

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the First quarter of year 2023

Unit: Millions of New Taiwan dollars

	Yearly Comparison			Sequential Comparison		
	1Q 2023	1Q 2022	YOY%	1Q 2023	4Q 2022	QOQ%
Net Sales	95,652	142,711	-33.0%	95,652	108,194	-11.6%
Operating costs	(49,739)	(70,927)	-29.9%	(49,739)	(55,933)	-11.1%
Gross profit	45,912	71,783	-36.0%	45,912	52,261	-12.1%
Operating expenses						
Selling expenses	(2,699)	(3,409)	-20.8%	(2,699)	(3,666)	-26.4%
Administrative expenses	(2,361)	(3,365)	-29.8%	(2,361)	(2,462)	-4.1%
Research and development expenses	(26,483)	(28,541)	-7.2%	(26,483)	(28,047)	-5.6%
Total operating expenses	(31,543)	(35,316)	-10.7%	(31,543)	(34,175)	-7.7%
Operating income	14,369	36,467	-60.6%	14,369	18,086	-20.6%
Non-operating income and expenses	4,735	1,503	215.1%	4,735	2,971	59.4%
Net income before income tax	19,104	37,970	-49.7%	19,104	21,057	-9.3%
Income tax expense	(2,213)	(4,557)	-51.4%	(2,213)	(2,543)	-13.0%
Net income	16,890	33,413	-49.4%	16,890	18,514	-8.8%
Net other comprehensive income	451	(12,171)	-103.7%	451	(4,241)	-110.6%
Total comprehensive income	17,341	21,242	-18.4%	17,341	14,273	21.5%
Net income attributable to :						
Owners of the parent	16,874	33,261		16,874	18,488	
Non-controlling interests	17	152		17	26	
	16,890	33,413		16,890	18,514	
Basic Earnings Per Share (NTD)	10.64	21.02		10.64	11.66	

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three months ended March 31, 2023 and 2022

Unit: Millions of New Taiwan dollars

	2023	% to sales	2022	% to sales	YOY%
Net Sales	95,652	100.0%	142,711	100.0%	-33.0%
Operating costs	(49,739)	-52.0%	(70,927)	-49.7%	-29.9%
Gross profit	45,912	48.0%	71,783	50.3%	-36.0%
Operating expenses					
Selling expenses	(2,699)	-2.8%	(3,409)	-2.4%	-20.8%
Administrative expenses	(2,361)	-2.5%	(3,365)	-2.4%	-29.8%
Research and development expenses	(26,483)	-27.7%	(28,541)	-20.0%	-7.2%
Total operating expenses	(31,543)	-33.0%	(35,316)	-24.7%	-10.7%
Operating income	14,369	15.0%	36,467	25.6%	-60.6%
Non-operating income and expenses	4,735	5.0%	1,503	1.1%	215.1%
Net income before income tax	19,104	20.0%	37,970	26.6%	-49.7%
Income tax expense	(2,213)	-2.3%	(4,557)	-3.2%	-51.4%
Net income	16,890	17.7%	33,413	23.4%	-49.4%
Net other comprehensive income	451	0.5%	(12,171)	-8.5%	-103.7%
Total comprehensive income	17,341	18.1%	21,242	14.9%	-18.4%
Net income attributable to :					
Owners of the parent	16,874		33,261		
Non-controlling interests	17		152		
	16,890		33,413		
Basic Earnings Per Share (NTD)	10.64		21.02		

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
As of March 31, 2023 and 2022

Unit: Millions of New Taiwan dollars

	2023	%	2022	%	YOY%
Current assets					
Cash and cash equivalents	139,696	22.8%	230,433	32.5%	-39.4%
Financial assets at fair value through profit or loss	5,402	0.9%	10,567	1.5%	-48.9%
Financial assets at fair value through other comprehensive income	4,316	0.7%	4,590	0.6%	-6.0%
Financial assets measured at amortized cost	5,296	0.9%	4,303	0.6%	23.1%
Trade receivables, net	46,311	7.6%	64,678	9.1%	-28.4%
Inventories, net	69,265	11.3%	89,377	12.6%	-22.5%
Other current assets	21,173	3.5%	13,926	2.0%	52.0%
Total current assets	291,459	47.6%	417,875	59.0%	-30.3%
Non-current assets					
Funds and investments	131,226	21.4%	113,739	16.0%	15.4%
Property, plant and equipment	53,693	8.8%	51,544	7.3%	4.2%
Intangible assets	78,375	12.8%	73,953	10.4%	6.0%
Other assets	57,633	9.4%	51,572	7.3%	11.8%
Total non-current assets	320,927	52.4%	290,809	41.0%	10.4%
Total assets	612,385	100.0%	708,684	100.0%	-13.6%
Current liabilities					
Short-term borrowings	4,600	0.8%	70,125	9.9%	-93.4%
Trade payables	21,169	3.5%	50,759	7.2%	-58.3%
Other current liabilities	221,138	36.1%	114,575	16.2%	93.0%
Total current liabilities	246,907	40.3%	235,459	33.2%	4.9%
Non-current liabilities					
Total non-current liabilities	26,506	4.3%	17,310	2.4%	53.1%
Total liabilities	273,413	44.6%	252,769	35.7%	8.2%
Equity attributable to owners of the parent					
Share capital	15,997	2.6%	15,991	2.3%	0.0%
Capital surplus	24,972	4.1%	60,272	8.5%	-58.6%
Legal reserve	62,058	10.1%	50,217	7.1%	23.6%
Undistributed earnings	204,597	33.4%	286,661	40.4%	-28.6%
Other equity	28,909	4.7%	41,402	5.8%	-30.2%
Treasury shares	(56)	0.0%	(56)	0.0%	0.0%
Equity attributable to owners of the parent	336,478	54.9%	454,487	64.1%	-26.0%
Non-controlling interests	2,494	0.4%	1,427	0.2%	74.8%
Total equity	338,972	55.4%	455,914	64.3%	-25.7%
Total liabilities and equity	612,385	100.0%	708,684	100.0%	-13.6%

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three months ended March 31, 2023 and 2022

Unit: Millions of New Taiwan dollars

	2023	2022
Cash flows from operating activities :		
Profit before tax from continuing operations	19,104	37,970
Adjustments for:		
The profit or loss items which did not affect cash flows:		
Depreciation	2,794	1,913
Amortization	1,522	1,297
Expected credit losses (gains)	5	(1)
Gains on financial assets and liabilities at fair value through profit or loss	(119)	(200)
Interest expenses	36	49
Gains on derecognition of financial assets measured at amortized cost	-	(5)
Interest income	(1,391)	(444)
Dividend income	(3,116)	(718)
Share-based payment expenses	566	1,240
Share of profit of associates and joint ventures accounted for using the equity method	108	(144)
(Gains) losses on disposal of property, plant and equipment	(2)	7
Losses on disposal of intangible assets	-	1
Losses on disposal of investments	-	4
Others	(0)	(0)
Changes in operating assets and liabilities:		
Financial assets mandatorily measured at fair value through profit or loss	3,686	744
Notes receivables	(44)	(107)
Trade receivables	(5,540)	(5,251)
Trade receivables from related parties	(5)	(10)
Other receivables	1,168	992
Inventories	1,485	(16,187)
Prepayments	1,186	(420)
Other current assets	77	(616)
Other non-current assets-others	0	9,665
Contract liabilities	(2,412)	2,611
Trade payables	(239)	6,968
Trade payables to related parties	(110)	287
Other payables	(15,619)	(11,984)
Other payables to related parties	(22)	0
Other current liabilities	(3,878)	2,432
Net defined benefit liabilities	(5)	(8)
Other non-current liabilities-others	232	107
Cash (used in) generated from operating activities:	(533)	30,191
Interest received	1,382	296
Dividend received	3,256	697
Interest paid	(47)	(47)
Income tax paid	(1,200)	(401)
Net cash provided by operating activities	2,858	30,735
Cash flows from investing activities :		
Acquisition of financial assets at fair value through other comprehensive income	(379)	(792)
Proceeds from disposal of financial assets at fair value through other comprehensive income	216	361
Proceeds from capital return of financial assets at fair value through other comprehensive income	3	27
Acquisition of financial assets measured at amortized cost	(8,198)	(1,830)
Proceeds from redemption of financial assets measured at amortized cost	1,041	474
Acquisition of investments accounted for using the equity method	-	(7)
Proceeds from capital return of investments accounted for using the equity method	-	26
Acquisition of property, plant and equipment	(2,100)	(3,052)
Proceeds from disposal of property, plant and equipment	5	3
Decrease (increase) in refundable deposits	649	(144)
Acquisition of intangible assets	(1,192)	(1,961)
Net cash used in investing activities	(9,955)	(6,897)
Cash flows from financing activities :		
Increase in short-term borrowings	900	18,798
(Decrease) increase in deposits received	(0)	13
Cash payment for the principal portion of the lease liabilities	(252)	(154)
Proceeds from exercise of employee stock options	20	18
Cash dividends	(1)	-
Acquisition of ownership interests in subsidiaries	-	(48)
Change in non-controlling interests	0	584
Net cash provided by financing activities	667	19,211
Effect of changes in exchange rate on cash and cash equivalents	(1,375)	3,679
Net (decrease) increase in cash and cash equivalents	(7,806)	46,728
Cash and cash equivalents at the beginning of the period	147,502	183,705
Cash and cash equivalents at the end of the period	139,696	230,433

Note1: Sums may not equal totals due to rounding.