

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D.C. 20549

FORM 6-K
REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15D-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934

For the month of July, 2021
Commission File Number: 000-30540

GIGAMEDIA LIMITED
8F, No.22, Lane 407, Section 2, Tiding Boulevard
Neihu District
Taipei, Taiwan (R.O.C.)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F [] Form 40-F []

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes [] No []

(If “Yes” is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b) :82- .)

GIGAMEDIA LIMITED is submitting under cover of Form 6-K:
GigaMedia Announces Second-Quarter 2021 Financial Results (attached hereto as Exhibit 99.1)

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GigaMedia Limited
(Registrant)

Date: July 30, 2021

By: /s/ HUANG, CHENG-MING
(Signature)
Name: HUANG, CHENG-MING
Title: Chief Executive Officer

FOR IMMEDIATE RELEASE

For further information contact:

Investor Relations Department
Country/City Code 8862 Tel: 2656-8096
IR@gigamedia.com.tw

GigaMedia Announces Second-Quarter 2021 Financial Results

TAIPEI, Taiwan, July 30, 2021 – GigaMedia Limited (NASDAQ: GIGM) today announced its second-quarter 2021 unaudited financial results.

Comments from Management

In the second quarter of 2021, GigaMedia reported revenues of \$1.23 million, with a gross profit \$0.63 million, an operating loss of \$1.08 million and the net loss of \$0.84 million. Total revenues decreased by 15.3% if compared to the previous quarter.

The decrease in revenues was mainly due to seasonality and the dwindling in certain licensed games. While Taiwan experienced an outbreak of the COVID-19 pandemic in mid-May, we managed to minimize the disruption caused to our business operations.

“The first half year of 2021 was indeed tough for us,” said GigaMedia CEO James Huang, “but after weathering all these, we have gathered pace and are confident for a brighter second half year.”

Second Quarter Overview

- Operating revenues decreased by approximately 15.3% quarter-on-quarter, to \$1.23 million from \$1.45 million in last quarter, and decreased by 32.9% year-over-year from \$1.83 million the same period last year. The decrease was mainly due to seasonality and the slowdown of the upgrades and supports from our licensors affected by the COVID-19 pandemic.
- Gross profit decreased by 20% to \$0.63 million from \$0.79 million in last quarter, and decreased by 35.3% compared to \$0.98 million in the same period last year.
- The net asset value was \$4.73 per share.

Unaudited Consolidated Financial Results

GigaMedia Limited is a diversified provider of digital entertainment services. GigaMedia’s digital entertainment service business FunTown develops and

operates a suite of digital entertainments in Taiwan and Hong Kong, with focus on browser/mobile games and casual games.

Unaudited consolidated results of GigaMedia are summarized in the table below.

For the Second Quarter

| GIGAMEDIA 2Q21 UNAUDITED CONSOLIDATED FINANCIAL RESULTS | | | | | | |
|--|---------|--------|------------|---------|--------|------------|
| (unaudited, all figures in US\$ thousands, except per share amounts) | 2Q21 | 1Q21 | Change (%) | 2Q21 | 2Q20 | Change (%) |
| Revenues | 1,225 | 1,446 | -15.28% | 1,225 | 1,826 | -32.91% |
| Gross Profit | 633 | 791 | -19.97% | 633 | 978 | -35.28% |
| Loss from Operations | (1,079) | (901) | NM | (1,079) | (549) | NM |
| Net Loss Attributable to GigaMedia | (836) | (875) | NM | (836) | (419) | NM |
| Net Loss Per Share Attributable to GigaMedia, Diluted | (0.08) | (0.08) | NM | (0.08) | (0.04) | NM |
| EBITDA ^(A) | (911) | (949) | NM | (911) | (634) | NM |
| Cash, Cash Equivalents and Restricted Cash | 43,650 | 44,446 | -1.79% | 43,650 | 56,783 | -23.12% |

NM= Not Meaningful

(A) EBITDA (earnings before interest, taxes, depreciation, and amortization) is provided as a supplement to results provided in accordance with U.S. generally accepted accounting principles ("GAAP"). (See, "Use of Non-GAAP Measures," for more details.)

Second-Quarter Financial Results

- Consolidated revenues for the second quarter of 2021 decreased by 15.3% quarter-on-quarter to \$1.23 million from \$1.45 million in last quarter, and by 32.9% year-over-year from \$1.83 million the same period last year.
- Consolidated gross profit was \$0.63 million, decreased by 20.0% quarter-on-quarter and 35.3% year-over-year.
- Consolidated operating expenses were \$1.71 million increased by 1.2% if compared to the first quarter of 2021, and increased by 12.2% if compared to the same period last year.
- Consolidated loss from operation of the second quarter of 2021 was a loss of \$1.08 million, increased from a loss of \$0.90 million in the first quarter.
- Net loss in the second quarter of 2021 was \$0.84 million, decreased from a net loss of \$0.87 million in the first quarter.
- Cash, cash equivalents and restricted cash at the end of the second quarter of 2021 amounted to \$43.7 million, slightly decreased by 1.8% from \$44.4 million as of the end of the first quarter.

Financial Position

GigaMedia maintained its solid financial position, with cash, cash equivalents and restricted cash amounted to \$43.7 million, or \$3.95 per share, as of June 30, 2021.

Business Outlook

The following forward-looking statements reflect GigaMedia's expectations as of July 30, 2021. Given potential changes in economic conditions and consumer spending, the evolving nature of digital entertainments, and various other risk factors, including those discussed in the Company's 2020 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission as referenced below, actual results may differ materially.

“In the second half of 2021, we will be committing ourselves to boosting the productivity of our in-house developed casual games, mainly by introducing fast-paced playability, building gamers’ sense of community to improve stickiness, and enhancing marketing effectiveness,” stated GigaMedia CEO James Huang.

Meanwhile, our management continues evaluating and pursuing prospects of strategic investment opportunities which are with potential to expand our business and create greater shareholder value.

Use of Non-GAAP Measures

To supplement GigaMedia's consolidated financial statements presented in accordance with US GAAP, the Company uses the following measure defined as non-GAAP by the SEC: EBITDA. Management believes that EBITDA (earnings before interest, taxes, depreciation, and amortization) is a useful supplemental measure of performance because it excludes certain non-cash items such as depreciation and amortization and that EBITDA is a measure of performance used by some investors, equity analysts and others to make informed investment decisions. EBITDA is not a recognized earnings measure under GAAP and does not have a standardized meaning. Non-GAAP measures such as EBITDA should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, other financial measures prepared in accordance with GAAP. A limitation of using EBITDA is that it does not include all items that impact the company's net income for the period. Reconciliations to the GAAP equivalents of the non-GAAP financial measures are provided on the attached unaudited financial statements.

About the Numbers in This Release

Quarterly results

All quarterly results referred to in the text, tables and attachments to this release are unaudited. The financial statements from which the financial results reported in this press release are derived have been prepared in accordance with U.S. GAAP, unless otherwise noted as “non-GAAP,” and are presented in U.S. dollars.

Q&A

For Q&A regarding the second quarter 2021 performance upon the release, investors may send the questions via email to IR@gigamedia.com.tw, and the responses will be replied individually.

About GigaMedia

Headquartered in Taipei, Taiwan, GigaMedia Limited (Singapore registration number: 199905474H) is a diversified provider of digital entertainment services in Taiwan and Hong Kong. GigaMedia's digital entertainment service business is an innovative leader in Asia with growing capabilities of development, distribution and operation of digital entertainments, as well as platform services for games with a focus on mobile games and casual games. More information on GigaMedia can be obtained from www.gigamedia.com.tw.

The statements included above and elsewhere in this press release that are not historical in nature are "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements regarding expected financial performance (as described without limitation in the "Business Outlook" section and in quotations from management in this press release) and GigaMedia's strategic and operational plans. These statements are based on management's current expectations and are subject to risks and uncertainties and changes in circumstances. There are important factors that could cause actual results to differ materially from those anticipated in the forward looking statements, including but not limited to, our ability to license, develop or acquire additional online games that are appealing to users, our ability to retain existing online game players and attract new players, and our ability to launch online games in a timely manner and pursuant to our anticipated schedule. Further information on risks or other factors that could cause results to differ is detailed in GigaMedia's Annual Report on Form 20-F filed in April 2021 and its other filings with the United States Securities and Exchange Commission.

#

(Tables to follow)

GIGAMEDIA LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS

| | Three months ended | | | Six months ended | |
|---|--------------------|-------------------|-------------------|--------------------|--------------------|
| | 06/30/2021 | 03/31/2021 | 06/30/2020 | 06/30/2021 | 06/30/2020 |
| | unaudited USD | unaudited USD | unaudited USD | unaudited USD | unaudited USD |
| Operating revenues | | | | | |
| Digital entertainment service revenues | 1,224,749 | 1,446,276 | 1,825,547 | 2,671,025 | 3,429,450 |
| Operating costs | | | | | |
| Cost of digital entertainment service revenues | 591,687 | 655,757 | 847,906 | 1,247,444 | 1,525,099 |
| Gross profit | <u>633,062</u> | <u>790,519</u> | <u>977,641</u> | <u>1,423,581</u> | <u>1,904,351</u> |
| Operating expenses | | | | | |
| Product development and engineering expenses | 373,057 | 345,898 | 332,745 | 718,955 | 661,560 |
| Selling and marketing expenses | 376,914 | 397,033 | 367,529 | 773,947 | 778,004 |
| General and administrative expenses | 960,474 | 946,192 | 825,998 | 1,906,666 | 1,650,440 |
| Other | 2,103 | 2,599 | (42) | 4,703 | 2,942 |
| | <u>1,712,548</u> | <u>1,691,722</u> | <u>1,526,230</u> | <u>3,404,271</u> | <u>3,092,946</u> |
| Loss from operations | <u>(1,079,486)</u> | <u>(901,203)</u> | <u>(548,589)</u> | <u>(1,980,690)</u> | <u>(1,188,595)</u> |
| Non-operating income (expense) | | | | | |
| Interest income | 80,184 | 78,595 | 212,881 | 158,779 | 468,600 |
| Foreign exchange (loss) gain - net | 163,139 | (49,357) | (82,357) | 113,782 | 16,529 |
| Other - net | 176 | (2,809) | (1,404) | (2,633) | (1,702) |
| | <u>243,499</u> | <u>26,429</u> | <u>129,120</u> | <u>269,928</u> | <u>483,427</u> |
| Loss from continuing operations before income taxes | <u>(835,987)</u> | <u>(874,774)</u> | <u>(419,469)</u> | <u>(1,710,762)</u> | <u>(705,168)</u> |
| Income tax benefit (expense) | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> |
| Net loss attributable to shareholders of GigaMedia | <u>(835,987)</u> | <u>(874,774)</u> | <u>(419,469)</u> | <u>(1,710,762)</u> | <u>(705,168)</u> |
| Loss per share attributable to GigaMedia | | | | | |
| Basic: | <u>(0.08)</u> | <u>(0.08)</u> | <u>(0.04)</u> | <u>(0.15)</u> | <u>(0.06)</u> |
| Diluted | <u>(0.08)</u> | <u>(0.08)</u> | <u>(0.04)</u> | <u>(0.15)</u> | <u>(0.06)</u> |
| Weighted average shares outstanding: | | | | | |
| Basic | <u>11,052,235</u> | <u>11,052,235</u> | <u>11,052,235</u> | <u>11,052,235</u> | <u>11,052,235</u> |
| Diluted | <u>11,052,235</u> | <u>11,052,235</u> | <u>11,052,235</u> | <u>11,052,235</u> | <u>11,052,235</u> |

GIGAMEDIA LIMITED
CONSOLIDATED BALANCE SHEET

| | <u>06/30/2021</u> | <u>03/31/2021</u> | <u>06/30/2020</u> |
|------------------------------------|--------------------------|--------------------------|--------------------------|
| | <u>unaudited</u> | <u>unaudited</u> | <u>unaudited</u> |
| | <u>USD</u> | <u>USD</u> | <u>USD</u> |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 43,350,182 | 44,146,308 | 56,247,678 |
| Accounts receivable - net | 282,780 | 281,945 | 349,450 |
| Prepaid expenses | 242,488 | 393,587 | 228,794 |
| Restricted cash | 300,000 | 300,000 | 535,153 |
| Other receivables | 52,422 | 25,937 | 203,671 |
| Other current assets | 154,622 | 156,622 | 142,230 |
| Total current assets | <u>44,382,494</u> | <u>45,304,399</u> | <u>57,706,976</u> |
| Marketable securities - noncurrent | 10,000,000 | 10,000,000 | — |
| Property, plant & equipment - net | 48,349 | 38,860 | 7,740 |
| Intangible assets - net | 9,625 | 11,596 | 17,111 |
| Prepaid licensing and royalty fees | 73,762 | 108,878 | 184,365 |
| Other assets | <u>2,586,685</u> | <u>2,481,910</u> | <u>290,687</u> |
| Total assets | <u><u>57,100,915</u></u> | <u><u>57,945,643</u></u> | <u><u>58,206,879</u></u> |
| Liabilities and equity | | | |
| Accounts payable | 44,870 | 88,009 | 69,147 |
| Accrued compensation | 279,896 | 161,287 | 278,622 |
| Accrued expenses | 1,138,777 | 1,083,293 | 1,321,262 |
| Unearned revenue | 930,026 | 949,396 | 1,058,940 |
| Other current liabilities | <u>787,009</u> | <u>740,286</u> | <u>627,162</u> |
| Total current liabilities | 3,180,578 | 3,022,271 | 3,355,133 |
| Other liabilities | <u>1,636,271</u> | <u>1,655,437</u> | <u>3,653</u> |
| Total liabilities | 4,816,849 | 4,677,708 | 3,358,786 |
| Total equity | <u>52,284,066</u> | <u>53,267,935</u> | <u>54,848,093</u> |
| Total liabilities and equity | <u><u>57,100,915</u></u> | <u><u>57,945,643</u></u> | <u><u>58,206,879</u></u> |

GIGAMEDIA LIMITED
RECONCILIATIONS OF NON-GAAP RESULTS OF OPERATIONS

| | Three months ended | | | Six months ended | |
|---|--------------------|------------------|------------------|--------------------|--------------------|
| | 06/30/2021 | 03/31/2021 | 06/30/2020 | 06/30/2021 | 06/30/2020 |
| | <u>unaudited</u> | <u>unaudited</u> | <u>unaudited</u> | <u>unaudited</u> | <u>unaudited</u> |
| | USD | USD | USD | USD | USD |
| Reconciliation of Net Loss to EBITDA | | | | | |
| Net loss attributable to GigaMedia | (835,987) | (874,774) | (419,469) | (1,710,762) | (705,168) |
| Depreciation | 2,920 | 1,902 | 535 | 4,822 | 889 |
| Amortization | 2,242 | 2,010 | (2,257) | 4,252 | 2,400 |
| Interest income | (80,184) | (78,595) | (212,881) | (158,779) | (468,600) |
| Interest expense | — | — | — | — | — |
| Income tax (benefit) expense | — | — | — | — | — |
| EBITDA | <u>(911,009)</u> | <u>(949,457)</u> | <u>(634,072)</u> | <u>(1,860,467)</u> | <u>(1,170,479)</u> |