

MEDIA TEK

聯發科技 2021年第三季法人說明會 MediaTek 2021-Q3 Investor Conference

October 26, 2021



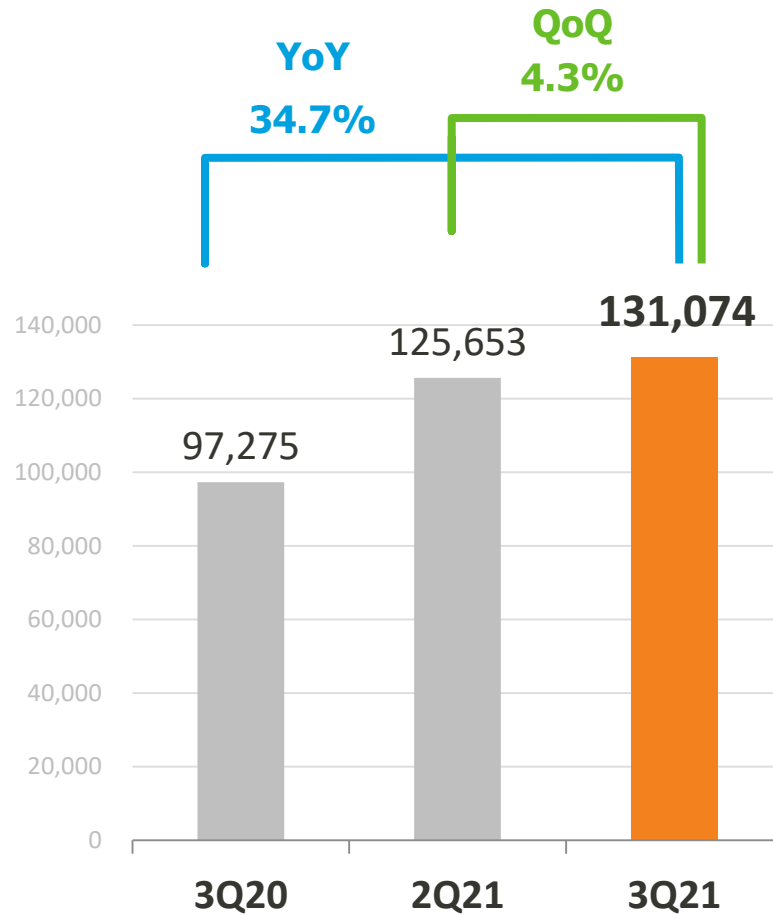
Safe Harbor Statement

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.

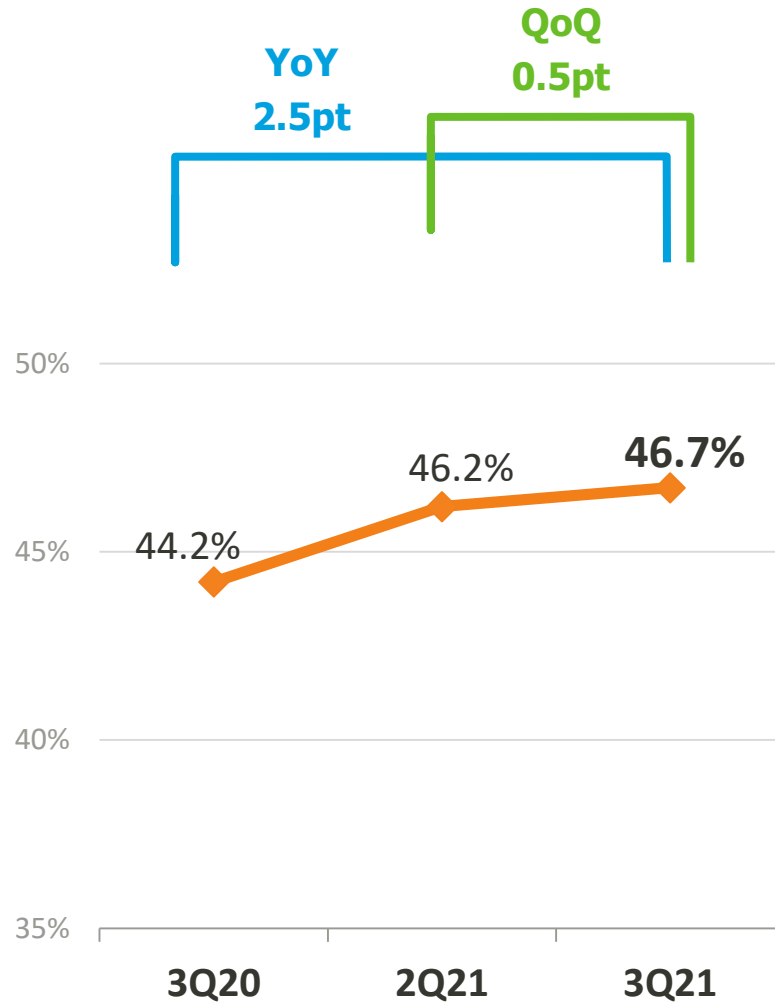
This presentation also supplements Non Taiwan International Financial Reporting Standards(Non-TIFRS) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. This supplemental information is for reference only, not as a substitute 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)

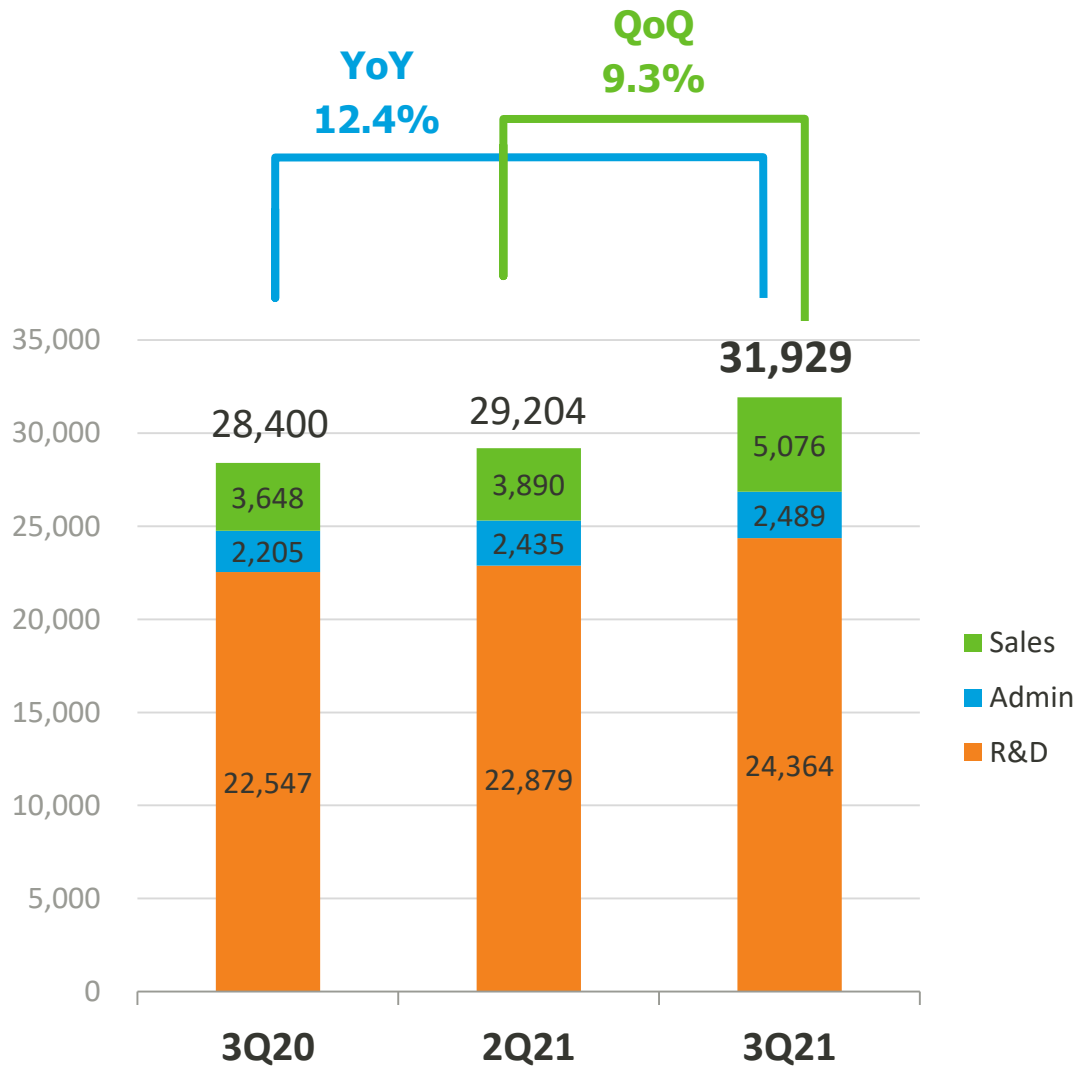


Consolidated Gross Margin



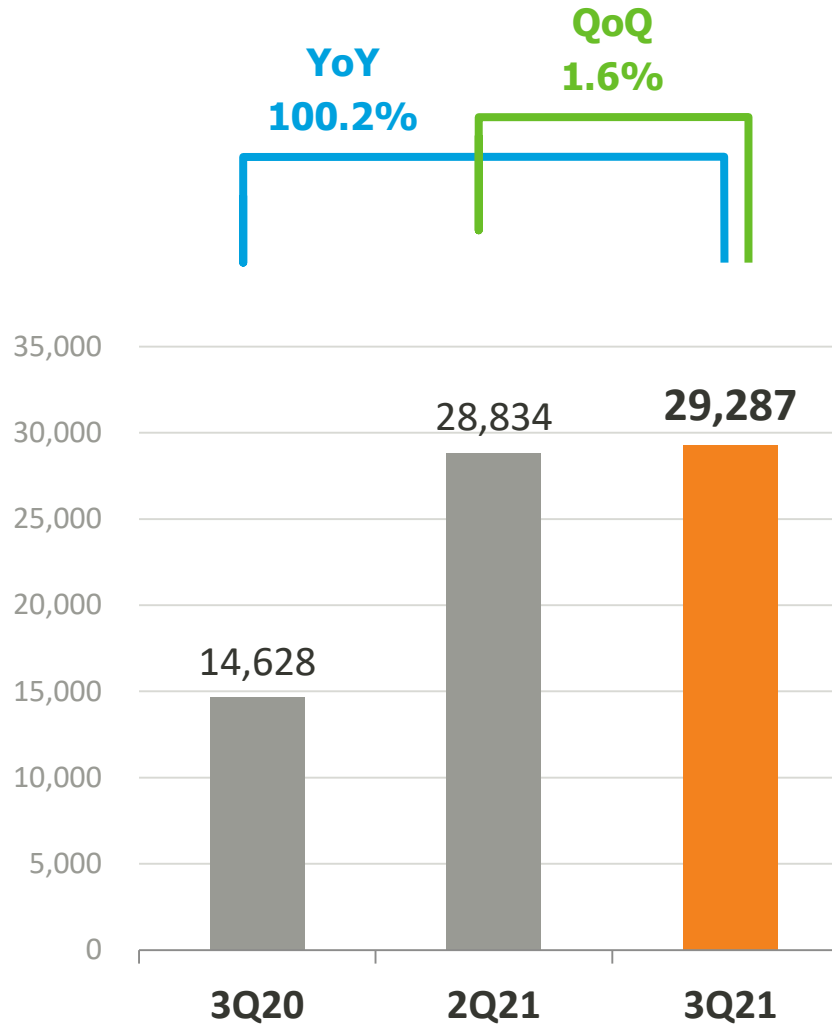
Consolidated Operating Expenses

(NT\$ million)

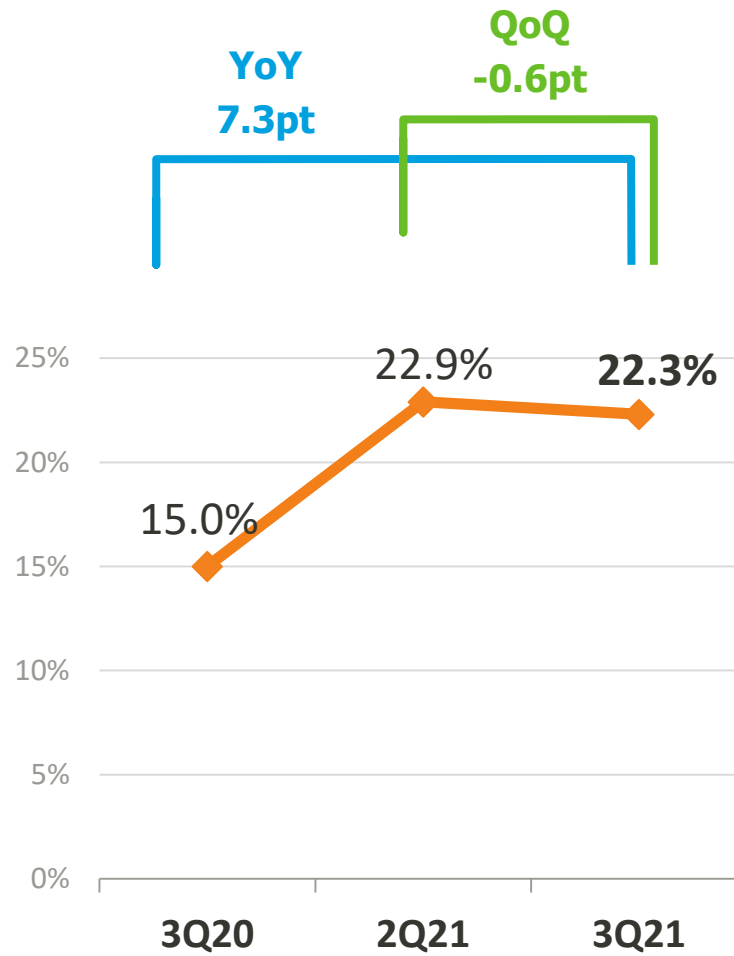


Consolidated Operating Income

(NT\$ million)

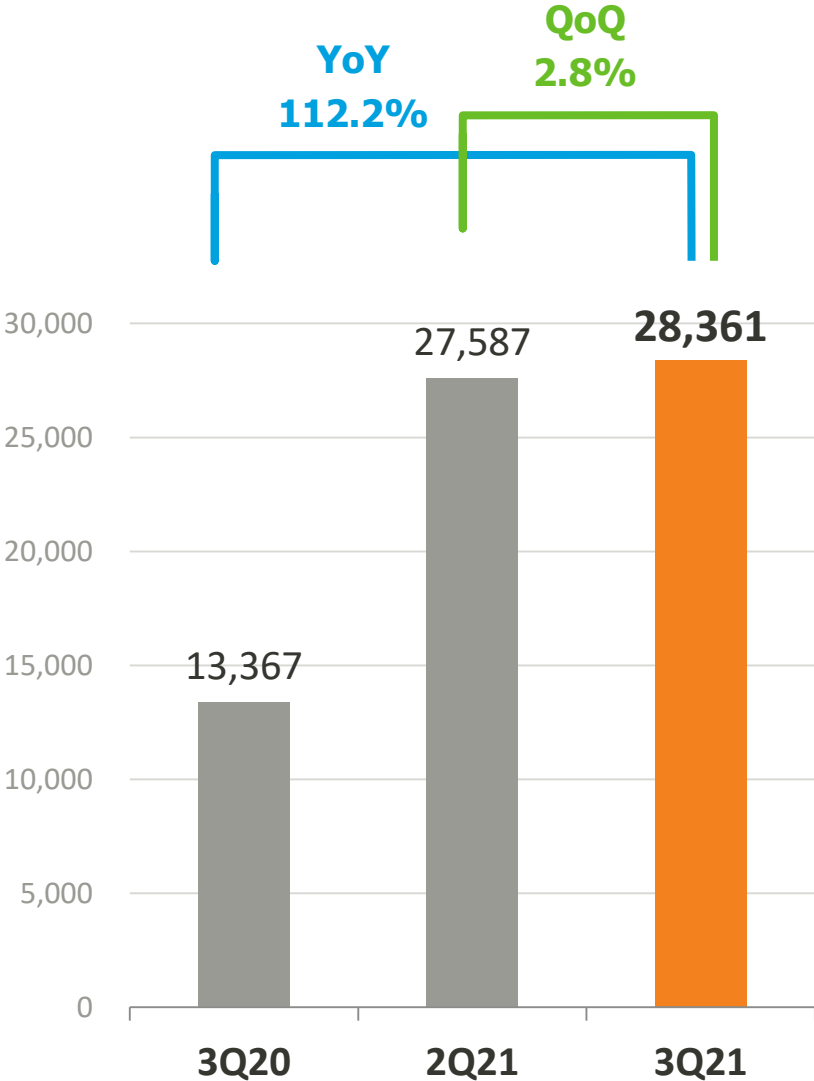


Consolidated Operating Margin

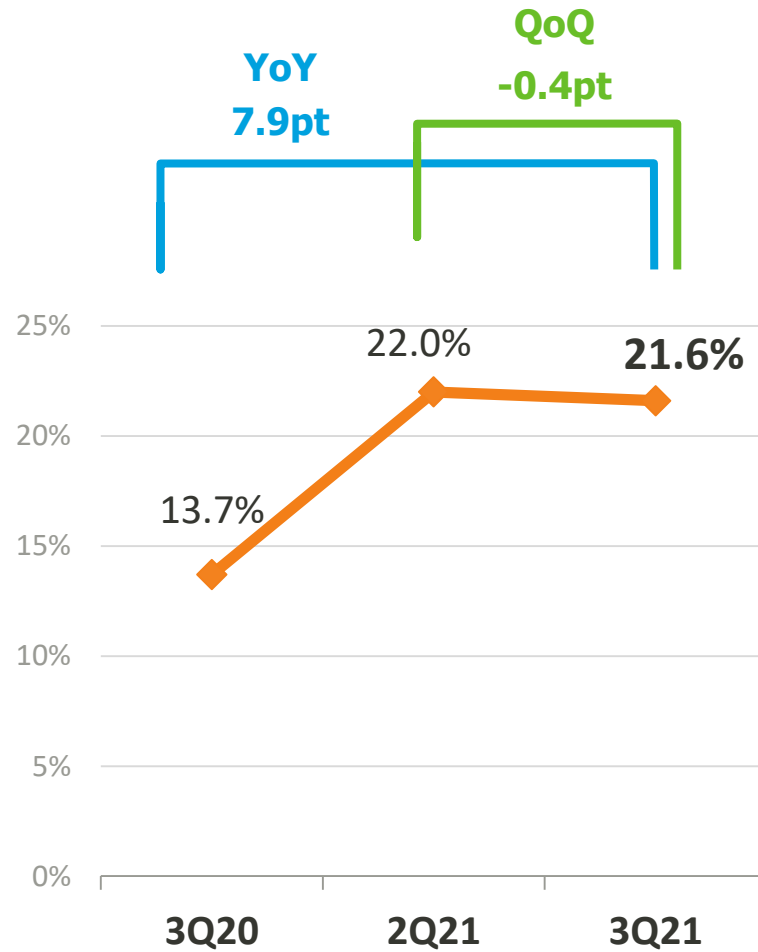


Consolidated Net Income

(NT\$ million)

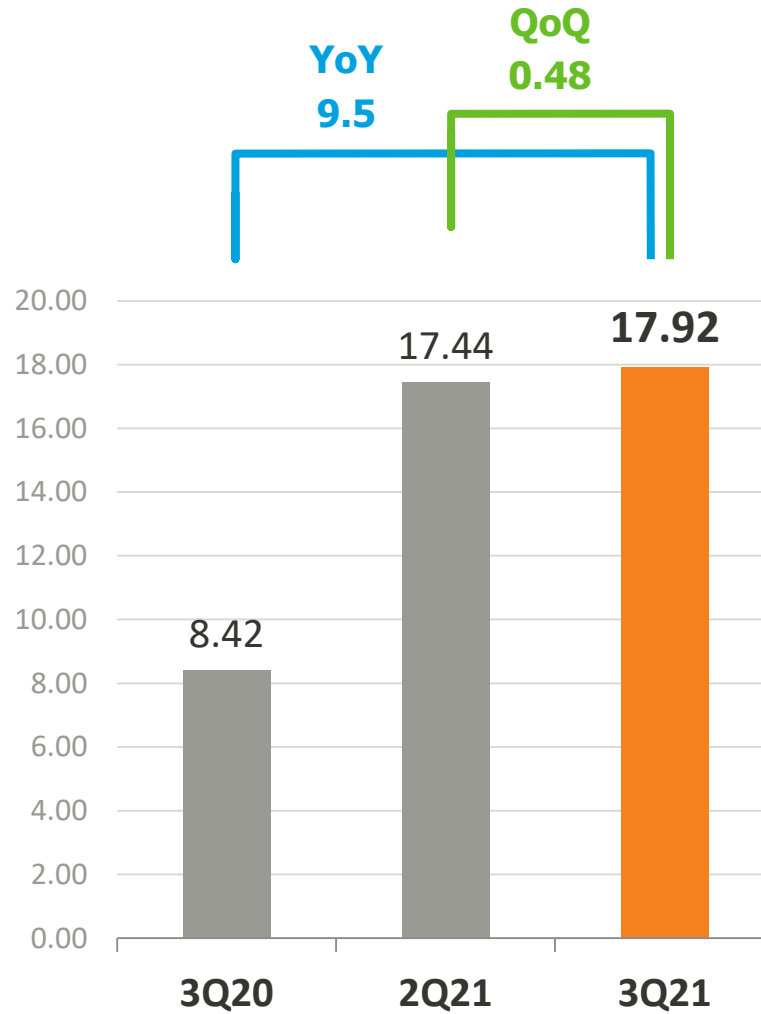


Consolidated Net Profit Margin



Consolidated Earnings Per Share

(NT\$)



Business Outlook

- ◆ For 2021-Q4, we currently expect:
 - ◆ Consolidated revenue: Around NT\$120.6 billion ~ 131.1 billion, at a forecast exchange rate of 28 NT dollars to 1 US dollar
 - ◆ Consolidated gross margin: 47.5% ± 1.5%
 - ◆ Consolidated operating expense ratio: 25% ± 2%

Taiwan-International Financial Reporting Standards (TIFRS) Financial Statements

Consolidated Income Statement (Unaudited)

(In NT\$ millions, except EPS)	3Q21	2Q21	3Q20	Q-Q	Y-Y
Net Sales	131,074	125,653	97,275	4.3%	34.7%
Operating costs	(69,858)	(67,615)	(54,246)		
Gross profit	61,216	58,038	43,028	5.5%	42.3%
Selling expenses	(5,076)	(3,890)	(3,648)		
Administration expenses	(2,489)	(2,435)	(2,205)		
R&D expenses	(24,364)	(22,879)	(22,547)		
Operating expenses	(31,929)	(29,204)	(28,400)		
Operating income	29,287	28,834	14,628	1.6%	100.2%
Net non-operating income	2,903	2,753	804		
Net income before income tax	32,190	31,587	15,432		
Income tax expense	(3,829)	(4,000)	(2,066)		
Net income	28,361	27,587	13,367	2.8%	112.2%
Owners of the parent	28,287	27,511	13,251	2.8%	113.5%
Non-controlling interests	74	76	115		
EPS attributable to the parent(NT\$)	17.92	17.44	8.42		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	3Q21	2Q21	3Q20
Gross profit	46.7%	46.2%	44.2%
Selling expenses	(3.9%)	(3.1%)	(3.7%)
Administration expenses	(1.9%)	(1.9%)	(2.3%)
R&D expenses	(18.6%)	(18.2%)	(23.2%)
Operating income	22.3%	22.9%	15.0%
Non-operating income	2.2%	2.2%	0.8%
Income tax expense	(2.9%)	(3.2%)	(2.1%)
Net income	21.6%	22.0%	13.7%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)	3Q21	2Q21	3Q20
Cash & financial assets-current	187,344	238,281	184,310
Accounts receivable	55,717	48,414	37,997
Inventories	68,793	63,149	31,010
Other current assets	10,031	10,411	16,630
Funds and investments	122,654	139,127	95,939
Intangible assets	74,661	75,071	77,105
Other non-current assets	89,275	56,422	47,675
Total assets	608,475	630,875	490,666
Short-term loans	50,449	27,428	30,626
Accounts payable	45,581	45,903	29,288
Other current liabilities	97,548	155,233	74,934
Total non-current liabilities	15,834	14,679	14,514
Total equity	399,063	387,633	341,304

Note: Sums may not equal totals due to rounding.

Cash Flow Statement (Unaudited)

(In NT\$ millions)	3Q21	2Q21	3Q20
Net cash provided by (used in) operating activities	(4,323)	28,131	31,839
Net cash provided by (used in) investing activities	(10,872)	(2,294)	(2,687)
Net cash provided by (used in) financing activities	(35,835)	1,162	(25,402)
Effect of changes in exchange rate on cash and cash equivalents	56	(1,883)	(1,332)
Net increase (decrease) in cash and cash equivalents	(50,974)	25,115	2,418
Cash and cash equivalents at the end of the period	168,238	219,212	171,356

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)

		3Q21	2Q21	3Q20	Q-Q	Y-Y
TIFRS	Operating income	29,287	28,834	14,628	1.6%	100.2%
	Operating income margin(%)	22.3%	22.9%	15.0%		
Reconciliations	Share-based compensation	453	123	418		
	Amortization of acquisition related assets	136	136	406		
Non-TIFRS	Operating income	29,876	29,094	15,452	2.7%	93.4%
	Operating income margin (%)	22.8%	23.2%	15.9%		

TIFRS	Net income	28,361	27,587	13,367	2.8%	112.2%
	Net income margin(%)	21.6%	22.0%	13.7%		
	Net income- Owners of the parent	28,287	27,511	13,251	2.8%	113.5%
	EPS(NT\$)	17.92	17.44	8.42		
Reconciliations	Share-based compensation	453	123	418		
	Amortization of acquisition related assets	136	136	406		
	Tax effect	(86)	(44)	(131)		
Non-TIFRS	Net income	28,865	27,802	14,059	3.8%	105.3%
	Net income margin (%)	22.0%	22.1%	14.5%		
	Net income- Owners of the parent	28,784	27,719	13,946	3.8%	106.4%
	EPS(NT\$)	18.23	17.57	8.86		

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*	3Q21 Revenue Breakdown	QoQ%	YoY%
Mobile Phone	56%	2%	72%
IoT, Computing and ASIC	23%	11%	22%
Smart Home	14%	4%	13%
Power IC	7%	6%	26%
Total	100%	4%	35%

* **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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