

MEDIATEK

聯發科技 2023年第二季法人說明會 MediaTek 2023-Q2 Investor Conference

July 28, 2023



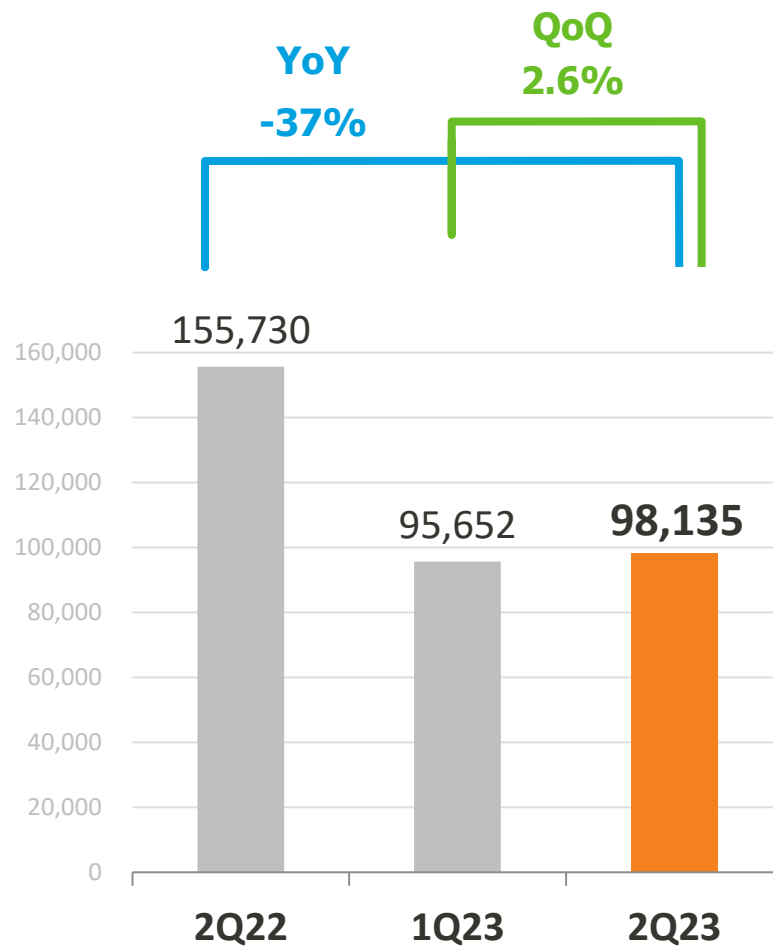
Safe Harbor Statement

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.

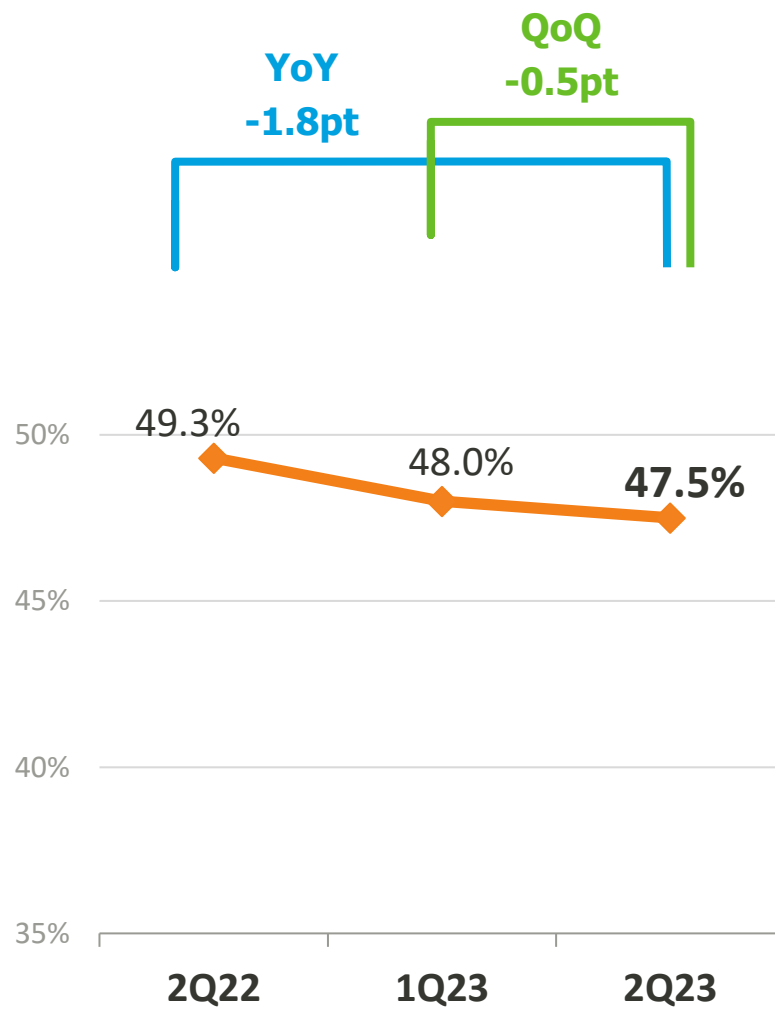
This presentation also supplements Non Taiwan International Financial Reporting Standards(Non-TIFRS) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. This supplemental information is for reference only, not as a substitute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

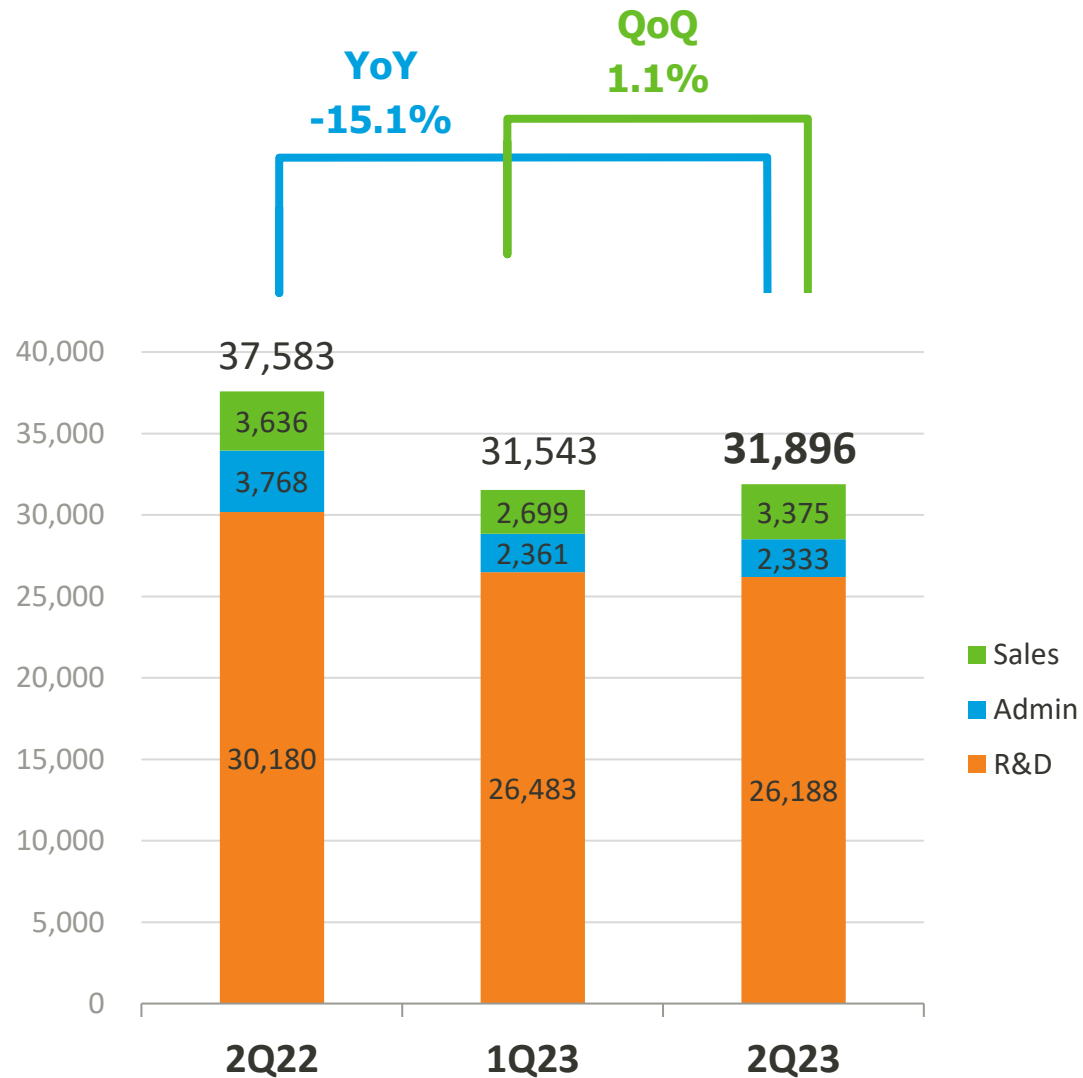


Consolidated Gross Margin



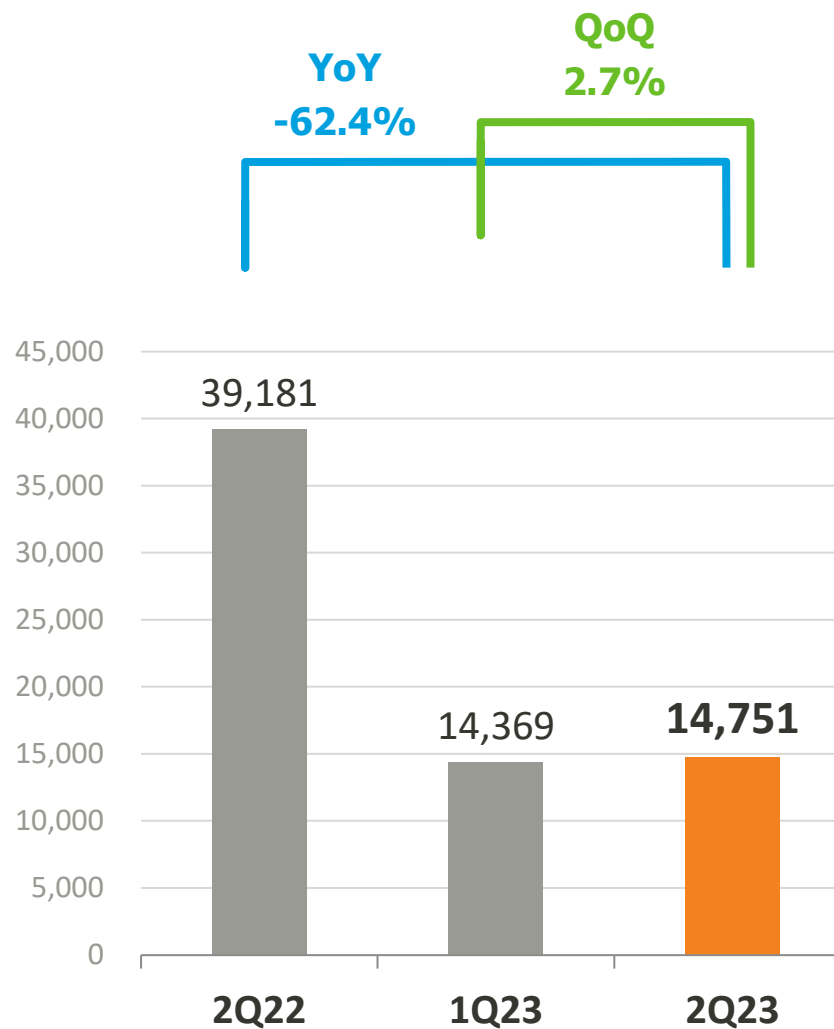
Consolidated Operating Expenses

(NT\$ million)

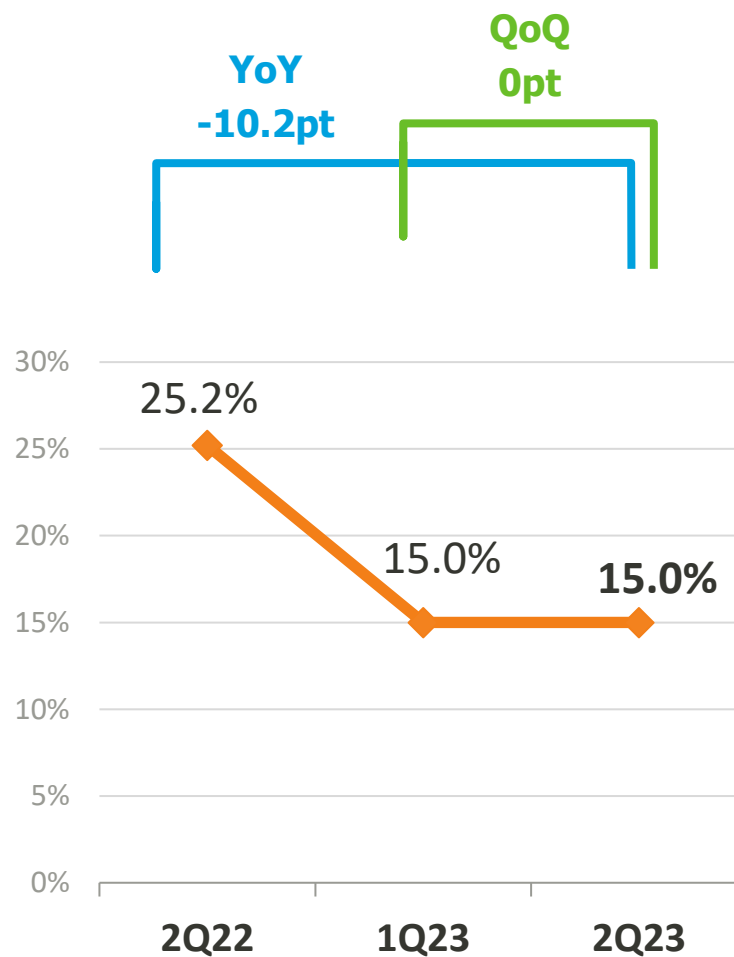


Consolidated Operating Income

(NT\$ million)

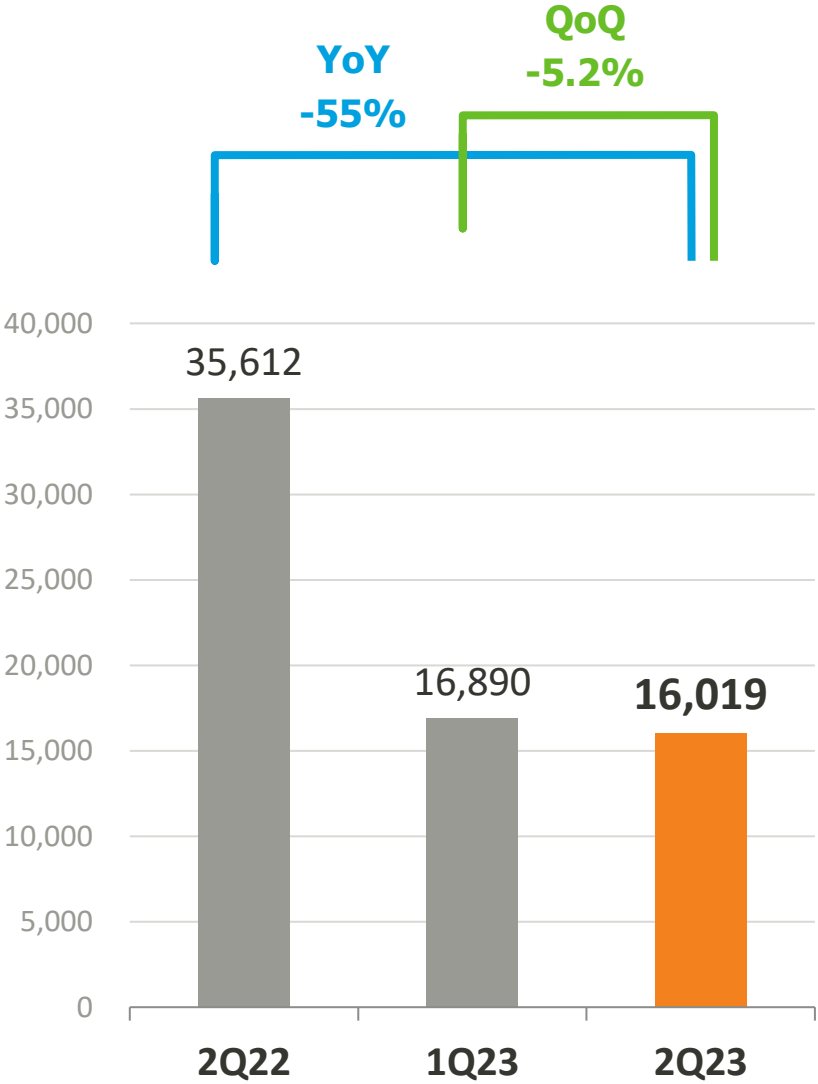


Consolidated Operating Margin

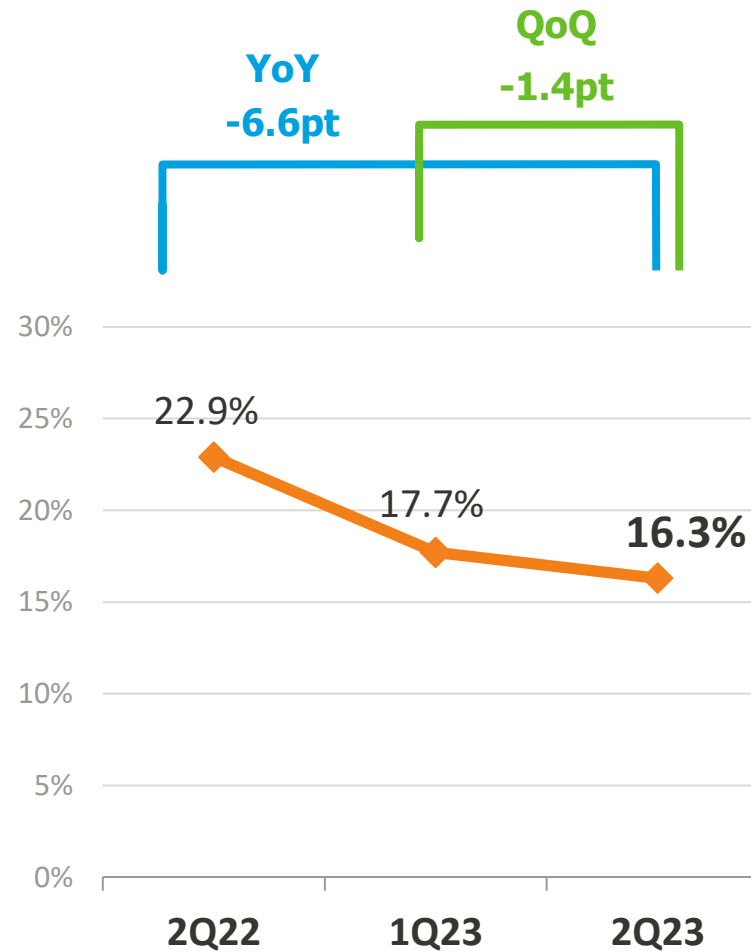


Consolidated Net Income

(NT\$ million)

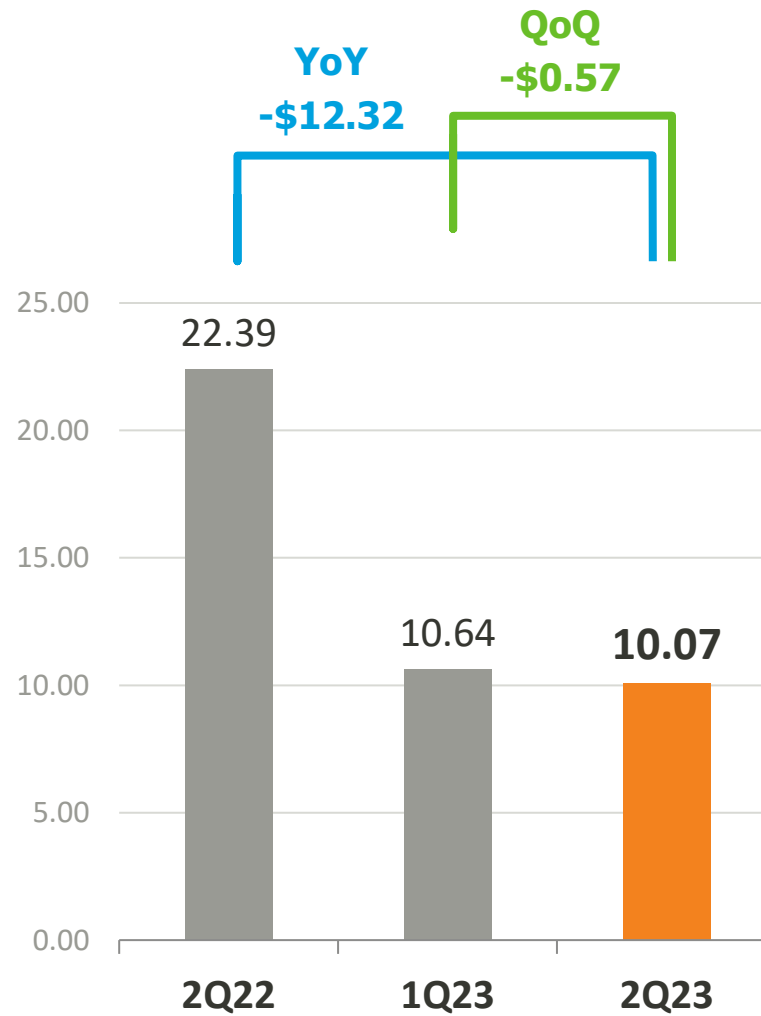


Consolidated Net Profit Margin



Consolidated Earnings Per Share

(NT\$)



Business Outlook

- ◆ For 2023-Q3, we currently expect:
 - ◆ Consolidated revenue: Around NT\$102.1 billion ~ 108.9 billion, at a forecast exchange rate of 30.7 NT dollars to 1 US dollar
 - ◆ Consolidated gross margin: 47% ± 1.5%
 - ◆ Consolidated operating expense ratio: 32% ± 2%

Taiwan-International Financial Reporting Standards (TIFRS) Financial Statements

Consolidated Income Statement (Unaudited)

(In NT\$ millions, except EPS)	2Q23	1Q23	2Q22	Q-Q	Y-Y
Net Sales	98,135	95,652	155,730	2.6%	(37.0%)
Operating costs	(51,489)	(49,739)	(78,966)		
Gross profit	46,646	45,912	76,764	1.6%	(39.2%)
Selling expenses	(3,375)	(2,699)	(3,636)		
Administration expenses	(2,333)	(2,361)	(3,768)		
R&D expenses	(26,188)	(26,483)	(30,180)		
Operating expenses	(31,896)	(31,543)	(37,583)		
Operating income	14,751	14,369	39,181	2.7%	(62.4%)
Net non-operating income	3,620	4,735	1,756		
Net income before income tax	18,370	19,104	40,937		
Income tax expense	(2,351)	(2,213)	(5,325)		
Net income	16,019	16,890	35,612	(5.2%)	(55.0%)
Owners of the parent	15,965	16,874	35,437	(5.4%)	(54.9%)
Non-controlling interests	54	17	175		
EPS attributable to the parent(NT\$)	10.07	10.64	22.39		
Average Exchange Rate - USD/NTD	30.70	30.40	29.44		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	2Q23	1Q23	2Q22
Gross profit	47.5%	48.0%	49.3%
Selling expenses	(3.4%)	(2.8%)	(2.3%)
Administration expenses	(2.4%)	(2.5%)	(2.4%)
R&D expenses	(26.7%)	(27.7%)	(19.4%)
Operating income	15.0%	15.0%	25.2%
Non-operating income	3.7%	5.0%	1.1%
Income tax expense	(2.4%)	(2.3%)	(3.4%)
Net income	16.3%	17.7%	22.9%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)	2Q23	1Q23	2Q22
Cash & financial assets-current	192,428	154,710	256,547
Accounts receivable	45,639	46,311	61,899
Inventories	61,067	69,265	91,410
Other current assets	19,005	21,173	14,579
Funds and investments	149,829	131,226	124,679
Intangible assets	81,053	78,375	73,662
Other non-current assets	111,663	111,326	107,966
Total assets	660,684	612,385	730,742
Short-term loans	4,450	4,600	41,291
Accounts payable	29,555	21,169	45,328
Other current liabilities	233,801	221,138	234,301
Total non-current liabilities	26,461	26,506	17,026
Total equity	366,417	338,972	392,797

Note: Sums may not equal totals due to rounding.

Cash Flow Statement (Unaudited)

(In NT\$ millions)	2Q23	1Q23	2Q22
Net cash provided by (used in) operating activities	46,732	2,858	35,554
Net cash provided by (used in) investing activities	(11,262)	(9,955)	(12,678)
Net cash provided by (used in) financing activities	(321)	667	(19,712)
Effect of changes in exchange rate on cash and cash equivalents	3,249	(1,375)	4,621
Net increase (decrease) in cash and cash equivalents	38,398	(7,806)	7,785
Cash and cash equivalents at the end of the period	178,094	139,696	238,218

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)

		2Q23	1Q23	2Q22	Q-Q	Y-Y
TIFRS	Operating income	14,751	14,369	39,181	2.7%	(62.4%)
	Operating income margin(%)	15.0%	15.0%	25.2%		
Reconciliations	Share-based compensation	561	566	1,248		
	Amortization of acquisition related assets	119	126	90		
Non-TIFRS	Operating income	15,430	15,061	40,519	2.5%	(61.9%)
	Operating income margin (%)	15.7%	15.7%	26.0%		

TIFRS	Net income	16,019	16,890	35,612	(5.2%)	(55.0%)
	Net income margin(%)	16.3%	17.7%	22.9%		
	Net income- Owners of the parent	15,965	16,874	35,437	(5.4%)	(54.9%)
	EPS(NT\$)	10.07	10.64	22.39		
Reconciliations	Share-based compensation	561	566	1,248		
	Amortization of acquisition related assets	119	126	90		
	Tax effect	(94)	(94)	(185)		
Non-TIFRS	Net income	16,605	17,488	36,765	(5.1%)	(54.8%)
	Net income margin (%)	16.9%	18.3%	23.6%		
	Net income- Owners of the parent	16,526	17,449	36,569	(5.3%)	(54.8%)
	EPS(NT\$)	10.42	11.00	23.10		

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*	2Q23 Revenue Breakdown (Note 1)	QoQ%	YoY%
Mobile Phone	46%	3%	-46%
Smart Edge Platforms	47%	2%	-23%
Power IC	7%	4%	-40%
Total	100%	3%	-37%

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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