

MEDIA TEK

聯發科技 2021年第二季法人說明會 MediaTek 2021-Q2 Investor Conference

July 27, 2021



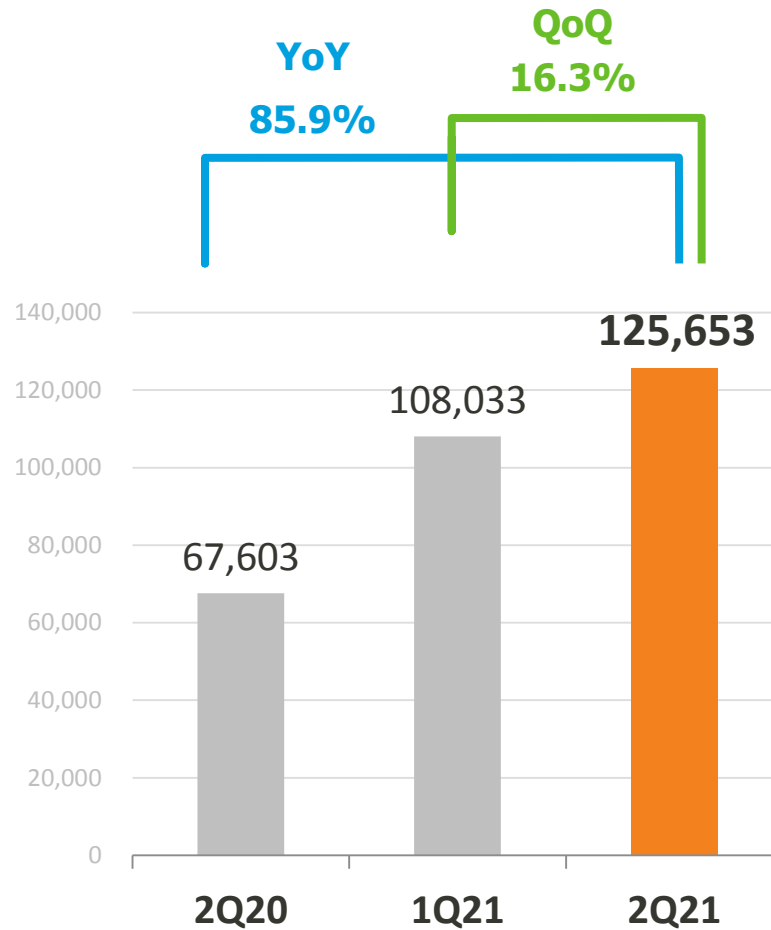
Safe Harbor Statement

These factors may cause actual results materially different from the information provided herein. The factors include the impact of competitive products and pricing, timely acceptance of products design by our customers, timely introduction of new technologies, ability to ramp new products into volume, industry wide shifts in supply and demand for semiconductor products, market oversupply, availability of manufacturing capacity, financial stability in end markets, potential difficulties in talents retention, unexpected costs and expenses, any merger and acquisition associated uncertainties such as obtaining of regulatory approval or integration delay, loss of significant customers, involvement in legal or administrative proceedings, new regulations that may impact our business operation, fluctuations in foreign exchange rates, global economic conditions or non-economic conditions and any other risks factors.

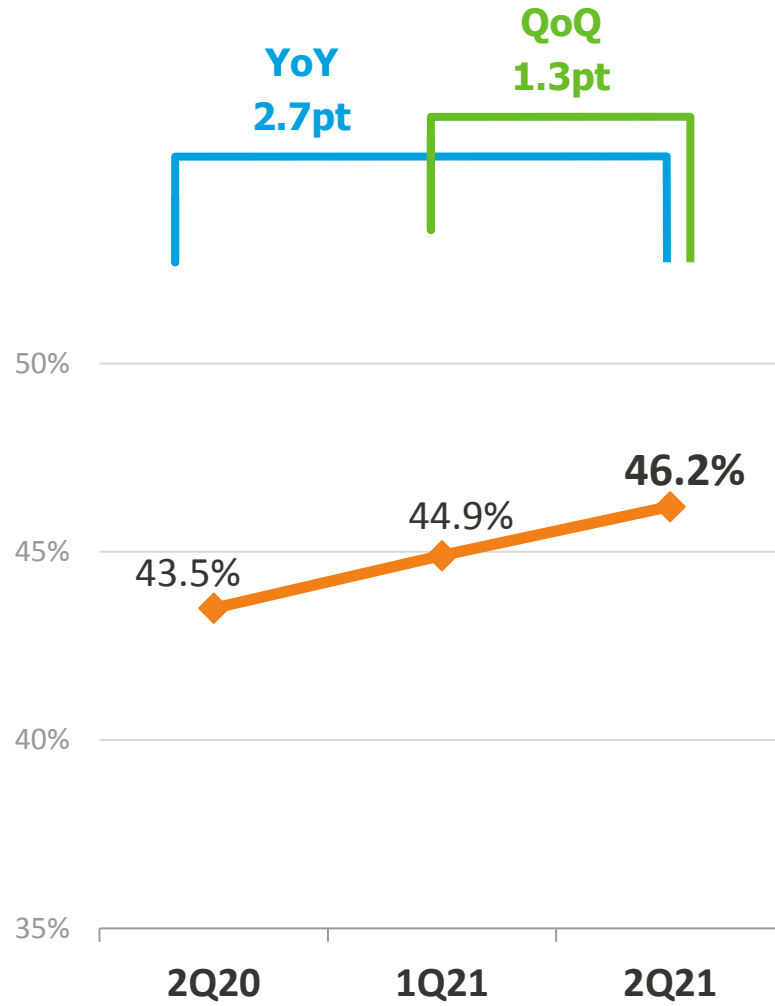
This presentation also supplements Non Taiwan International Financial Reporting Standards(Non-TIFRS) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. This supplemental information is for reference only, not as a substitute for information based on TIFRS. Your attention is called that final actual earnings distribution will be made in accordance with financial statements based on TIFRS.

Consolidated Revenue

(NT\$ million)

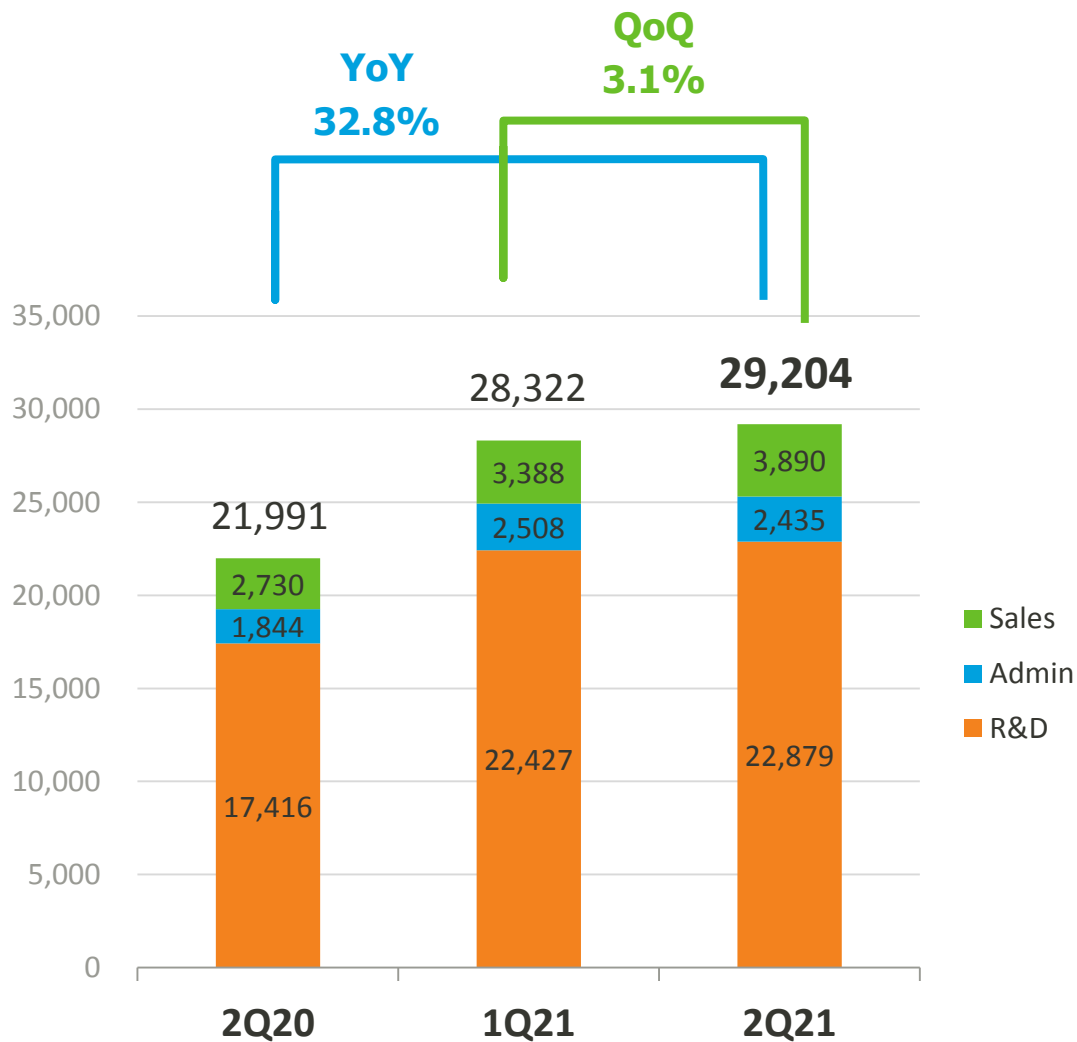


Consolidated Gross Margin



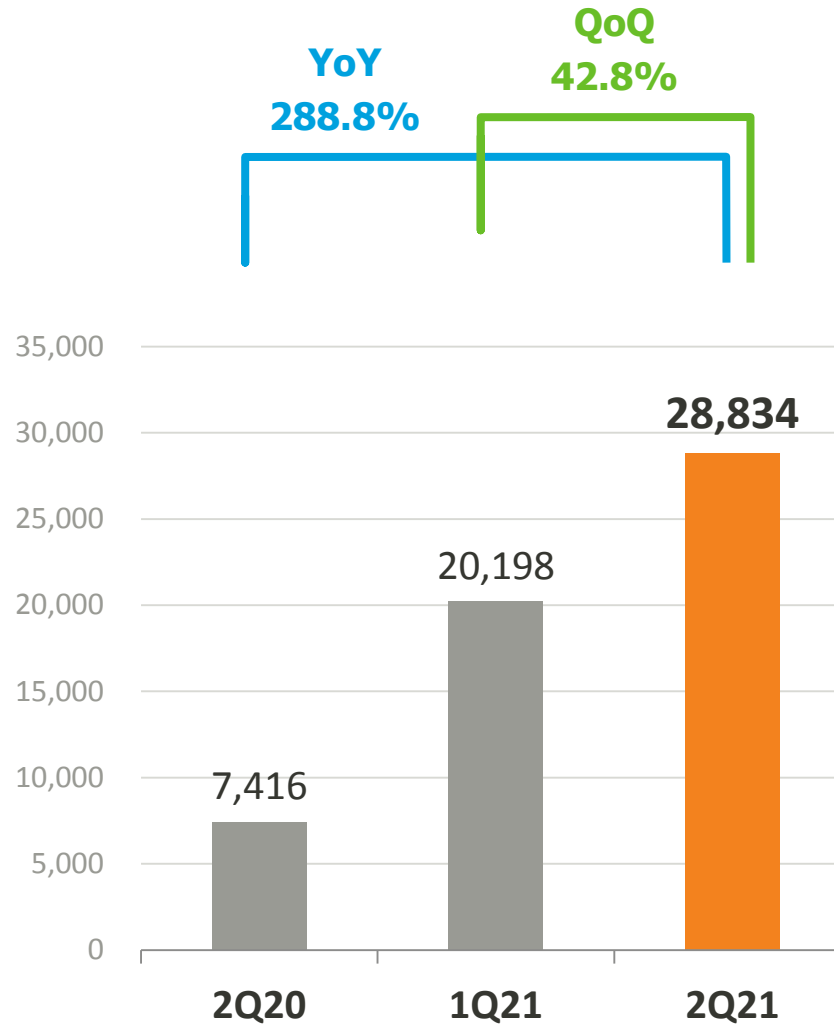
Consolidated Operating Expenses

(NT\$ million)

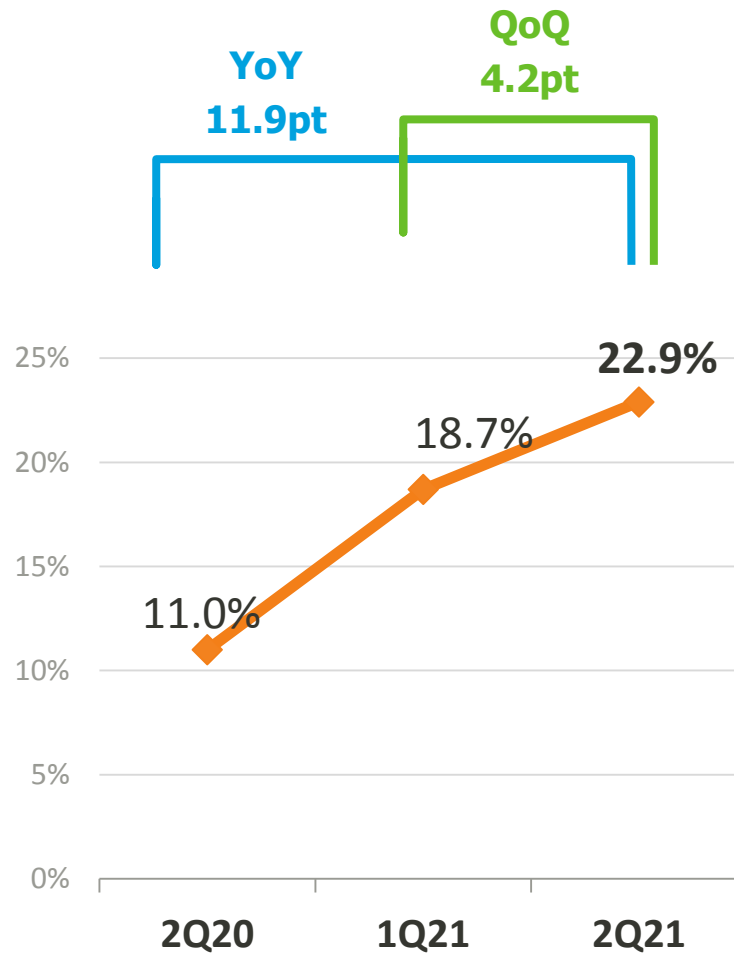


Consolidated Operating Income

(NT\$ million)

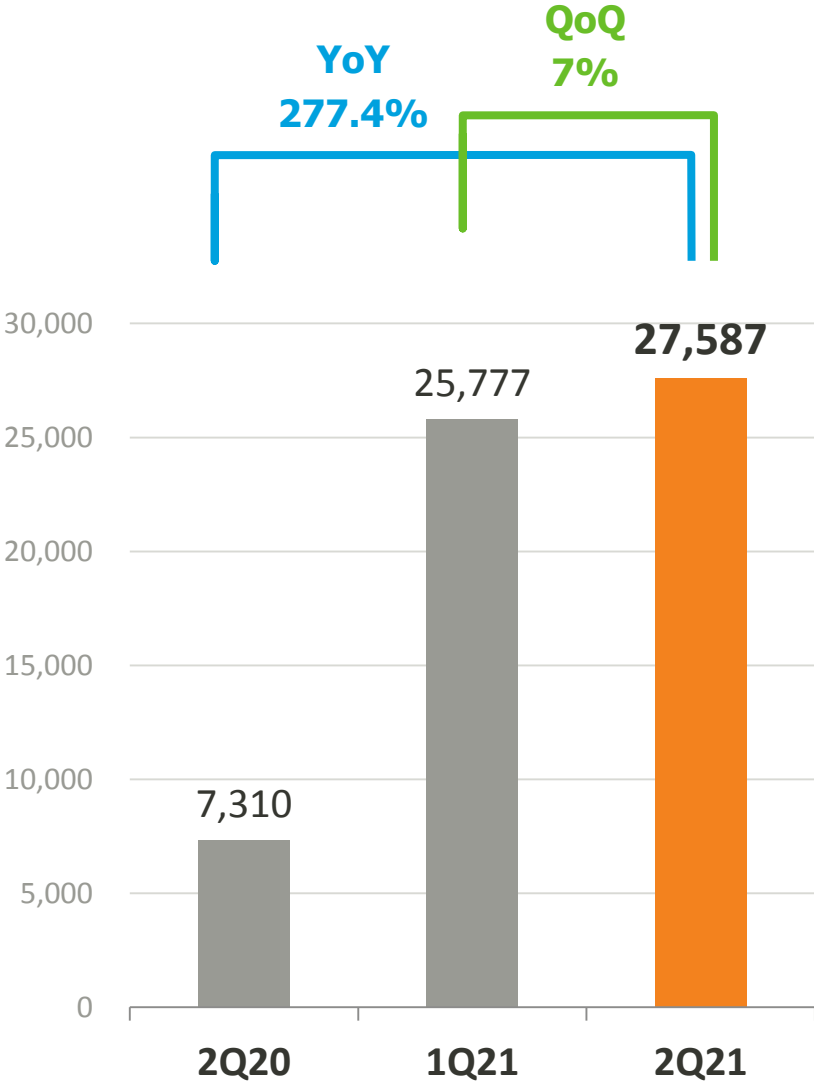


Consolidated Operating Margin

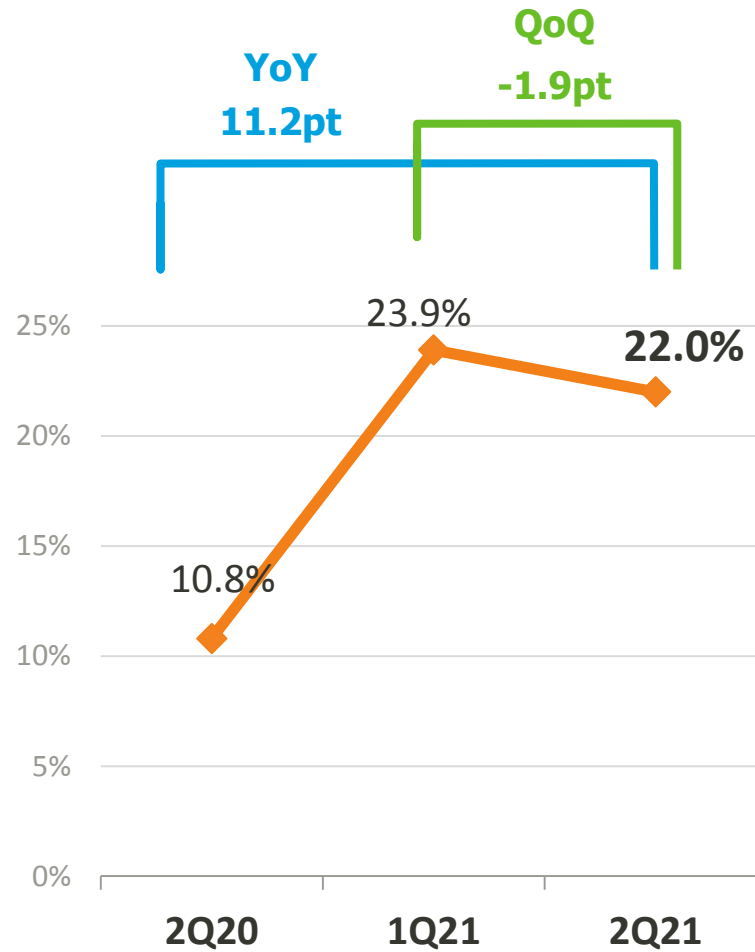


Consolidated Net Income

(NT\$ million)

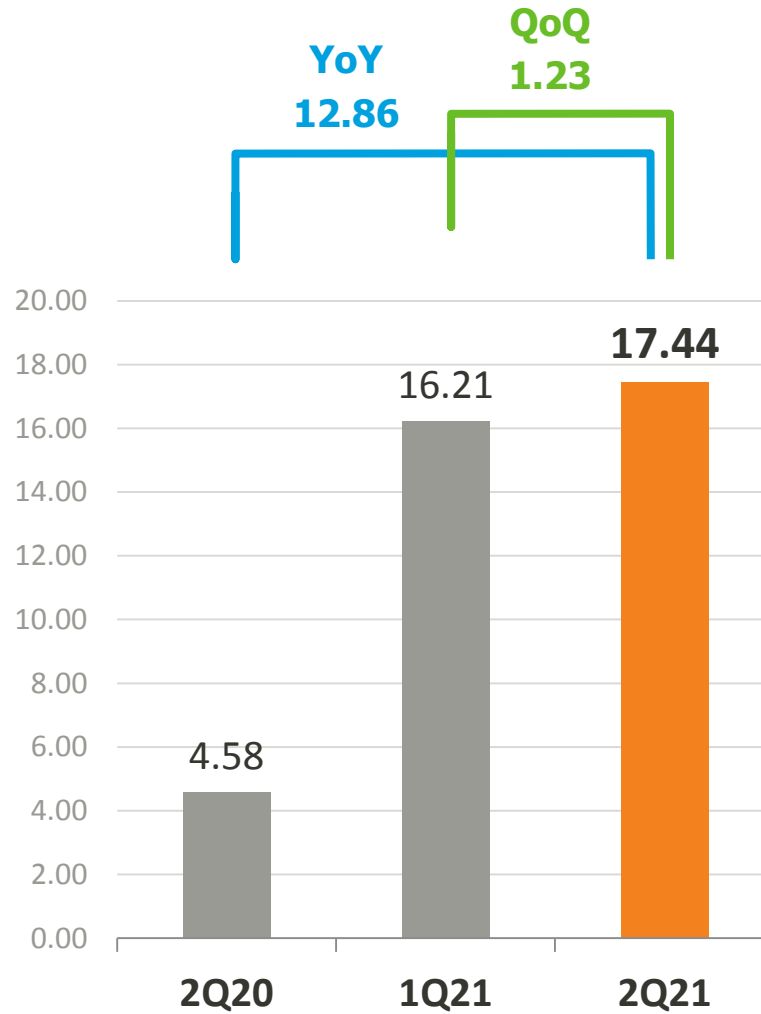


Consolidated Net Profit Margin



Consolidated Earnings Per Share

(NT\$)



Business Outlook

- ◆ For 2021-Q3, we currently expect:
 - ◆ Consolidated revenue: Around NT\$125.7 billion ~ 131.9 billion, at a forecast exchange rate of 28 NT dollars to 1 US dollar
 - ◆ Consolidated gross margin: 46% ± 1.5%
 - ◆ Consolidated operating expense ratio: 24% ± 2%

Taiwan-International Financial Reporting Standards (TIFRS) Financial Statements

Consolidated Income Statement (Unaudited)

(In NT\$ millions, except EPS)	2Q21	1Q21	2Q20	Q-Q	Y-Y
Net Sales	125,653	108,033	67,603	16.3%	85.9%
Operating costs	(67,615)	(59,513)	(38,197)		
Gross profit	58,038	48,520	29,407	19.6%	97.4%
Selling expenses	(3,890)	(3,388)	(2,730)		
Administration expenses	(2,435)	(2,508)	(1,844)		
R&D expenses	(22,879)	(22,427)	(17,416)		
Operating expenses	(29,204)	(28,322)	(21,991)		
Operating income	28,834	20,198	7,416	42.8%	288.8%
Net non-operating income	2,753	8,878	1,113		
Net income before income tax	31,587	29,076	8,529		
Income tax expense	(4,000)	(3,298)	(1,219)		
Net income	27,587	25,777	7,310	7.0%	277.4%
Owners of the parent	27,511	25,572	7,204	7.6%	281.9%
Non-controlling interests	76	205	106		
EPS attributable to the parent(NT\$)	17.44	16.21	4.58		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	2Q21	1Q21	2Q20
Gross profit	46.2%	44.9%	43.5%
Selling expenses	(3.1%)	(3.1%)	(4.0%)
Administration expenses	(1.9%)	(2.3%)	(2.7%)
R&D expenses	(18.2%)	(20.8%)	(25.8%)
Operating income	22.9%	18.7%	11.0%
Non-operating income	2.2%	8.2%	1.6%
Income tax expense	(3.2%)	(3.1%)	(1.8%)
Net income	22.0%	23.9%	10.8%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)	2Q21	1Q21	2Q20
Cash & financial assets-current	238,281	213,483	187,158
Accounts receivable	48,414	46,371	36,101
Inventories	63,149	56,668	36,812
Other current assets	10,411	13,633	7,189
Funds and investments	139,127	130,414	90,066
Intangible assets	75,071	75,572	78,296
Other non-current assets	56,422	50,906	47,259
Total assets	630,875	587,047	482,882
Short-term loans	27,428	27,220	42,557
Accounts payable	45,903	43,301	26,698
Other current liabilities	155,233	88,868	73,712
Total non-current liabilities	14,679	14,703	16,159
Total equity	387,633	412,955	323,756

Note: Sums may not equal totals due to rounding.

Cash Flow Statement (Unaudited)

(In NT\$ millions)	2Q21	1Q21	2Q20
Net cash provided by (used in) operating activities	28,131	(1,450)	7,177
Net cash provided by (used in) investing activities	(2,294)	(6,658)	(1,863)
Net cash provided by (used in) financing activities	1,162	5,578	(9,663)
Effect of changes in exchange rate on cash and cash equivalents	(1,883)	46	(1,552)
Net increase (decrease) in cash and cash equivalents	25,115	(2,483)	(5,901)
Cash and cash equivalents at the end of the period	219,212	194,097	168,938

Note : Sums may not equal totals due to rounding.

【Supplemental Information】
Reconciliations of TIFRS Results to Non-TIFRS Results
and Quarterly Revenue Product Segment

Reconciliations of TIFRS Results to Non-TIFRS Results^{Note2}

(In NT\$ millions)		2Q21	1Q21	2Q20	Q-Q	Y-Y
TIFRS	Operating income	28,834	20,198	7,416	42.8%	288.8%
	Operating income margin(%)	22.9%	18.7%	11.0%		
Reconciliations	Share-based compensation	123	115	212		
	Amortization of acquisition related assets	136	198	399		
Non-TIFRS	Operating income	29,094	20,510	8,027	41.8%	262.5%
	Operating income margin (%)	23.2%	19.0%	11.9%		

TIFRS	Net income	27,587	25,777	7,310	7.0%	277.4%
	Net income margin(%)	22.0%	23.9%	10.8%		
	Net income- Owners of the parent	27,511	25,572	7,204	7.6%	281.9%
	EPS(NT\$)	17.44	16.21	4.58		
Reconciliations	Share-based compensation	123	115	212		
	Amortization of acquisition related assets	136	198	399		
	Tax effect	(44)	(53)	(103)		
Non-TIFRS	Net income	27,802	26,036	7,819	6.8%	255.6%
	Net income margin (%)	22.1%	24.1%	11.6%		
	Net income- Owners of the parent	27,719	25,831	7,724	7.3%	259.0%
	EPS(NT\$)	17.57	16.38	4.92		

Note1: Sums may not equal totals due to rounding.

Note2: 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. Earnings distribution is made in accordance with financial statements based on TIFRS.

Quarterly Product Group Revenue Breakdown

Product Group*	2Q21 Revenue Breakdown	QoQ%	YoY%
Mobile Phone	57%	22%	143%
IoT, Computing and ASIC	22%	13%	59%
Smart Home	14%	2%	62%
Power IC	7%	15%	43%
Total	100%	16%	86%

* **Mobile Phone:** 5G/4G/3G smartphone and feature phone

IoT, Computing and ASIC: wireless/wired connectivity and SoC for IoT applications including but not limited to router, broadband, fixed wireless access, laptop, wireless headset, smart speaker and automotive; ARM-based SoC for computing devices; customized service for consumer/enterprise platforms.

Smart Home: Digital TV, Smart display, Set-top box, Over-the-top box

Power IC: Power IC

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