

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

Unit: Millions of New Taiwan dollars

	Yearly Comparison			Sequential Comparison		
	3Q 2023	3Q 2022	YOY%	3Q 2023	2Q 2023	QOQ%
Net Sales	110,098	142,161	-22.6%	110,098	98,135	12.2%
Operating costs	(57,905)	(72,066)	-19.6%	(57,905)	(51,489)	12.5%
Gross profit	52,192	70,095	-25.5%	52,192	46,646	11.9%
Operating expenses						
Selling expenses	(3,745)	(3,530)	6.1%	(3,745)	(3,375)	11.0%
Administrative expenses	(2,261)	(3,406)	-33.6%	(2,261)	(2,333)	-3.1%
Research and development expenses	(28,242)	(30,106)	-6.2%	(28,242)	(26,188)	7.8%
Total operating expenses	(34,248)	(37,041)	-7.5%	(34,248)	(31,896)	7.4%
Operating income	17,944	33,054	-45.7%	17,944	14,751	21.7%
Non-operating income and expenses	3,048	2,542	19.9%	3,048	3,620	-15.8%
Net income before income tax	20,993	35,596	-41.0%	20,993	18,370	14.3%
Income tax expense	(2,424)	(4,511)	-46.3%	(2,424)	(2,351)	3.1%
Net income	18,569	31,085	-40.3%	18,569	16,019	15.9%
Net other comprehensive income	9,493	2,924	224.7%	9,493	10,207	-7.0%
Total comprehensive income	28,061	34,009	-17.5%	28,061	26,225	7.0%
Net income attributable to :						
Owners of the parent	18,478	30,955		18,478	15,965	
Non-controlling interests	91	131		91	54	
	18,569	31,085		18,569	16,019	
Basic Earnings Per Share (NTD)	11.64	19.54		11.64	10.07	

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the nine months ended September 30, 2023 and 2022

Unit: Millions of New Taiwan dollars

	2023	% to sales	2022	% to sales	YOY%
Net Sales	303,884	100.0%	440,602	100.0%	-31.0%
Operating costs	(159,134)	-52.4%	(221,959)	-50.4%	-28.3%
Gross profit	144,751	47.6%	218,643	49.6%	-33.8%
Operating expenses					
Selling expenses	(9,820)	-3.2%	(10,574)	-2.4%	-7.1%
Administrative expenses	(6,954)	-2.3%	(10,539)	-2.4%	-34.0%
Research and development expenses	(80,913)	-26.6%	(88,827)	-20.2%	-8.9%
Total operating expenses	(97,687)	-32.1%	(109,941)	-25.0%	-11.1%
Operating income	47,064	15.5%	108,702	24.7%	-56.7%
Non-operating income and expenses	11,403	3.8%	5,802	1.3%	96.5%
Net income before income tax	58,467	19.2%	114,504	26.0%	-48.9%
Income tax expense	(6,989)	-2.3%	(14,393)	-3.3%	-51.4%
Net income	51,478	16.9%	100,111	22.7%	-48.6%
Net other comprehensive income	20,150	6.6%	(4,970)	-1.1%	-505.4%
Total comprehensive income	71,628	23.6%	95,141	21.6%	-24.7%
Net income attributable to :					
Owners of the parent	51,316		99,653		
Non-controlling interests	162		458		
	51,478		100,111		
Basic Earnings Per Share (NTD)	32.35		62.95		

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
As of September 30, 2023 and 2022

Unit: Millions of New Taiwan dollars

	2023	%	2022	%	YOY%
Current assets					
Cash and cash equivalents	103,955	16.8%	141,569	22.1%	-26.6%
Financial assets at fair value through profit or loss	6,600	1.1%	9,052	1.4%	-27.1%
Financial assets at fair value through other comprehensive income	5,396	0.9%	3,098	0.5%	74.2%
Financial assets measured at amortized cost	3,373	0.5%	5,474	0.9%	-38.4%
Trade receivables, net	61,154	9.9%	65,913	10.3%	-7.2%
Inventories, net	53,391	8.6%	83,438	13.0%	-36.0%
Other current assets	33,311	5.4%	14,268	2.2%	133.5%
Total current assets	267,180	43.2%	322,812	50.4%	-17.2%
Non-current assets					
Funds and investments	154,925	25.1%	126,921	19.8%	22.1%
Property, plant and equipment	52,004	8.4%	53,998	8.4%	-3.7%
Intangible assets	83,228	13.5%	73,834	11.5%	12.7%
Other assets	61,005	9.9%	62,329	9.7%	-2.1%
Total non-current assets	351,162	56.8%	317,082	49.6%	10.7%
Total assets	618,342	100.0%	639,894	100.0%	-3.4%
Current liabilities					
Short-term borrowings	32,794	5.3%	48,611	7.6%	-32.5%
Trade payables	30,797	5.0%	30,515	4.8%	0.9%
Other current liabilities	130,967	21.2%	111,124	17.4%	17.9%
Total current liabilities	194,559	31.5%	190,251	29.7%	2.3%
Non-current liabilities					
Total non-current liabilities	28,812	4.7%	21,320	3.3%	35.1%
Total liabilities	223,370	36.1%	211,571	33.1%	5.6%
Equity attributable to owners of the parent					
Share capital	15,997	2.6%	15,995	2.5%	0.0%
Capital surplus	25,554	4.1%	47,308	7.4%	-46.0%
Legal reserve	75,783	12.3%	62,058	9.7%	22.1%
Undistributed earnings	226,441	36.6%	250,655	39.2%	-9.7%
Other equity	48,544	7.9%	49,468	7.7%	-1.9%
Treasury shares	(56)	0.0%	(56)	0.0%	0.0%
Equity attributable to owners of the parent	392,263	63.4%	425,428	66.5%	-7.8%
Non-controlling interests	2,708	0.4%	2,895	0.5%	-6.4%
Total equity	394,971	63.9%	428,323	66.9%	-7.8%
Total liabilities and equity	618,342	100.0%	639,894	100.0%	-3.4%

Note1: Sums may not equal totals due to rounding.

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the nine months ended September 30, 2023 and 2022

Unit: Millions of New Taiwan dollars

	2023	2022
Cash flows from operating activities :		
Profit before tax from continuing operations	58,467	114,504
Adjustments for:		
The profit or loss items which did not affect cash flows:		
Depreciation	8,111	6,573
Amortization	5,237	4,159
Expected credit losses	56	3
Gains on financial assets and liabilities at fair value through profit or loss	(321)	(558)
Interest expenses	328	263
Losses (gains) on derecognition of financial assets measured at amortized cost	15	(19)
Interest income	(4,939)	(1,882)
Dividend income	(5,202)	(1,672)
Share-based payment expenses	1,622	3,607
Share of profit of associates and joint ventures accounted for using the equity method	(203)	(1,040)
Losses on disposal of property, plant and equipment	11	16
Property, plant and equipment transferred to expenses	-	0
Losses on disposal of intangible assets	-	1
Losses on disposal of investments	-	4
Losses (gains) on disposal of investments accounted for using the equity method	2	(8)
Others	(0)	0
Changes in operating assets and liabilities:		
Financial assets mandatorily measured at fair value through profit or loss	3,865	(740)
Contract assets	-	(6)
Notes receivables	(32)	(32)
Trade receivables	(19,737)	(4,402)
Trade receivables from related parties	21	37
Other receivables	(20,845)	206
Inventories	17,111	(10,642)
Prepayments	955	(2,498)
Other current assets	196	(905)
Other non-current assets-others	0	12,760
Contract liabilities	(2,118)	(3,120)
Trade payables	9,218	(12,921)
Trade payables to related parties	61	(142)
Other payables	(7,256)	(4,382)
Other payables to related parties	10	1
Other current liabilities	19,073	2,451
Net defined benefit liabilities	(8)	(13)
Other non-current liabilities-others	4,076	35
Cash generated from operating activities:	67,775	99,636
Interest received	4,940	1,560
Dividends received	4,343	2,374
Interest paid	(332)	(234)
Income tax paid	(12,170)	(17,786)
Net cash provided by operating activities	64,556	85,549
Cash flows from investing activities :		
Acquisition of financial assets at fair value through other comprehensive income	(3,478)	(6,328)
Proceeds from disposal of financial assets at fair value through other comprehensive income	21,460	2,116
Proceeds from capital return of financial assets at fair value through other comprehensive income	11	47
Acquisition of financial assets measured at amortized cost	(32,612)	(16,061)
Proceeds from redemption of financial assets measured at amortized cost	5,732	3,197
Acquisition of investments accounted for using the equity method	-	(70)
Proceeds from disposal of investments accounted for using the equity method	-	89
Proceeds from capital return of investments accounted for using the equity method	121	29
Net cash outflows from acquisition of subsidiary	-	(977)
Acquisition of property, plant and equipment	(5,599)	(11,020)
Proceeds from disposal of property, plant and equipment	6	6
Decrease (increase) in refundable deposits	55	(731)
Acquisition of intangible assets	(6,969)	(4,909)
Acquisition of investment property	-	(3)
Net cash used in investing activities	(21,272)	(34,617)
Cash flows from financing activities :		
Increase (decrease) in short-term borrowings	29,094	(3,173)
Repayment of long-term borrowings	(828)	-
Increase (decrease) in deposits received	24	(18)
Cash payment for the principal portion of the lease liabilities	(582)	(421)
Proceeds from exercise of employee stock options	79	64
Cash dividends	(120,981)	(116,142)
Acquisition of ownership interests in subsidiaries	-	(48)
Disposal of ownership interests in subsidiaries (without losing control)	-	9,467
Changes in non-controlling interests	(514)	(348)
Other financing activities	21	-
Net cash used in financing activities	(93,686)	(110,619)
Effect of changes in exchange rate on cash and cash equivalents	6,855	17,551
Net decrease in cash and cash equivalents	(43,547)	(42,136)
Cash and cash equivalents at the beginning of the period	147,502	183,705
Cash and cash equivalents at the end of the period	103,955	141,569

Note1: Sums may not equal totals due to rounding.