

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

Unit: Millions of New Taiwan dollars

	Yearly Comparison			Sequential Comparison		
	2Q 2021	2Q 2020	YOY%	2Q 2021	1Q 2021	QOQ%
Net Sales	125,653	67,603	85.9%	125,653	108,033	16.3%
Operating costs	(67,615)	(38,197)	77.0%	(67,615)	(59,513)	13.6%
Gross profit	58,038	29,407	97.4%	58,038	48,520	19.6%
Operating expenses						
Selling expenses	(3,890)	(2,730)	42.5%	(3,890)	(3,388)	14.8%
Administrative expenses	(2,435)	(1,844)	32.0%	(2,435)	(2,508)	-2.9%
Research and development expenses	(22,879)	(17,416)	31.4%	(22,879)	(22,427)	2.0%
Total operating expenses	(29,204)	(21,991)	32.8%	(29,204)	(28,322)	3.1%
Operating income	28,834	7,416	288.8%	28,834	20,198	42.8%
Non-operating income and expenses	2,753	1,113	147.3%	2,753	8,878	-69.0%
Net income before income tax	31,587	8,529	270.4%	31,587	29,076	8.6%
Income tax expense	(4,000)	(1,219)	228.3%	(4,000)	(3,298)	21.3%
Net income	27,587	7,310	277.4%	27,587	25,777	7.0%
Net other comprehensive income	4,853	4,353	11.5%	4,853	13,541	-64.2%
Total comprehensive income	32,440	11,664	178.1%	32,440	39,318	-17.5%
Net income attributable to :						
Owners of the parent	27,511	7,204		27,511	25,572	
Non-controlling interests	76	106		76	205	
	27,587	7,310		27,587	25,777	
Basic Earnings Per Share (NTD)	17.44	4.58		17.44	16.21	

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the periods ended June 30, 2021 and 2020

Unit: Millions of New Taiwan dollars

	2021	% to sales	2020	% to sales	YOY%
Net Sales	233,686	100.0%	128,466	100.0%	81.9%
Operating costs	(127,128)	-54.4%	(72,822)	-56.7%	74.6%
Gross profit	106,559	45.6%	55,644	43.3%	91.5%
Operating expenses					
Selling expenses	(7,278)	-3.1%	(6,287)	-4.9%	15.8%
Administrative expenses	(4,943)	-2.1%	(3,387)	-2.6%	46.0%
Research and development expenses	(45,306)	-19.4%	(32,752)	-25.5%	38.3%
Total operating expenses	(57,527)	-24.6%	(42,426)	-33.0%	35.6%
Operating income	49,032	21.0%	13,218	10.3%	271.0%
Non-operating income and expenses	11,631	5.0%	2,041	1.6%	469.8%
Net income before income tax	60,663	26.0%	15,259	11.9%	297.5%
Income tax expense	(7,299)	-3.1%	(2,144)	-1.7%	240.4%
Net income	53,364	22.8%	13,115	10.2%	306.9%
Net other comprehensive income	18,394	7.9%	11,703	9.1%	57.2%
Total comprehensive income	71,758	30.7%	24,818	19.3%	189.1%
Net income attributable to :					
Owners of the parent	53,083		12,919		
Non-controlling interests	281		196		
	53,364		13,115		
Basic Earnings Per Share (NTD)	33.65		8.22		

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
As of June 30, 2021 and 2020

Unit: Millions of New Taiwan dollars

	2021	%	2020	%	YOY%
Current assets					
Cash and cash equivalents	219,212	34.7%	168,938	35.0%	29.8%
Financial assets at fair value through profit or loss-current	8,424	1.3%	7,003	1.5%	20.3%
Financial assets at fair value through other comprehensive income-current	8,845	1.4%	11,217	2.3%	-21.1%
Financial assets measured at amortized cost-current	1,800	0.3%	0	0.0%	0.0%
Trade receivables, net	48,414	7.7%	36,101	7.5%	34.1%
Inventories, net	63,149	10.0%	36,812	7.6%	71.5%
Other current assets	10,411	1.7%	7,189	1.5%	44.8%
Total current assets	360,256	57.1%	267,260	55.3%	34.8%
Non-current assets					
Funds and investments	139,127	22.1%	90,066	18.7%	54.5%
Property, plant and equipment	40,607	6.4%	38,275	7.9%	6.1%
Intangible assets	75,071	11.9%	78,296	16.2%	-4.1%
Other assets	15,815	2.5%	8,984	1.9%	76.0%
Total non-current assets	270,620	42.9%	215,622	44.7%	25.5%
Total assets	630,875	100.0%	482,882	100.0%	30.6%
Current Liabilities					
Short-term borrowings	27,428	4.3%	42,557	8.8%	-35.6%
Trade payables	45,903	7.3%	26,698	5.5%	71.9%
Other current liabilities	155,233	24.6%	73,712	15.3%	110.6%
Total current liabilities	228,564	36.2%	142,967	29.6%	59.9%
Non-current liabilities					
Total non-current liabilities	14,679	2.3%	16,159	3.3%	-9.2%
Total liabilities	243,243	38.6%	159,126	33.0%	52.9%
Equity					
Share capital	15,904	2.5%	15,889	3.3%	0.1%
Capital surplus	52,860	8.4%	74,038	15.3%	-28.6%
Legal reserve	50,217	8.0%	44,583	9.2%	12.6%
Undistributed earnings	189,591	30.1%	137,933	28.6%	37.5%
Other equity	77,754	12.3%	49,268	10.2%	57.8%
Treasury shares	(56)	0.0%	(110)	0.0%	-48.9%
Equity attributable to owners of the parent	386,270	61.2%	321,600	66.6%	20.1%
Non-controlling interests	1,362	0.2%	2,155	0.4%	-36.8%
Total equity	387,633	61.4%	323,756	67.0%	19.7%
Total liabilities and equity	630,875	100.0%	482,882	100.0%	30.6%

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the periods ended June 30, 2021 and 2020

Unit: Millions of New Taiwan dollars

	2021	2020
Cash flows from operating activities :		
Profit before tax from continuing operations	60,663	15,259
Adjustments for:		
The profit or loss items which did not affect cash flows:		
Depreciation	2,430	2,259
Amortization	2,505	2,353
Expected credit (gains) losses	(14)	63
Losses on financial assets and liabilities at fair value through profit or loss	217	116
Interest expenses	83	469
Gains on derecognition of financial assets measured at amortized cost	-	(5)
Interest income	(883)	(1,619)
Dividend income	(1,064)	(387)
Share-based payment expenses	238	482
Share of profit of associates and joint ventures accounted for using the equity method	(59)	(214)
Losses on disposal of property, plant and equipment	3	1
Property, plant and equipment transferred to expenses	-	0
Losses on disposal of intangible assets	0	0
(Gains) losses on disposal of investments	(8,430)	30
Gains on disposal of investments accounted for using the equity method	(939)	-
Others	(1)	(1)
Changes in operating assets and liabilities:		
Financial assets mandatorily measured at fair value through profit or loss	538	636
Notes receivables	16	2
Trade receivables	(15,984)	(9,457)
Trade receivables from related parties	(92)	5
Other receivables	(169)	1,327
Inventories	(27,087)	(9,177)
Prepayments	(935)	(222)
Other current assets	(139)	22
Contract liabilities	(8,733)	(383)
Trade payables	11,383	4,158
Trade payables to related parties	654	306
Other payables	7,065	(544)
Other payables to related parties	(19)	(6)
Other current liabilities	7,557	2,718
Net defined benefit liabilities	(5)	(6)
Non-current liabilities-others	(375)	(339)
Cash generated from operating activities:	28,423	7,849
Interest received	817	2,593
Dividend received	488	375
Interest paid	(82)	(506)
Income tax paid	(2,966)	(1,203)
Net cash provided by operating activities	26,681	9,108
Cash flows from investing activities :		
Acquisition of financial assets at fair value through other comprehensive income	(926)	(1,738)
Proceeds from disposal of financial assets at fair value through other comprehensive income	3,486	9,759
Proceeds from capital return of financial assets at fair value through other comprehensive income	465	40
Acquisition of financial assets measured at amortized cost	(2,976)	(2,761)
Proceeds from redemption of financial assets measured at amortized cost	-	256
Acquisition of investments accounted for using the equity method	(871)	(1,186)
Proceeds from disposal of investments accounted for using the equity method	1,132	-
Proceeds from capital return of investments accounted for using the equity method	73	-
Disposal of subsidiary	3,082	-
Acquisition of property, plant and equipment	(5,096)	(1,847)
Proceeds from disposal of property, plant and equipment	8	0
Increase in refundable deposits	(3,023)	(114)
Acquisition of intangible assets	(4,306)	(3,708)
Acquisition of right-of-use assets	-	(2)
Net cash used in investing activities	(8,952)	(1,300)
Cash flows from financing activities :		
Increase (decrease) in short-term borrowings	6,074	(14,622)
Proceeds from long-term borrowings	828	-
Repayment of long-term borrowings	-	(18)
Decrease in deposits received	(25)	(42)
Cash payment for the principal portion of the lease liabilities	(335)	(308)
Proceeds from exercise of employee stock options	66	18
Treasury stock acquired	-	(54)
Cash dividends	(31)	(13)
Change in non-controlling interests	164	761
Net cash provided by (used in) financing activities	6,740	(14,278)
Effect of changes in exchange rate on cash and cash equivalents	(1,837)	(2,136)
Net increase (decrease) in cash and cash equivalents	22,632	(8,607)
Cash and cash equivalents at the beginning of the period	196,580	177,545
Cash and cash equivalents at the end of the period	219,212	168,938

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