

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

Unit: Millions of New Taiwan dollars

	Yearly Comparison			Sequential Comparison		
	3Q 2021	3Q 2020	YOY%	3Q 2021	2Q 2021	QOQ%
Net Sales	131,074	97,275	34.7%	131,074	125,653	4.3%
Operating costs	(69,858)	(54,246)	28.8%	(69,858)	(67,615)	3.3%
Gross profit	61,216	43,028	42.3%	61,216	58,038	5.5%
Operating expenses						
Selling expenses	(5,076)	(3,648)	39.2%	(5,076)	(3,890)	30.5%
Administrative expenses	(2,489)	(2,205)	12.9%	(2,489)	(2,435)	2.2%
Research and development expenses	(24,364)	(22,547)	8.1%	(24,364)	(22,879)	6.5%
Total operating expenses	(31,929)	(28,400)	12.4%	(31,929)	(29,204)	9.3%
Operating income	29,287	14,628	100.2%	29,287	28,834	1.6%
Non-operating income and expenses	2,903	804	261.2%	2,903	2,753	5.5%
Net income before income tax	32,190	15,432	108.6%	32,190	31,587	1.9%
Income tax expense	(3,829)	(2,066)	85.4%	(3,829)	(4,000)	-4.3%
Net income	28,361	13,367	112.2%	28,361	27,587	2.8%
Net other comprehensive income	(17,918)	1,077		(17,918)	4,853	
Total comprehensive income	10,443	14,443	-27.7%	10,443	32,440	-67.8%
Net income attributable to :						
Owners of the parent	28,287	13,251		28,287	27,511	
Non-controlling interests	74	115		74	76	
	28,361	13,367		28,361	27,587	
Basic Earnings Per Share (NTD)	17.92	8.42		17.92	17.44	

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the periods ended September 30, 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	364,761	100.0%	225,741	100.0%	61.6%
Operating costs	(196,986)	-54.0%	(127,069)	-56.3%	55.0%
Gross profit	<u>167,775</u>	<u>46.0%</u>	<u>98,672</u>	<u>43.7%</u>	<u>70.0%</u>
Operating expenses					
Selling expenses	(12,354)	-3.4%	(9,934)	-4.4%	24.4%
Administrative expenses	(7,432)	-2.0%	(5,591)	-2.5%	32.9%
Research and development expenses	(69,670)	-19.1%	(55,300)	-24.5%	26.0%
Total operating expenses	<u>(89,456)</u>	<u>-24.5%</u>	<u>(70,826)</u>	<u>-31.4%</u>	<u>26.3%</u>
Operating income	78,319	21.5%	27,846	12.3%	181.3%
Non-operating income and expenses	14,534	4.0%	2,845	1.3%	410.9%
Net income before income tax	<u>92,853</u>	<u>25.5%</u>	<u>30,691</u>	<u>13.6%</u>	<u>202.5%</u>
Income tax expense	(11,128)	-3.1%	(4,210)	-1.9%	164.3%
Net income	81,725	22.4%	26,481	11.7%	208.6%
Net other comprehensive income	476	0.1%	12,780	5.7%	-96.3%
Total comprehensive income	<u>82,201</u>	<u>22.5%</u>	<u>39,261</u>	<u>17.4%</u>	<u>109.4%</u>
Net income attributable to :					
Owners of the parent	81,370		26,170		
Non-controlling interests	355		311		
	<u>81,725</u>		<u>26,481</u>		
Basic Earnings Per Share (NTD)	<u>51.57</u>		<u>16.65</u>		

Note1: Sums may not equal totals due to rounding.

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

Unit: Millions of New Taiwan dollars

	2021	%	2020	%	YOY%
Current assets					
Cash and cash equivalents	168,238	27.6%	170,041	34.7%	-1.1%
Financial assets at fair value through profit or loss-current	8,772	1.4%	8,345	1.7%	5.1%
Financial assets at fair value through other comprehensive income-current	6,751	1.1%	5,925	1.2%	13.9%
Financial assets measured at amortized cost-current	3,584	0.6%	0	0.0%	0.0%
Trade receivables, net	55,717	9.2%	37,997	7.7%	46.6%
Inventories, net	68,793	11.3%	31,010	6.3%	121.8%
Other current assets	10,031	1.6%	16,630	3.4%	-39.7%
Total current assets	<u>321,885</u>	<u>52.9%</u>	<u>269,947</u>	<u>55.0%</u>	<u>19.2%</u>
Non-current assets					
Funds and investments	122,654	20.2%	95,939	19.6%	27.8%
Property, plant and equipment	45,614	7.5%	38,306	7.8%	19.1%
Intangible assets	74,661	12.3%	77,105	15.7%	-3.2%
Other assets	43,660	7.2%	9,369	1.9%	366.0%
Total non-current assets	<u>286,589</u>	<u>47.1%</u>	<u>220,720</u>	<u>45.0%</u>	<u>29.8%</u>
Total assets	<u>608,475</u>	<u>100.0%</u>	<u>490,666</u>	<u>100.0%</u>	<u>24.0%</u>
Current liabilities					
Short-term borrowings	50,449	8.3%	30,626	6.2%	64.7%
Trade payables	45,581	7.5%	29,288	6.0%	55.6%
Other current liabilities	97,548	16.0%	74,934	15.3%	30.2%
Total current liabilities	<u>193,578</u>	<u>31.8%</u>	<u>134,848</u>	<u>27.5%</u>	<u>43.6%</u>
Non-current liabilities					
Total non-current liabilities	<u>15,834</u>	<u>2.6%</u>	<u>14,514</u>	<u>3.0%</u>	<u>9.1%</u>
Total liabilities	<u>209,411</u>	<u>34.4%</u>	<u>149,362</u>	<u>30.4%</u>	<u>40.2%</u>
Equity					
Share capital	15,989	2.6%	15,902	3.2%	0.5%
Capital surplus	59,814	9.8%	76,345	15.6%	-21.7%
Legal reserve	50,217	8.3%	44,583	9.1%	12.6%
Undistributed earnings	215,689	35.4%	154,471	31.5%	39.6%
Other equity	55,967	9.2%	47,131	9.6%	18.7%
Treasury shares	(56)	0.0%	(110)	0.0%	-48.9%
Equity attributable to owners of the parent	<u>397,619</u>	<u>65.3%</u>	<u>338,322</u>	<u>69.0%</u>	<u>17.5%</u>
Non-controlling interests	1,444	0.2%	2,982	0.6%	-51.6%
Total equity	<u>399,063</u>	<u>65.6%</u>	<u>341,304</u>	<u>69.6%</u>	<u>16.9%</u>
Total liabilities and equity	<u>608,475</u>	<u>100.0%</u>	<u>490,666</u>	<u>100.0%</u>	<u>24.0%</u>

Note1: Sums may not equal totals due to rounding.

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

Unit: Millions of New Taiwan dollars

	2021	2020
Cash flows from operating activities :		
Profit before tax from continuing operations	92,853	30,691
Adjustments for:		
The profit or loss items which did not affect cash flows:		
Depreciation	3,832	3,411
Amortization	3,838	3,922
Expected credit (gains) losses	(21)	3
Losses (gains) on financial assets and liabilities at fair value through profit or loss	469	(26)
Interest expenses	155	547
Gains on derecognition of financial assets measured at amortized cost	-	(5)
Interest income	(1,259)	(2,054)
Dividend income	(2,624)	(604)
Share-based payment expenses	691	899
Share of profit of associates and joint ventures accounted for using the equity method	(585)	(316)
Losses on disposal of property, plant and equipment	3	9
Property, plant and equipment transferred to expenses	1	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	(644)	69
Notes receivables	(36)	(1)
Trade receivables	(23,186)	(13,843)
Trade receivables from related parties	(135)	4
Other receivables	(1,246)	(901)
Inventories	(32,733)	(5,633)
Prepayments	(449)	(136)
Other current assets	(5)	(224)
Other non-current assets-others	(23,763)	-
Contract liabilities	(6,420)	2,796
Trade payables	10,685	7,425
Trade payables to related parties	1,031	597
Other payables	6,170	6,016
Other payables to related parties	(26)	4
Other current liabilities	7,524	8,452
Net defined benefit liabilities	(8)	(7)
Other non-current liabilities-others	(378)	(499)
Cash generated from operating activities:	24,366	40,627
Interest received	959	3,273
Dividend received	4,241	599
Interest paid	(155)	(588)
Income tax paid	(7,053)	(2,964)
Net cash provided by operating activities	22,358	40,947
Cash flows from investing activities :		
Acquisition of financial assets at fair value through other comprehensive income	(5,106)	(2,965)
Proceeds from disposal of financial assets at fair value through other comprehensive income	5,186	13,647
Proceeds from capital return of financial assets at fair value through other comprehensive income	624	1,122
Acquisition of financial assets measured at amortized cost	(3,080)	(7,127)
Proceeds from redemption of financial assets measured at amortized cost	708	509
Acquisition of investments accounted for using the equity method	(871)	(1,164)
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	3,717	-
Acquisition of property, plant and equipment	(10,867)	(3,460)
Proceeds from disposal of property, plant and equipment	9	3
Increase in refundable deposits	(6,248)	(119)
Acquisition of intangible assets	(5,100)	(4,431)
Proceeds from disposal of intangible assets	0	-
Acquisition of right-of-use assets	-	(2)
Net cash used in investing activities	(19,824)	(3,987)
Cash flows from financing activities :		
Increase (decrease) in short-term borrowings	29,096	(25,837)
Proceeds from long-term borrowings	828	-
Repayment of long-term borrowings	-	(18)
Decrease in deposits received	(28)	(124)
Cash payment for the principal portion of the lease liabilities	(488)	(444)
Proceeds from exercise of employee stock options	93	503
Treasury stock acquired	-	(54)
Cash dividends	(58,585)	(16,589)
Acquisition of ownership interests in subsidiaries	(175)	-
Disposal of ownership interests in subsidiaries (without losing control)	2	1,369
Change in non-controlling interests	164	1,513
Net cash used in financing activities	(29,095)	(39,681)
Effect of changes in exchange rate on cash and cash equivalents	(1,781)	(3,469)
Net decrease in cash and cash equivalents	(28,342)	(6,189)
Cash and cash equivalents at the beginning of the period	196,580	177,545
Cash and cash equivalents at the end of the period	168,238	171,356
Reconciliation of the balances of cash and cash equivalents at the end of the period:		
Cash and cash equivalents on the consolidated balance sheets	168,238	170,041
Cash and cash equivalents included in non-current assets held for sale	-	1,315
Cash and cash equivalents at the end of the period	168,238	171,356

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