

MEDIATEK

聯發科技 2022年第二季法人說明會 MediaTek 2022-Q2 Investor Conference

July 29, 2022



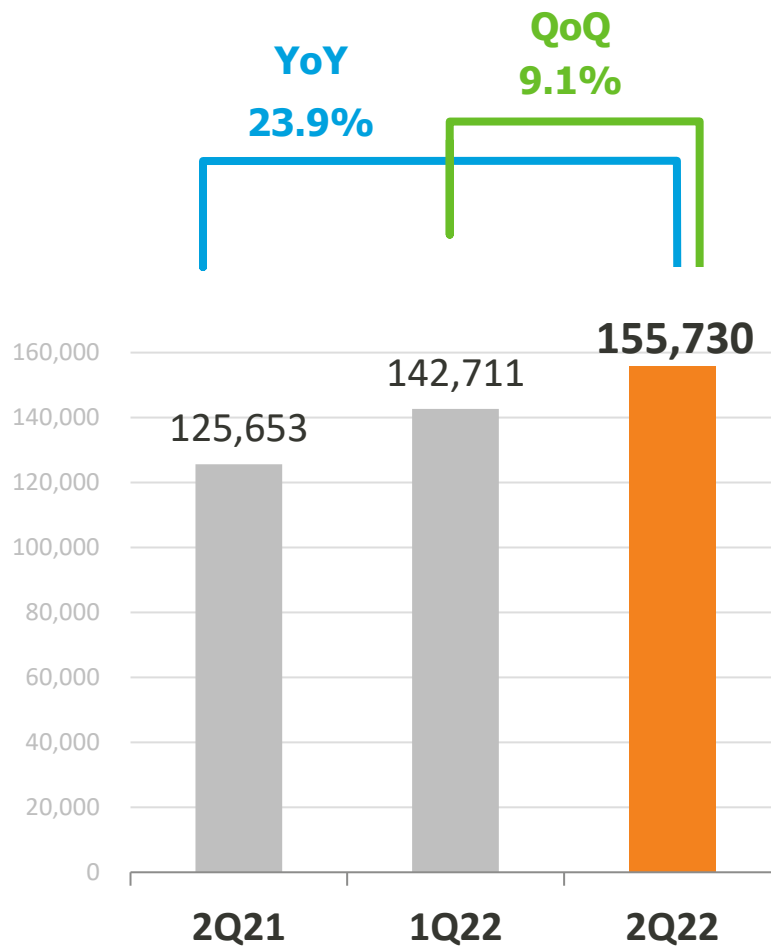
Safe Harbor Statement

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.

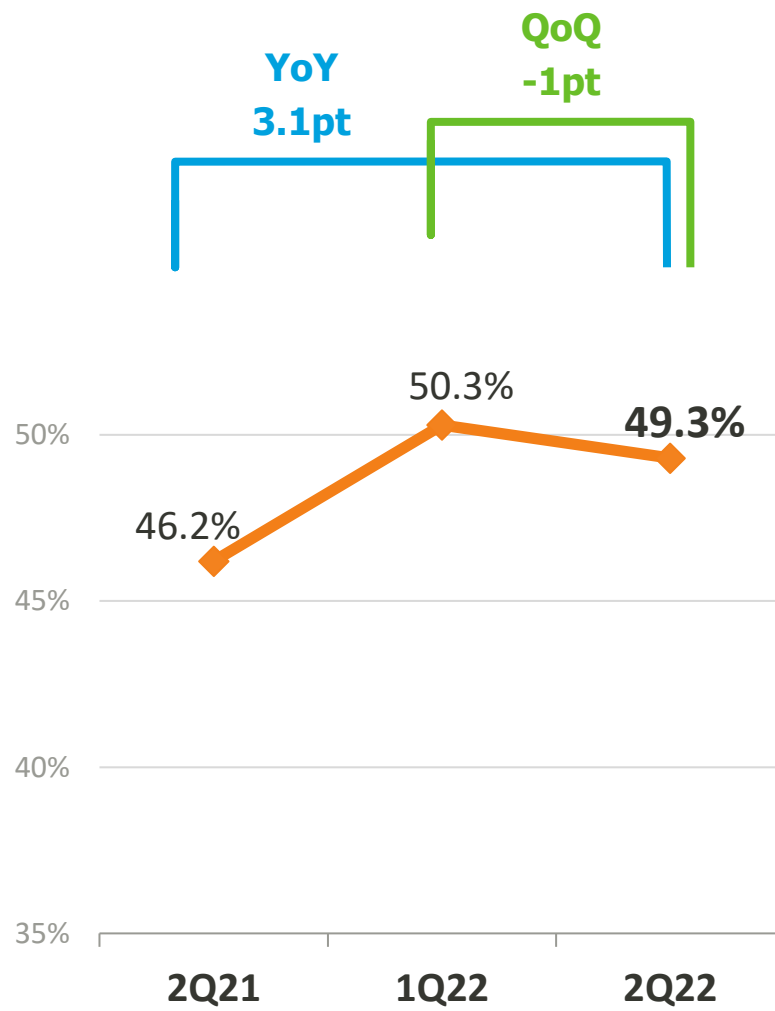
This presentation also supplements Non Taiwan International Financial Reporting Standards(Non-TIFRS) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. This supplemental information is for reference only, not as a substitute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

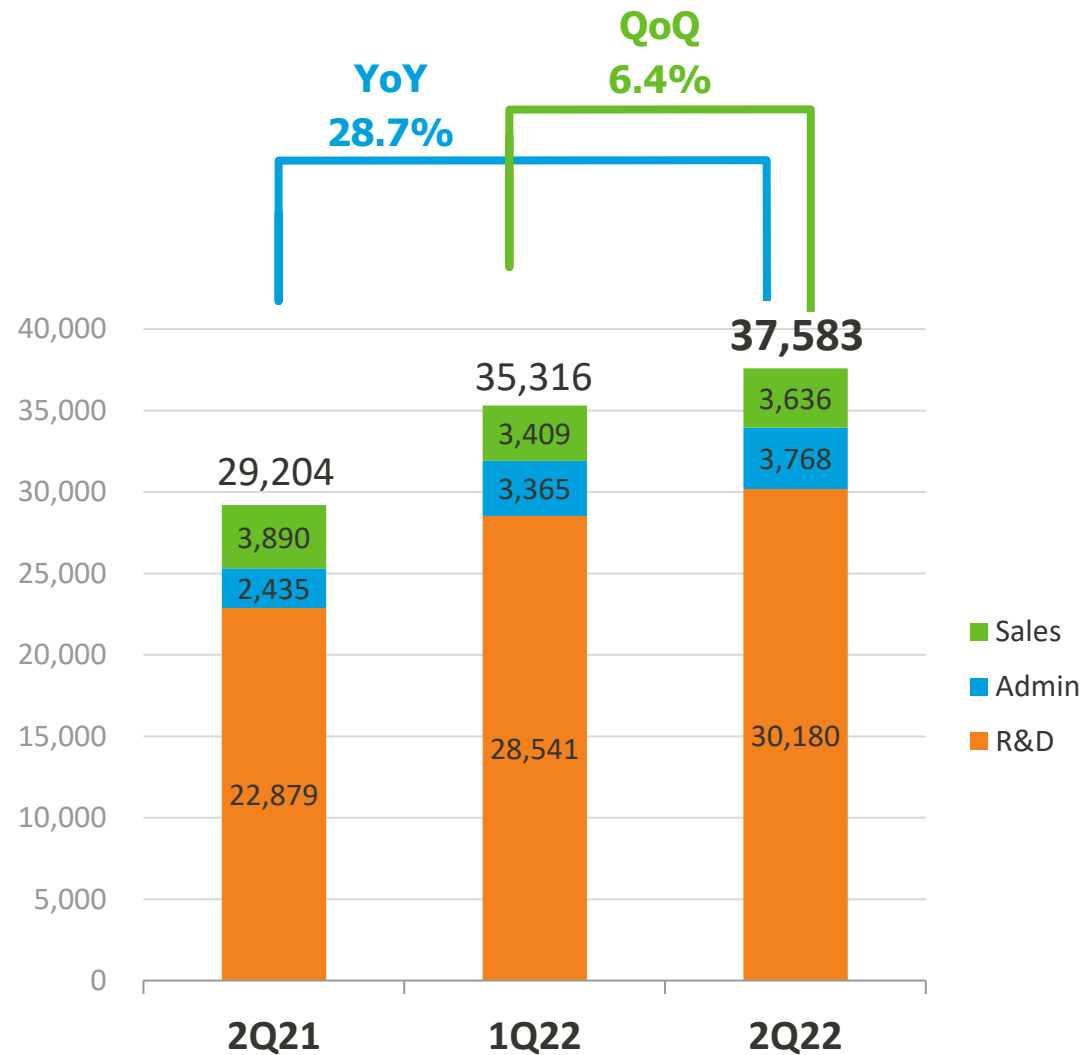


Consolidated Gross Margin



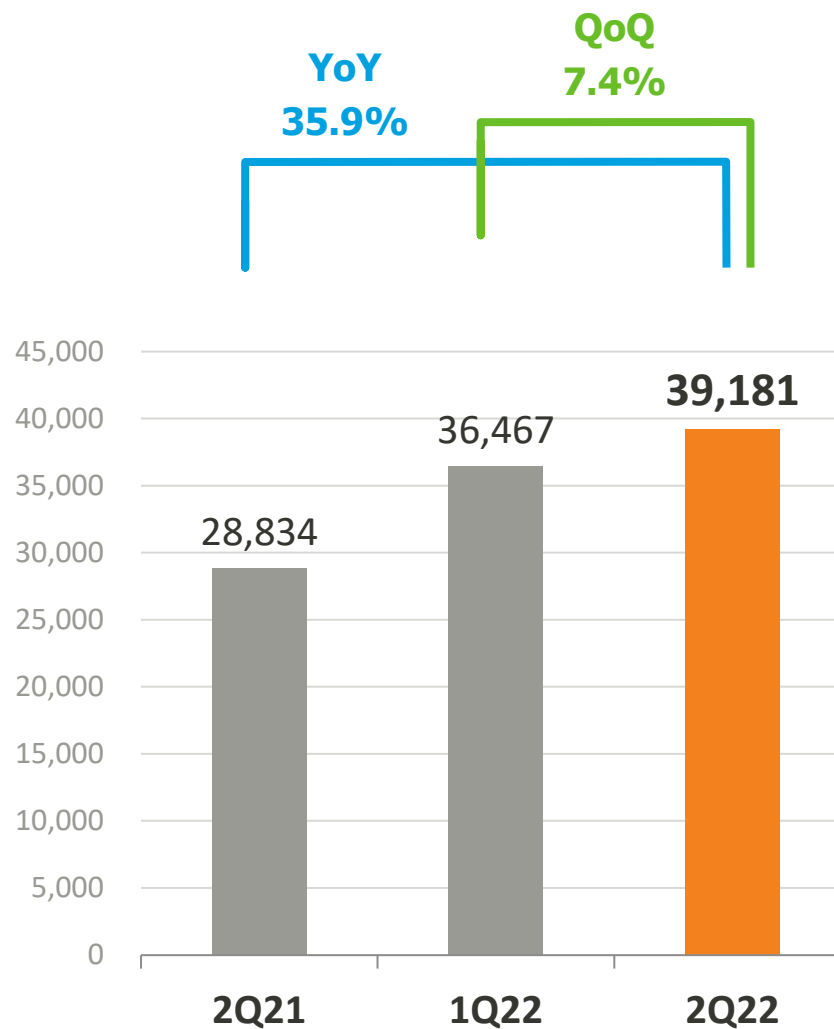
Consolidated Operating Expenses

(NT\$ million)

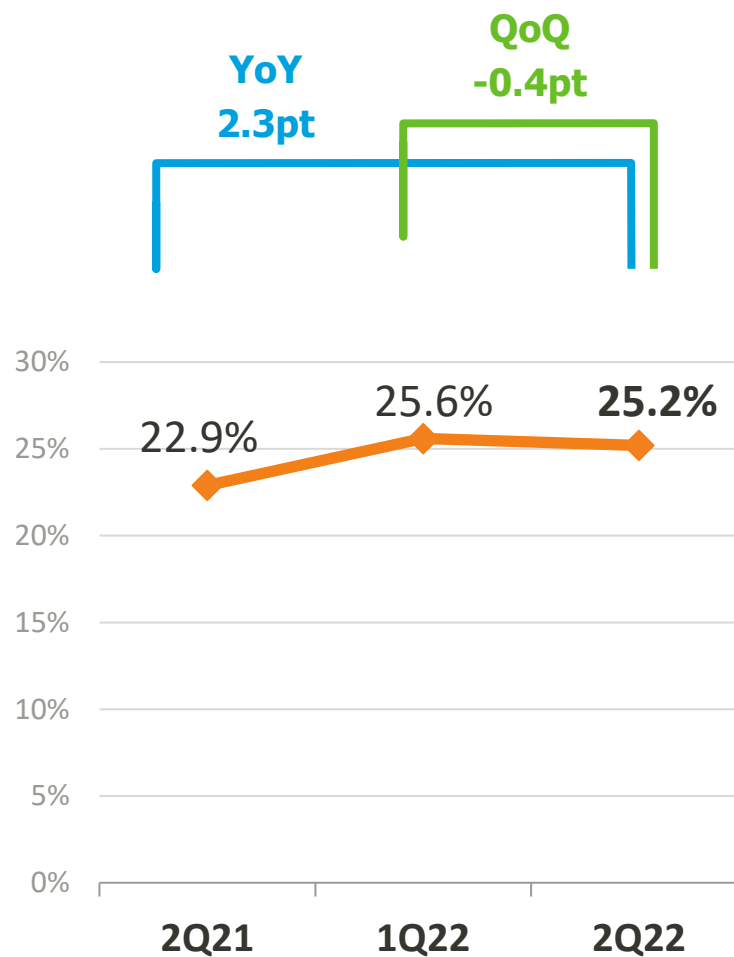


Consolidated Operating Income

(NT\$ million)

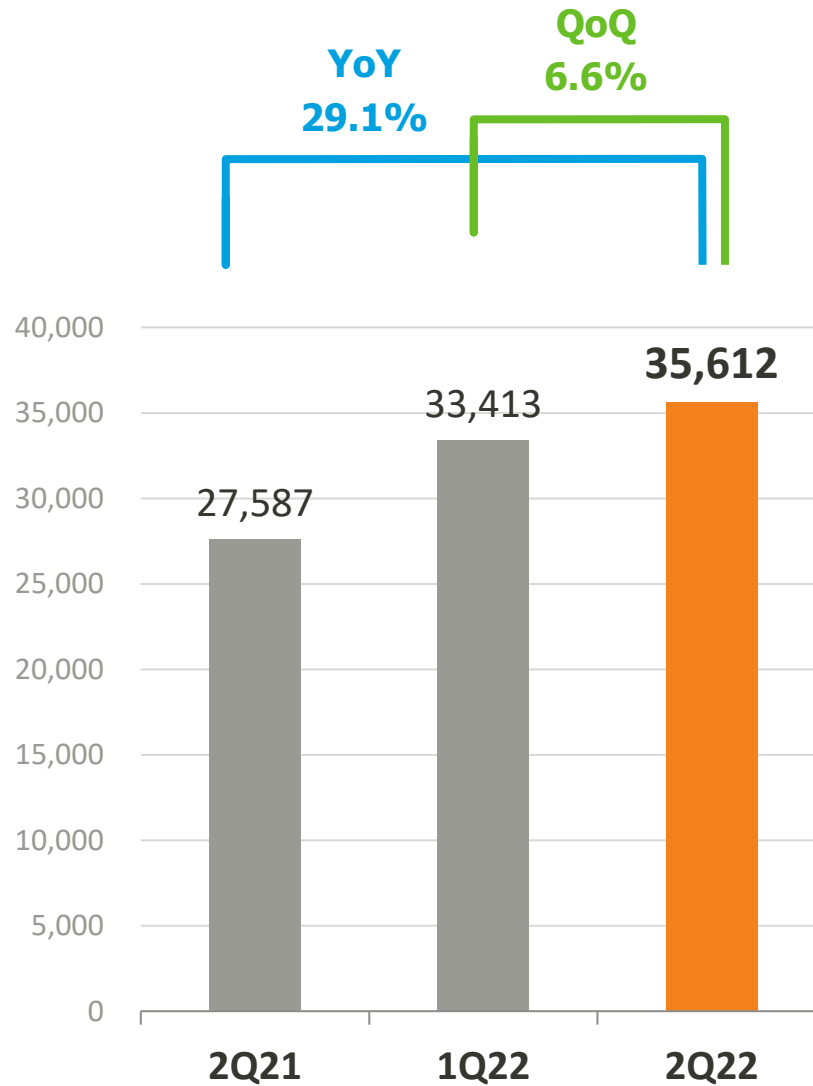


Consolidated Operating Margin

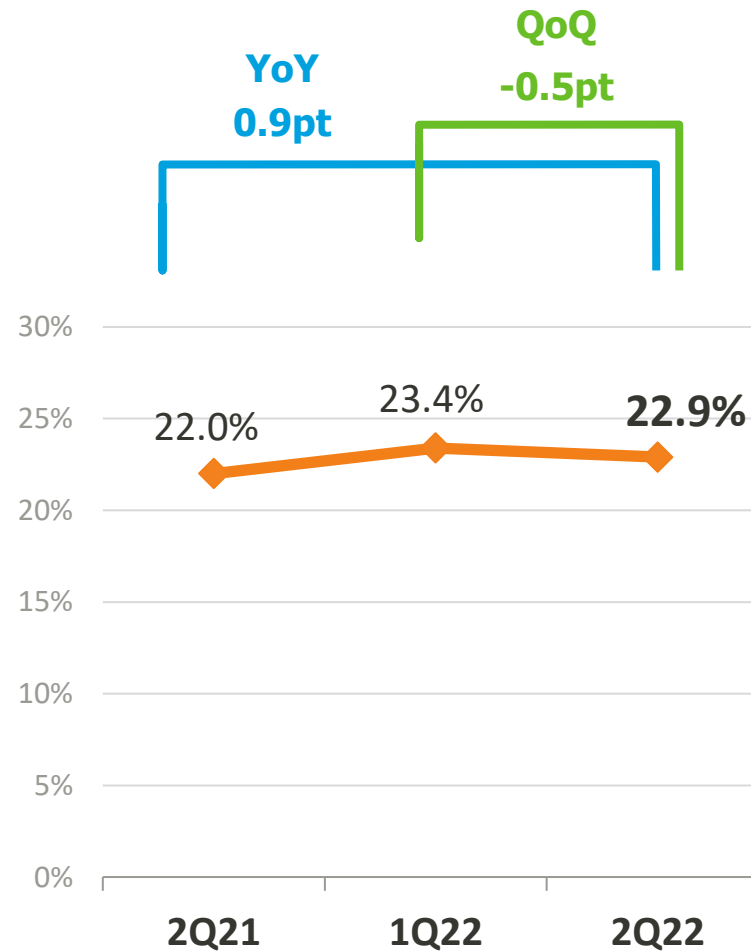


Consolidated Net Income

(NT\$ million)

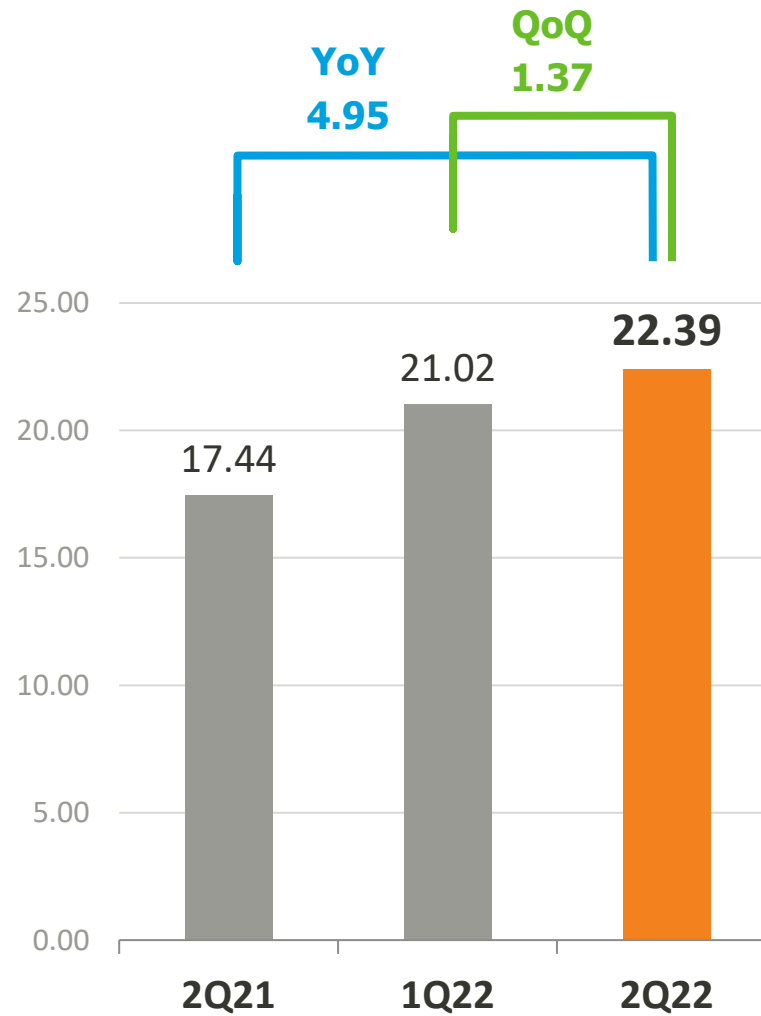


Consolidated Net Profit Margin



Consolidated Earnings Per Share

(NT\$)



Business Outlook

- ◆ For 2022-Q3, we currently expect:
 - ◆ Consolidated revenue: Around NT\$141.7 billion ~ 154.2 billion, at a forecast exchange rate of 29.5 NT dollars to 1 US dollar
 - ◆ Consolidated gross margin: 49% \pm 1.5%
 - ◆ Consolidated operating expense ratio: 26% \pm 2%

Taiwan-International Financial Reporting Standards (TIFRS) Financial Statements

Consolidated Income Statement (Unaudited)

(In NT\$ millions, except EPS)

	2Q22	1Q22	2Q21	Q-Q	Y-Y
Net Sales	155,730	142,711	125,653	9.1%	23.9%
Operating costs	(78,966)	(70,927)	(67,615)		
Gross profit	76,764	71,783	58,038	6.9%	32.3%
Selling expenses	(3,636)	(3,409)	(3,890)		
Administration expenses	(3,768)	(3,365)	(2,435)		
R&D expenses	(30,180)	(28,541)	(22,879)		
Operating expenses	(37,583)	(35,316)	(29,204)		
Operating income	39,181	36,467	28,834	7.4%	35.9%
Net non-operating income	1,756	1,503	2,753		
Net income before income tax	40,937	37,970	31,587		
Income tax expense	(5,325)	(4,557)	(4,000)		
Net income	35,612	33,413	27,587	6.6%	29.1%
Owners of the parent	35,437	33,261	27,511	6.5%	28.8%
Non-controlling interests	175	152	76		
EPS attributable to the parent(NT\$)	22.39	21.02	17.44		
Average Exchange Rate - USD/NTD	29.44	28.00	27.99		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	2Q22	1Q22	2Q21
Gross profit	49.3%	50.3%	46.2%
Selling expenses	(2.3%)	(2.4%)	(3.1%)
Administration expenses	(2.4%)	(2.4%)	(1.9%)
R&D expenses	(19.4%)	(20.0%)	(18.2%)
Operating income	25.2%	25.6%	22.9%
Non-operating income	1.1%	1.1%	2.2%
Income tax expense	(3.4%)	(3.2%)	(3.2%)
Net income	22.9%	23.4%	22.0%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)	2Q22	1Q22	2Q21
Cash & financial assets-current	256,547	249,894	238,281
Accounts receivable	61,899	64,678	48,414
Inventories	91,410	89,377	63,149
Other current assets	14,579	13,926	10,411
Funds and investments	124,679	113,739	139,127
Intangible assets	73,662	73,953	75,071
Other non-current assets	107,966	103,116	56,422
Total assets	730,742	708,684	630,875
Short-term loans	41,291	70,125	27,428
Accounts payable	45,328	50,759	45,903
Other current liabilities	234,301	114,575	155,233
Total non-current liabilities	17,026	17,310	14,679
Total equity	392,797	455,914	387,633

Note: Sums may not equal totals due to rounding.

Cash Flow Statement (Unaudited)

(In NT\$ millions)	2Q22	1Q22	2Q21
Net cash provided by (used in) operating activities	35,554	30,735	28,131
Net cash provided by (used in) investing activities	(12,678)	(6,897)	(2,294)
Net cash provided by (used in) financing activities	(19,712)	19,211	1,162
Effect of changes in exchange rate on cash and cash equivalents	4,621	3,679	(1,883)
Net increase (decrease) in cash and cash equivalents	7,785	46,728	25,115
Cash and cash equivalents at the end of the period	238,218	230,433	219,212

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)

		2Q22	1Q22	2Q21	Q-Q	Y-Y
TIFRS	Operating income	39,181	36,467	28,834	7.4%	35.9%
	Operating income margin(%)	25.2%	25.6%	22.9%		
Reconciliations	Share-based compensation	1,248	1,240	123		
	Amortization of acquisition related assets	90	77	136		
Non-TIFRS	Operating income	40,519	37,784	29,094	7.2%	39.3%
	Operating income margin (%)	26.0%	26.5%	23.2%		

TIFRS	Net income	35,612	33,413	27,587	6.6%	29.1%
	Net income margin(%)	22.9%	23.4%	22.0%		
	Net income- Owners of the parent EPS(NT\$)	35,437 22.39	33,261 21.02	27,511 17.44	6.5%	28.8%
Reconciliations	Share-based compensation	1,248	1,240	123		
	Amortization of acquisition related assets	90	77	136		
	Tax effect	(185)	(181)	(44)		
Non-TIFRS	Net income	36,765	34,549	27,802	6.4%	32.2%
	Net income margin (%)	23.6%	24.2%	22.1%		
	Net income- Owners of the parent	36,569	34,367	27,719	6.4%	31.9%
	EPS(NT\$)	23.10	21.71	17.57		

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*	2Q22 Revenue Breakdown (Note 1)	QoQ%	YoY%
Mobile Phone	54%	12%	17%
Smart Edge Platforms	38%	7%	33%
Power IC	7%	0%	33%
Total	100%	9%	24%

Note 1: Sums may not equal 100% due to rounding.

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

Smart Edge Platforms: Wireless/wired connectivity and SoC for router, broadband, PON, laptop, wireless headset, smart speaker and automotive; ARM-based computing and IoT; TV; customized service for consumer/enterprise platforms

Power IC: Power IC

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