		
Net income	25,777	14,957	5,804	72.3%	344.1%
Owners of the parent	25,572	14,746	5,715	73.4%	347.4%
Non-controlling interests	205	211	89		
<b>EPS attributable to the parent(NT\$)</b>	<b>16.21</b>	<b>9.35</b>	<b>3.64</b>		

Note: Sums may not equal totals due to rounding.

### MediaTek Inc. Consolidated Income Statement (Percentage of Revenue)

	1Q21	4Q20	1Q20
<b>Gross profit</b>	<b>44.9%</b>	<b>44.5%</b>	<b>43.1%</b>
Selling expenses	(3.1%)	(3.9%)	(5.8%)
Administration expenses	(2.3%)	(1.8%)	(2.5%)
R&D expenses	(20.8%)	(22.8%)	(25.2%)
<b>Operating income</b>	<b>18.7%</b>	<b>15.9%</b>	<b>9.5%</b>
Non-operating income	8.2%	1.6%	1.5%
Income tax expense	(3.1%)	(2.0%)	(1.5%)
<b>Net income</b>	<b>23.9%</b>	<b>15.5%</b>	<b>9.5%</b>

Note: Sums may not equal totals due to rounding.

## MediaTek Inc. Consolidated Balance Sheet (Unaudited)

(In NT\$ millions)	1Q21	4Q20	1Q20
Cash & financial assets-current	213,483	210,113	198,570
Accounts receivable	46,371	33,133	25,376
Inventories	56,668	37,677	32,669
Other current assets	13,633	10,939	8,661
Funds and investments	130,414	116,767	81,096
Intangible assets	75,572	76,272	74,186
Other non-current assets	50,906	49,006	47,256
<b>Total assets</b>	<b>587,047</b>	<b>533,906</b>	<b>467,814</b>
Short-term loans	27,220	21,471	52,139
Accounts payable	43,301	34,470	23,202
Other current liabilities	88,868	87,857	49,074
<b>Total non-current liabilities</b>	<b>14,703</b>	<b>15,023</b>	<b>14,851</b>
<b>Total equity</b>	<b>412,955</b>	<b>375,084</b>	<b>328,548</b>

Note: Sums may not equal totals due to rounding.

## MediaTek Inc. Consolidated Cash Flow Summary (Unaudited)

(In NT\$ millions)	1Q21	4Q20	1Q20
Net cash provided by (used in) operating activities	(1,450)	38,611	1,931
Net cash provided by (used in) investing activities	(6,658)	(2,782)	562
Net cash provided by (used in) financing activities	5,578	(9,540)	(4,615)
Effect of changes in exchange rate on cash and cash equivalents	46	(1,065)	(584)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,483)</b>	<b>25,224</b>	<b>(2,706)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>194,097</b>	<b>196,580</b>	<b>174,839</b>

Note: Sums may not equal totals due to rounding.

## 【Supplemental Information】

### Reconciliations of TIFRS Results to Non-TIFRS Results<sup>Note2</sup>

(In NT\$ millions)

		1Q21	4Q20	1Q20	Q-Q	Y-Y
TIFRS	Operating income	20,198	15,373	5,802	31.4%	248.1%
	Operating income margin(%)	18.7%	15.9%	9.5%		
Reconciliations	Share-based compensation	115	384	270		
	Amortization of acquisition related assets	198	340	404		
Non-TIFRS	<b>Operating income</b>	<b>20,510</b>	<b>16,097</b>	<b>6,476</b>	27.4%	216.7%
	<b>Operating income margin (%)</b>	<b>19.0%</b>	<b>16.7%</b>	<b>10.6%</b>		

TIFRS	Net income	25,777	14,957	5,804	72.3%	344.1%
	Net income margin(%)	23.9%	15.5%	9.5%		
	Net income- Owners of the parent	25,572	14,746	5,715	73.4%	347.4%
	EPS(NT\$)	16.21	9.35	3.64		
Reconciliations	Share-based compensation	115	384	270		
	Amortization of acquisition related assets	198	340	404		
	Tax effect	(53)	(127)	(110)		
Non-TIFRS	<b>Net income</b>	<b>26,036</b>	<b>15,554</b>	<b>6,368</b>	67.4%	308.8%
	<b>Net income margin (%)</b>	<b>24.1%</b>	<b>16.1%</b>	<b>10.5%</b>		
	<b>Net income- Owners of the parent</b>	<b>25,831</b>	<b>15,343</b>	<b>6,279</b>	68.4%	311.4%
	<b>EPS(NT\$)</b>	<b>16.38</b>	<b>9.73</b>	<b>4.00</b>		

Note1: Sums may not equal totals due to rounding.

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