



Handbook for the 2022 Annual Meeting of Shareholders

(TRANSLATION)

Meeting Date: May 31, 2022

Table of Contents

1	Meeting Procedure	2
2	Agenda of Annual Meeting of Shareholders	3
	(1). Report Items	4
	(2). Acknowledgements	5
	(3). Proposed Resolutions	6
	(4). Extemporaneous Motions	7
3	Attachments	8
	(1). MediaTek Inc. 2021 Business Report	9
	(2). Audit Committee's Review Report	11
	(3). Independent Auditors' Report and Consolidated Financial Statements	12
	(4). Independent Auditors' Report and Unconsolidated Financial Statements	22
	(5). Comparison Table Illustrating the Original and Amended Text of the "Article of Incorporation"	32
	(6). Comparison Table Illustrating the Original and Amended Text of the "Procedures Governing the Acquisition or Disposition of Assets"	35
	(7). Comparison Table Illustrating the Original and Amended Text of the "Operating Procedures of Endorsement/Guarantee"	41
	(8). Comparison Table Illustrating the Original and Amended Text of the "Operating Procedures of Outward Loans to Others"	43
4	Appendix	46
	(1). MediaTek Inc. Articles of Incorporation	47
	(2). MediaTek Inc. Rules and Procedures of Shareholders' Meeting	53
	(3). MediaTek Inc. Procedures Governing the Acquisition or Disposition of Assets	55
	(4). MediaTek Inc. Operating Procedures of Endorsement/Guarantee	67
	(5). MediaTek Inc. Operating Procedures of Outward Loans to Others	72
	(6). MediaTek Inc. Shareholdings of Directors	75

MediaTek Inc.
Procedure for the 2022 Annual Meeting of Shareholders

1. Call the Meeting to Order
2. Chairman Remarks
3. Report Items
4. Acknowledgements
5. Proposed Resolutions
6. Extemporaneous Motions
7. Meeting Adjourned

MediaTek Inc.
Year 2022
Agenda of Annual Meeting of Shareholders

Time: 9:00 a.m., May 31, 2022 (Tuesday)

Venue: MediaTek Inc., No. 1, Dusing 1st Road, Hsinchu Science Park, Hsinchu City, Taiwan
R.O.C.

Held by means of: Physical shareholders' meeting

Agenda:

1. Call the meeting to order
2. Chairman remarks
3. Report Items
 - (1). 2021 business report
 - (2). Audit Committee's review report
 - (3). Report on 2021 employees' compensation and remuneration to directors
 - (4). Report on the completion of short-form merger with Hsu-Si Investment Corp.
4. Acknowledgements
 - (1). Adoption of the 2021 business report and financial statements
 - (2). Adoption of the proposal for distribution of 2021 profits
5. Proposed Resolutions
 - (1). Discussion on cash distribution from capital reserve
 - (2). Amendment to the Company's "Article of Incorporation"
 - (3). Amendments to the Company's "Procedures Governing the Acquisition or Disposition of Assets"
 - (4). Amendments to the Company's "Operating Procedures of Endorsement/Guarantee"
 - (5). Amendments to the Company's "Operating Procedures of Outward Loans to Others"
6. Extemporary Motions
7. Meeting Adjourned

Report Items

Report item (1)

Proposed by the Board of Directors

Subject: 2021 business report.

Descriptions: 2021 business report is attached on page 9-10, Attachment 1.

Report item (2)

Proposed by the Board of Directors

Subject: Audit Committee's review report.

Descriptions: 2021 Audit Committee's review report is attached on page 11, Attachment 2.

Report item (3)

Proposed by the Board of Directors

Subject: Report on 2021 employees' compensation and remuneration to directors.

Descriptions:

- (1). According to Article 24 of the Company's Articles of Incorporation, if there is any profit for a specific fiscal year, the Company shall allocate no less than 1% of the profit as employees' compensation and shall allocate at a maximum of 0.5% of the profit as remuneration to Directors, provided that the Company's accumulated losses shall have been covered in advance.
- (2). The Board has adopted a proposal for distribution of 2021 profit as follows: employees' compensation is NT\$1,513,219,443 and the remuneration to directors is NT\$153,213,469; both shall be paid in cash.

Report item (4)

Proposed by the Board of Directors

Subject: Report on the completion of short-form merger with Hsu-Si Investment Corp.

Descriptions:

- (1). According to Article 7, paragraph 2 of the Business Mergers and Acquisitions Law, if a resolution of the merger/consolidation and acquisition is adopted by the Board under Article 19, paragraph 1, and is excluded from a resolution by the general meeting and deemed unnecessary to be notified to shareholders, the Board of Directors shall submit reports for matters of the merger/consolidation and acquisition at the next closest general meeting.
- (2). In order to simplify the shareholding structure in AIROHA TECHNOLOGY CORP., the Board of the Company, on July 27th, 2021, agreed to a proposal to merge with Hsu-Si Investment Corp. (hereinafter "Hsu-Si Investment"), which is a wholly-owned subsidiary of the Company, under Article 19, paragraph 1 of the Business Mergers and Acquisitions Law. MediaTek is the surviving Entity while Hsu-Si Investment is the merged entity. The name of the surviving entity is still MediaTek, Inc. The merger is a reorganization and does not involve any share swap or payment of cash or other assets.
- (3). The above-mentioned merger has been executed in accordance with the resolution of the Board, and the merger record date is December 31st, 2021. The Company and Hsu-Si Investment completed the registration modification on January 13th, 2022.

Acknowledgements

Acknowledgement (1)

Proposed by the Board of Directors

Subject: Adoption of the 2021 business report and financial statements.

Descriptions:

- (1). 2021 financial statements, including the balance sheets, statements of comprehensive income, statements of changes in equity, and statements of cash flows, were audited by independent auditors Shao-Pin Kuo and Wen-Fun Fuh of Ernst & Young.
- (2). For the 2021 business report, independent auditors' report and the aforementioned financial statements, please refer to page 9-10, Attachment 1, page 12-21, Attachment 3, and page 22-31, Attachment 4.

Resolution:

Acknowledgement (2)

Proposed by the Board of Directors

Subject: Adoption of the proposal for distribution of 2021 profits.

Descriptions:

- (1). The proposal for distribution of 2021 profits has been approved by the Board of Directors in the 8th Board Meeting of the 9th session.
- (2). Please refer to the 2021 profit distribution table below:

Descriptions	Amount (NTD)	Remarks
Unappropriated retained earnings of previous years	134,019,725,167	
Plus: Net income of 2021	111,421,062,393	
Plus: Proceeds from disposal of equity instruments measured at fair value through other comprehensive income	6,957,315,162	
Plus: Actual gain on defined benefit plans	51,650,211	
Less: Adjustment for restricted stocks awards	(17,251,500)	
Earnings available for distribution	252,432,501,433	
Distribution items:		
Legal reserve	(11,841,277,627)	Cash dividend of NT\$57.00 per share; No stock dividend.
Dividend to common shareholders	(91,147,046,031)	
Unappropriated retained earnings	149,444,177,775	

Note:

1. Cash dividend distributions are calculated based on MediaTek's outstanding shares of 1,599,070,983 shares as of March 15, 2022.
2. The cash dividends will be distributed to each shareholder based on shareholding percentages, and be rounded down to the nearest dollar. The amounts under one dollar due to the rounding off are summed and recognized as the Company's other income.
3. According to the Board resolution on March 16, 2022, the Chairman is authorized to determine the cash dividend record date and payment date upon the approval of the profit distribution proposal at the Annual Meeting of Shareholders. In the event the number of outstanding shares is affected by the Company's subsequent shares buyback, transfer or cancellation of treasury stocks, issuance of new shares because of the exercise of employee stock options, issuance or withdrawal of employee restricted stocks awards or other causes, the Chairman is authorized to adjust the distribution percentage per share based on the actual number of the outstanding shares on the cash dividend record date and other related matters.

Chairman: Ming-Kai Tsai Chief Executive Officer: Rick Tsai Chief Financial Officer: David Ku

Resolution:

Proposed Resolutions

Proposal (1)

Proposed by the Board of Directors

Subject: Discussion of cash distribution from capital reserve. Approval is respectfully requested.

Descriptions:

- (1). Pursuant to subparagraph 1, paragraph 1 of Article 241 of the Company Act, the Company plans to distribute cash of NT\$25,585,135,728 from the capital reserve from paid-in capital in excess of par value, to the shareholder listed on the register of shareholders on the record date and the expected cash per share is NT\$16. Cash payment shall be rounded down to the nearest dollar. The amounts under one dollar due to the rounding off are summed and recognized as the Company's other income.
- (2). According to the Board resolution on March 16, 2022, the Chairman is authorized to determine the record date and payment date upon the approval of cash distribution from capital reserve at the Annual Meeting of Shareholders. In the event the number of outstanding shares is affected by the Company's subsequent shares buyback, transfer or cancellation of treasury stocks, issuance of new shares because of the exercise of employee stock options, issuance or withdrawal of employee restricted stocks awards or other causes, the Chairman is authorized to adjust the distribution amount per share based on the actual number of the outstanding shares on the record date and other related matters.

Resolution:

Proposal (2)

Proposed by the Board of Directors

Subject: Amendment to the Company's "Article of Incorporation". Approval is respectfully requested.

Descriptions:

- (1) In accordance with Article 240 and Article 241 of the Company Act, which simplified the procedure of distributing cash dividends, and the amendment to Article 172-2 of the Company Act, the Company plans to amend the Company's "Article of Incorporation".
- (2) The comparison table illustrating the original and amended texts of the "Article of Incorporation" is available on page 32-34, Attachment 5.

Proposal (3)

Proposed by the Board of Directors

Subject: Amendment to the Company's "Procedures Governing the Acquisition or Disposition of Assets". Approval is respectfully requested.

Descriptions:

- (1) In response to the amendment to "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" issued by the Financial Supervisory Commission and the growth of the Company's operating scale, the Company plans to amend the Company's "Procedures Governing the Acquisition or Disposition of Assets".
- (2) The comparison table illustrating the original and amended texts of the "Procedures Governing the Acquisition or Disposition of Assets" is available on page 35-40, Attachment 6.

Resolution:

Proposal (4)

Proposed by the Board of Directors

Subject: Amendment to the Company's "Operating Procedures of Endorsement/Guarantee". Approval is respectfully requested.

Descriptions:

- (1) In response to the growth of the Company's operating scale, the Company plans to amend the Company's "Operating Procedures of Endorsement/Guarantee".
- (2) The comparison table illustrating the original and amended texts of the "Operating Procedures of Endorsement/Guarantee" is available on page 41-42, Attachment 7.

Resolution:

Proposal (5)

Proposed by the Board of Directors

Subject: Amendment to the Company's "Operating Procedures of Outward Loans to Others". Approval is respectfully requested.

Descriptions:

- (1) In response to the growth of the Company's operating scale, the Company plans to amend the Company's "Operating Procedures of Outward Loans to Others".
- (2) The comparison table illustrating the original and amended texts of the "Operating Procedures of Outward Loans to Others" is available on page 43-45, Attachment 8.

Resolution:

Extemporaneous Motions

Meeting Adjourned

Attachment

Attachment 1

MediaTek Inc. 2021 Business Report

Dear Shareholders:

2021 was a year full of both opportunities and challenges for global semiconductor industry. The acceleration of digital transformation has driven strong demand in various markets, leading to supply pressures in the global semiconductor supply chain. With the joint efforts from all MediaTek employees around the world, we have reached a new milestone in 2021 with record high consolidated revenue and EPS. Our consolidated revenue reached NT\$493.1 billion, with EPS more than doubled to NT\$70.56. MediaTek is the 4th largest IC design company and the 7th largest semiconductor company globally, according to market research firms - Topology Research Institute and Gartner Research. Besides, MediaTek's gross margin and operating margin increased for the 4th consecutive year, with gross margin rising over 11 percentage points from 35.6% in 2017 to 46.9% in 2021, and operating margin expanding over 17 percentage points from 4.1% in 2017 to 21.9% in 2021.

MediaTek continues balanced development in various products, including smartphones, smart edge platforms and power management ICs with strong growth across the board in 2021. We believe our positive developments in financial and businesses were resulting from the successful execution of the strategy to invest early in 5G and WiFi 6, allowing us to participate in the full product cycle. And with excellent technology competitiveness, we were able to expand our markets and provided more value to the customers.

In terms of smartphone, MediaTek is ranked 1st in 2021 in global smartphone SoC market share, according to Counterpoint, a market research firm. We capture the 5G upgrade opportunity through our complete product portfolio, with exciting expansion into the flagship market. Our first 5G flagship SoC, Dimensity 9000, was highly recognized by the market with its powerful CPU and leading power consumption performance, according to major benchmark indicators, and has had design-ins with multiple brands.

As for smart edge platforms, WiFi 6, WiFi 6E, 5G and Bluetooth 5.0 are still in the beginning of technology migration. With consumers' rising demand for multimedia, MediaTek has driven technology upgrades in smart TV, router, broadband application, tablet, laptop and IoT devices, and will continue to expand markets and gain market share through our strong product portfolio, with multiple years of growth opportunities ahead. In terms of power IC, the structural demand growth driven by accelerating technology upgrades should be able to sustain. MediaTek provides power management IC solutions across computing, communication, consumer, automotive and industrial fields, with automotive and industrial together accounting for nearly 10% of power IC revenue, demonstrating rapid growth.

Looking forward, MediaTek plays a crucial and complementary role under the cloud computing trend, with enabling over 2 billion smart edge devices every year to enrich users' cloud connection experiences. MediaTek possesses key technologies and development capabilities for smart edge platforms, such as high-performance and low-power-consumption CPU, GPU and APU, as well as complete and leading-edge long/short range wireless and wired product portfolio, including 5G, WiFi 6/7, Bluetooth and GPON. Moreover, the camera, image, audio IPs developed with MediaTek's exceptional edge AI technologies have provided highly differentiated values to our customers.

Power IC's broad-based applications not only create values for MediaTek's various products but bring solid revenue momentum.

We continue to relentlessly invest in the technologies that drive our future growth, extending our core development capabilities to the higher-end computing, high-performance/low-power-consumption graphic IPs, 5G modems that provide low-latency and for broader applications, and next generation WiFi. We have integrated them into the leading-edge system architecture by different platforms and ecosystems. We also work with foundry partners on advanced process nodes as well as 3D chiplets technology to support our product development.

With strong business fundamentals, we are confident in sustaining a strong cash flow going forward. Last April, we raised our cash dividend payout ratio to 80% to 85% on regular basis and launched a 4-year special cash dividend program of NT\$16 per share per year, to share our performances with shareholders.

Furthermore, MediaTek promotes sustainability developments in various aspects to fulfill stakeholders' expectation as a sustainable company. We started with "global reach, local presence" and for many years has propelled talent cultivation programs in schools, promoted society innovation, held "Genius for Home - MediaTek Digital Social Innovation Campaign", and devoted to the dissemination of technology education and innovation. MediaTek also responds to the carbon reduction target of the Government and COP26, with devotion to promote green innovation with front-end technology development, to conform to the power saving, carbon reduction and environmental protection trend. Furthermore, we hold Supplier Forums every year to execute various greenhouse gas reduction campaigns to exercise our influence at the top of the supply chain.

MediaTek is well recognized in the role of corporate citizen to fulfill corporate social responsibilities and was awarded Excellence in Corporate Social Responsibility - Corporate Citizen Award and the Most Prestigious Sustainability Awards - Top Ten Domestic Corporates, the best performance we had achieved. We were selected for the 7th consecutive year as part of "Taiwan Top 10 Global Brands" and was the only Taiwanese semiconductor company selected. Also, for the 18th consecutive year, we were the only Taiwanese company with papers selected and published by ISSCC, the Olympic of IC design industry.

To conclude, MediaTek will continue to invest in key technologies and thrive to become a trustworthy as well as reliable partners to our customers as we become more relevant in the industry. MediaTek will uphold the strong execution as always, continue to create product value and recruit global talent. We will also deeply collaborate with global semiconductor supply chain and customers in all products, grow with our customers and eventually to enhance shareholder value. Finally, we would like to extend our sincere appreciation to all of our shareholders for your long-term trust and continuous support.

Chairman: Ming-Kai Tsai

Chief Executive Officer: Rick Tsai

Chief Financial Officer: David Ku

Attachment 2

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2021 business report, financial statements, and proposal for allocation of profits. The CPA firm of Ernst & Young was retained to audit MediaTek's financial statements and has issued an audit report relating to the financial statements. The business report, financial statements, and profit allocation proposal have been reviewed by the Audit Committee and no irregularities were found. We hereby report as above according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please kindly approve.

To MediaTek Inc. 2022 Annual General Shareholders' Meeting

MediaTek Inc.

Chairman of the Audit Committee: Chung-Yu Wu

March 16, 2022



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English Translation of a Report Originally Issued in Chinese

Independent Auditors' Report

To the Board of Directors and Shareholders
of MediaTek Inc.

Opinion

We have audited the accompanying consolidated balance sheets of MediaTek Inc. and its subsidiaries as of December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2021 and 2020, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of MediaTek Inc. and its subsidiaries as of December 31, 2021 and 2020, and their consolidated financial performance and cash flows for the years ended December 31, 2021 and 2020, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of MediaTek Inc. and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2021 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

MediaTek Inc. and its subsidiaries recognized NT\$493,414,582 thousand as net sales, which includes sale of goods in the amount of NT\$488,900,520 thousand and services and other operating revenues in the amount of NT\$4,514,062 thousand for the year ended December 31, 2021. Main source of revenue comes from sales of chips. Due to the fact that the product portfolio and the pricing methods are varied and sales discounts are usually directly included or indirectly implied in purchase orders or in practice, it is necessary for the Company to judge and determine the performance obligation of a contract, the timing of its satisfaction, and the estimate of the variable considerations. As a result, we determined the matter to be a key audit matter.

Our audit procedures include (but are not limited to) assessing the appropriateness of the accounting policy for revenue recognition; evaluating and testing the effectiveness of internal control which is related to the timing of revenue recognition; performing test of details on samples selected from details of sales, reviewing the significant terms of sales agreements, testing five steps of revenue recognition and tracing to relevant documentation of transactions; performing test for contract modification, test for contract consolidation and test for principal and agent; adopting audit sampling on trade receivables and performing confirmation procedures on final balance and key terms of sales agreements; and reviewing transactions for certain period before and after the reporting date, analyzing the reasonableness of fluctuations and selecting samples to perform cutoff procedures, tracing to relevant documentation to verify that revenue has been recorded in the correct accounting period. Besides, we also reviewed if there are any significant revenue reversals in subsequent periods.

We also considered the appropriateness of the disclosures of sales. Please refer to Note 4, Note 5 and Note 6 in notes to consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of MediaTek Inc. and its subsidiaries, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate MediaTek Inc. and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of MediaTek Inc. and its subsidiaries.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of MediaTek Inc. and its subsidiaries.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of MediaTek Inc. and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause MediaTek Inc. and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within MediaTek Inc. and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2021 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

We have audited and expressed an unqualified opinion on the parent company only financial statements of MediaTek Inc. as of and for the years ended December 31, 2021 and 2020.

Kuo, Shao-Pin

Fuh, Wen-Fun

Ernst & Young, Taiwan

February 25, 2022

Notice to Readers

The accompanying financial statements are intended only to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

MEDIA TEK INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

As of December 31, 2021 and 2020

(Amounts in thousands of New Taiwan Dollars)

ASSETS		Notes	December 31, 2021	%	December 31, 2020	%
Current assets						
Cash and cash equivalents		4, 6(1)	\$ 183,704,594	28	\$ 196,579,745	37
Financial assets at fair value through profit or loss-current		4, 5, 6(2)	10,695,832	2	8,504,707	2
Financial assets at fair value through other comprehensive income-current		4, 5, 6(3)	6,705,920	1	4,373,488	1
Financial assets measured at amortized cost-current		4, 5, 6(4)	3,657,229	1	655,356	-
Notes receivables, net		6(22)	2,811	-	43,437	-
Trade receivables, net		4, 5, 6(5), 6(22)	58,577,900	9	33,088,653	6
Trade receivables from related parties, net		4, 5, 6(5), 6(22), 7	79,236	-	630	-
Other receivables		6(6)	6,931,246	1	7,645,652	2
Current tax assets		4, 5, 6(30)	140,950	-	807,990	-
Inventories, net		4, 5, 6(7)	73,270,606	11	37,677,370	7
Prepayments		6(8)	1,809,392	-	1,449,401	-
Other current assets			1,289,010	-	1,035,864	-
Total current assets			346,864,726	53	291,862,293	55
Non-current assets						
Financial assets at fair value through profit or loss-noncurrent		4, 5, 6(2)	4,458,892	1	4,611,586	1
Financial assets at fair value through other comprehensive income-noncurrent		4, 5, 6(3)	52,196,718	8	49,872,898	9
Financial assets measured at amortized cost-noncurrent		4, 5, 6(4), 8	11,180,498	2	11,614,536	2
Investments accounted for using the equity method		4, 6(9)	60,287,258	9	50,667,839	10
Property, plant and equipment		4, 6(10)	49,111,180	7	38,971,343	7
Right-of-use assets		4, 6(23)	3,478,527	1	2,934,762	1
Investment property, net		4, 6(11)	1,605,354	-	1,011,956	-
Intangible assets		4, 6(12), 6(13)	73,525,649	11	76,271,667	14
Deferred tax assets		4, 5, 6(30)	8,412,894	1	5,676,629	1
Refundable deposits		9	9,334,669	1	280,089	-
Long-term financing lease receivable, net		4, 6(22), 6(23)	1,455,784	-	130,729	-
Other non-current assets-others		9	38,964,599	6	-	-
Total non-current assets			314,012,022	47	242,044,034	45
Total assets			\$ 660,876,748	100	\$ 533,906,327	100

The accompanying notes are an integral part of the consolidated financial statements.

Chairman : Ming-Kai Tsai

President : Lih-Shyng Tsai

Chief Financial Officer : David Ku

English Translation of Financial Statements Originally Issued in Chinese
MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
As of December 31, 2021 and 2020
(Amounts in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	Notes	December 31, 2021	%	December 31, 2020	%
Current liabilities					
Short-term borrowings	6(14)	\$ 51,267,307	8	\$ 21,470,853	4
Financial liabilities at fair value through profit or loss-current	4, 5, 6(2)	4,252	-	10,329	-
Contract liabilities-current	4, 5, 6(21)	6,368,483	1	11,692,917	2
Trade payables	7	41,327,057	6	32,808,713	6
Trade payables to related parties	6(15)	2,176,635	-	1,661,473	-
Other payables	7	53,126,366	8	38,992,839	7
Other payables to related parties	4, 5, 6(30)	117,547	-	47,940	-
Current tax liabilities	4, 6(23)	11,532,644	2	4,773,718	1
Lease liabilities-current	6(16)	501,153	-	483,089	-
Other current liabilities	6(17)	40,991,045	6	28,363,069	6
Current portion of long-term liabilities		3,693,791	1	3,493,485	1
Total current liabilities		211,106,280	32	143,798,425	27
Non-current liabilities					
Long-term borrowings	6(17)	827,660	-	-	-
Long-term payables	7	662,179	-	3,619,618	1
Long-term payables to related parties	4, 6(18)	193,718	-	-	-
Net defined benefit liabilities-noncurrent	7	856,412	-	910,118	-
Deposits received	4, 5, 6(30)	227,570	-	430,736	-
Deferred tax liabilities	4, 6(23)	8,323,476	1	5,974,416	1
Lease liabilities-noncurrent		2,989,923	1	2,362,280	1
Other non-current liabilities-others		2,041,636	-	1,726,283	-
Total non-current liabilities		16,122,574	2	15,023,451	3
Total liabilities		227,228,854	34	158,821,876	30
Equity attributable to owners of the parent					
Share capital	6(19)				
Common stock		15,988,420	3	15,900,622	3
Capital collected in advance		483	-	2,133	-
Capital surplus	6(19), 6(20), 6(33)	59,776,045	9	76,745,750	14
Retained earnings	6(19)				
Legal reserve		50,217,220	8	44,583,025	8
Undistributed earnings	6(20)	252,432,501	38	173,052,205	32
Other equity	4, 6(19)	53,656,597	8	61,606,056	12
Treasury shares		(55,970)	-	(55,970)	-
Equity attributable to owners of the parent		432,015,296	66	371,833,821	69
Non-controlling interests					
Total equity	4, 6(19), 6(33)	1,632,598	-	3,250,630	1
		433,647,894	66	375,084,451	70
Total liabilities and equity		\$ 660,876,748	100	\$ 533,906,327	100

The accompanying notes are an integral part of the consolidated financial statements.

Chairman : Ming-Kai Tsai

President : Lih-Shyng Tsai

Chief Financial Officer : David Ku

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2021 and 2020

(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Notes	2021	%	2020	%
Net sales	4, 5, 6(21), 7	\$ 493,414,582	100	\$ 322,145,988	100
Operating costs	4, 5, 6(7), 6(24), 7	(261,809,987)	(53)	(180,610,472)	(56)
Gross profit		231,604,595	47	141,535,516	44
Operating expenses	6(22), 6(23), 6(24), 7				
Selling expenses		(17,195,853)	(4)	(13,639,249)	(4)
Administrative expenses		(10,287,281)	(2)	(7,344,108)	(2)
Research and development expenses		(96,080,761)	(19)	(77,324,828)	(24)
Expected credit losses		(466)	-	(8,092)	-
Total operating expenses		(123,564,361)	(25)	(98,316,277)	(30)
Operating income		108,040,234	22	43,219,239	14
Non-operating income and expenses					
Interest income	4, 6(25)	1,650,698	-	2,482,199	1
Other income	4, 6(26), 7	6,579,633	2	1,760,567	-
Other gains and losses	4, 6(27)	9,795,607	2	364,621	-
Finance costs	6(28)	(192,601)	-	(594,988)	-
Share of profit of associates and joint ventures accounted for using the equity method	4, 6(9)	978,482	-	351,048	-
Total non-operating income and expenses		18,811,819	4	4,363,447	1
Net income before income tax		126,852,053	26	47,582,686	15
Income tax expense	4, 5, 6(30)	(14,979,520)	(3)	(6,144,113)	(2)
Net income		111,872,533	23	41,438,573	13
Other comprehensive income	4, 6(9), 6(29), 6(30)				
Items that may not be reclassified subsequently to profit or loss					
Remeasurements of defined benefit plan		62,281	-	(71,905)	-
Unrealized gains (losses) from equity instrument investments measured at fair value through other comprehensive income		5,686,940	1	1,137,121	-
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		2,797,189	1	35,114,051	11
Income tax relating to those items not to be reclassified to profit or loss		40,096	-	(310,392)	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences resulting from translating the financial statements of foreign operations		(6,043,055)	(1)	(7,074,601)	(2)
Unrealized gains (losses) from debt instrument investments measured at fair value through other comprehensive income		(2,084)	-	22,857	-
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		1,262,834	-	2,323,677	1
Other comprehensive income, net of tax		3,804,201	1	31,140,808	10
Total comprehensive income		\$ 115,676,734	24	\$ 72,579,381	23
Net income for the periods attributable to :					
Owners of the parent	6(31)	\$ 111,421,062		\$ 40,916,800	
Non-controlling interests	6(19)	451,471		521,773	
		\$ 111,872,533		\$ 41,438,573	
Total comprehensive income for the periods attributable to :					
Owners of the parent		\$ 115,241,937		\$ 72,047,329	
Non-controlling interests		434,797		532,052	
		\$ 115,676,734		\$ 72,579,381	
Basic Earnings Per Share (in New Taiwan Dollars)	6(31)	\$ 70.56		\$ 26.01	
Diluted Earnings Per Share (in New Taiwan Dollars)	6(31)	\$ 70.22		\$ 25.84	

The accompanying notes are an integral part of the consolidated financial statements.

Chairman : Ming-Kai Tsai

President : Lih-Shyng Tsai

Chief Financial Officer : David Ku

MEDIATEK INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2021 and 2020

(Amounts in thousands of New Taiwan Dollars)

Description	Share capital			Retained earnings			Equity attributable to owners of the parent					Non-controlling interests	Total equity
	Common stock	Capital collected in advance	Capital surplus	Legal reserve	Undistributed earnings	Exchange differences resulting from translating the financial statements of foreign operations	Other equity	Others	Treasury shares	Equity attributable to owners of the parent			
Balance as of January 1, 2020	\$ 15,896,473	\$ 3,780	\$ 82,392,203	\$ 41,507,689	\$ 127,729,843	\$ (3,949,641)	\$ 50,322,680	\$ (1,096,713)	\$ (55,970)	\$ 312,750,344	\$ 1,649,194	\$ 314,399,538	
Appropriation and distribution of 2019 earnings:	-	-	-	-	-	-	-	-	-	-	-	-	
Legal reserve	-	-	-	3,075,336	(3,075,336)	-	-	-	-	(7,944,252)	-	(7,944,252)	
Cash dividends	-	-	-	-	(7,944,252)	-	-	-	-	(7,944,252)	-	(7,944,252)	
Total	-	-	-	3,075,336	(11,019,588)	-	-	-	-	-	-	-	
Cash dividends distributed from capital surplus	-	-	(8,738,677)	-	-	-	-	-	-	(8,738,677)	-	(8,738,677)	
Profit for the year ended December 31, 2020	-	-	-	-	40,916,800	-	-	-	-	40,916,800	521,773	41,438,573	
Other comprehensive income for the year ended December 31, 2020	-	-	-	-	(57,308)	(4,761,203)	35,949,040	-	-	31,130,529	10,279	31,140,808	
Total comprehensive income	-	-	-	-	40,859,492	(4,761,203)	35,949,040	-	-	72,047,329	532,052	72,579,381	
Share-based payment transactions	18,866	(1,647)	603,448	-	-	-	-	-	-	620,667	253,978	874,645	
Treasury stock acquired	-	-	-	-	-	(53,600)	-	-	(53,600)	(53,600)	-	(53,600)	
Treasury stock retired	(1,300)	-	(5,657)	-	(46,643)	-	-	-	53,600	-	-	-	
Adjustments due to dividends that subsidiaries received from parent company	-	-	81,845	-	-	-	-	-	-	81,845	-	81,845	
Changes in associates and joint ventures accounted for using the equity method	-	-	(9,810)	-	(99,498)	-	-	-	-	(109,308)	-	(109,308)	
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	1,001,352	-	-	-	-	-	-	1,001,352	231,821	1,233,173	
Changes in ownership interests in subsidiaries	-	-	1,185,977	-	-	-	-	-	-	1,185,977	583,585	1,769,562	
Changes in restricted stock for employees	(13,417)	-	284,705	-	3,352	-	-	767,140	-	1,041,780	1,041,780	1,041,780	
Issuance of restricted stock for employees	-	-	(49,636)	-	-	-	-	-	-	(49,636)	-	(49,636)	
Changes in other capital surplus	-	-	-	-	-	-	-	-	-	-	-	-	
Proceeds from disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	15,625,247	-	(15,625,247)	-	-	-	-	-	
Balance as of December 31, 2020	15,900,622	2,133	76,745,750	44,583,025	173,052,205	(8,710,844)	70,646,473	(329,573)	(55,970)	371,833,821	3,250,630	375,084,451	
Appropriation and distribution of 2020 earnings:	-	-	-	-	-	-	-	-	-	-	-	-	
Legal reserve	-	-	-	5,634,195	(5,634,195)	-	-	-	-	(33,398,284)	-	(33,398,284)	
Cash dividends	-	-	-	-	(33,398,284)	-	-	-	-	(33,398,284)	-	(33,398,284)	
Total	-	-	-	5,634,195	(39,032,479)	-	-	-	-	-	-	-	
Cash dividends distributed from capital surplus	-	-	(25,446,312)	-	-	-	-	-	-	(25,446,312)	-	(25,446,312)	
Profit for the year ended December 31, 2021	-	-	-	-	111,421,062	-	-	-	-	111,421,062	451,471	111,872,533	
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	51,650	(4,763,993)	8,533,218	-	-	3,820,875	(16,674)	3,804,201	
Total comprehensive income	-	-	-	-	111,472,712	(4,763,993)	8,533,218	-	-	115,241,937	434,797	115,676,734	
Share-based payment transactions	5,244	(1,650)	191,090	-	-	-	-	-	-	194,684	9,585	204,269	
Adjustments due to dividends that subsidiaries received from parent company	-	-	288,382	-	-	-	-	-	-	288,382	-	288,382	
Changes in associates and joint ventures accounted for using the equity method	-	-	1,223,848	-	-	-	-	-	-	1,223,848	-	1,223,848	
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	(162,502)	-	-	-	-	-	-	(162,502)	(14,310)	(176,812)	
Changes in ownership interests in subsidiaries	-	-	609,264	-	-	-	-	-	-	609,264	(430,508)	178,756	
Issuance of restricted stock for employees	-	-	6,376,784	-	(17,252)	-	-	(4,761,369)	-	1,680,717	-	1,680,717	
Changes in other capital surplus	82,554	-	(50,259)	-	-	-	-	-	-	(50,259)	-	(50,259)	
Proceeds from disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	6,957,315	-	(6,957,315)	-	-	-	-	-	
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	
Balance as of December 31, 2021	\$ 15,988,420	\$ 483	\$ 59,776,045	\$ 50,217,220	\$ 252,432,501	\$ (13,474,837)	\$ 72,222,376	\$ (5,090,942)	\$ (55,970)	\$ 432,015,296	\$ 1,632,598	\$ 433,647,894	

The accompanying notes are an integral part of the consolidated financial statements.

Chairman : Ming-Kai Tsai

President : Lih-Shyng Tsai

Chief Financial Officer : David Ku

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2021 and 2020
(Amounts in thousands of New Taiwan Dollars)

Description	2021	2020
Cash flows from operating activities :		
Profit before tax from continuing operations	\$ 126,852,053	\$ 47,582,686
Adjustments for:		
The profit or loss items which did not affect cash flows:		
Depreciation	5,542,630	4,567,806
Amortization	5,078,447	5,333,277
Expected credit losses	466	8,092
Losses (gains) on financial assets and liabilities at fair value through profit or loss	274,696	(141,167)
Interest expenses	192,601	594,988
Gains on derecognition of financial assets measured at amortized cost	(10,404)	(5,303)
Interest income	(1,650,698)	(2,482,199)
Dividend income	(5,781,848)	(1,422,408)
Share-based payment expenses	1,757,079	1,283,437
Share of profit of associates and joint ventures accounted for using the equity method	(978,482)	(351,048)
Losses on disposal of property, plant and equipment	4,649	11,297
Property, plant and equipment transferred to expenses	1,065	29
Losses on disposal of intangible assets	9	67
Gains on disposal of investments	(8,429,982)	(131,091)
Gains on disposal of investments accounted for using the equity method	(938,753)	(41,269)
Others	(4,018)	1,277
Changes in operating assets and liabilities:		
Financial assets mandatorily measured at fair value through profit or loss	(2,529,497)	385,851
Notes receivables	40,626	(40,626)
Trade receivables	(26,345,561)	(9,629,237)
Trade receivables from related parties	(78,606)	4,370
Other receivables	(1,780,705)	(231,567)
Inventories	(36,957,513)	(12,383,737)
Prepayments	(470,229)	(151,795)
Other current assets	(253,146)	(378,594)
Other non-current assets-others	(38,964,599)	-
Contract liabilities	(5,257,168)	9,195,339
Trade payables	9,160,159	12,514,906
Trade payables to related parties	532,216	755,249
Other payables	14,542,537	13,654,636
Other payables to related parties	(38,112)	30,159
Other current liabilities	13,313,793	10,716,034
Net defined benefit liabilities	8,575	(8,230)
Other non-current liabilities-others	(399,736)	(481,957)
Cash generated from operating activities:	46,432,544	78,759,272
Interest received	1,492,138	3,515,255
Dividend received	7,227,944	1,417,518
Interest paid	(191,293)	(636,929)
Income tax paid	(7,866,589)	(3,496,970)
Net cash provided by operating activities	47,094,744	79,558,146
Cash flows from investing activities :		
Acquisition of financial assets at fair value through other comprehensive income	(6,331,739)	(5,137,477)
Proceeds from disposal of financial assets at fair value through other comprehensive income	5,991,715	16,840,081
Proceeds from capital return of financial assets at fair value through other comprehensive income	647,146	1,915,712
Acquisition of financial assets measured at amortized cost	(4,026,881)	(9,793,821)
Proceeds from redemption of financial assets measured at amortized cost	1,330,972	381,968
Acquisition of investments accounted for using the equity method	(900,366)	(1,139,532)
Proceeds from disposal of investments accounted for using the equity method	1,125,782	87,381
Proceeds from capital return of investments accounted for using the equity method	230,165	-
Disposal of a subsidiary	4,102,707	535,028
Acquisition of property, plant and equipment	(16,985,369)	(4,999,665)
Proceeds from disposal of property, plant and equipment	13,242	4,141
Increase in refundable deposits	(9,123,750)	(221,454)
Acquisition of right-of-use assets	-	(2,600)
Acquisition of intangible assets	(4,998,345)	(5,240,576)
Proceeds from disposal of intangible assets	237	1,746
Net cash used in investing activities	(28,924,484)	(6,769,068)
Cash flows from financing activities :		
Increase (decrease) in short-term borrowings	29,948,992	(35,513,495)
Proceeds from long-term borrowings	1,385,720	-
Repayment of long-term borrowings	-	(36,850)
Decrease in deposits received	(203,166)	(133,346)
Cash payment for the principal portion of the lease liabilities	(608,068)	(486,318)
Proceeds from exercise of employee stock options	107,936	569,619
Treasury stocks acquired	-	(53,600)
Cash dividends	(58,584,650)	(16,588,763)
Acquisition of ownership interests in subsidiaries	(175,288)	(862)
Disposal of ownership interests in subsidiaries (without losing control)	1,801	1,238,201
Change in non-controlling interests	175,431	1,784,460
Net cash used in financing activities	(27,951,292)	(49,220,954)
Effect of changes in exchange rate on cash and cash equivalents	(3,094,119)	(4,533,293)
Net (decrease) increase in cash and cash equivalents	(12,875,151)	19,034,831
Cash and cash equivalents at the beginning of the year	196,579,745	177,544,914
Cash and cash equivalents at the end of the year	\$ 183,704,594	\$ 196,579,745

The accompanying notes are an integral part of the consolidated financial statements.

Chairman : Ming-Kai Tsai

President : Lih-Shyng Tsai

Chief Financial Officer : David Ku



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English Translation of a Report Originally Issued in Chinese

Independent Auditors' Report

To the Board of Directors and Shareholders
of MediaTek Inc.

Opinion

We have audited the accompanying parent company only balance sheets of MediaTek Inc. as of December 31, 2021 and 2020, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2021 and 2020, and notes to the parent company only financial statements, including the summary of significant accounting policies (together “the parent company only financial statements”).

In our opinion, the parent company only financial statements referred to above present fairly, in all material respects, the parent company only financial position of MediaTek Inc. as of December 31, 2021 and 2020, and the parent company only financial performance and the parent company only cash flows for the years ended December 31, 2021 and 2020, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of MediaTek Inc. in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2021 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

MediaTek Inc. recognized NT\$305,571,342 thousand as net sales, which includes sale of goods in the amount of NT\$298,550,832 thousand and services and other operating revenues in the amount of NT\$7,020,510 thousand for the year ended December 31, 2021. Main source of revenue comes from sales of chips. Due to the fact that the product portfolio and the pricing methods are varied and sales discounts are usually directly included or indirectly implied in purchase orders or in practice, it is necessary for the Company to judge and determine the performance obligation of a contract, the timing of its satisfaction, and the estimate of the variable considerations. As a result, we determined the matter to be a key audit matter.

Our audit procedures include (but are not limited to) assessing the appropriateness of the accounting policy for revenue recognition; evaluating and testing the effectiveness of internal control which is related to the timing of revenue recognition; performing test of details on samples selected from details of sales, reviewing the significant terms of sales agreements, testing five steps of revenue recognition and tracing to relevant documentation of transactions; performing test for contract modification, test for contract consolidation and test for principal and agent; adopting audit sampling on trade receivables and performing confirmation procedures on final balance and key terms of sales agreements; and reviewing transactions for certain period before and after the reporting date, analyzing the reasonableness of fluctuations and selecting samples to perform cutoff procedures, tracing to relevant documentation to verify that revenue has been recorded in the correct accounting period. Besides, we also reviewed if there are any significant revenue reversals in subsequent periods.

We also considered the appropriateness of the disclosures of sales. Please refer to Note 4, Note 5 and Note 6 in notes to the parent company only financial statements.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the ability to continue as a going concern of MediaTek Inc., disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate MediaTek Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of MediaTek Inc.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of MediaTek Inc.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of MediaTek Inc. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause MediaTek Inc. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within MediaTek Inc. and its subsidiaries to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2021 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Kuo, Shao-Pin

Fuh, Wen-Fun

Ernst & Young, Taiwan

February 25, 2022

Notice to Readers

The accompanying financial statements are intended only to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

MEDIATEK INC.

PARENT COMPANY ONLY BALANCE SHEETS

As of December 31, 2021 and 2020

(Amounts in thousands of New Taiwan Dollars)

ASSETS	Notes	December 31, 2021	%	December 31, 2020	%
Current assets					
Cash and cash equivalents	4, 6(1)	\$ 71,349,370	12	\$ 96,917,833	21
Financial assets at fair value through profit or loss-current	4, 5, 6(2)	1,712,245	-	1,127,766	-
Financial assets at fair value through other comprehensive income-current	4, 5, 6(3)	-	-	16,279	-
Financial assets measured at amortized cost-current	4, 6(4)	84,211	-	-	-
Trade receivables, net	4, 6(5), 6(21)	32,683,641	6	17,849,058	4
Trade receivables from related parties, net	4, 6(5), 6(21), 7	612,535	-	638,850	-
Other receivables	6(6)	5,150,696	1	4,059,124	1
Other receivables from related parties	7	275,373	-	283,583	-
Current tax assets	4, 5, 6(29)	82	-	423,416	-
Inventories, net	4, 5, 6(7)	40,813,724	7	20,902,891	4
Prepayments	6(8)	666,330	-	475,997	-
Other current assets		1,214,719	-	926,274	-
Total current assets		154,562,926	26	143,621,071	30
Non-current assets					
Financial assets at fair value through profit or loss-noncurrent	4, 5, 6(2)	797,350	-	284,351	-
Financial assets at fair value through other comprehensive income-noncurrent	4, 5, 6(3)	6,517,755	1	3,897,723	1
Financial assets measured at amortized cost-noncurrent	4, 6(4), 8	1,516,539	-	1,307,879	-
Investments accounted for using the equity method	4, 6(9)	307,861,947	52	239,201,616	51
Property, plant and equipment	4, 6(10)	29,877,083	5	20,388,079	4
Right-of-use assets	4, 6(22)	1,733,789	-	1,660,954	-
Intangible assets	4, 6(11), 6(12)	57,272,022	10	58,505,350	13
Deferred tax assets	4, 5, 6(29)	6,780,908	1	4,274,948	1
Refundable deposits	9	8,670,550	2	73,162	-
Long-term financing lease receivable, net	4, 6(21), 6(22)	1,455,784	-	130,729	-
Other non-current assets-others	9	19,230,579	3	-	-
Total non-current assets		441,714,306	74	329,724,791	70
Total assets		\$ 596,277,232	100	\$ 473,345,862	100

The accompanying notes are an integral part of the parent company only financial statements.

Chairman : Ming-Kai Tsai

President : Lih-Shyng Tsai

Chief Financial Officer : David Ku

MEDIATEK INC.
PARENT COMPANY ONLY BALANCE SHEETS
As of December 31, 2021 and 2020

(Amounts in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY		Notes	December 31, 2021	%	December 31, 2020	%
Current liabilities						
Short-term borrowings	6(13)		45,327,350	8	16,251,740	3
Financial liabilities at fair value through profit or loss-current	4, 5, 6(2)		4,252	-	520	-
Contract liabilities-current	4, 5, 6(20)		3,409,104	1	7,852,229	2
Trade payables			24,456,912	4	20,290,430	4
Trade payables to related parties	7		1,553,675	-	2,655,984	1
Other payables	6(14), 7		37,182,973	6	26,017,253	5
Current tax liabilities	4, 5, 6(29)		7,102,836	1	1,852,008	-
Lease liabilities-current	4, 6(22)		155,571	-	101,898	-
Other current liabilities	4, 6(15), 7		24,628,819	4	15,954,662	3
Current portion of long-term liabilities	6(16)		2,562,795	1	2,103,031	1
Total current liabilities			146,384,287	25	93,079,755	19
Non-current liabilities						
Long-term borrowings	6(16)		827,660	-	-	-
Long-term payables			490,525	-	2,336,031	1
Long-term payables to related parties	7		8,618,791	2	-	-
Net defined benefit liabilities-noncurrent	4, 6(17)		672,027	-	729,888	-
Deposits received	7		106,299	-	313,681	-
Deferred tax liabilities	4, 5, 6(29)		4,966,610	1	2,938,088	1
Lease liabilities-noncurrent	4, 6(22)		1,587,347	-	1,572,046	-
Non-current liabilities-others			608,390	-	542,552	-
Total non-current liabilities			17,877,649	3	8,432,286	2
Total liabilities			164,261,936	28	101,512,041	21
Equity						
Share capital	6(18)					
Common stock			15,988,420	3	15,900,622	3
Capital collected in advance			483	-	2,133	-
Capital surplus	6(18), 6(19)		59,776,045	10	76,745,750	16
Retained earnings	6(18)					
Legal reserve			50,217,220	8	44,583,025	10
Undistributed earnings			252,432,501	42	173,052,205	37
Other equity	6(19)		53,656,597	9	61,606,056	13
Treasury shares	4, 6(18)		(55,970)	-	(55,970)	-
Total equity			432,015,296	72	371,833,821	79
Total liabilities and equity			\$ 596,277,232	100	\$ 473,345,862	100

The accompanying notes are an integral part of the parent company only financial statements.

Chairman : Ming-Kai Tsai

President : Lih-Shyng Tsai

Chief Financial Officer : David Ku

MEDIATEK INC.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2021 and 2020

(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Notes	2021	%	2020	%
Net sales	4, 5, 6(20), 7	\$ 305,571,342	100	\$ 168,337,908	100
Operating costs	4, 5, 6(7), 6(23), 7	(174,236,062)	(57)	(94,346,514)	(56)
Gross profit		131,335,280	43	73,991,394	44
Unrealized gross profit on sales		(566,377)	-	(41,711)	-
Realized gross profit on sales		163,622	-	115,258	-
Gross profit, net		130,932,525	43	74,064,941	44
Operating expenses	6(21), 6(23), 7				
Selling expenses		(9,600,509)	(3)	(7,132,681)	(5)
Administrative expenses		(6,371,111)	(2)	(3,591,677)	(2)
Research and development expenses		(63,298,834)	(21)	(47,367,434)	(28)
Expected credit gains (losses)		15,007	-	(16,001)	-
Total operating expenses		(79,255,447)	(26)	(58,107,793)	(35)
Operating income		51,677,078	17	15,957,148	9
Non-operating income and expenses					
Interest income	4, 6(24)	595,264	-	1,234,586	1
Other income	4, 6(25), 7	621,613	-	178,150	-
Other gains and losses	4, 6(26), 7	546,510	-	194,053	-
Finance costs	6(27), 7	(113,342)	-	(446,341)	-
Share of profit of subsidiaries, associates, and joint ventures accounted for using the equity method	4	67,577,219	22	26,517,121	16
Total non-operating income and expenses		69,227,264	22	27,677,569	17
Net income before income tax		120,904,342	39	43,634,717	26
Income tax expense	4, 5, 6(29)	(9,483,280)	(3)	(2,717,917)	(2)
Net income		111,421,062	36	40,916,800	24
Other comprehensive income	4, 6(9), 6(17), 6(28), 6(29)				
Items that may not be reclassified subsequently to profit or loss					
Remeasurements of the defined benefit plan		47,672	-	(69,862)	-
Unrealized gains (losses) from equity instrument investments measured at fair value through other comprehensive income		(57,688)	-	334,081	-
Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using the equity method which may not be reclassified to profit or loss		8,606,502	3	35,590,684	21
Income tax relating to those items not to be reclassified to profit or loss		(9,534)	-	13,972	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences resulting from translating the financial statements of foreign operations		(4,763,993)	(1)	(4,761,203)	(2)
Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using the equity method which may be reclassified to profit or loss		(2,084)	-	22,857	-
Other comprehensive income, net of tax		3,820,875	2	31,130,529	19
Total comprehensive income		\$ 115,241,937	38	\$ 72,047,329	43
Basic Earnings Per Share (in New Taiwan Dollars)	6(30)	\$ 70.56		\$ 26.01	
Diluted Earnings Per Share (in New Taiwan Dollars)	6(30)	\$ 70.22		\$ 25.84	

The accompanying notes are an integral part of the parent company only financial statements.

Chairman : Ming-Kai Tsai

President : Lih-Shyng Tsai

Chief Financial Officer : David Ku

MEDIATEK INC.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2021 and 2020

(Amounts in thousands of New Taiwan Dollars)

Description	Share capital		Capital surplus	Retained earnings		Exchange differences resulting from translating the financial statements of foreign operations	Other equity (losses) from financial assets measured at fair value through other comprehensive income	Others	Treasury shares	Equity attributable to owners of the parent
	Common stock	Capital collected in advance		Legal reserve	Undistributed earnings					
Balance as of January 1, 2020	\$ 15,896,473	\$ 3,780	\$ 82,392,203	\$ 41,507,689	\$ 127,729,843	\$ (3,949,641)	\$ 50,322,680	\$ (1,096,713)	\$ (55,970)	\$ 312,750,344
Appropriation and distribution of 2019 earnings:	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	3,075,336	(3,075,336)	-	-	-	-	-
Cash dividends	-	-	-	-	(7,944,252)	-	-	-	-	(7,944,252)
Total	-	-	-	3,075,336	(11,019,588)	-	-	-	-	(7,944,252)
Cash dividends distributed from capital surplus	-	-	(8,738,677)	-	-	-	-	-	-	(8,738,677)
Profit for the year ended December 31, 2020	-	-	-	-	40,916,800	-	-	-	-	40,916,800
Other comprehensive income for the year ended December 31, 2020	-	-	-	-	(57,308)	(4,761,203)	35,949,040	-	-	31,130,529
Total comprehensive income	-	-	-	-	40,859,492	(4,761,203)	35,949,040	-	-	72,047,329
Share-based payment transactions	18,866	(1,647)	603,448	-	-	-	-	-	-	620,667
Treasury stock acquired	-	-	-	-	-	-	-	-	(53,600)	(53,600)
Treasury stock retired	(1,300)	-	(5,657)	-	(46,643)	-	-	-	53,600	-
Adjustments due to dividends that subsidiaries received from parent company	-	-	81,845	-	-	-	-	-	-	81,845
Changes in associates and joint ventures accounted for using the equity method	-	-	(9,810)	-	(99,498)	-	-	-	-	(109,308)
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	-	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	-	1,001,352	-	-	-	-	-	-	1,001,352
Changes in other capital surplus	-	-	1,185,977	-	-	-	-	-	-	1,185,977
Issuance of restricted stock for employees	(13,417)	-	284,705	-	3,352	-	-	767,140	-	1,041,780
Changes in other capital surplus	-	-	(49,636)	-	-	-	-	-	-	(49,636)
Proceeds from disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	15,625,247	-	(15,625,247)	-	-	-
Balance as of December 31, 2020	15,900,622	2,133	76,745,750	44,583,025	173,052,205	(8,710,844)	70,646,473	(329,573)	(55,970)	371,833,821
Appropriation and distribution of 2020 earnings:	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	5,634,195	(5,634,195)	-	-	-	-	-
Cash dividends	-	-	-	-	(33,398,284)	-	-	-	-	(33,398,284)
Total	-	-	-	5,634,195	(39,032,479)	-	-	-	-	(33,398,284)
Cash dividends distributed from capital surplus	-	-	(25,446,312)	-	-	-	-	-	-	(25,446,312)
Profit for the year ended December 31, 2021	-	-	-	-	111,421,062	-	-	-	-	111,421,062
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	51,650	(4,763,993)	8,533,218	-	-	3,820,875
Total comprehensive income	-	-	-	-	111,472,712	(4,763,993)	8,533,218	-	-	115,241,937
Share-based payment transactions	5,244	(1,650)	191,090	-	-	-	-	-	-	194,684
Adjustments due to dividends that subsidiaries received from parent company	-	-	288,382	-	-	-	-	-	-	288,382
Changes in associates and joint ventures accounted for using the equity method	-	-	1,223,848	-	-	-	-	-	-	1,223,848
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	-	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	-	(162,502)	-	-	-	-	-	-	(162,502)
Changes in other capital surplus	-	-	609,264	-	-	-	-	-	-	609,264
Issuance of restricted stock for employees	82,554	-	6,376,784	-	(17,252)	-	-	(4,761,369)	-	1,680,717
Changes in other capital surplus	-	-	(50,259)	-	-	-	-	-	-	(50,259)
Proceeds from disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	6,957,315	-	(6,957,315)	-	-	-
Balance as of December 31, 2021	\$ 15,988,420	\$ 483	\$ 59,776,045	\$ 50,217,220	\$ 252,432,501	\$ (13,474,837)	\$ 72,222,376	\$ (5,090,942)	\$ (55,970)	\$ 432,015,296

The accompanying notes are an integral part of the parent company only financial statements.

Chairman : Ming-Kai Tsai

President : Lih-Shyng Tsai

Chief Financial Officer : David Ku

English Translation of Financial Statements Originally Issued in Chinese
MEDIATEK INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the years ended December 31, 2021 and 2020
(Amounts in thousands of New Taiwan Dollars)

Description	2021	2020
Cash flows from operating activities :		
Profit before tax from continuing operations	\$ 120,904,342	\$ 43,634,717
Adjustments for:		
The profit or loss items which did not affect cash flows:		
Depreciation	3,311,072	2,467,665
Amortization	2,928,106	3,014,896
Expected (gains) credit	(15,007)	16,001
Gains on financial assets and liabilities at fair value through profit or loss	(117,813)	(86,654)
Interest expenses	113,342	446,341
Interest income	(595,264)	(1,234,586)
Dividend income	(40,116)	-
Share-based payment expenses	1,545,455	1,029,459
Share of profit of subsidiaries, associates, and joint ventures accounted for using the equity method	(67,577,219)	(26,517,121)
Gains on disposal of property, plant and equipment	(972)	(2,956)
Unrealized gains on sales	80	-
Realized gains on sales	(163,622)	(115,258)
Others	(204)	(28)
Changes in operating assets and liabilities:		
Financial assets mandatorily measured at fair value through profit or loss	(976,587)	(349,774)
Trade receivables	(14,819,576)	(4,682,444)
Trade receivables from related parties	26,315	35,105
Other receivables	(1,147,936)	(537,042)
Other receivables from related parties	8,210	404,086
Inventories	(19,910,833)	(7,986,874)
Prepayments	(190,333)	194,678
Other current assets	(288,445)	(372,026)
Other non-current assets-others	(19,230,579)	-
Contract liabilities	(4,443,125)	6,069,085
Trade payables	4,166,482	9,250,117
Trade payables to related parties	(1,102,309)	1,284,114
Other payables	10,934,832	8,148,889
Other current liabilities	8,674,157	5,749,574
Long-term payables	-	(35,619)
Long-term payables to related parties	8,618,791	-
Net defined benefit liabilities	(10,189)	2,183
Non-current liabilities-others	(278,285)	(265,121)
Cash generated from operating activities:	30,322,770	39,561,407
Interest received	656,620	1,918,104
Dividend received	22,242,681	12,000,530
Interest paid	(114,386)	(485,895)
Income tax paid	(4,327,866)	(1,529,625)
Net cash provided by operating activities	48,779,819	51,464,521
Cash flows from investing activities :		
Acquisition of financial assets at fair value through other comprehensive income	(1,997,691)	(581,285)
Acquisition of financial assets measured at amortized cost	(120,703)	(828,475)
Proceeds from redemption of financial assets measured at amortized cost	113,559	83,840
Acquisition of investments accounted for using the equity method	(19,501,530)	(258,564)
Proceeds from disposal of investments accounted for using the equity method	10,466	855,101
Proceeds from capital return of investments accounted for using the equity method	1,382,800	630,000
Cash received through merger	63,799	-
Acquisition of property, plant and equipment	(13,722,045)	(2,897,907)
Proceeds from disposal of property, plant and equipment	8,032	3,508
Increase in refundable deposits	(8,597,388)	(1,010)
Acquisition of intangible assets	(3,294,683)	(3,516,943)
Proceeds from disposal of intangible assets	226	-
Net cash used in investing activities	(45,655,158)	(6,511,735)
Cash flows from financing activities :		
Increase (decrease) in short-term borrowings	29,075,610	(35,349,944)
Proceeds from long-term borrowings	1,385,720	-
Decrease in deposits received	(207,382)	(111,963)
Cash payment for the principal portion of the lease liabilities	(181,976)	(97,745)
Proceeds from exercise of employee stock options	107,936	569,619
Treasury stock acquired	-	(53,600)
Cash dividends	(58,873,032)	(16,670,608)
Net cash used in investing activities	(28,693,124)	(51,714,241)
Net decrease in cash and cash equivalents	(25,568,463)	(6,761,455)
Cash and cash equivalents at the beginning of the year	96,917,833	103,679,288
Cash and cash equivalents at the end of the year	\$ 71,349,370	\$ 96,917,833

The accompanying notes are an integral part of the parent company only financial statements.

Chairman : Ming-Kai Tsai

President : Lih-Shyng Tsai

Chief Financial Officer : David Ku

Attachment 5

Comparison Table Illustrating the Original and Amended Text of the “Article of Incorporation”

Adopted by the 8th meeting of the 9th board

Amended Article	Original Article	Explanation
<u>Article 8-1</u> <u>Shareholders’ meetings of the Company can be held by means of visual communication network or other methods promulgated by the central competent authority.</u>	(Newly added)	1. This article is newly added. 2. In response to the amendment of Article 172-2 of the Company Act published on December 29, 2021, which allowed public companies to hold the shareholders’ meetings by means of visual communication network, this Article 8-1 is added in accordance with the first paragraph of Article 172-2 of the Company Act, which provides that a company may explicitly stipulate in its Articles of Incorporation that its shareholders’ meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.
Article 24-1 If there is any profit in an annual general financial statement of the Company, such profit shall be distributed in the following orders: 1. Reserve for tax payments. 2. Offset accumulated losses in previous years, if any. 3. Legal reserve, which is 10% of leftover profits. However, this restriction does not apply in the event that the amount of	Article 24-1 If there is any profit in an annual general financial statement of the Company, such profit shall be distributed in the following orders: 1. Reserve for tax payments. 2. Offset accumulated losses in previous years, if any. 3. Legal reserve, which is 10% of leftover profits. However, this restriction does not apply in the event that the amount of	In accordance with Article 240 and Article 241 of the Company Act, which simplified the procedure of distributing cash dividends, this Article is proposed to authorize the Board of Directors to distribute cash dividends by a special resolution and report the same to the shareholders’ meeting.

Amended Article	Original Article	Explanation
the accumulated legal reserve equals or exceeds the Company's total capital stock. 4. Allocation or reverse of special reserves as required by law or government authorities. 5. The remaining net profits and the retained earnings from previous years will be allocated as shareholders' dividend. The Board of Directors will prepare a distribution proposal <u>per laws and regulations and the procedures and principles specified in the Articles of Incorporation and report such distribution to the shareholders' meeting or</u> submit the same to the shareholders' meeting for review and approval by a resolution. <u>In accordance with Article 240 and Article 241 of the Company Act, the Company authorizes the Board of Directors to distribute the cash dividends (may include dividends distributed from profits and the legal reserve and the capital reserve, in whole or in part, pursuant to Article 241 of the Company Act) by a majority vote in a meeting attended by over two-thirds of the Directors and report such distribution to the shareholders' meeting.</u> Since the Company is in an industry in a growth phase, the dividend policy shall take into consideration factors such as the Company's current and future investment environment, needs for capital, domestic and overseas competition, capital budgeting plans, etc., to come out with a proposal that strike a balance among shareholders' benefits and the Company's long-term financial plans. Each year the Board of Directors shall prepare a profit distribution proposal and report <u>the distribution of cash dividends to the shareholders' meeting or submit the distribution of stock dividends</u>.	the accumulated legal reserve equals or exceeds the Company's total capital stock. 4. Allocation or reverse of special reserves as required by law or government authorities. 5. The remaining net profits and the retained earnings from previous years will be allocated as shareholders' dividend. The Board of Directors will prepare a distribution proposal <u>and</u> submit the same to the shareholders' meeting for review and approval by a resolution. Since the Company is in an industry in a growth phase, the dividend policy shall take into consideration factors such as the Company's current and future investment environment, needs for capital, domestic and overseas competition, capital budgeting plans, etc., to come out with a proposal that strike a balance among shareholders' benefits and the Company's long-term financial plans. Each year the Board of Directors shall prepare a profit distribution proposal and report <u>it at</u> the shareholders' meeting. After considering financial, business and operational factors, the Company may	

Amended Article	Original Article	Explanation
to the shareholders' meeting <u>for review and approval by a resolution.</u> After considering financial, business and operational factors, the Company may distribute the whole of distributable profits for the year; dividends to shareholders may be distributed in cash or in stock, and the cash dividends shall not be lower than 10% of total dividends to shareholders.	distribute the whole of distributable profits for the year; dividends to shareholders may be distributed in cash or in stock, and the cash dividends shall not be lower than 10% of total dividends to shareholders.	
Article 27 These Articles of Incorporation were resolved on May 21, 1997. The first amendment was made on September 1, 1997, the second amendment was made on July 3, 1998, the third amendment was made on June 21, 1999, the fourth amendment was made on June 9, 2000, the fifth amendment was made on September 28, 2000, the sixth amendment was made on June 8, 2001, the seventh amendment was made on June 3, 2002, the eighth amendment was made on May 16, 2003, the ninth amendment was made on June 9, 2004, the tenth amendment was made on June 13, 2005, the eleventh amendment was made on June 21, 2006, the twelfth amendment o was made n June 11, 2007 , the thirteenth amendment was made on June 15, 2010, the fourteenth amendment was made on June 15, 2011, the fifteenth amendment was made on June 13, 2012, the sixteenth amendment was made on June 12, 2015 the seventeenth amendment was made on June 24, 2 016 the eighteenth amendment was made on June 15, 2017, the nineteenth amendment was made on June 14, 2019, <u>and the twentieth amendment was made on May 31, 2022.</u>	Article 27 These Articles of Incorporation were resolved on May 21, 1997. The first amendment was made on September 1, 1997, the second amendment was made on July 3, 1998, the third amendment was made on June 21, 1999, the fourth amendment was made on June 9, 2000, the fifth amendment was made on September 28, 2000, the sixth amendment was made on June 8, 2001, the seventh amendment was made on June 3, 2002, the eighth amendment was made on May 16, 2003, the ninth amendment was made on June 9, 2004, the tenth amendment was made on June 13, 2005, the eleventh amendment was made on June 21, 2006, the twelfth amendment o was made n June 11, 2007 , the thirteenth amendment was made on June 15, 2010, the fourteenth amendment was made on June 15, 2011, the fifteenth amendment was made on June 13, 2012, the sixteenth amendment was made on June 12, 2015 the seventeenth amendment was made on June 24, 2 016 the eighteenth amendment was made on June 15, 2017, <u>and</u> the nineteenth amendment was made on June 14, 2019.	Proposed revisions to reflect the amendment date of these Articles.

Attachment 6

Comparison Table Illustrating the Original and Amended Text of the “Procedures Governing the Acquisition or Disposition of Assets”

Adopted by the 8th meeting of the 9th board

Amended Article	Original Article	Explanation
Article III: Appraisal Procedures I. (Omitted). II. Basis for reference of pricing (I). Long-and short-term securities To acquire or dispose securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the target company for the most recent period that was certified or reviewed by a certified public accountant as a reference in appraising the transaction price. If the dollar amount of the transaction reaches 20% of the Company's paid in capital or exceeds NT\$300 million or more, the Company shall engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the government authorities. (II). Real property, equipment or right of use assets In acquiring or disposing of real property, equipment or right of use assets where the transaction amount reaches 20% of the Company's paid in capital or NT\$300 million or more, the Company, except for	Article III: Appraisal Procedures I. (Omitted). II. Basis for reference of pricing (I). Long-and short-term securities To acquire or dispose securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the target company for the most recent period that was certified or reviewed by a certified public accountant as a reference in appraising the transaction price. If the dollar amount of the transaction reaches 20% of the Company's paid in capital or exceeds NT\$300 million or more, the Company shall engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>If the CPA needs to use a report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No.20 published by the ROC Accounting Research and Development Foundation (“ARDF”).</u> This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the government authorities. (II). Real property, equipment or right of use assets In acquiring or disposing of real property, equipment or right of use assets where the transaction amount reaches 20% of the Company's paid in capital or NT\$300 million or more, the Company, except for	The revisions to this Article are proposed in accordance with the amendment to “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” by the ruling letter Jin-Guan-Zheng-Fa-Zi No. 1110380465 dated January 28, 2022, issued by the Financial Supervisory Commission.

Amended Article	Original Article	Explanation
transacting with a local government agency, engaging others to build on Company's own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions: 1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction. 2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained. 3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless the appraisal results for the assets to be acquired are higher than the transaction amount, or the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: (1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount. (2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the	transacting with a local government agency, engaging others to build on Company's own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions: 1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction. 2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained. 3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless the appraisal results for the assets to be acquired are higher than the transaction amount, or the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to <u>perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF and</u> render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: (1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.	

Amended Article	Original Article	Explanation
transaction amount. 4. No more than three months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided however, that where the publicly announced current value of the real property for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser. 5. The term "professional appraiser" as set forth in the Procedures denotes a real property appraiser or other person duly authorized by laws to engage in the value appraisal of real property or equipment. (III). (Omitted). (IV). (Omitted). (V). (Omitted). (VI). (Omitted). III. (Omitted). IV. (Omitted).	(2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount. 4. No more than three months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided however, that where the publicly announced current value of the real property for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser. 5. The term "professional appraiser" as set forth in the Procedures denotes a real property appraiser or other person duly authorized by laws to engage in the value appraisal of real property or equipment. (III). (Omitted). (IV). (Omitted). (V). (Omitted). (VI). (Omitted). III. (Omitted). IV. (Omitted).	

Amended Article	Original Article	Explanation
Article IV: Operating Procedures I. Limits and levels of authorization The acquisition or disposal of the Company's assets shall be handled in accordance with the following limits and procedures. (I). The acquisition or disposal of the Company's assets set forth in Paragraph 1, Article 2 shall be subject to approval by the Chairman if it is long-term shareholding investment for business purpose, and shall be further subject to an approval by the Audit Committee and the Board of Directors beforehand if the case exceeds <u>NT\$1 billion</u> in price. Investment in long- and short-term securities other than aforementioned shall abide by the following operating procedures and limit: 1. The cumulative amount of the same underlying investment that is NT\$300 million or less within the same fiscal year shall be assessed and proceeded by the executive unit. 2. The cumulative amount of the same underlying investment that exceeds NT\$300 million but less than NT\$1 billion within the same fiscal year shall be assessed by the executive unit and proceeded after the Chairman's approval. 3. The cumulative amount of the same underlying investment that is NT\$1 billion or more or is 50% or more of sum of cash and cash equivalents, financial assets, and funds and investments within the same fiscal year shall be assessed by the executive unit and proceeded after <u>obtaining both the Audit Committee's and the Board of Directors' approvals.</u> (II). The acquisition or disposal of the Company's real property, equipment or right of use assets shall be proceeded by the executive unit in	Article IV: Operating Procedures I. Limits and levels of authorization The acquisition or disposal of the Company's assets shall be handled in accordance with the following limits and procedures. (I). The acquisition or disposal of the Company's assets set forth in Paragraph 1, Article 2 shall be subject to approval by the Chairman if it is long-term shareholding investment for business purpose, and shall be further subject to an approval by the Audit Committee and the Board of Directors beforehand if the case exceeds <u>NT\$300 million</u> in price. Investment in long- and short-term securities other than aforementioned shall abide by the following operating procedures and limit: 1. The cumulative amount of the same underlying investment that is NT\$300 million or less within the same fiscal year shall be assessed and proceeded by the executive unit. 2. The cumulative amount of the same underlying investment that exceeds NT\$300 million but less than NT\$1 billion within the same fiscal year shall be assessed by the executive unit and proceeded after the Chairman's approval. 3. The cumulative amount of the same underlying investment that is NT\$1 billion or more or is 50% or more of sum of cash and cash equivalents, financial assets, and funds and investments within the same fiscal year shall be assessed by the executive unit and proceeded after the Board of Directors' approval. (II). The acquisition or disposal of the Company's real property, equipment or right of use assets shall be proceeded by the executive unit in	In response to the growth of the Company's operating scale and considering the best practices in other industries, the threshold amount that needs to be adopted by the Audit Committee and the Board of Directors is adjusted to improve the Company's operating efficiency. Other revisions are proposed to clarify the wording of this Article.

Amended Article	Original Article	Explanation
accordance with relevant internal regulations of the Company, and shall be further subject to approval by <u>the Audit Committee and the Board of Directors</u> beforehand if the <u>transaction amount reaches 10% or more of the Company's paid-in capital</u>. But <u>the Audit Committee and the Board of Directors</u> may authorize the Chairman to approve it and then ask for ratification from <u>the Audit Committee and the Board</u> afterwards. The above restriction shall not apply to the capital expenditure which is budgeted in annual budget plan and approved by <u>the Audit Committee and Board of Directors</u>. (III). Intangible assets, right of use assets or memberships shall be acquired and disposed in accordance with the manner set forth in the preceding subparagraph. (IV). (Omitted). (V). (Omitted). II. (Omitted). III. (Omitted). IV. (Omitted). V. (Omitted). VI. (Omitted). VII. (Omitted). VIII. (Omitted).	accordance with relevant internal regulations of the Company, and shall be further subject to <u>an approval by the Board of Directors</u> beforehand if the <u>case is NT\$300 million or more in price</u>. But the Board of Directors may authorize the Chairman to approve it and then ask for ratification from the Board afterwards. The above restriction shall not apply to the capital expenditure which is budgeted in annual budget plan and approved by Board of Directors. (III). Intangible assets, right of use assets or memberships shall be acquired and disposed in accordance with the manner set forth in the preceding subparagraph. (IV). (Omitted). (V). (Omitted). II. (Omitted). III. (Omitted). IV. (Omitted). V. (Omitted). VI. (Omitted). VII. (Omitted). VIII. (Omitted).	
Article V: Public Announcement and Declaration I. Procedures Under any of the following circumstances, the Company acquired or disposed of assets shall publicly announce and report in accordance with relevant regulations in the appropriate format as prescribed by the regulations within two days from the date of occurrence of the event. (I). (Omitted). (II). (Omitted). (III). (Omitted). (IV). (Omitted). (V). (Omitted). (VI). Where an asset transaction other than any of those referred to in the preceding five Subparagraphs	Article V: Public Announcement and Declaration I. Procedures Under any of the following circumstances, the Company acquired or disposed of assets shall publicly announce and report in accordance with relevant regulations in the appropriate format as prescribed by the regulations within two days from the date of occurrence of the event. (I). (Omitted). (II). (Omitted). (III). (Omitted). (IV). (Omitted). (V). (Omitted). (VI). Where an asset transaction other than any of those referred to in the preceding five Subparagraphs	The revisions to this Article are proposed in accordance with the amendment to "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" by the ruling letter Jin-Guan-Zheng-Fa-Zi No. 1110380465 dated January 28, 2022, issued by the Financial Supervisory Commission.

Amended Article	Original Article	Explanation
or investment in the mainland China area reach 20% of the paid-in capital of the Company or NT\$300 million or more; provided however, that this shall not apply to the following circumstances: 1. Trading of local government bonds <u>or foreign government bonds whose credit rating is at or above the sovereign credit rating of our local government.</u> 2. Trading of bonds under repurchase/resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises. II. (Omitted). III. (Omitted). IV. (Omitted). V. (Omitted). VI. (Omitted). VII. (Omitted). VIII. (Omitted).	or investment in the mainland China area reach 20% of the paid-in capital of the Company or NT\$300 million or more; provided however, that this shall not apply to the following circumstances: 1. Trading of local government bonds. 2. Trading of bonds under repurchase/resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises. II. (Omitted). III. (Omitted). IV. (Omitted). V. (Omitted). VI. (Omitted). VII. (Omitted). VIII. (Omitted).	

Attachment 7

**Comparison Table Illustrating the Original and Amended
Text of the "Operating Procedures of
Endorsement/Guarantee"**

Adopted by the 8th meeting of the 9th board

Amended Article	Original Article	Explanation
Article II The party to whom the Company may provide endorsement/guarantee includes the following: I. Any company having business transactions with the Company. II. Any subsidiary of the Company. III. Where all capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages, such endorsements/guarantees may be made free of the restriction set forth in preceding two paragraphs. The term "capital contributing" as used in the preceding sentence shall refer to capital contributions made directly by the Company, or through a company of which the Company owns 100% of the voting shares. <u>Any subsidiaries of the Company that are not public companies</u> shall <u>not</u> provide any endorsement/guarantee to others <u>except for the Company itself</u>, provided, however, that the companies in which the Company holds 90% or more of the voting shares may make an endorsement/guarantee in accordance with section 3 of Article 4 of these Procedures, and the amount shall not exceed 10% of the Company's net worth. An endorsement/guarantee made between the companies in which the Company owns 100% of the voting shares directly or indirectly shall not be subject to the	Article II The party to whom the Company may provide endorsement/guarantee includes the following: I. Any company having business transactions with the Company. II. Any subsidiary of the Company. III. Where all capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages, such endorsements/guarantees may be made free of the restriction set forth in preceding two paragraphs. The term "capital contributing" as used in the preceding sentence shall refer to capital contributions made directly by the Company, or through a company of which the Company owns 100% of the voting shares. <u>No subsidiary of the Company shall</u> provide any endorsement/guarantee to others, provided, however, that the companies in which the Company holds 90% or more of the voting shares may make an endorsement/guarantee in accordance with section 3 of Article 4 of these Procedures, and the amount shall not exceed 10% of the Company's net worth. An endorsement/guarantee made between the companies in which the Company owns 100% of the voting shares directly or indirectly shall not be subject to the aforementioned restrictions.	In response to the growth of the Company's operating scale and considering the best practices in other industries, this Article is amended to allow a subsidiary of the Company to provide endorsement/guarantee to the Company. In the event that a subsidiary of the Company is a public company, its endorsement/guarantee activities shall be governed by "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" and therefore shall not be limited in these Procedures.

Amended Article	Original Article	Explanation
aforementioned restrictions. The term “subsidiary” as used in these Procedures shall have the meaning prescribed to it in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. <u>The term “public company” as used in these Procedures shall refer to any company that has its share certificates publicly issued in accordance with the Securities and Exchange Act.</u>	The term “subsidiary” as used in these Procedures shall have the meaning prescribed to it in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.	
Article XII The Procedures were passed in the Annual General Shareholders’ Meeting dated June 21, 1999. First update was made in Annual General Shareholders’ Meeting dated May 16, 2003. Second update was made in Annual General Shareholders’ Meeting dated June 10, 2009. Third update was made in Annual General Shareholders’ Meeting dated June 15, 2011. Fourth update was made in Annual General Shareholders’ Meeting dated June 21, 2013. Fifth update was made in Annual General Shareholders’ Meeting dated June 12, 2015. The sixth update was made at the Annual General Shareholders’ Meeting dated June 15, 2018. The seventh update was made at the Annual General Shareholders’ Meeting dated June 14, 2019. <u>The eighth update was made at the Annual General Shareholders’ Meeting dated May 31, 2022.</u>	Article XII The Procedures were passed in the Annual General Shareholders’ Meeting dated June 21, 1999. First update was made in Annual General Shareholders’ Meeting dated May 16, 2003. Second update was made in Annual General Shareholders’ Meeting dated June 10, 2009. Third update was made in Annual General Shareholders’ Meeting dated June 15, 2011. Fourth update was made in Annual General Shareholders’ Meeting dated June 21, 2013. Fifth update was made in Annual General Shareholders’ Meeting dated June 12, 2015. The sixth update was made at the Annual General Shareholders’ Meeting dated June 15, 2018. The seventh update was made at the Annual General Shareholders’ Meeting dated June 14, 2019.	Proposed revisions to reflect the amendment date of these Procedures.

Attachment 8

Comparison Table Illustrating the Original and Amended Text of the "Operating Procedures of Outward Loans to Others"

Adopted by the 8th meeting of the 9th board

Amended Article	Original Article	Explanation
Article II The party to whom the Company may lend its funds shall be limited to: I. Companies that have business transaction with the Company and that listed as top ten vendors or customers in terms of transactional amount in the past twelve months before lending of funds. II. Companies that have need for short-term financing facility. The "short-term" used herein shall mean the period of one year. Lending to companies that have business transaction with the Company shall be limited to the situation where the companies need those funds for operational purpose. Lending to companies that have need for short-term financing facility shall be limited to subsidiaries of the Company which the Company directly or indirectly holds more than <u>fifty</u> percent of the voting stock.	Article II The party to whom the Company may lend its funds shall be limited to: I. Companies that have business transaction with the Company and that listed as top ten vendors or customers in terms of transactional amount in the past twelve months before lending of funds. II. Companies that have need for short-term financing facility. The "short-term" used herein shall mean the period of one year. Lending to companies that have business transaction with the Company shall be limited to the situation where the companies need those funds for operational purpose. Lending to companies that have need for short-term financing facility shall be limited to subsidiaries of the Company which the Company directly or indirectly holds more than <u>ninety</u> percent of the voting stock.	In response to the growth of the Company's operating scale and considering the best practices in other industries, it is proposed to adjust the scope of subsidiaries of the Company that can be loaned with short-term financing facility to improve the fund utilization efficiency within the group companies. However, before lending the Company's funds to others, all cases shall be reviewed and approved by the Board of Directors on a case-by-case basis.
Article III The total amount for lending and the maximum amount available to each company: I. The total amount for lending shall not exceed <u>40%</u> of the Company's net worth. II. The total amount <u>for the Company to lend</u> to companies having business transaction with the Company shall not exceed 20% of the Company's net worth; the maximum amount lendable to a single company is the transaction amount (refers to sales, procurement, or service fees between the parties, whichever is higher) between the parties	Article III The total amount for lending and the maximum amount available to each company: I. The total amount for lending shall not exceed <u>20%</u> of the Company's net worth. II. The total amount <u>for lending</u> to companies having business transaction with the Company shall not exceed 20% of the Company's net worth; the maximum amount lendable to a single company is the transaction amount (refers to sales, procurement, or service fees between the parties, whichever is higher) between the parties during the period of	In response to the growth of the Company's operating scale and considering the best practices in other industries, this Article is amended to improve the fund utilization efficiency within the group companies. Other revisions are proposed to clarify the wording of this Article.

Amended Article	Original Article	Explanation
during the period of twelve months prior to the time of lending <u>or</u> 10% of the Company's net worth or 30% of the borrower's net worth, whichever is lower. III. The total amount for the <u>Company to lend</u> to companies that have need for short-term financing facility shall not exceed <u>40%</u> of the Company's net worth; the maximum amount lendable to a single company is 10% of the Company's net worth. (1) Fund lending between foreign subsidiaries held directly or indirectly by the Company with 100% of the voting stocks; or (2) fund lending by foreign companies held directly or indirectly by the Company with 100% of the voting stocks to the Company, shall be excluded from the above limitations. However, these subsidiaries shall still set forth limitations on amount and tenor of fund lending in its internal rules in accordance with the relevant competent authorities' rules and regulations.	twelve months prior to the time of lending, 10% of the Company's net worth or 30% of the borrower's net worth, whichever is lower. III. The total amount for <u>lending</u> to companies that have need for short-term financing facility shall not exceed <u>20%</u> of the Company's net worth; the maximum amount lendable to a single company is 10% of the Company's net worth <u>or 30% of the borrower's net worth, whichever is lower.</u> (1) Fund lending between foreign subsidiaries held directly or indirectly by the Company with 100% of the voting stocks; or (2) fund lending by foreign companies held directly or indirectly by the Company with 100% of the voting stocks to the Company, shall be excluded from the above limitations. However, these subsidiaries shall still set forth limitations on amount and tenor of fund lending in its internal rules in accordance with the relevant competent authorities' rules and regulations.	
Article IV Financing duration and interest calculation: Financing duration: The term of each loan shall not exceed one year. The interest rate shall not be lower than the short-term borrowing rate quoted by financial institutions. The interests shall be calculated on a monthly basis. (1) Fund lending between foreign subsidiaries held directly or indirectly by the Company with 100% of the voting stocks; or (2) fund lending by foreign companies held directly or indirectly by the Company with 100% of the voting stocks to the Company,	Article IV Financing duration and interest calculation: Financing duration: The term of each loan shall not exceed one year. The interest rate shall not be lower than the short-term borrowing rate quoted by financial institutions. The interests shall be calculated on a monthly basis. (1) Fund lending between foreign subsidiaries held directly or indirectly by the Company with 100% of the voting stocks; or (2) fund lending by foreign companies held directly or indirectly by the Company with 100% of the voting stocks to the Company,	In response to the growth of the Company's operating scale and considering the best practices in other industries, this Article is amended to improve the fund utilization efficiency within the group companies.

Amended Article	Original Article	Explanation
shall be excluded from the limitations set forth above.	shall be excluded from the limitations on financing duration set forth above. <u>The interest rate shall not be lower than the short-term borrowing rate quoted by financial institutions. The interests shall be calculated on a monthly basis.</u>	
Article VI When the borrower (excluding subsidiaries that the Company directly or indirectly holds <u>50%</u> or more of voting stocks) requests a loan according to the regulations above, they shall provide an equal amount of promissory note, collateral and/or other guarantees as requested by the Company. When collateral is provided, the owner shall grant pledges and/or mortgages to the Company, for the purpose of securitizing its obligations.	Article VI When the borrower (excluding subsidiaries that the Company directly or indirectly holds <u>90%</u> or more of voting stocks) requests a loan according to the regulations above, they shall provide an equal amount of promissory note, collateral and/or other guarantees as requested by the Company. When collateral is provided, the owner shall grant pledges and/or mortgages to the Company, for the purpose of securitizing its obligations.	In response to the growth of the Company's operating scale and considering the best practices in other industries, this Article is amended to improve the fund utilization efficiency within the group companies.

Appendix

Appendix 1

MediaTek Inc. Articles of Incorporation

Date: June 14, 2019
Approved by the Annual General Shareholders' Meeting 2019

Section One – General Provisions

Article 1

The Company shall be incorporated as a company limited by shares under the Company Act of the Republic of China, and its name shall be MediaTek Inc. (in the English language).

Article 2

The scope of business of the Corporation shall be as follows:

- CC01080: Electronic parts and components manufacture.
- F401030: Manufacture and export business.
- I301010: Information & software services.
- I501010: Product design.
- F401021: Restrained Telecom Radio Frequency Equipments and Materials Import.
- F601010: Intellectual Property

1. Researching, developing, producing, manufacturing, and sales the following products:
 - (1). Multimedia integrated circuits (ICs);
 - (2). PC peripheral ICs;
 - (3). High-end consumer electronic ICs;
 - (4). Other Application-Specific ICs;
 - (5). Patents or IC layout copyright licensing related to the abovementioned ICs.
2. Providing hardware and software design, development, testing, maintenance and technology consulting services for the abovementioned products.
3. Conducting import and export trade for the abovementioned products.

Article 2-1

When the Company becomes a shareholder of limited liability of another company, the total amount of the Company's investment will not be subject to the restriction of not more than 40% of the Company's paid-in capital as provided in Article 13 of the Company Act.

Article 3

The Company is headquartered in the Hsinchu Science-Based Industrial Park in Taiwan, Republic of China, and shall be free, upon approval of the Board of Directors and government authorities in charge, to set up representative or branch offices at various locations within or outside the territory of the Republic of China, whenever the Company deems it necessary.

Article 4

Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Article 4-1

The Company may provide endorsement and guarantee to other companies. The process shall be handled in accordance with the Company's Operating Procedures of Endorsement/Guarantee.

Section Two – Capital Stock

Article 5

The total capital stock of the Company shall be in the amount of 20 Billion New Taiwan Dollars, divided into 2 billion shares at NT\$10 par value each share, and may be paid-up in installments. Among which Two Hundred Million New Taiwan Dollars of the total capital stock (divided into 20 million shares at NT\$10 par value each share) will be reserved for issuing stock options, and may be issued in installments in accordance with the resolution of the Board of Directors.

Article 6

The share certificates of the Company shall all be name-bearing share certificates, and shall be signed by or affixed with seals of Director(s) representing the Company, and authenticated by the competent authorities of the government or the certification organization approved by the competent authorities. The Company may be exempted from printing share certificates if the shares are registered with a domestic securities depository enterprise.

Article 7

Registration for transfer of shares shall be suspended 60 days immediately before the date of annual general shareholders' meeting, and 30 days immediately before the date of any special shareholders' meeting, or within 5 days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Article 7-1

Where the Company issues any employee stock options, the employees who are qualified to subscribe to such employee stock options shall include employees of subordinate companies that meet certain qualification(s).

Where the Company issues any new shares, the employees who are qualified to subscribe to such shares shall include employees of subordinate companies that meet certain qualification(s).

Where the Company issues any employee restricted shares, the employees who are qualified to subscribe to such shares shall include employees of subordinate companies that meet certain qualification(s).

Where the Company proposes to transfer any treasury shares purchased in accordance with the laws, the transferees shall include the employees of subordinate companies that meet certain qualification(s).

Section Three – Shareholders' Meeting

Article 8

Shareholders' meetings of the Company are of two types, namely: (1) Annual General Shareholders' Meetings – which shall be convened by the Board of Directors within 6 months after the end of each fiscal year, and (2) Special Shareholders' Meetings – which shall be convened whenever necessary in accordance with the relevant laws, rules and regulations of the Republic of China.

Article 9

The shareholders' meeting shall be presided by the Chairman of the Board of Directors of the Company. In case the Chairman is on leave or otherwise cannot exercise his duty and authority for any reason, the vice chairman shall act on his behalf. In case there is no vice chairman or the vice chairman is also on leave or otherwise cannot exercise his duty, the Chairman shall appoint a director to act as his deputy; otherwise, the directors shall elect from among themselves a chairman to preside over the shareholders' meeting. If a shareholders' meeting is convened by a person other than the Board of Directors, the shareholders' meeting shall be chaired by that

convener. If there are two or more conveners for a shareholders' meeting, one of them shall be elected to chair the meeting.

Article 10

Notices shall be sent to all shareholders for the convening of annual general shareholders' meetings – at least 30 days in advance for annual general shareholders' meetings and at least 15 days in advance for special shareholders' meetings. The meeting date, venue and the purpose(s) for convening such shareholders' meeting shall be clearly stated in the meeting notices.

Article 11

If a shareholder is unable to attend a shareholders' meeting, he/she may appoint a representative to attend it, with a Shareholder Proxy Form issued by the Company, in accordance with the Company Act of the Republic of China, and the Rules Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

Article 12

Except as otherwise provided by other laws or regulations, each share is entitled to one voting right.

Article 13

Except as otherwise provided by other laws or regulations, shareholders' meetings may be held if attended by shareholders in person or by proxy representing more than 50% of the total issued and outstanding capital stock of the Company, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting. Shareholders of the Company can vote through the electronic voting system, the details of which shall be handled in accordance with relevant laws and regulations.

Article 13-1

The resolutions of the shareholders' meeting shall be recorded in the minutes, and such minutes shall be signed by or sealed with the chop of the Chairman of the meeting. Shareholders shall be notified of the minutes within 20 days after the meeting. The minutes specified above shall be distributed in accordance with the provisions of the Company Act.

Section Four – Directors and Audit Committee

Article 14

The Company shall have five to nine Directors, with the actual number to be determined by the Board. There shall be at least three Independent Directors in the Board. The election of Directors and Independent Directors shall be conducted in accordance with Article 192-1 of the Company Act, where the system of nomination of candidates shall be adopted. The relevant professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to Independent Directors shall be governed by the relevant provisions of the Company Act and Securities and Exchange Act. The independent and non-Independent Directors shall be elected at the same time, and the number of elected directors shall be calculated separately.

The term of Directors is three years, and shall be elected in the shareholders' meetings. Their term of office shall be three years, and shall be eligible for re-election. After the company went public, the total number of shares that all Directors shall hold should be in accordance with the requirements of the competent authorities. The Board of Directors is authorized to determine the compensation for the Directors, taking into account the standards of the industry. The Company may, in accordance with applicable laws and regulations or rules issued by competent authorities,

purchase Directors and Officers Liability Insurance with respect to liabilities resulting from exercising directors' duties during their terms of office.

Article 14-1

If the Director(s) also serve(s) other position(s) in the Company, his/her compensation for such duties shall be set forth by the competent authority in charge of securities.

Article 14-2

The following relationship shall not be permitted for more than a majority of the Company's Director:

1. Spouse
2. Relative within the Second Degree of relationship.

Article 15

The Board of Directors shall be formed by elected Directors and shall have the following responsibilities:

1. Preparing business report.
2. Proposing allocation plans of earnings or proposals to make up loss.
3. Proposing plans for increasing or decreasing capital.
4. Drafting important rules and contracts.
5. Appointing or discharging the Company's managers.
6. Setting up or dissolving branches.
7. Compiling Budget Reports and Final Reports.
8. Performing other duties authorized by the Company Act or shareholders' meeting.

Article 16

The Directors shall elect from among themselves a Chairman of the Board of Directors, and a Vice Chairman of the Board of Directors based on business need, by a majority vote in a meeting attended by over two-thirds of the Directors. The Chairman of the Board of Directors shall be the chairman of shareholders' meetings, and shall have the authority to represent the Company.

Article 17

Meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors, unless otherwise regulated by the Company Act. Directors may be notified of the Board of Directors meeting via written notices, as E-mail or fax. Except as otherwise provided in the Company Act of the Republic of China, a meeting of the Board of Directors may be held if attended by a majority or more of total Directors and resolutions shall be adopted with the concurrence of the majority or more of the Directors present at the meeting.

Article 18

Meetings of the Board of Directors shall be presided over by the Chairman of the Board of Directors of the Company. In case the Chairman is on leave or otherwise cannot exercise his duty, the vice chairman shall act on his behalf. In case there is no vice chairman or the vice chairman is also on leave or otherwise cannot exercise his duty, the Chairman shall appoint a director to act as his deputy; otherwise the directors shall elect from among themselves a chairman to preside over the Meeting of the Board of Directors. Directors shall attend the Meeting of the Board of Directors. When a Director is unable to attend any Meeting of the Board of Directors, he may appoint another Director to attend on his behalf, but no Director may act as proxy for more than one Director.

Article 19

The Company shall form an Audit Committee, which is composed of all Independent Directors. Details including number of members, terms, responsibilities and rule of meeting shall be

stipulated separately in the Organization Rules of Audit Committee in accordance with the rules in the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies".

Section Five – Management of the Company

Article 20

The Company may, by resolution of the Board of Directors, appoint one or more managers.

Article 21

The scope of duties and power of managers of the Company may, in addition to what are specified in the Articles of Incorporation, also be defined in the contract.

Section Six – Financial Reports

Article 22

The Company's fiscal year shall be from January 1st of each year to December 31st of the same year. After the end of each fiscal year, the Company shall prepare final accounts for that year.

Article 23

After the end of each fiscal year, in accordance with Article 228 of the Company Act, the following reports shall be prepared by the Board of Directors, and be submitted to the shareholders' meeting for acceptance.

1. Business Report.
2. Financial Statements.
3. Proposal Concerning Appropriation of Profits or Covering of Losses.

Article 24

If there is any profit for a specific fiscal year, the Company shall allocate no less than 1% of the profit as employees' compensation and shall allocate at a maximum of 0.5% of the profit as remuneration to Directors, provided that the Company's accumulated losses shall have been covered in advance. Employee's compensation may be distributed in the form of shares or in cash, and employees qualified to receive such compensation may include employees from affiliates companies who meet certain qualification. The Board of Directors is authorized to determine the qualification of such employees. The remuneration to Directors shall be paid in cash.

Article 24-1

If there is any profit in an annual general financial statement of the Company, such profit shall be distributed in the following orders:

1. Reserve for tax payments.
2. Offset accumulated losses in previous years, if any.
3. Legal reserve, which is 10% of leftover profits. However, this restriction does not apply in the event that the amount of the accumulated legal reserve equals or exceeds the Company's total capital stock.
4. Allocation or reverse of special reserves as required by law or government authorities.
5. The remaining net profits and the retained earnings from previous years will be allocated as shareholders' dividend. The Board of Directors will prepare a distribution proposal and submit the same to the shareholders' meeting for review and approval by a resolution.

Since the Company is in an industry in a growth phase, the dividend policy shall take into consideration factors such as the Company's current and future investment environment, needs for capital, domestic and overseas competition, capital budgeting plans, etc., to come out with a proposal that strike a balance among shareholders' benefits and the Company's long-term

financial plans. Each year the Board of Directors shall prepare a profit distribution proposal and report it at the shareholders' meeting. After considering financial, business and operational factors, the Company may distribute the whole of distributable profits for the year; dividends to shareholders may be distributed in cash or in stock, and the cash dividends shall not be lower than 10% of total dividends to shareholders.

Section Seven – Supplementary Provisions

Article 25

The organization of the Company shall be defined in separate internal regulations.

Article 26

For matters not provided for in the Articles of Incorporation, it shall be handled in accordance with the Company Act of the Republic of China.

Article 27

These Articles of Incorporation were resolved on May 21, 1997. The first amendment was made on September 1, 1997, the second amendment was made on July 3, 1998, the third amendment was made on June 21, 1999, the fourth amendment was made on June 9, 2000, the fifth amendment was made on September 28, 2000, the sixth amendment was made on June 8, 2001, the seventh amendment was made on June 3, 2002, the eighth amendment was made on May 16, 2003, the ninth amendment was made on June 9, 2004, the tenth amendment was made on June 13, 2005, the eleventh amendment was made on June 21, 2006, the twelfth amendment was made on June 11, 2007, the thirteenth amendment was made on June 15, 2010, the fourteenth amendment was made on June 15, 2011, the fifteenth amendment was made on June 13, 2012, the sixteenth amendment was made on June 12, 2015, the seventeenth amendment was made on June 24, 2016, the eighteenth amendment was made on June 15, 2017, and the nineteenth amendment was made on June 14, 2019.

Appendix 2

MediaTek Inc. Rules and Procedures of Shareholders' Meeting

Effective after approval at the 2010 shareholder's meeting

Article 1

Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with these Rules and Procedures.

Article 2

Shareholders attending the Meeting in person or through a proxy shall wear the attendee badge, and submit the attendance card for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders.

Article 3

When the number of shares represented by the shareholders present at the Meeting has constituted 50% or more of the total outstanding shares, the chairman shall call the Meeting to order at the time scheduled for the Meeting.

Article 4

The agenda of the Meeting shall be set by the Board of Directors. The Meeting shall proceed in accordance with the agenda.

Article 5

Proposals not in the Meeting's agenda will not be discussed or put to vote. The Chairman may announce to end a discussion of any resolution if the Chairman deems it appropriate.

Article 6

The Chairman may put a resolution to vote at the end of a discussion.

Article 7

Except otherwise specified in the Company Law of the Republic of China, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted for by casting ballots if no objection is voiced after solicitation by the Chairman.

Article 8

When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with the shareholder's Attendance Card number, the shareholder's name, and the number of shares held. The sequence of speeches by shareholders should be decided by the Chairman.

Article 9

Unless otherwise permitted by the Chairman, each shareholder shall not, for each discussion item, speak more than two times, with each time not exceeding three minutes.

Article 10

In case the speech of any shareholder violates the abovementioned provision or exceeds the scope of the discussion item, the Chairman may stop the speech of such shareholder. In case a shareholder does not obey the Chairman's instruction or does not maintain order at the Meeting place, the Chairman may stop such shareholder from attending the Meeting.

Article 11

During the Meeting, the Chairman may set a time for intermission.

Article 12

In cases of force majeure, the Meeting shall be discontinued. The Meeting shall be resumed an hour after the incident is over.

Article 13

Any matter not provided in these Rules and Procedures shall be handled in accordance with relevant laws and regulations.

Article 14

The Rules and Procedures shall be effective from the date it is resolved by the Board of Directors and approved by the Shareholders' Meeting. The same applies in case of revision.

Appendix 3

MediaTek Inc. Procedures Governing the Acquisition or Disposition of Assets

Approved by the Annual General Shareholders' Meeting 2019

Section One - Acquisition or Disposal of Assets

Article I

The Company shall handle the acquisition or disposal of assets in accordance with the Procedures specified herein.

Article II: The Scope of Assets

- I. Investment in long- and short-term securities (including stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depository receipts, call (put) warrants, beneficiary securities, and asset-backed securities).
- II. Real property and equipment.
- III. Memberships.
- IV. Intangible assets (including patents, copyrights, trademarks, and franchise rights).
- V. Right-of-use assets.
- VI. Derivatives.
- VII. Assets acquired or disposed in connection with mergers, spin off, acquisitions, or transfer of shares in accordance with laws.
- VIII. Other major assets.

Article III: Appraisal Procedures

- I. The means of price determination
 - (I). The securities obtained or disposed through the Centralized Trading Market or GreTai Securities Market ("GTSM") of the Republic of China shall be priced based on the trading price at that time.
 - (II). For the securities not obtained or disposed through the Centralized Trading Market or GTSM, the prices shall be determined after taking into account the net worth per share, profitability, potential of future development and with reference to the trading prices at that time; or to be determined after taking account the interest rate prevalent in the market, interest rate on face of the bonds as well as the debtors' creditability.
 - (III). The prices of real property acquired or disposed shall be determined based on the current official land prices, the values appraised and the trading prices of nearby real property.
 - (IV). The prices of equipment acquired or disposed shall be determined through any manner among price competition under restricted tendering, price negotiation under single tendering or open tendering.

- (V). The prices of memberships acquired or disposed shall be determined through either manner of price competition under restricted tendering or price negotiation under single tendering.
- (VI). The prices of intangible assets acquired or disposed shall be determined in accordance with the related laws and regulations and contract(s).
- (VII). The price of right-of-use assets shall be determined in accordance with the related laws and regulations and relevant contract(s).
- (VIII). The prices of derivatives acquired or disposed shall be determined through the manner as set forth in Section Three under the Procedures.
- (IX). The prices of assets acquired or disposed through mergers, spin off, acquisitions, or transfer of shares shall be determined through the manner as set forth in Section Four under the Procedures.

II. Basis for reference of pricing

(I). Long-and short-term securities

To acquire or dispose securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the target company for the most recent period that was certified or reviewed by a certified public accountant as a reference in appraising the transaction price. If the dollar amount of the transaction reaches 20% of the Company's paid-in capital or exceeds NT\$300 million or more, the Company shall engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use a report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation ("ARDF"). This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the government authorities.

(II). Real property, equipment or right-of-use assets

In acquiring or disposing of real property, equipment or right-of-use assets where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company, except for transacting with a local government agency, engaging others to build on Company's own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:

1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction.
2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless the appraisal results for the assets to be acquired are higher than the transaction amount, or the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:

- (1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.
 - (2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.
 4. No more than three months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided however, that where the publicly announced current value of the real property for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser.
 5. The term "professional appraiser" as set forth in the Procedures denotes a real property appraiser or other person duly authorized by laws to engage in the value appraisal of real property or equipment.
- (III). Intangible assets, right-of-use assets or memberships
- In acquiring or disposing of intangible assets, right-of-use assets or memberships where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, except in transactions with a local government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.
- (IV). The calculation of the transaction amounts referred to in the preceding three paragraphs shall be done in accordance with Paragraph 2, Article 5 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.
- (V). Derivatives: To be duly handled in accordance with the procedures set forth in Section Three.
- (VI). The prices of assets acquired or disposed through mergers, spin off, acquisitions, or transfer of shares shall be handled in accordance with the procedures set forth in Section Four.
- III. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters who provide appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the qualifications and requirements set forth in the Regulations Governing the Acquisition and Disposal of Assets by Public Companies and related laws and regulations. The appraisal reports and opinions issued by the abovementioned professionals shall be prepared in accordance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies as well.
- IV. Where the Company acquires or disposes assets through the court auction procedures, the evidentiary documentation issued by the court may be used to substitute appraisal report or CPA opinion.

Article IV: Operating Procedures

- I. Limits and levels of authorization

The acquisition or disposal of the Company's assets shall be handled in accordance with the following limits and procedures.

 - (I). The acquisition or disposal of the Company's assets set forth in Paragraph 1, Article 2 shall be subject to approval by the Chairman if it is long-term shareholding investment for business purpose, and shall be further subject to an approval by the Audit

Committee and the Board of Directors beforehand if the case exceeds NT\$300 million in price. Investment in long-and short-term securities other than aforementioned shall abide by the following operating procedures and limit:

1. The cumulative amount of the same underlying investment that is NT\$300 million or less within the same fiscal year shall be assessed and proceeded by the executive unit.
 2. The cumulative amount of the same underlying investment that exceeds NT\$300 million but less than NT\$1 billion within the same fiscal year shall be assessed by the executive unit and proceeded after the Chairman's approval.
 3. The cumulative amount of the same underlying investment that is NT\$1 billion or more or is 50% or more of sum of cash and cash equivalents, financial assets, and funds and investments within the same fiscal year shall be assessed by the executive unit and proceeded after the Board of Directors' approval.
- (II). The acquisition or disposal of the Company's real property, equipment or right-of-use assets shall be proceeded by the executive unit in accordance with relevant internal regulations of the Company, and shall be further subject to an approval by the Board of Directors beforehand if the case is NT\$300 million or more in price. But the Board of Directors may authorize the Chairman to approve it and then ask for ratification from the Board afterwards. The above restriction shall not apply to the capital expenditure which is budgeted in annual budget plan and approved by Board of Directors.
- (III). Intangible assets, right-of-use assets or memberships shall be acquired and disposed in accordance with the manner set forth in the preceding subparagraph.
- (IV). Derivatives shall be duly handled in accordance with the procedures set forth in Section Three.
- (V). The acquisition or disposal of assets through mergers, spin off, acquisitions, or transfer of shares shall be handled in accordance with the procedures set forth in Section Four.
- II. With respect to the Company's acquisition or disposal of assets that is subject to the approval of the Board of Directors under the Procedures or other laws or regulations, if any director expresses dissent and it is recorded in the minutes or a written statement, the Company shall submit the director's dissenting opinion to each member of the Audit Committee.
- III. When a transaction involving the acquisition or disposal of assets is submitted for discussion by the Board of Directors pursuant to the preceding Paragraph, the Board of Directors shall take into full consideration each independent director's opinions. If any independent director objects to or expresses reservations opinion about any matter, it shall be recorded in the minutes of the Board of Directors meeting.
- IV. Any transaction involving major assets or derivatives shall be approved by more than half of all Audit Committee members and submitted to the Board of Directors for a resolution.
- V. If approval of more than half of all Audit Committee members as required in the Paragraph 4 above is not obtained, the transaction shall be approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.
- VI. The terms "all Audit Committee members" in Paragraph 4 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.

VII. Executive units

- (I). The Company's investment in the long and short-term securities shall be executed by the Finance Department.
- (II). Investment in real property, equipment or right-of-use assets shall be executed by the user department and related responsible department.
- (III). The acquisition or disposal of memberships, intangible assets or right-of-use assets: To be executed in the manner the same as that for real property and equipment.
- (IV). The acquisition or disposal of derivatives: To be assessed and executed by the Financial Department.
- (V). The assets acquired or disposed through merger, spin off, acquisition, or transfer of shares according to law and other major assets: The responsible person appointed by the Chairman or the Task Force established shall take the responsibility for assessment and execution.

VIII. Storage of data

For assets acquired or disposed by the Company, the relevant contracts, minutes, memorandum book, appraisal reports, expert opinions issued by the CPA, the attorney or security underwriters shall be kept in the Company for a minimum of five years, unless otherwise provided for in other laws and regulations concerned.

Article V: Public Announcement and Declaration

I. Procedures

Under any of the following circumstances, the Company acquired or disposed of assets shall publicly announce and report in accordance with relevant regulations in the appropriate format as prescribed by the regulations within two days from the date of occurrence of the event.

- (I). Acquisition or disposal of real property or right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided however, that this shall not apply to trading of local government bonds or bonds under repurchase and resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises.
- (II). Merger, spin off, acquisition, or transfer of shares.
- (III). Losses from derivative trading reaching the limits on aggregate losses or losses on individual contracts set forth in the Procedures adopted by the Company.
- (IV). The acquisition or disposal of any equipment or right-of-use assets for the Company's own operational use where the trading partner is not a related party and the transaction amount reaches NT\$ 1 billion or more.
- (V). Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale and where the counterparty is not a related party and the amount the Company expects to invest in the transaction reaches NT\$500 million or more.
- (VI). Where an asset transaction other than any of those referred to in the preceding five Subparagraphs or investment in the mainland China area reach 20% of the paid-in capital of the Company or NT\$300 million or more; provided however, that this shall not apply to the following circumstances:

1. Trading of local government bonds.
 2. Trading of bonds under repurchase/resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises.
- II. The amount of transactions in the above Subsection shall be calculated as follows:
 - (I). The amount of any individual transaction
 - (II). The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year.
 - (III). The cumulative transaction amount of real property or right-of-use assets acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year.
 - (IV). The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.
- III. The term "date of occurrence" as set forth in the Procedures refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of Boards of Directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided however, that for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
- IV. The term "Investment in the mainland China area" as set forth in the Procedures denotes the investment in Mainland China approved by the Investment Commission of the Ministry of Economic Affairs or conducted in accordance with the provisions of Regulations Governing Permission for Investment or Technological Cooperation in the Mainland Area.
- V. "Within the preceding year" as used in Paragraph 1 of this Article refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Regulations need not be counted toward the transaction amount.
- VI. Contents of public announcement and declaration
Where the Company conducts public announcement and declaration in accordance with Article V, the contents of such of public announcement and declaration shall follow the requirements set forth by the securities regulatory authority.
- VII. Update of public announcement and declaration
In the event that the public announcement made by the Company in accordance with Article V is found defective or erroneous which calls for correction, the Company shall conduct the entire public announcement and declaration afresh within two days from the date of knowing such defects or errors.
- VIII. Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and declared in accordance with Article V, another public announcement and declaration of relevant information shall be made on the information reporting website designated by the securities regulatory authority within two days from the date of occurrence of the event.
 - (I). Change, termination, or rescission of a contract signed with regard to the original transaction.
 - (II). The merger, spin off, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.

(III). Change to the originally publicly announced and declared information.

Article VI: Procedures to Control over Acquisition or Disposal of Assets by Subsidiaries

- I. The Company's subsidiaries shall conduct the acquisition or disposal of assets in accordance with these Procedures, provided, however, that this requirement is not applicable where the Company's subsidiary has adopted its own procedures governing the acquisition and disposal of assets in accordance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.
- II. The adoption of and any revisions to the procedures governing the acquisition and disposal of assets by the Company's subsidiary in accordance with the preceding paragraph shall be approved by the board of directors of such subsidiary.
- III. In the event that a subsidiary of the Company is not a domestic public company and is required to make public announcement and declaration as required under Article V for the assets acquired or disposed, the Company shall conduct public announcement and declaration on its behalf.
- IV. Where a subsidiary is required to make public announcement and declaration in accordance with Article 5 of the Procedures, the paid-in capital or total assets used in Article 5 of the Procedures shall refer to the Company's paid-in capital or total assets.
- V. The term "subsidiary" used in the Procedures is defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article VII

The Company and its subsidiaries may further invest in purchase of real property or securities not for business operation needs within the following amounts and limits:

- I. Total amount of investment in real property not for business operation purposes: Not exceed 25% of the Company's shareholders equity as audited and certified by certified public accountant.
- II. Total amount of investment in securities: Not exceed the total of the Company's shareholders equity and long-term liabilities as audited and certified by certified public accountant.
- III. Total amount of investment in individual securities: Not exceed 60% of the Company's shareholders equity as audited and certified by certified public accountant.

Section Two -Related Party Transactions

Article VIII: Scope

- I. The term "related party" used in the Procedures is defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
- II. When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

Article IX

When the Company engages in any acquisition or disposal of assets from or to a related party, the Company shall conduct in compliance with preceding Section and the "Regulations Governing the Acquisitions and Disposal of Assets by Public Companies" promulgated by the competent authorities.

Section Three –Engaging in Derivatives Trading

Article X

The Company shall, when engaging in derivatives trading, comply with Sections One and Three by conducting the relevant procedures and assessing reasonableness of the terms of transaction.

Article XI: Trading Principles and Strategies

I. Categories of transaction

The term “derivatives” as used herein include forward contracts, options contracts, future contracts, leverage contracts, and swap contracts, and compound contracts combining the above products, whose value is derived from specific interest rates, prices of financial tools, prices or commodities, foreign exchange rates, price or fee rate indexes, credit ratings or credit indexes or other variables, a combination of the above-mentioned contracts, or a combination of contracts or structured products that were embedded with derivative products. The forward contracts do not include insurance policies, performance contracts, after-sale service agreements, long-term lease agreement and long-term purchase (sale) agreements. The Company may engage in derivatives trading for financial purpose and hedging purpose. The former refers to a transaction for establishing position comprising assets, liabilities or investment portfolio in the hope to gain profit from a market fluctuation. The latter refers to a transaction intended to exempt or minimize the financial risk from foreign exchange or interest rates fluctuations without aiming at making profit.

II. Operating and hedging strategies

Hedging purpose should be the primary objective when the Company engages in the trading of derivatives. The strategy of hedging purpose shall in principle be based on natural hedges, and the operation shall be made based on the net position offset in terms of amount and type of currency between receivables and payables denominated in foreign currencies or between asset and liabilities.

III. Segregation of duties

(I). Financial personnel: Function as the core of derivative transaction management and is in charge of the derivatives trading, forecasting and control of position, collecting relevant information by contacting the Sales Department. Familiarization in collecting market information, determining trends and risk, and the deep understanding in financial commodities, rules and regulations as well as operational skills are all required to support themselves and other relevant departments. For those personnel who operate derivatives, those who take charge of trading, confirmation and settlement shall operate independently. The appointment and discharge of personnel in charge of trading and confirmation shall be informed to the banks in order to safeguard the Company's rights and interests.

(II). Accounting personnel: The accountant shall prepare accounting records based on relevant transaction vouchers.

(III). Auditors: Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the Company's permitted scope of tolerance.

IV. Limits of trading amounts and authorization: An authorized trader may not conduct a transaction of an amount in excess of US\$10 million.

V. Total amount of derivatives contracts

- (I). The amount of total unsettled trading contracts for financial purpose shall not exceed 20% of the Company's net worth.
 - (II). The amount of total unsettled trading contracts for hedging purpose shall not exceed the actual business needs.
- VI. The maximum loss limit: The maximum loss limit for unsettled trading contracts is 10% of the contract amount, which is applicable to aggregate losses on total contracts or losses on individual contract. If the maximum limit is exceeded, the Chief Financial Officer must be notified to determine the measures for reducing loss.
- VII. Performance evaluation
- (I). Position and profit and loss statement: Personnel in charge of trading shall assess the profit or loss with respect to the foreign currency position held and submits weekly evaluation to the Head of Finance Department.
 - (II). General report: Personnel in charge of trading shall analyze the position held and the profit or loss, produce monthly reports and submit them to the Chief Financial Officer.

Article XII: Operating Procedures

- I. Any major derivatives transaction shall be approved by more than half of all Audit Committee members and submitted to the Board of Directors, and shall be subject to mutatis mutandis application of Paragraphs 5 and 6 of Article 4. The Board of Directors shall authorize the Chairman of the Board to enter into contracts for derivatives trading with financial institutions.
- II. The authorized personnel shall place order with the bank within the limits of its authorized amount and shall submit the trading tickets, stating the title of trading, amount bought/sold, duration, trading expenses, trading counterparts, with remark of hedging or financial purpose, to the Head of Finance Department.
- III. Upon receipt of the trading vouchers from the bank, the personnel in charge of confirmation shall immediately check and confirm the contents and shall clarify with the personnel in charge of trading immediately if there is any discrepancy or error.
- IV. After the confirming personnel complete the confirmation process, the settlement personnel shall carry out settlement based on the trading details confirmed.
- V. The accountant shall work out accounting ledgers based on the settlement vouchers and trading vouchers.

Article XIII: Measures of Risk Management

- I. The scope of risk management:
 - (I). Credit risk: The trading counterparts shall be confined to internationally renowned, creditable banks.
 - (II). Market risk: Primarily those derivatives popularly traded in the international community, and avoid the use of the specifically designed products.
 - (III). Liquidity risk: Primarily those banks with huge trading volume and with the ability to provide competitive quotation.
 - (IV). Cash flow risk: When carrying out a transaction, it is necessary to take into consideration the impact on the Company's cash flows.
 - (V). Operational risk: Strictly comply with the transaction operation procedure to avert operational risks.

- (VI). Legal risk: The documents signed with trading counterparts shall be confined to the contracts popularly used in the market. Any unique contracts shall not be put into use until viewed and recommended by the Legal Department or an Attorney-at-Law.
- II. Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.
- III. Risk measurement, monitoring, and control personnel shall be assigned to different department, and the personnel mentioned-above shall report to the Board of Directors or senior management personnel who is not in charge of trading or position decision-making.
- IV. Derivatives trading positions held shall be evaluated at least once per week and the evaluation reports shall be submitted to the Head of Finance Department.
- V. The confirming personnel shall have the trading vouchers or contracts registered and checked and verified with the correspondent banks on a periodic basis to make sure whether the amount of trading has been compliant with the limit imposed on the transaction amount.

Article XIV: Internal Audit Systems

The internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures of engaging in derivatives trading, and prepare a report accordingly. The audit report shall be, in conjunction with the annual internal audit performance report, submitted and declared to the securities regulatory authority in the prescribed format through the Internet no later than the last day of February of the ensuing year. The performance of corrective action in response to the irregularities shall also be submitted and declared to the securities regulatory authority no later than last day of May of the ensuing year. If any material violation is discovered, all members of the Audit Committee shall be notified in writing.

Article XV: Methods of Regular Evaluation and Handling of Irregular Circumstances

- I. The senior management personnel designated by the Board of Directors shall pay continuous attention to monitoring and controlling derivatives trading risk and periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the Company's permitted scope of tolerance.
- II. the senior management personnel designated by the Board of Directors shall periodically evaluate whether the risk management measures currently employed are appropriate and whether such measures are faithfully conducted in accordance with the Procedures.
- III. When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, the manager in Finance Department shall take appropriate measures and shall immediately report to the Board of Directors. Independent director(s) shall be present at the Board Meeting and express his/her opinion.
- IV. If, in accordance with the Procedures, the Company authorizes related personnel to engage in derivative trading, such trading shall be reported to the next meeting of the Board of Directors afterwards.

Article XVI: Memorandum Book

- I. The Company engaging in derivatives trading shall establish a memorandum book in which details of the types and amounts of derivatives trading engaged in, Board of Directors' approval dates, and the matters required to be carefully evaluated under Paragraph 4 of Article XIII and Paragraphs 1-2 of Article XV shall be recorded in detail in the memorandum book.
- II. The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by itself and by any subsidiaries that are not domestic public companies and enter such information using prescribed format into the information reporting website designated by the competent authority in charge of securities by the 10th day of each month.

Section Four -Mergers, Split off, Acquisitions, and Transfer of Shares

Article XVII: Terms and Definitions

The term "Assets acquired or disposed through mergers, spin off, acquisitions or transfer of shares in accordance with laws" as set forth herein denotes the assets acquired or disposed through mergers, spin off, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to acquire shares from another company through issuance of new shares of its own as its consideration under Article 156-3 of the Company Act.

Article XVIII

Assets acquired or disposed through mergers, spin off, acquisitions, or transfer of shares shall be made in accordance with Section One of the Procedures and the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" promulgated by competent authorities.

Section Five –Miscellaneous

Article XIX

10 percent of total assets used in the Procedures shall refer to the amount of total assets stated in the most recent financial report or individual financial report prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

In the case of a company whose shares have no par value or a par value other than NT\$10, the calculation of transaction amounts of 20 percent of paid-in capital under the Procedures shall be substituted by 10 percent of owner's equity attributable to parent company.

Article XX

In case of a breach of the fore-mentioned Guidelines or Procedures, the Company's personnel in execution unit will be subject to penalty in accordance with the Company's Performance Rating Regulations and Disciplines.

Article XXI

The Procedures shall be put into effect after being approved by the Audit Committee and the Board of Directors and resolved by the Shareholders' Meeting. The same shall be applicable in case of amendment. If any director expresses dissent and it is recorded in the minutes of Board of Directors meeting or in a written statement, the Company shall submit the director's dissenting opinion to each member of the Audit Committee.

Article XXII

When submitting the Procedures to the Board of Directors for discussion in accordance with the requirements of the preceding Article, the Board of Directors shall take into full consideration each independent director's opinions. Any objection or reservation expressed by an independent director should be recorded in the minutes of the Board of Directors meeting.

When the Procedures are adopted or amended they shall be approved by more than half of all Audit Committee members and submitted to the Board of Directors for a resolution.

If approval of more than half of all Audit Committee members as required in the Paragraph 2 of this Article is not obtained, the Procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.

The terms "all Audit Committee members" in paragraph 2 and "all directors" in paragraph 3 shall be counted as the actual number of people currently holding those positions.

Article XXIII

For matters not provided for herein, it shall be handled in accordance with relevant laws and regulations.

Appendix 4

MediaTek Inc. Operating Procedures of Endorsement/Guarantee

Approved by the Annual General Shareholders' Meeting 2019

Article I : These Procedures were amended in accordance with Article 36-1 of the Securities and Exchange Act, the relevant rulings promulgated by the competent authorities and related laws and regulations.

Article II : The party to whom the Company may provide endorsement/guarantee includes the following:

- I. Any company having business transactions with the Company.
- II. Any subsidiary of the Company.
- III. Where all capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages, such endorsements/guarantees may be made free of the restriction set forth in preceding two paragraphs. The term "capital contributing" as used in the preceding sentence shall refer to capital contributions made directly by the Company, or through a company of which the Company owns 100% of the voting shares.

No subsidiary of the Company shall provide any endorsement/guarantee to others, provided, however, that the companies in which the Company holds 90% or more of the voting shares may make an endorsement/guarantee in accordance with section 3 of Article 4 of these Procedures, and the amount shall not exceed 10% of the Company's net worth. An endorsement/guarantee made between the companies in which the Company owns 100% of the voting shares directly or indirectly shall not be subject to the aforementioned restrictions.

The term "subsidiary" as used in these Procedures shall have the meaning prescribed to it in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article III : The scope of endorsement/guarantee defined as following:

- I. Financing endorsement/guarantee:
 - (I) Endorsement/guarantee to customers' notes for cash financing with a discount.
 - (II) Endorsement or guarantee for other companies for their financing needs.
 - (III) Endorsement or guarantee to the notes issued by the Company to non-financial institutions for the Company's own financing needs.
- II. Tariff endorsement/guarantee: Endorsement or guarantee of customs duties due made for the Company or other companies.
- III. Other endorsement or guarantee: The endorsement/guarantee which cannot be attributed to the previous two paragraphs.

The lien or mortgage provided by the Company against its assets and properties for guaranteeing another company's loan should also follow the procedures set forth herein.

Article IV : Limitation and authority of endorsement/guarantee:

- I. The amount of any endorsement/guarantee rendered by the Company and the subsidiaries in the aggregate is subject to the following limitation:

- (I) The total amount of external endorsement/guarantee shall not exceed 50% of the net worth as stated in the latest financial statements of the Company.
 - (II) The amount of endorsement/guarantee rendered to any single company shall not exceed 20% of the net worth as stated in the latest financial statements of the Company.
- II. In the event that an endorsement/guarantee is made due to needs arising out of businesses, the amount of any single endorsement/guarantee shall not exceed the amount of the business transaction between the parties. The phrase "amount of the business transaction" shall mean the amount of purchases or sales between the parties in the most recent year, whichever is higher, and shall not exceed the limitations provided in the preceding paragraph.
- III. The Company shall not render endorsement/guarantee until the matter is approved and resolved by the Board of Directors. The Board of Directors may delegate the Chairman to facilitate execution within the pre-determined limited credit of NT\$300,000,000. Such endorsement/guarantee shall be ratified by the Board of Directors afterward. When rendering an endorsement/guarantee, the Company shall take into full consideration the opinion of each independent director. Independent directors' opinions specifically expressing assent or dissent and the reasons for dissent shall be recorded in the meeting minutes of the Board of Directors' meeting. When, in accordance with relevant rules and regulations, endorsement/guarantee transaction is required to submit to the Board of Directors for resolution, such case shall be approved by half or more of all Audit Committee members before submitting to the Board of Directors for a resolution. If approval of half or more of all Audit Committee members is not obtained, the procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.
- IV. In the event that the above limits have to be exceeded to accommodate business needs, and subject to the terms and conditions provided in these Procedures, the Company must obtain consent from the Audit Committee and the Board of Directors, and, in addition, half or more of all directors must jointly endorse the potential loss that may be brought about by such an excess of limits. The Board of Directors shall also revise the limitation of quota mentioned above and have it ratified at the shareholders' meeting. If the revised limitation is not ratified at the shareholders' meeting, the Board of Directors shall furnish a plan containing a timetable to withdraw or eliminate the excess portion. In the course of discussion of this matter in the board of directors' meeting, independent directors' opinions specifically expressing assent or dissent and the reasons for dissent shall be recorded in the meeting minutes of the Board of Directors' meeting.
- V. In the event that, due to changes of circumstances, the party to whom the Company provided endorsement/guarantee no longer satisfies the criteria set forth in Article II herein, or the amount of endorsement/guarantee exceeds the limits due to changes of basis on which the amounts of limits are calculated, the Company shall draw up rectification plans to modify the total amount or the amount over the limitation of endorsement/guarantee, and withdraw these portions within the duration of contract or within the specific period. The proposed rectification plans shall be submitted to all

Audit Committee members and be implemented in accordance with the timeframe set.

- VI. "The Company's net worth" referred herein shall mean the balance sheet equity attributable to the owners of the parent company under the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."
- VII. For circumstances in which an entity for which the Company makes any endorsement/guarantee is a subsidiary whose net worth is lower than half of its paid-in capital, the financial department shall track the financial conditions of the endorsee/guarantee at least once each season. In the event of any material change, the financial department shall promptly report such material change to the Chairman of the Company and shall take appropriate action(s) per the Chairman's instruction(s). In the case of a subsidiary shares having no par value or a par value other than NT\$10, the paid-in capital referred to in the preceding sentence shall be the sum of share capital plus paid-in capital in excess of par.

- Article V :
- I. The in-charged department shall assess risk and submit a report, stating the company for which the endorsement/guarantee is made, categories, reasons and amount, and shall provide reviewing procedures in detail, including:
 - (I) The necessity of and rationality of the endorsement/guarantee.
 - (II) The credibility and risk assessment of the company for which the endorsement/ guarantee is made.
 - (III) The impact on the company's business operations risk, financial condition, and shareholders' equity.
 - (IV) The necessity to acquire collateral and appraisal of collateral.
 - II. If the company for which the endorsement/guarantee is made repays the loans, the related repayment information and documents shall be informed to the Company so that the endorsement/guarantee responsibility of the Company may be released.

- Article VI :
- The Financial Department shall prepare a memorandum book for its endorsement/guarantee activities and record in detail the following information for the record: the content of endorsement/guarantee, name of the company for which the endorsement/guarantee is made, the amount of endorsement/guarantee, the date of resolution by the Board of Directors or of authorization by the Chairman, the date when endorsement/guarantee is made, and the matters to be carefully evaluated under paragraph 1 of the preceding article.

- Article VII :
- Procedures for controlling and managing endorsements/guarantees to others by subsidiaries
- I. Where the subsidiaries of the Company propose to make endorsements/guarantees to others, the Company shall procure its subsidiaries to adopt procedures for making endorsements/guarantees that are in accordance with the Regulations Governing Loaning of Funds to Others and Making of Endorsements/Guarantees by Public Companies. Such procedures will be effective after being approved by the audit committee, the board of directors and/or the shareholders' meeting, and the Company shall procure its subsidiaries to comply with such procedures.
 - II. Where the subsidiaries make any endorsement/guarantee, such subsidiaries shall periodically provide the relevant information to the

Company for recordation.

Article VIII : Procedures for public announcement and declaration:

- I. The Company shall announce and report the endorsements/guarantees balance of previous month of the Company and its subsidiaries by the 10th day of each month.
- II. In addition to public announcement which shall be made on a monthly basis, the Company whose balance of endorsements/guarantees reaches any one of the following categories shall announce and report such event within two days commencing immediately from the date of occurrence:
 - (I) The aggregate balance of endorsements/guarantees of the Company and its subsidiaries reaches 50 percent or more of the Company's net worth as stated in its latest financial statement.
 - (II) The balance of endorsements/guarantees of the Company and its subsidiaries for a single company reaches 20 percent of the Company's net worth as stated in its latest financial statement.
 - (III) The balance of endorsements/guarantees reaches NT\$10 million or more, and the aggregate amount of all endorsements/guarantees of the Company and its subsidiaries, the book value of the investment calculated by equity method, and balance of loans to, a single company reaches 30 percent of the Company's net worth as stated in its latest financial statement.
 - (IV) The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT\$30 million or more, and 5 percent of the Company's net worth as stated in its latest financial statement.
- III. "Date of occurrence" referred herein shall mean the date of contract signing, date of payment, dates of Boards of Directors resolutions, or other date that can confirm the counterparty for the endorsements/guarantees and monetary amount, whichever date is earlier.

Article IX : Custody of the specimen seals:

The Company shall use the corporate chop registered with the Ministry of Economic Affairs as the dedicated chop for endorsements/guarantees. Chairman, authorized by the Board of Directors, shall keep the chop in the custody of a designated person according to the Company's management rule regarding chop usage, and the chop may be used to seal or issue negotiable instruments only in accordance with prescribed procedures. In the event that making a guarantee for a foreign company, the Company shall have the Guarantee Agreement signed by a person authorized by the Board of Directors.

Article X : The Company shall evaluate or record the contingent loss for endorsements/guarantees. The Financial Department shall take the initiative to trace and make sure whether or not the endorsement/guarantee cases which have expired have been annulled. The entire databases of the endorsement/guarantee shall be provided to the CPA, and shall be disclosed in the financial statements as appropriate.

Article XI : Other matters and concerns:

- I. The Company's internal auditors shall audit the operating procedures of endorsements/guarantees for others and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify all Audit Committee members in writing of any material violation found.

- II. In the event that the Company's executive officers or related personnel violate the Regulations Governing Loaning of Funds and Endorsements/ Guarantees by Public Companies, and therefore jeopardizes the Company's interest, the Company shall impose penalty or adjust their positions in accordance with the Company's internal rules.
- III. These Operating Procedures shall, after being approved by the Audit Committee and the Board of Directors, be submitted to the shareholders' meeting for approval. The same shall be applicable in case of amendment. The applicable laws and regulations shall govern where these Operating Procedures do not specified.

Article XII : The Procedures were passed in the Annual General Shareholders' Meeting dated June 21, 1999. First update was made in Annual General Shareholders' Meeting dated May 16, 2003. Second update was made in Annual General Shareholders' Meeting dated June 10, 2009. Third update was made in Annual General Shareholders' Meeting dated June 15, 2011. Fourth update was made in Annual General Shareholders' Meeting dated June 21, 2013. Fifth update was made in Annual General Shareholders' Meeting dated June 12, 2015. The sixth update was made at the Annual General Shareholders' Meeting dated June 15, 2018. The seventh update was made at the Annual General Shareholders' Meeting dated June 14, 2019.

Appendix 5

MediaTek Inc. Operating Procedures of Outward Loans to Others

Approved by the Annual General Shareholders' Meeting 2019

Article I

The Company may lend its funds to others and shall follow the Operating Procedures specified herein.

When the Company uses IFRSs in preparing financial report, "the Company's net worth" referred herein shall mean the balance sheet equity attributable to the owners of the parent company under the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."

Article II

The party to whom the Company may lend its funds shall be limited to:

- I. Companies that have business transaction with the Company and that listed as top ten vendors or customers in terms of transactional amount in the past twelve months before lending of funds.
- II. Companies that have need for short-term financing facility. The "short-term" used herein shall mean the period of one year.

Lending to companies that have business transaction with the Company shall be limited to the situation where the companies need those funds for operational purpose. Lending to companies that have need for short-term financing facility shall be limited to subsidiaries of the Company which the Company directly or indirectly holds more than ninety percent of the voting stock.

Article III

The total amount for lending and the maximum amount available to each company:

- I. The total amount for lending shall not exceed 20% of the Company's net worth.
- II. The total amount for lending to companies having business transaction with the Company shall not exceed 20% of the Company's net worth; the maximum amount lendable to a single company is the transaction amount (refers to sales, procurement, or service fees between the parties, whichever is higher) between the parties during the period of twelve months prior to the time of lending, 10% of the Company's net worth or 30% of the borrower's net worth, whichever is lower.
- III. The total amount for lending to companies that have need for short-term financing facility shall not exceed 20% of the Company's net worth; the maximum amount lendable to a single company is 10% of the Company's net worth or 30% of the borrower's net worth, whichever is lower.

(1) Fund lending between foreign subsidiaries held directly or indirectly by the Company with 100% of the voting stocks; or (2) fund lending by foreign companies held directly or indirectly by the Company with 100% of the voting stocks to the Company, shall be excluded from the above limitations. However, these subsidiaries shall still set forth limitations on amount and tenor of fund lending in its internal rules in accordance with the relevant competent authorities' rules and regulations.

Article IV

Financing duration and interest calculation:

Financing duration: The term of each loan shall not exceed one year. The interest rate shall not be lower than the short-term borrowing rate quoted by financial institutions. The interests shall be calculated on a monthly basis.

(1) Fund lending between foreign subsidiaries held directly or indirectly by the Company with 100% of the voting stocks; or (2) fund lending by foreign companies held directly or indirectly by the Company with 100% of the voting stocks to the Company, shall be excluded from the limitations on financing duration set forth above. The interest rate shall not be lower than the short-term borrowing rate quoted by financial institutions. The interests shall be calculated on a monthly basis.

Article V

The borrower shall fill out an application letter when applying loans from the Company, clearly stating the amount of the loan, the terms, purpose, provide collateral, and shall provide basic information and financial information to the Company for the purpose of credit evaluation.

Based on the provided information, the financial department shall evaluate the necessity and rationality of the loan application, the credibility and risk assessment of the borrowers, impact on the Company's business operations, financial conditions, and shareholder's equity, and the necessity to acquire collateral and appraisal of collateral shall be assessed in detail.

Article VI

When the borrower (excluding subsidiaries that the Company directly or indirectly holds 90% or more of voting stocks) requests a loan according to the regulations above, they shall provide an equal amount of promissory note, collateral and/or other guarantees as requested by the Company. When collateral is provided, the owner shall grant pledges and/or mortgages to the Company, for the purpose of securitizing its obligations.

Article VII

After the loan is appropriated, the financial department shall periodically evaluate the borrower's and the guarantor's (if any) financial condition and credit standing. If the debt is overdue and still irretrievable after communications, the financial department shall immediately notify the legal department to take further actions so as to ensure the Company's interest is well protected.

Article VIII

Before the lending, it shall be assessed deliberately whether it meets the requirement of relevant competent authorities' regulations and the Operation Procedures, and shall submit the result of examination made in accordance with of Article V and Article VI above to the Board of Directors for its approval. No delegation of authority shall be made to any other person in this regard. The proposal of any lending of the Company's funds shall be approved by half or more of all Audit Committee members before submitting to the Board of Directors for a resolution. If approval of half or more of all Audit Committee members is not obtained, the Operating Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.

Fund lending between the Company and its subsidiaries shall be approved by the Board of Directors of the Company as stipulated in the preceding paragraph, and the Board may authorize its Chairman to lend funds to a specific subsidiary within a certain monetary limit resolved by the Board, within a period not exceeding one year, in installments or to make a revolving credit line.

Article IX

For those related to fund lending that are required to be reported to government authorities or make public announcement, the Company shall follow such rules. If the subsidiaries of the Company is not domestic listed company, the relevant report or public announcement that needs to be made by the subsidiaries in accordance with relevant rules will be made by the Company on behalf of the subsidiaries.

Article X

When fund lending to other parties is contemplated by the Company's subsidiary, the Company

shall instruct the subsidiary to promulgate the operating procedures of fund lending, and submitted such to the Audit Committee/the Board of Directors and/or the shareholders' meeting of the subsidiary for approval, and shall instruct the subsidiary to follow the approved operation procedures.

When fund lending to other parties is contemplated by the Company's subsidiary, the subsidiary shall fill out a credit report and opinion and set forth the terms of lending, and then submit such to the Audit Committee/the Board of Directors and/or the shareholders' meeting of the subsidiary for its approval.

If the Company's subsidiary lends fund to others, the subsidiary shall disclose relevant information to the Company periodically for review by the Company.

Article XI

The Company shall prepare a memorandum book for its fund lending activities and record the relevant matters according to the relevant rules and regulations.

Article XII

The Company's internal auditors shall audit the Operating Procedures and its execution situations every quarter and prepare written records accordingly. They shall promptly notify all the members of the Audit Committee in writing of any material violation found.

Article XIII

If the borrower's qualification no longer meet the requirement of laws or the Operating Procedures or the balance of lending is exceeded due to changes of circumstances, the Company shall draw up rectification plans, submit these plans to all the members of the Audit Committee, and implement these plans in accordance with the time frames set.

Article XIV

In the event that the Company's executive officers and relevant personnel violate the rules or regulation set by competent authority and the Operating Procedures, the Company will impose penalty or adjust their positions in accordance with the Company's internal rules.

Article XV

The Operating Procedures shall, after being resolved by half or more of all Audit Committee members and the Board of Directors, be submitted to the shareholders' meeting for approval. The same shall be applicable in case of amendment. For matters not provided for herein, it shall be handled in accordance with relevant laws and regulations.

Appendix 6

MediaTek Inc. Shareholdings of Directors

1. The shareholdings of the Company's Directors of the 9th session and percentage of shareholdings required by law are listed below:

The Company's total outstanding shares:	1,599,088,292
Total shareholdings of all Directors required by law:	38,378,119
As of April 2, 2022, total shareholdings of all Directors (except Independent Directors)	42,567,318

2. As of April 2, 2022, the shareholder registration record date for 2022 Annual Shareholders' Meeting, the individual Directors and their aggregate shareholdings are listed below:

Title	Name	Date Elected	Shares	%
Chairman	Ming-Kai Tsai	July 5, 2021	41,468,498	2.59%
Vice Chairman	Lih-Shyng Tsai	July 5, 2021	543,200	0.03%
Director	Joe Chen	July 5, 2021	526,376	0.03%
Director	Cheng-Yaw Sun	July 5, 2021	29,244	0.00%
Director	Kenneth Kin	July 5, 2021	-	-
Independent Director	Chung-Yu Wu	July 5, 2021	236,000	0.01%
Independent Director	Peng-Heng Chang	July 5, 2021	-	-
Independent Director	Ming-Tze Tang	July 5, 2021	-	-
Holding of all directors			42,803,318	2.68%