

MEDIATEK

聯發科技 2023年第三季法人說明會 MediaTek 2023-Q3 Investor Conference

October 27, 2023



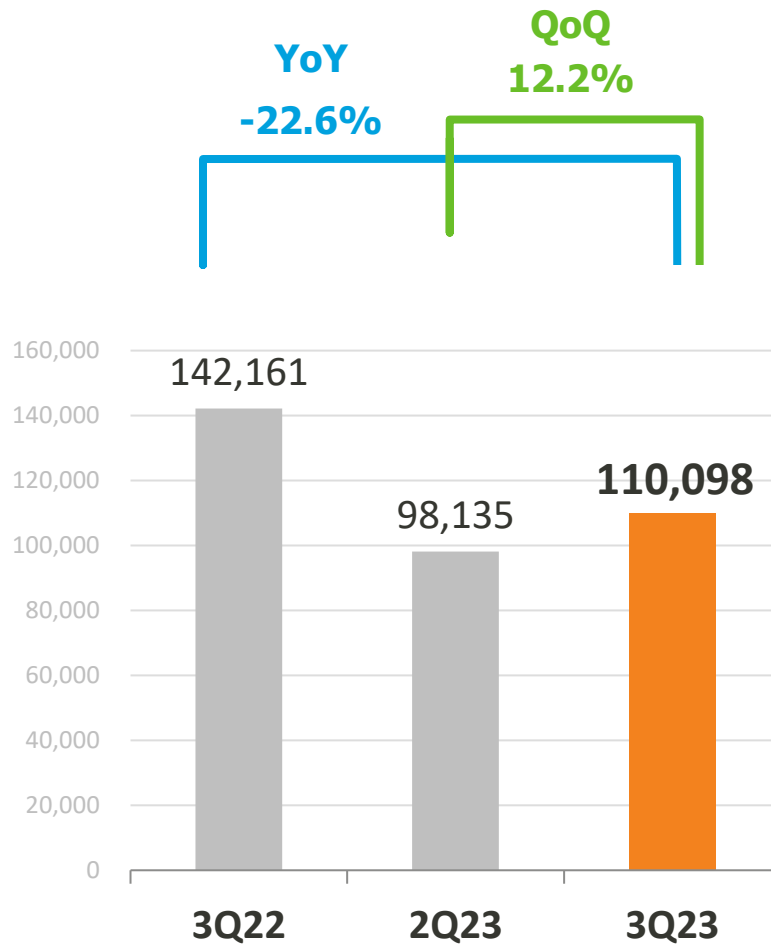
Safe Harbor Statement

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.

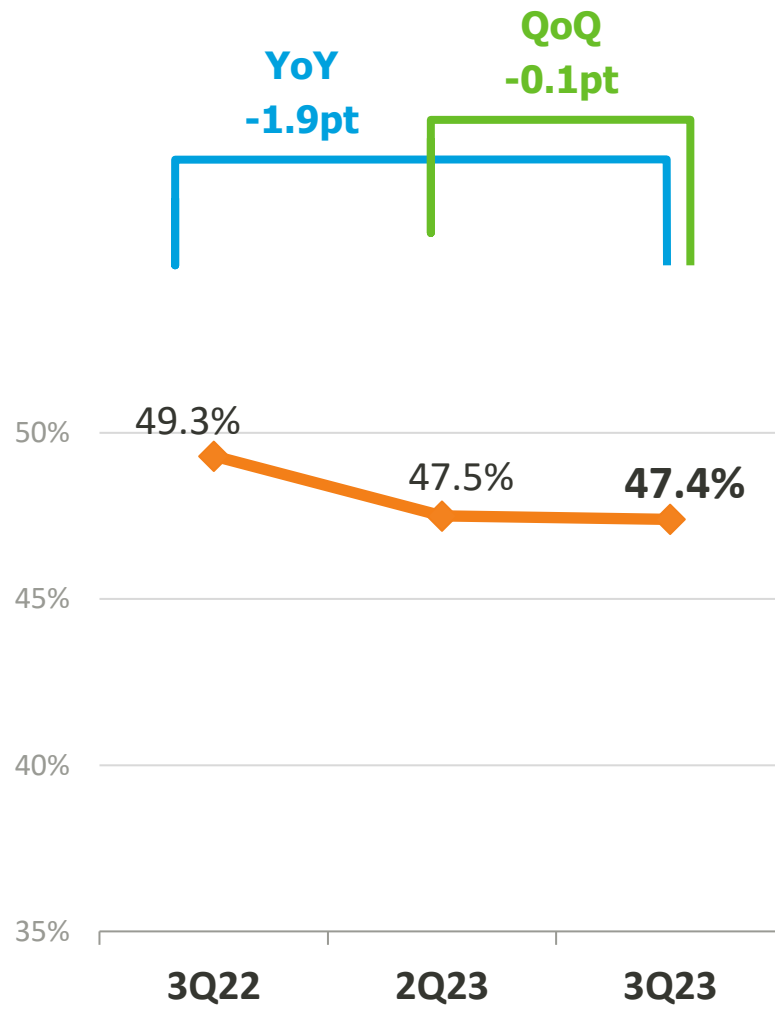
This presentation also supplements Non Taiwan International Financial Reporting Standards(Non-TIFRS) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. This supplemental information is for reference only, not as a substitute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

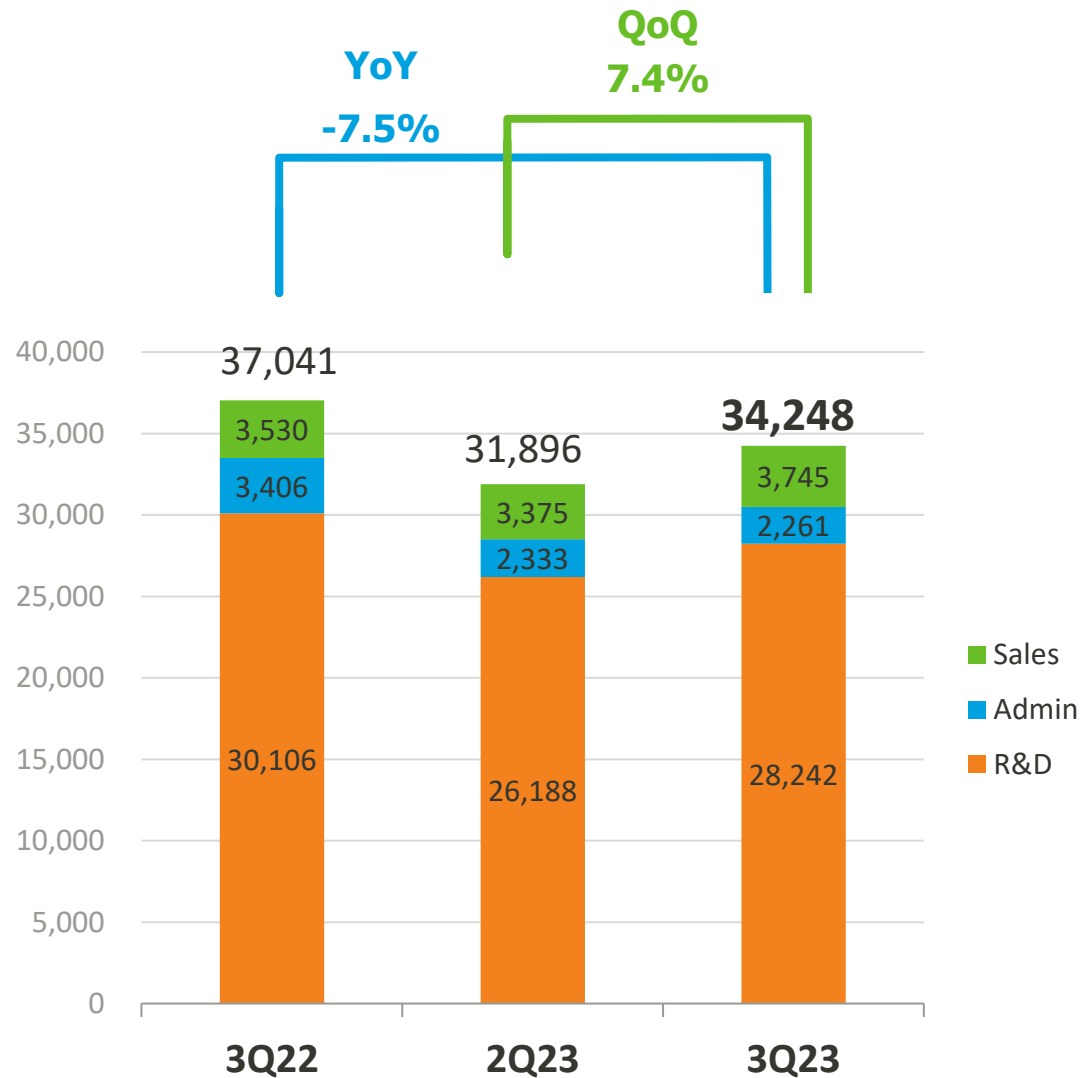


Consolidated Gross Margin



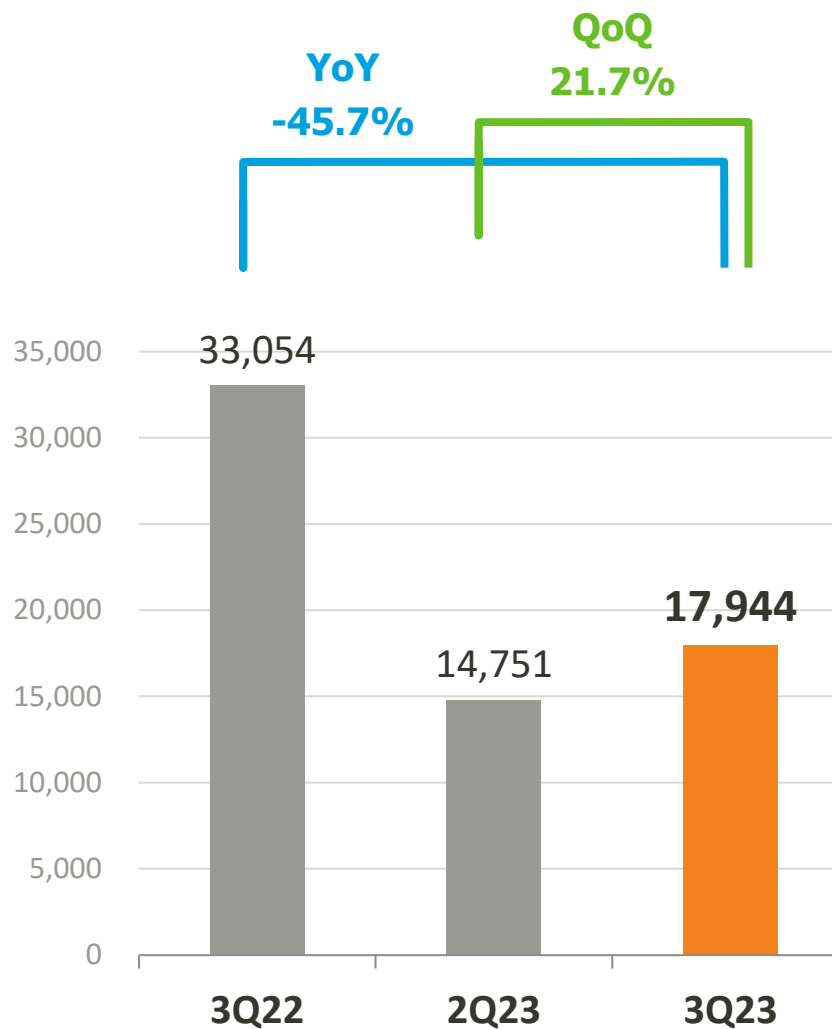
Consolidated Operating Expenses

(NT\$ million)

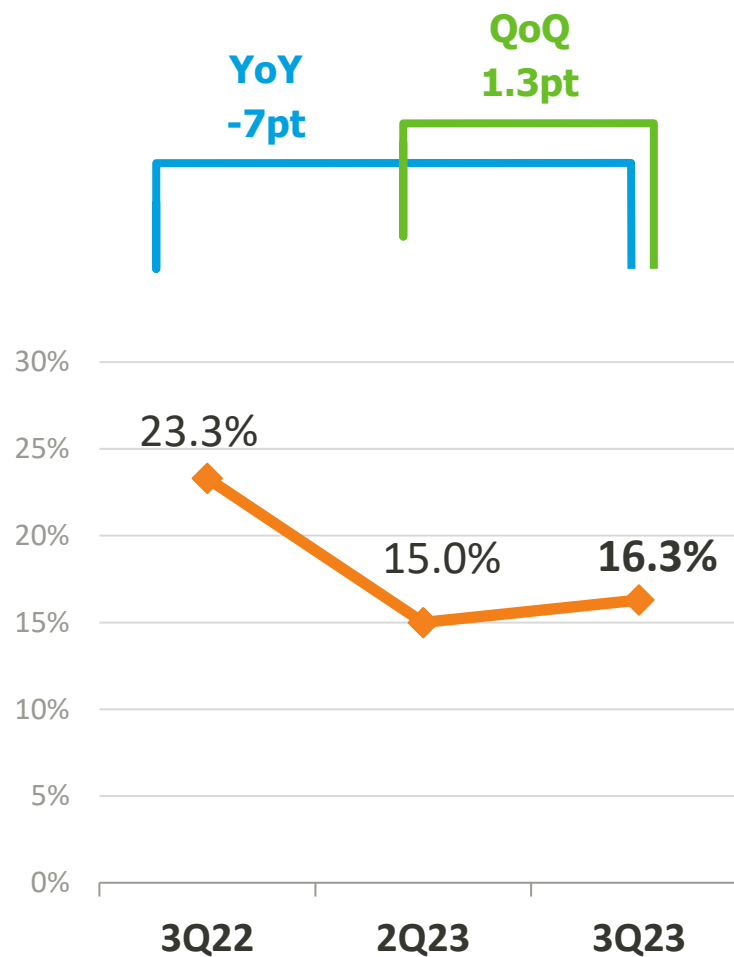


Consolidated Operating Income

(NT\$ million)

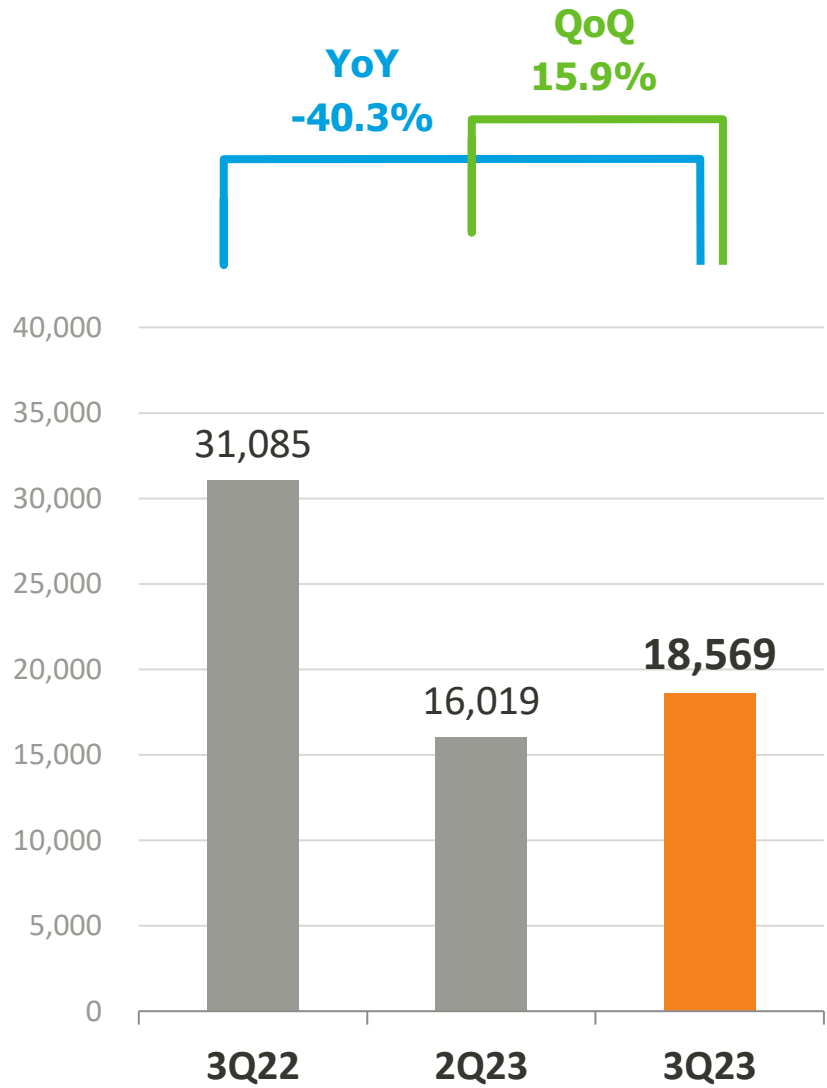


Consolidated Operating Margin

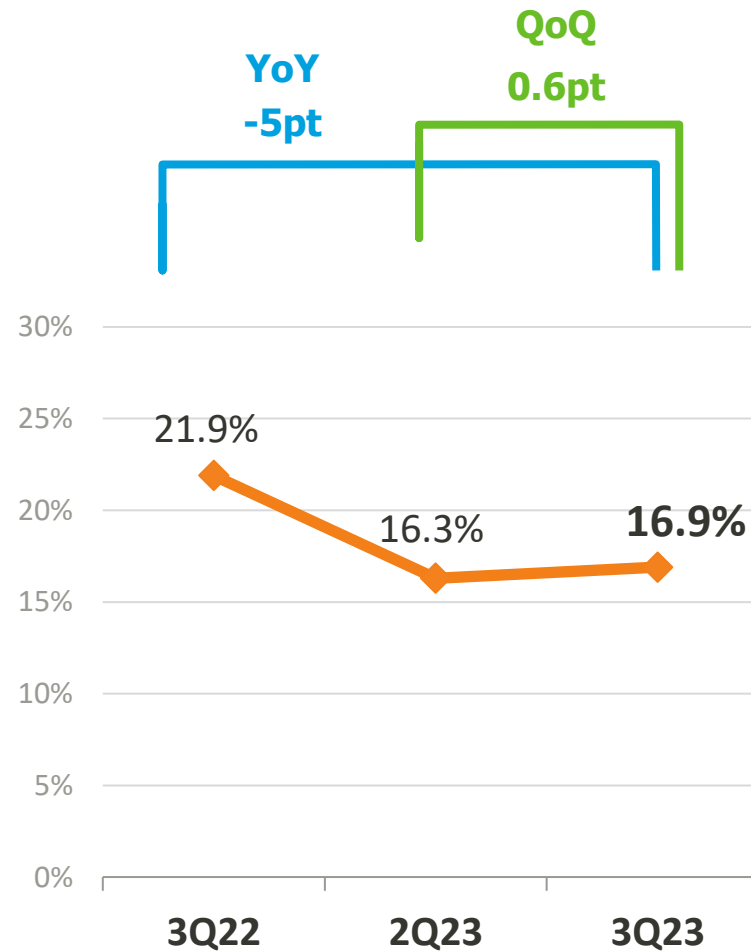


Consolidated Net Income

(NT\$ million)

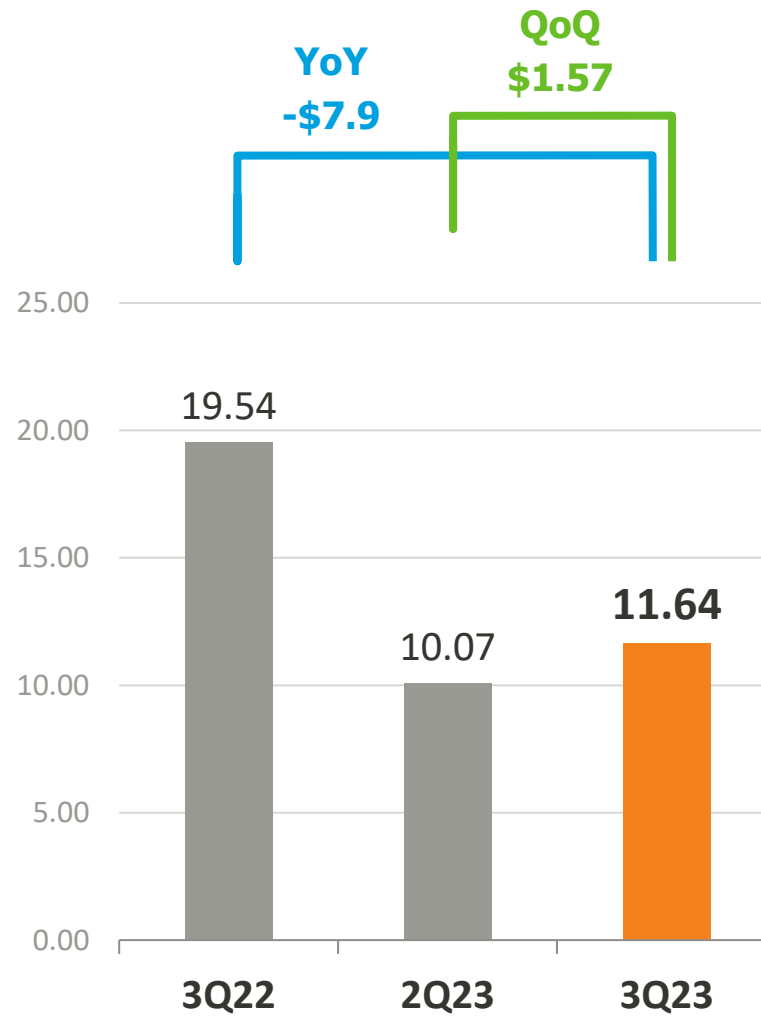


Consolidated Net Profit Margin



Consolidated Earnings Per Share

(NT\$)



Business Outlook

- ◆ For 2023-Q4, we currently expect:
 - ◆ Consolidated revenue: Around NT\$120 billion ~ 126.6 billion,
at a forecast exchange rate of 32 NT dollars to 1 US dollar
 - ◆ Consolidated gross margin: 47% ± 1.5%
 - ◆ Consolidated operating expense ratio: 30% ± 2%

Taiwan-International Financial Reporting Standards (TIFRS) Financial Statements

Consolidated Income Statement (Unaudited)

(In NT\$ millions, except EPS)	3Q23	2Q23	3Q22	Q-Q	Y-Y
Net Sales	110,098	98,135	142,161	12.2%	(22.6%)
Operating costs	(57,905)	(51,489)	(72,066)		
Gross profit	52,192	46,646	70,095	11.9%	(25.5%)
Selling expenses	(3,745)	(3,375)	(3,530)		
Administration expenses	(2,261)	(2,333)	(3,406)		
R&D expenses	(28,242)	(26,188)	(30,106)		
Operating expenses	(34,248)	(31,896)	(37,041)		
Operating income	17,944	14,751	33,054	21.7%	(45.7%)
Net non-operating income	3,048	3,620	2,542		
Net income before income tax	20,993	18,370	35,596		
Income tax expense	(2,424)	(2,351)	(4,511)		
Net income	18,569	16,019	31,085	15.9%	(40.3%)
Owners of the parent	18,478	15,965	30,955	15.7%	(40.3%)
Non-controlling interests	91	54	131		
EPS attributable to the parent(NT\$)	11.64	10.07	19.54		
Average Exchange Rate - USD/NTD	31.69	30.70	30.41		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	3Q23	2Q23	3Q22
Gross profit	47.4%	47.5%	49.3%
Selling expenses	(3.4%)	(3.4%)	(2.5%)
Administration expenses	(2.1%)	(2.4%)	(2.4%)
R&D expenses	(25.7%)	(26.7%)	(21.2%)
Operating income	16.3%	15.0%	23.3%
Non-operating income	2.8%	3.7%	1.8%
Income tax expense	(2.2%)	(2.4%)	(3.2%)
Net income	16.9%	16.3%	21.9%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)	3Q23	2Q23	3Q22
Cash & financial assets-current	119,324	192,428	159,193
Accounts receivable	61,154	45,639	65,913
Inventories	53,391	61,067	83,438
Other current assets	33,311	19,005	14,268
Funds and investments	154,925	149,829	126,921
Intangible assets	83,228	81,053	73,834
Other non-current assets	113,008	111,663	116,327
Total assets	618,342	660,684	639,894
Short-term loans	32,794	4,450	48,611
Accounts payable	30,797	29,555	30,515
Other current liabilities	130,967	233,801	111,124
Total non-current liabilities	28,812	26,461	21,320
Total equity	394,971	366,417	428,323

Note: Sums may not equal totals due to rounding.

Cash Flow Statement (Unaudited)

(In NT\$ millions)	3Q23	2Q23	3Q22
Net cash provided by (used in) operating activities	14,966	46,732	19,259
Net cash provided by (used in) investing activities	(55)	(11,262)	(15,042)
Net cash provided by (used in) financing activities	(94,031)	(321)	(110,118)
Effect of changes in exchange rate on cash and cash equivalents	4,981	3,249	9,252
Net increase (decrease) in cash and cash equivalents	(74,139)	38,398	(96,649)
Cash and cash equivalents at the end of the period	103,955	178,094	141,569

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)		3Q23	2Q23	3Q22	Q-Q	Y-Y
TIFRS	Operating income	17,944	14,751	33,054	21.7%	(45.7%)
	Operating income margin(%)	16.3%	15.0%	23.3%		
Reconciliations	Share-based compensation	504	561	1,119		
	Amortization of acquisition related assets	119	119	159		
Non-TIFRS	Operating income	18,567	15,430	34,332	20.3%	(45.9%)
	Operating income margin (%)	16.9%	15.7%	24.1%		

TIFRS	Net income	18,569	16,019	31,085	15.9%	(40.3%)
	Net income margin(%)	16.9%	16.3%	21.9%		
	Net income- Owners of the parent	18,478	15,965	30,955	15.7%	(40.3%)
	EPS(NT\$)	11.64	10.07	19.54		
Reconciliations	Share-based compensation	504	561	1,119		
	Amortization of acquisition related assets	119	119	159		
	Tax effect	(85)	(94)	(176)		
Non-TIFRS	Net income	19,105	16,605	32,187	15.1%	(40.6%)
	Net income margin (%)	17.4%	16.9%	22.6%		
	Net income- Owners of the parent	19,000	16,526	32,025	15.0%	(40.7%)
	EPS(NT\$)	11.97	10.42	20.22		

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*	3Q23 Revenue Breakdown (Note 1)	QoQ%	YoY%
Mobile Phone	49%	19%	-31%
Smart Edge Platforms	44%	6%	-11%
Power IC	7%	11%	-20%
Total	100%	12%	-23%

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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