

MEDIATEK

聯發科技 2021年第四季法人說明會 **MediaTek 2021-Q4 Investor Conference**

January 27, 2022



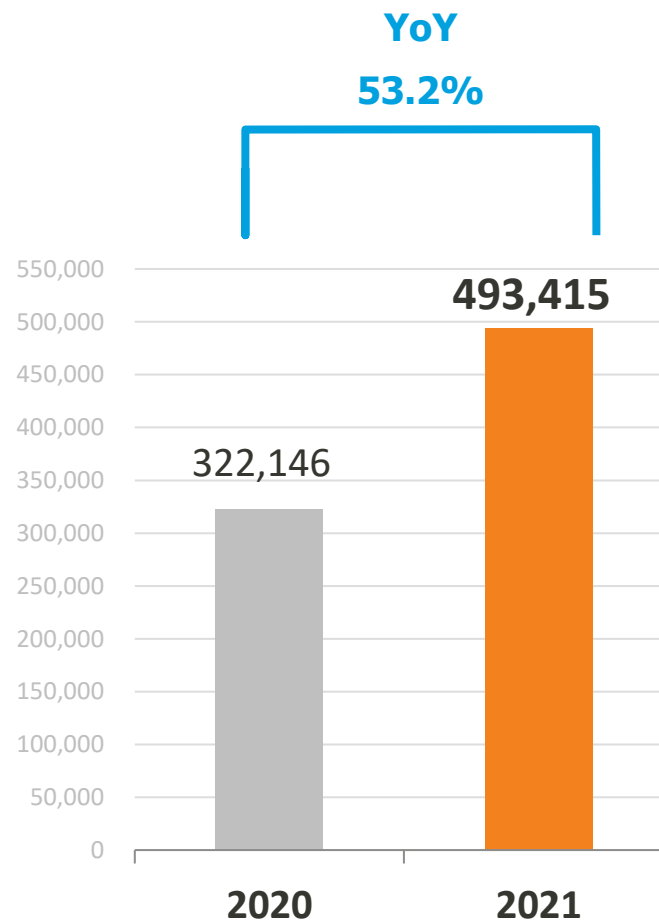
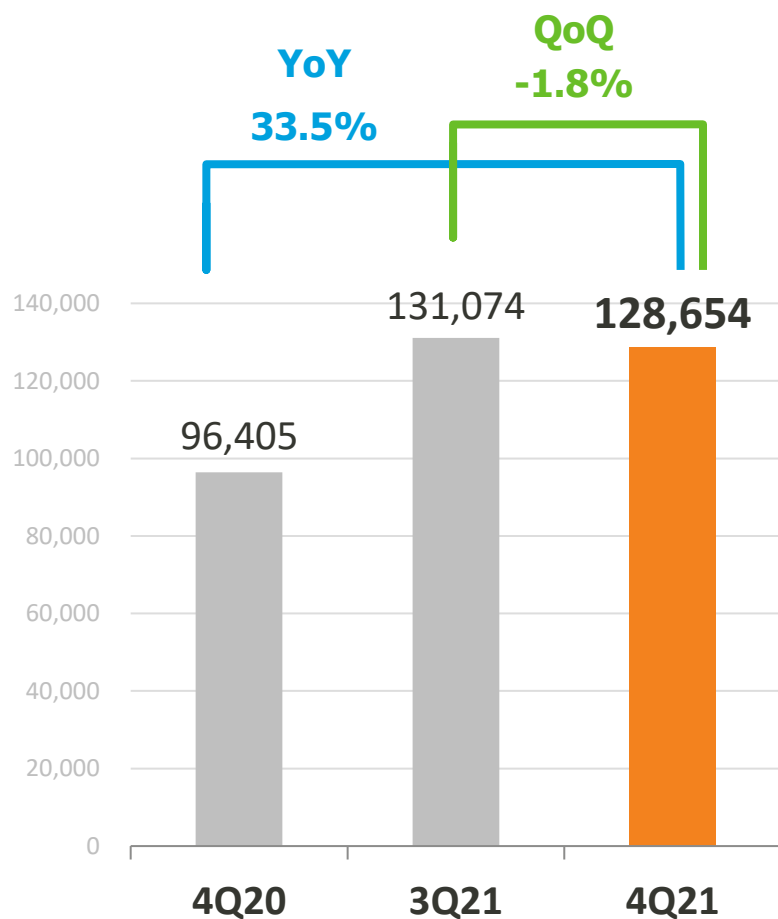
Safe Harbor Statement

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.

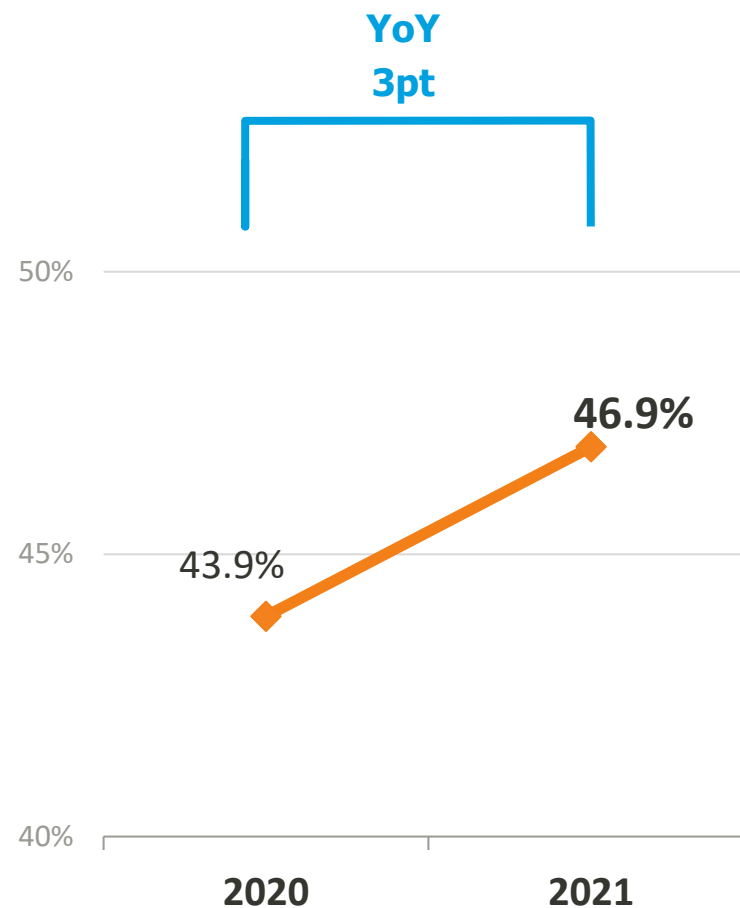
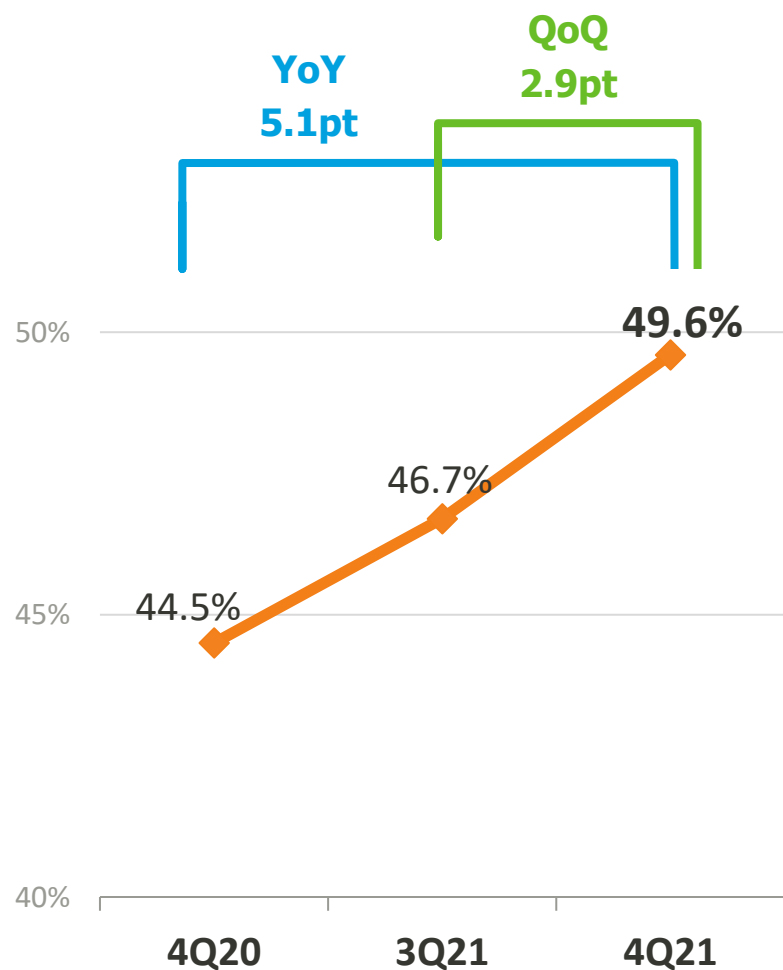
This presentation also supplements Non Taiwan International Financial Reporting Standards(Non-TIFRS) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. This supplemental information is for reference only, not as a substitute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

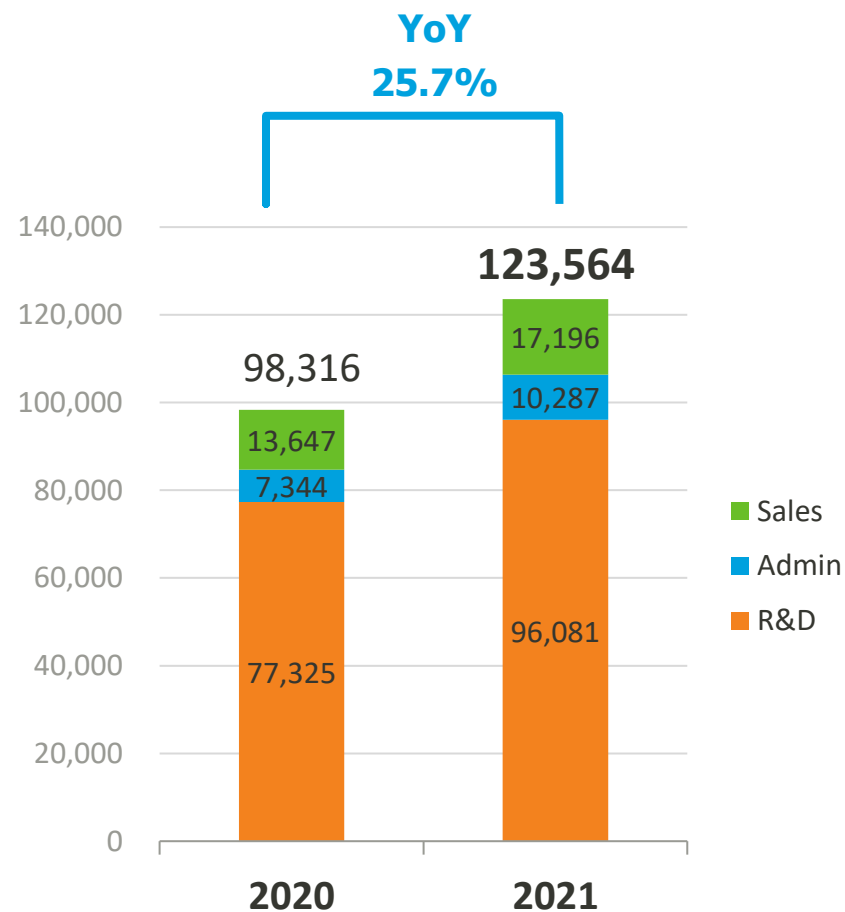
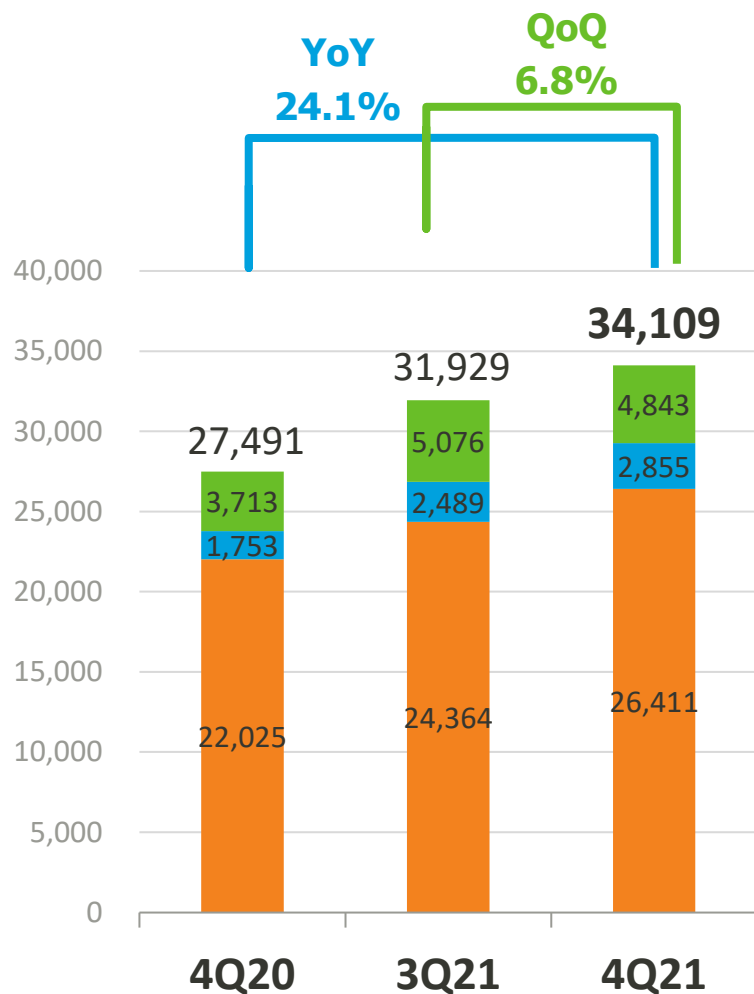


Consolidated Gross Margin



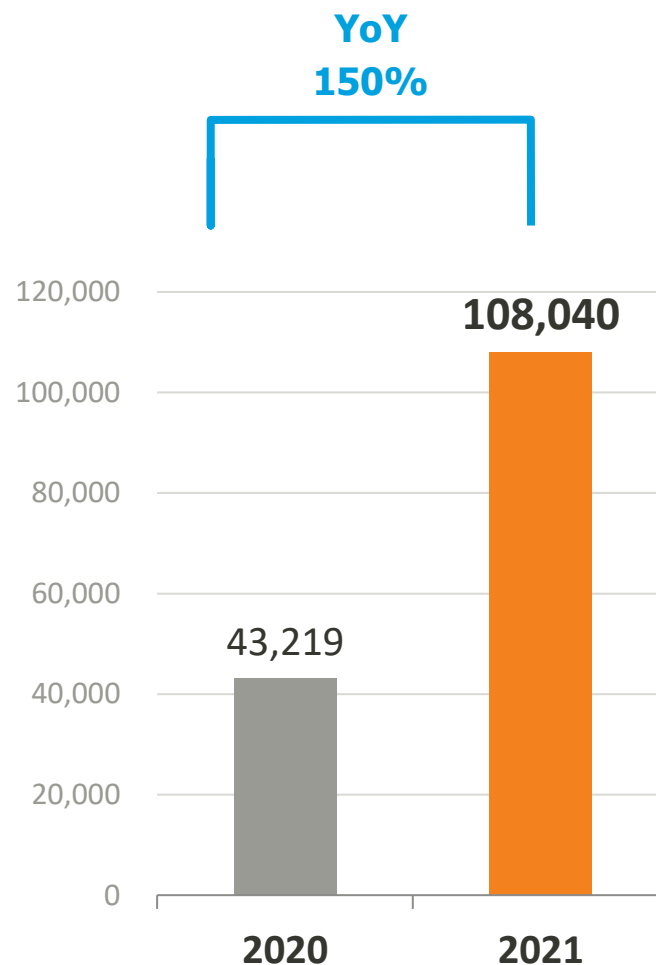
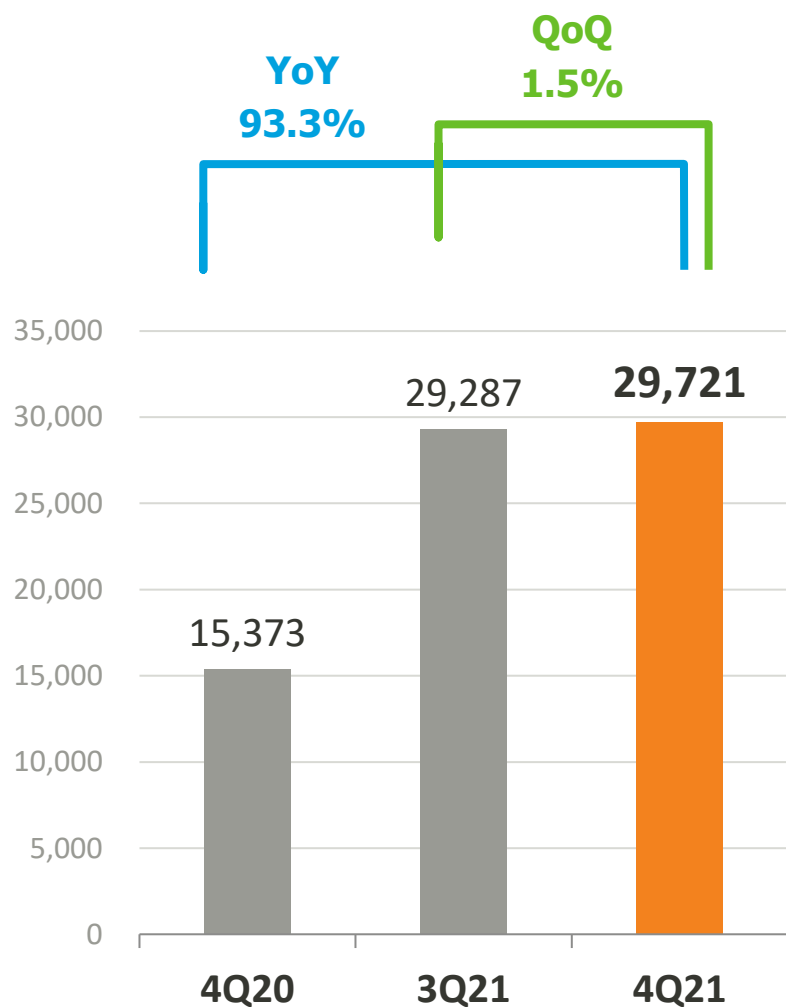
Consolidated Operating Expenses

(NT\$ million)

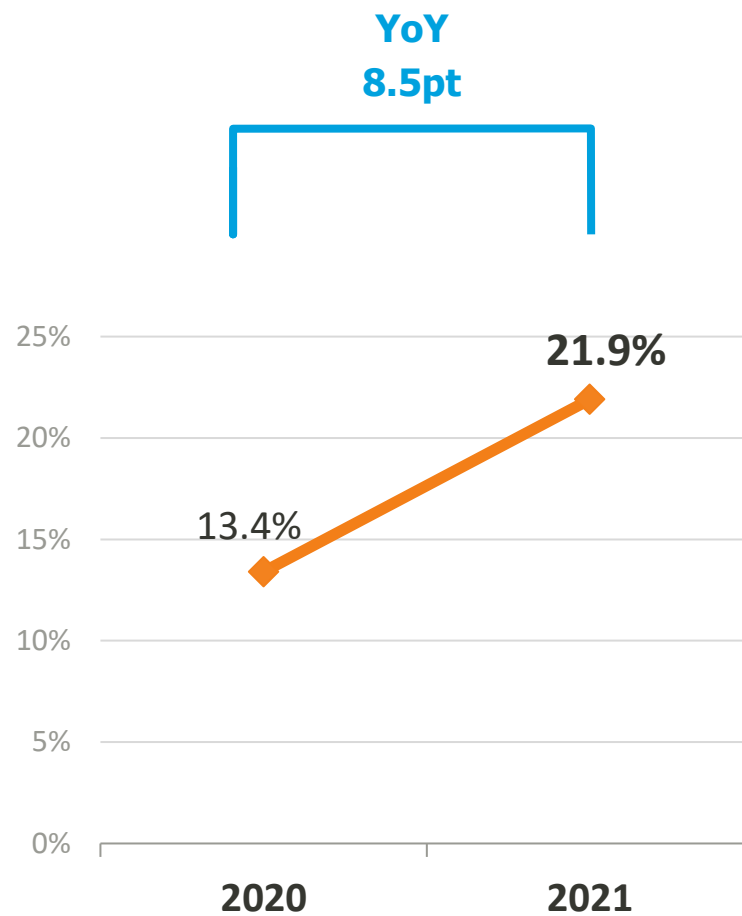
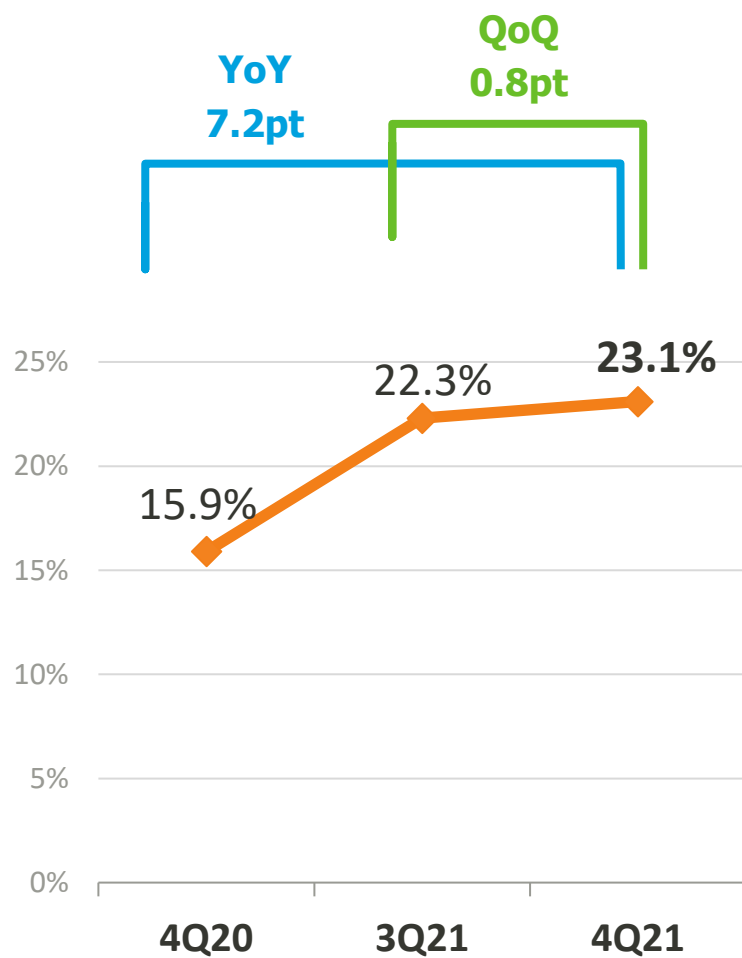


Consolidated Operating Income

(NT\$ million)

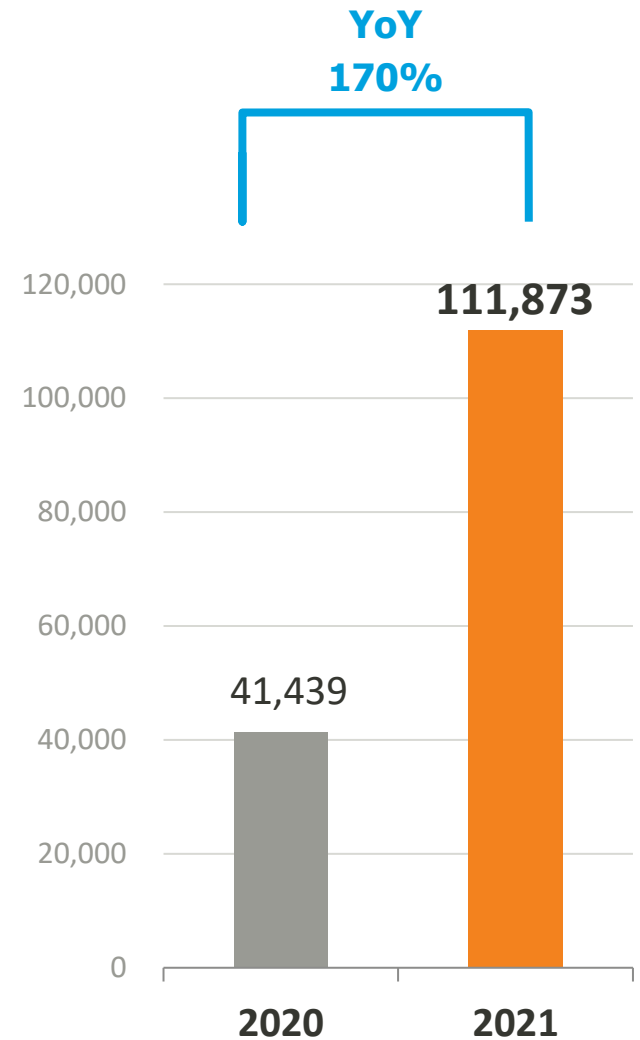
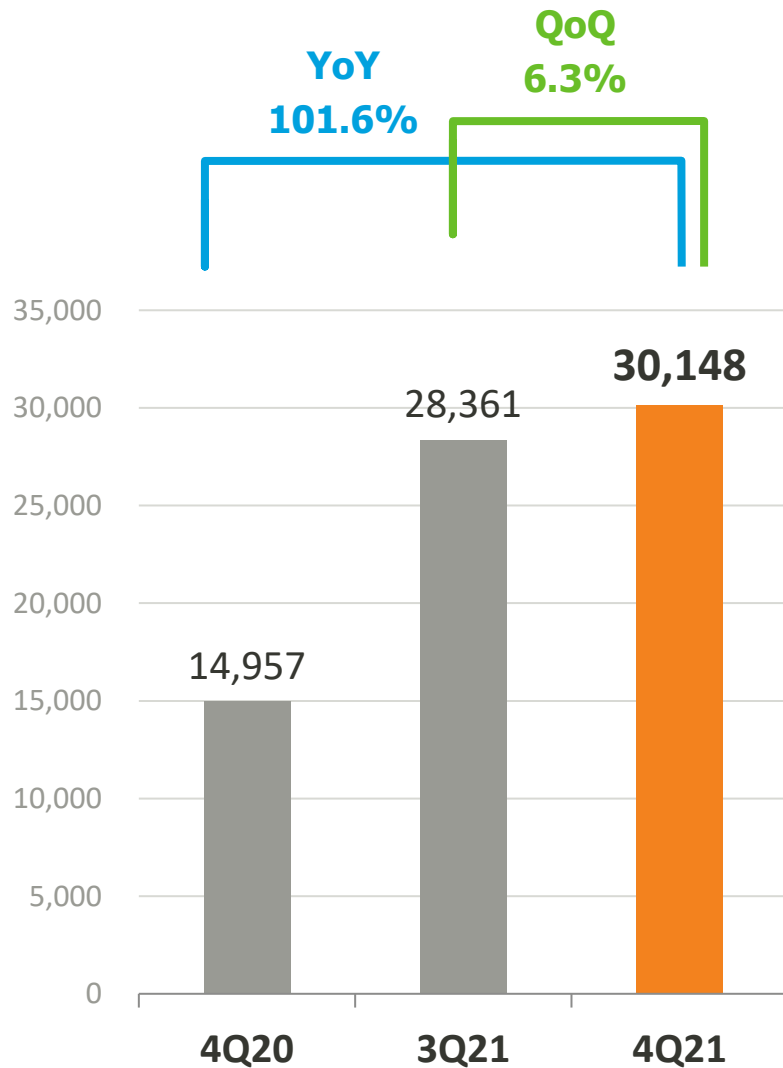


Consolidated Operating Margin

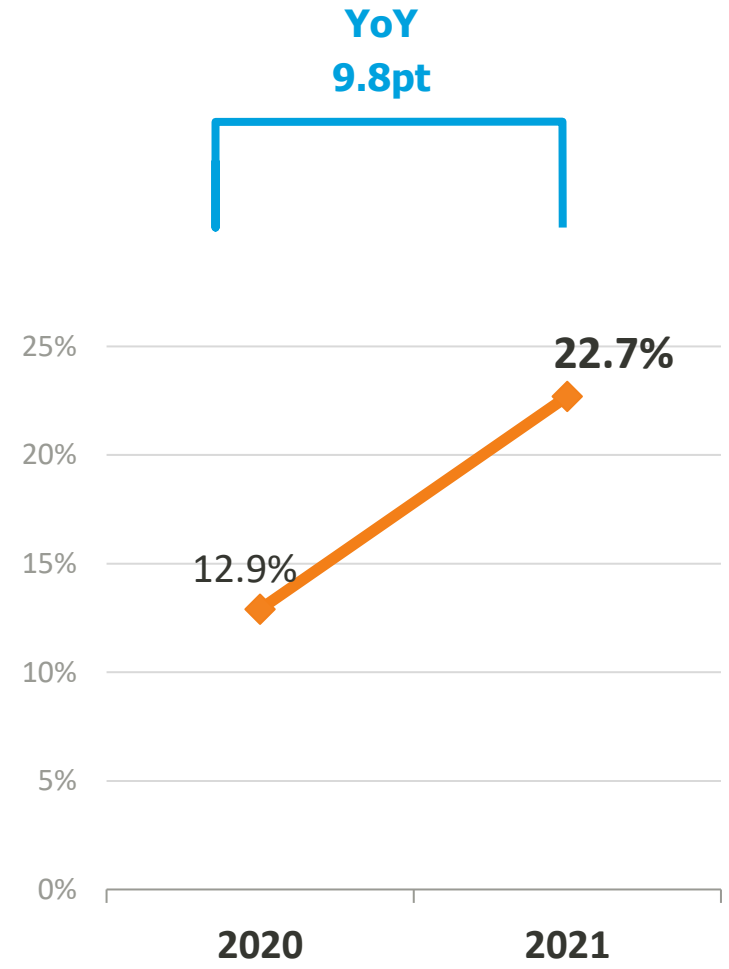
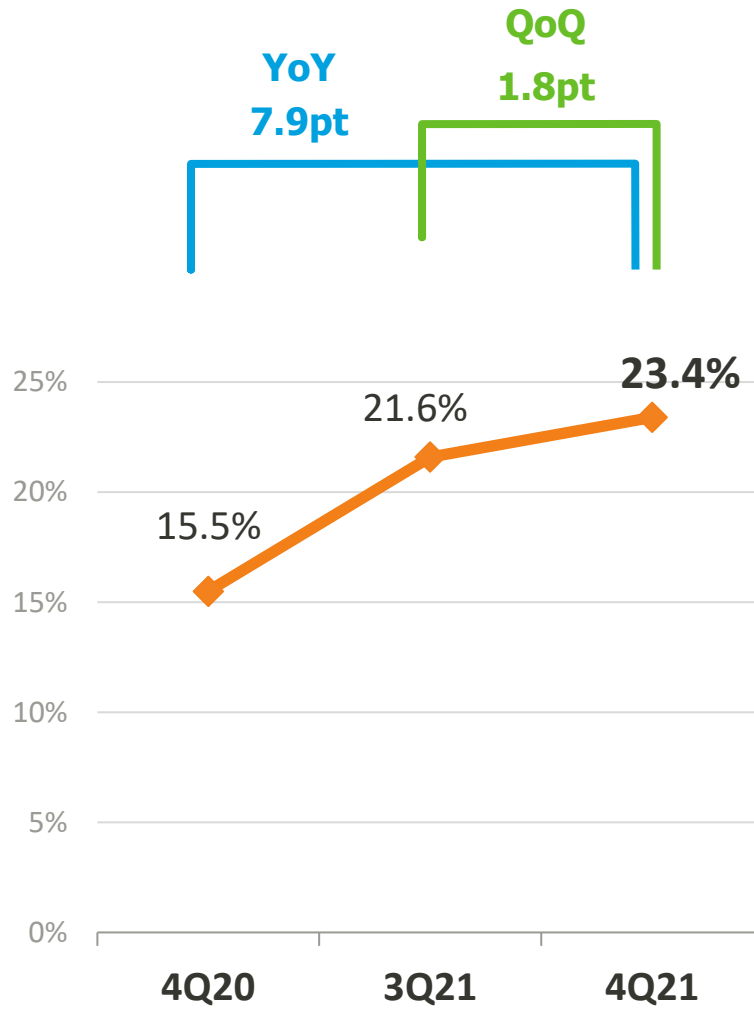


Consolidated Net Income

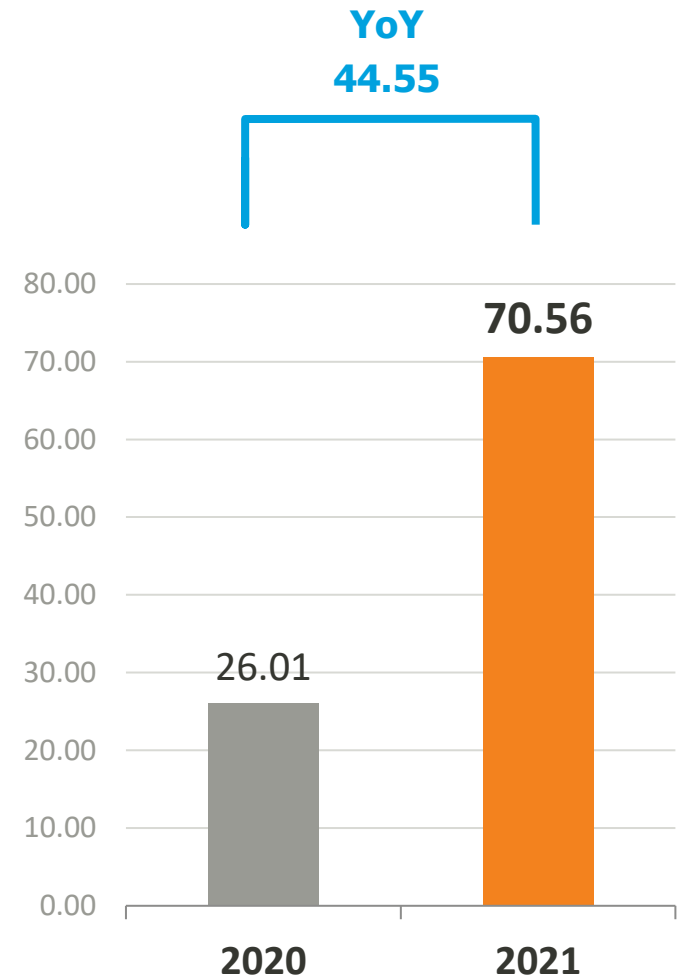
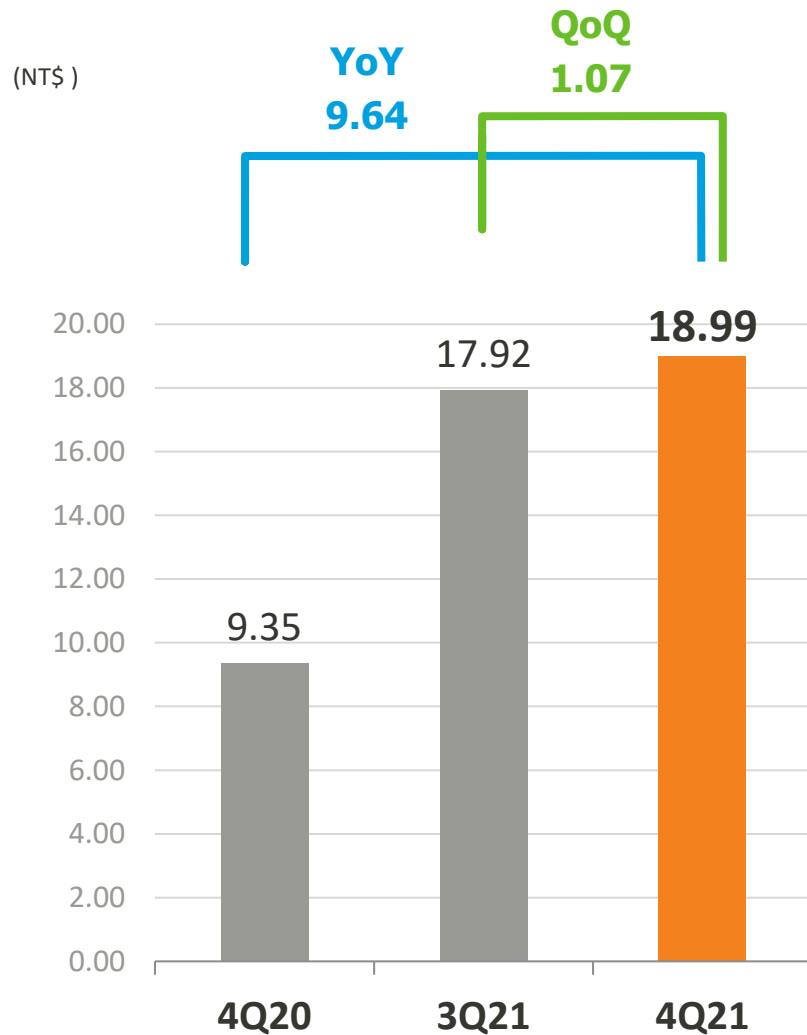
(NT\$ million)



Consolidated Net Profit Margin



Consolidated Earnings Per Share



Business Outlook

- ◆ For 2022-Q1, we currently expect:
 - ◆ Consolidated revenue: Around NT\$131.2 billion ~ 141.5 billion, at a forecast exchange rate of 27.7 NT dollars to 1 US dollar
 - ◆ Consolidated gross margin: 49% \pm 1.5%
 - ◆ Consolidated operating expense ratio: 25% \pm 2%

Taiwan-International Financial Reporting Standards (TIFRS) Financial Statements

Consolidated Income Statement (Unaudited)

(In NT\$ millions, except EPS)	4Q21	3Q21	4Q20	Q-Q	Y-Y
Net Sales	128,654	131,074	96,405	(1.8%)	33.5%
Operating costs	(64,824)	(69,858)	(53,542)		
Gross profit	63,830	61,216	42,863	4.3%	48.9%
Selling expenses	(4,843)	(5,076)	(3,713)		
Administration expenses	(2,855)	(2,489)	(1,753)		
R&D expenses	(26,411)	(24,364)	(22,025)		
Operating expenses	(34,109)	(31,929)	(27,491)		
Operating income	29,721	29,287	15,373	1.5%	93.3%
Net non-operating income	4,278	2,903	1,519		
Net income before income tax	33,999	32,190	16,891		
Income tax expense	(3,852)	(3,829)	(1,934)		
Net income	30,148	28,361	14,957	6.3%	101.6%
Owners of the parent	30,051	28,287	14,746	6.2%	103.8%
Non-controlling interests	97	74	211		
EPS attributable to the parent(NT\$)	18.99	17.92	9.35		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	4Q21	3Q21	4Q20
Gross profit	49.6%	46.7%	44.5%
Selling expenses	(3.8%)	(3.9%)	(3.9%)
Administration expenses	(2.2%)	(1.9%)	(1.8%)
R&D expenses	(20.5%)	(18.6%)	(22.8%)
Operating income	23.1%	22.3%	15.9%
Non-operating income	3.3%	2.2%	1.6%
Income tax expense	(3.0%)	(2.9%)	(2.0%)
Net income	23.4%	21.6%	15.5%

Note: Sums may not equal totals due to rounding.

Consolidated Income Statement (Unaudited)

(In NT\$ millions, except EPS)	2021	2020	Y-Y
Net Sales	493,415	322,146	53.2%
Operating costs	(261,810)	(180,610)	
Gross profit	231,605	141,536	63.6%
Selling expenses	(17,196)	(13,647)	
Administration expenses	(10,287)	(7,344)	
R&D expenses	(96,081)	(77,325)	
Operating expenses	(123,564)	(98,316)	
Operating income	108,040	43,219	150.0%
Net non-operating income	18,812	4,363	
Net income before income tax	126,852	47,583	
Income tax expense	(14,980)	(6,144)	
Net income	111,873	41,439	170.0%
Owners of the parent	111,421	40,917	172.3%
Non-controlling interests	451	522	
EPS attributable to the parent(NT\$)	70.56	26.01	

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	2021	2020
Gross profit	46.9%	43.9%
Selling expenses	(3.5%)	(4.2%)
Administration expenses	(2.1%)	(2.3%)
R&D expenses	(19.5%)	(24.0%)
Operating income	21.9%	13.4%
Non-operating income	3.8%	1.4%
Income tax expense	(3.0%)	(1.9%)
Net income	22.7%	12.9%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)	4Q21	3Q21	4Q20
Cash & financial assets-current	204,764	187,344	210,113
Accounts receivable	58,660	55,717	33,133
Inventories	73,271	68,793	37,677
Other current assets	10,171	10,031	10,939
Funds and investments	128,123	122,654	116,767
Intangible assets	73,526	74,661	76,272
Other non-current assets	112,363	89,274	49,006
Total assets	660,877	608,475	533,906
Short-term loans	51,267	50,449	21,471
Accounts payable	43,504	45,581	34,470
Other current liabilities	116,335	97,548	87,857
Total non-current liabilities	16,123	15,834	15,023
Total equity	433,648	399,063	375,084

Note: Sums may not equal totals due to rounding.

Cash Flow Statement (Unaudited)

(In NT\$ millions)	4Q21	3Q21	4Q20
Net cash provided by (used in) operating activities	24,737	(4,323)	38,611
Net cash provided by (used in) investing activities	(9,100)	(10,872)	(2,782)
Net cash provided by (used in) financing activities	1,144	(35,835)	(9,540)
Effect of changes in exchange rate on cash and cash equivalents	(1,314)	56	(1,065)
Net increase (decrease) in cash and cash equivalents	15,467	(50,974)	25,224
Cash and cash equivalents at the end of the period	183,705	168,238	196,580

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)

		4Q21	3Q21	4Q20	Q-Q	Y-Y
TIFRS	Operating income	29,721	29,287	15,373	1.5%	93.3%
	Operating income margin(%)	23.1%	22.3%	15.9%		
Reconciliations	Share-based compensation	1,066	453	384		
	Amortization of acquisition related assets	136	136	340		
Non-TIFRS	Operating income	30,923	29,876	16,097	3.5%	92.1%
	Operating income margin (%)	24.0%	22.8%	16.7%		

TIFRS	Net income	30,148	28,361	14,957	6.3%	101.6%
	Net income margin(%)	23.4%	21.6%	15.5%		
	Net income- Owners of the parent	30,051	28,287	14,746	6.2%	103.8%
	EPS(NT\$)	18.99	17.92	9.35		
Reconciliations	Share-based compensation	1,066	453	384		
	Amortization of acquisition related assets	136	136	340		
	Tax effect	(170)	(86)	(127)		
Non-TIFRS	Net income	31,179	28,865	15,554	8.0%	100.5%
	Net income margin (%)	24.2%	22.0%	16.1%		
	Net income- Owners of the parent	31,072	28,784	15,343	7.9%	102.5%
	EPS(NT\$)	19.63	18.23	9.73		

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.

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

(In NT\$ millions)		2021	2020	Y-Y
TIFRS	Operating income	108,040	43,219	150.0%
	Operating income margin(%)	21.9%	13.4%	
Reconciliations	Share-based compensation	1,757	1,283	
	Amortization of acquisition related assets	606	1,549	
Non-TIFRS	Operating income	110,403	46,051	139.7%
	Operating income margin (%)	22.4%	14.3%	

TIFRS	Net income	111,873	41,439	170.0%
	Net income margin(%)	22.7%	12.9%	
	Net income- Owners of the parent	111,421	40,917	172.3%
Reconciliations	EPS(NT\$)	70.56	26.01	
	Share-based compensation	1,757	1,283	
	Amortization of acquisition related assets	606	1,549	
Non-TIFRS	Tax effect	(353)	(470)	
	Net income	113,882	43,800	160.0%
	Net income margin (%)	23.1%	13.6%	
	Net income- Owners of the parent	113,400	43,292	161.9%
	EPS(NT\$)	71.81	27.52	

Note1: Sums may not equal totals due to rounding.

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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*	4Q21 Revenue Breakdown	QoQ%	YoY%
Mobile Phone	52%	-9%	51%
IoT, Computing and ASIC	26%	10%	31%
Smart Home	15%	2%	16%
Power IC	7%	3%	30%
Total	100%	-1.8%	33.5%

* **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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