



聯詠科技股份有限公司 NOVATEK MICROELECTRONICS CORP.

FOR IMMEDIATE RELEASE

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Novatek Announces 2021 Third Quarter Consolidated Financial Result & The Fourth Quarter Outlook:

**First Three Quarters Revenue & PAT Reached
NT\$98.82B & NT\$27.93B Respectively
With EPS of NT\$45.90**

Hsin-chu, Taiwan, ROC – November 4th, 2021 – Novatek (TSE:3034), a leading global display and image IC total solution provider, today announced its consolidated financial results of 2021's first three quarters and the fourth quarter outlook at the analyst meeting.

Revenue, gross profit, and operating income in the first three quarters of 2021 reached NT\$98.82 billion, NT\$48.59 billion, and NT\$34.32 billion, representing year-over-year increase of 71.86%, 150.22%, and 242.24%, respectively. The gross profit margin in the first three quarters of 2021 increased to 49.17%, from 33.77% in the first three quarters of 2020. Net income in the first three quarters of 2021 increased by 241.76% year-over-year to NT\$27.93 billion, with earnings per share of NT\$45.90.

The third quarter revenue was up by 12.41% quarter-over-quarter to NT\$38.35 billion from NT\$34.11 billion in Q2'21, and increased by 74.29% year-over-year from NT\$22.00 billion in Q3'20. The sequential revenue growth was attributed to a combination of continued momentum from IT-related products, the seasonal pick-up of SOC products, and increase of smartphone and automotive DDIC. The third quarter gross margin improved quarter-over-quarter from 50.33% in Q2'21 to 51.94%, ahead of the guidance of 48.0%-51.0%, supported by the better product mix and price rises for part of products on the back of higher costs.

The third quarter operating expenses decreased quarter-over-quarter to NT\$4.80 billion from NT\$5.17 billion in Q2'21 and up year-over-year from NT\$3.32 billion in Q3'20. The third quarter operating income increased quarter-over-quarter to NT\$15.12 billion from NT\$11.99 billion in Q2'21 and increased year-over-year from NT\$4.26 billion in Q3'20.

Novatek's 2021 Q3 net income was NT\$12.27 billion, which increased quarter-over-quarter by 25.39% from NT\$9.79 billion in Q2'21 and increased year-over-year by 260.37% from NT\$3.41 billion in Q3'20. Earnings per share for Q3'21 were NT\$20.17, compared with NT\$5.60 in Q3'20.

Management expects overall performance for the fourth quarter 2021 to be as followings:
Revenue is expected to be between NT\$ 36 billion and NT\$ 37 billion
Gross profit margin is expected to be between 48% and 51%
Operating profit margin is expected to be between 34% and 37%



聯詠科技股份有限公司

NOVATEK MICROELECTRONICS CORP.

Sales & Profits

Million NT dollars	3Q'21	2Q'21	3Q'20	QoQ	YoY
Net Sales	38,346	34,111	22,001	12.41%	74.29%
Net Gross Profit	19,917	17,167	7,580	16.02%	162.76%
(Margin %)	51.94	50.33	34.45	1.61p	17.49p
Operating Income	15,121	11,992	4,263	26.10%	254.75%
Net Income	12,271	9,786	3,405	25.39%	260.37%
EPS (NT\$)	20.17	16.08	5.60		

Sales Breakdown by Product

Million NT dollars	3Q'21	2Q'21	3Q'20	QoQ	YoY
SoC	12,508	11,681	7,748	7.08%	61.44%
Driver IC	25,787	22,369	14,265	15.28%	80.77%
Total	38,295	34,050	22,013	12.47%	73.97%

About Novatek

Novatek was established in 1997, specializing in display and image centered total solutions ranging from full line of display ICs and SoC for all display and image applications. The Company is the world's largest supplier of display driver ICs, and is ranked as the world 6th largest and Taiwan's 2nd largest fabless company in terms of sales revenue. For more information, please visit the company's web site at www.novatek.com.tw.