

M31 Reports Fourth Quarter EPS of NT\$-1.28

HSINCHU, Taiwan, R.O.C., Mar. 19, 2025 – M31 (TWSE: 6643) today announced consolidated revenue of NT\$328 million, net income of NT\$-53 million, and diluted earnings per share of NT\$-1.28 for the fourth quarter ended December 31, 2024.

Year-over-year, fourth quarter revenue decreased by 36.9%, and net income and diluted EPS both dropped by more than 100%. Compared to third quarter 2024, fourth quarter results represented a 14.2% decrease in revenue and a 290.1% decrease in net income. All figures were prepared in accordance with TIFRS on a consolidated basis.

In US dollars, fourth quarter revenue was \$10,093 thousands, which decreased 39.7% year-over-year and decreased 14.9% from the previous quarter.

Gross margin for fourth quarter was 100.0%, operating margin was -30.8%, and net profit margin was -16.3%.

In the fourth quarter, 2-8nm process accounted for 18.3% of total license revenue; 12-16nm process contributed 32.1% of total license revenue; 22-28nm process represented 38.2% of total license revenue. Overall, advanced nodes (including 16 nm and below) were the main contributors to license revenue, making up 50.4% of the total, followed by the 22-28nm process.

In terms of revenue breakdown, license fees accounted for 85.5% of total revenue in the fourth quarter, while royalties contributed 14.5%. By region, the China market accounted for 53.6%, North America 17.1%, Taiwan 15.6%, and other regions 13.7% of fourth-quarter revenue. By customer type, fabless customers contributed 86% of the revenue, while foundry customers accounted for 14%.

“The timing of contract signings for the overseas foundry has been difficult to predict, and the key partner has been conservative in launching new projects. As a result, revenue performance in the fourth quarter fell short of expectations. Additionally, employee bonuses further squeezed profit margins, leading the company to report its first-ever loss,” said Scott Chang, CEO of M31. “Looking ahead to 2025, foundries in various regions are seeing a rebound in project momentum, demand for advanced

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processes below 8nm remains strong, and our 12/16nm FinFET platform is expected to enter mass production. We will make every effort to drive revenue growth in 2025.”

M31’s 2024 fourth quarter consolidated results:

(Unit: NT\$ thousands, except for EPS)

	4Q24 Amount ^a	4Q23 Amount	YoY Inc. (Dec.) %	3Q24 Amount	QoQ Inc. (Dec.) %
Net revenue	327,577	519,089	-36.9%	381,878	-14.2%
Gross margin	100%	100%		100%	
Operating expenses	(428,439)	(350,530)	+22.2%	(337,193)	+27.1%
Operating margin	-30.8%	32.5%	-63.3 ppt	11.7%	-42.5 ppt
Net income	(53,255)	113,020	-147.1%	28,009	-290.1%
Net profit margin	-16.3%	21.8%	-38.0 ppt	7.3%	-23.6 ppt
EPS (NT\$)	(1.28) ^b	2.71 ^c	-147.2%	0.67 ^d	-291.0%

a: 4Q2024 figures have been approved by Board of Directors

b: Based on 41,756 thousand weighted average outstanding shares

c: Based on 41,549 thousand weighted average outstanding shares

d: Based on 41,649 thousand weighted average outstanding shares