

M31 Reports Second Quarter EPS of NT\$-0.98

HSINCHU, Taiwan, R.O.C., August. 6, 2025 – M31 (TWSE: 6643) today announced consolidated revenue of NT\$449 million, net income of NT\$-41 million, and diluted earnings per share of NT\$-0.98 for the second quarter ended June 30, 2025.

Year-over-year, second quarter revenue increased by 4.5%, while both net income and diluted EPS swung to a loss. Compared to first quarter 2025, second quarter results represented a 3.3% increase in revenue but turned from a net profit to a net loss. All figures were prepared in accordance with TIFRS on a consolidated basis.

In US dollars, second quarter revenue was \$14,711 thousands, which increased 11.0% year-over-year and increased 10.0% from the previous quarter.

Gross margin for second quarter was 100.0%, operating margin was 8.7%, and net profit margin was -9.1%.

In the second quarter, 2-8nm process accounted for 42.3% of total license revenue; 12-16nm process contributed 8.3% of total license revenue; 22-28nm process represented 28.0% of total license revenue. Overall, advanced nodes (including 16 nm and below) were the main contributors to license revenue, making up 50.6% of the total, followed by the 22-28nm process.

In terms of revenue breakdown, license fees accounted for 90% of total revenue in the second quarter, while royalties accounted for 10%. By region, the China market contributed 31.9%, North America 19.9%, Taiwan 39.0%, and other regions 9.1% of second-quarter revenue. By customer type, fabless customers made up 45.2% of the revenue, while foundry customers accounted for 54.8%.

M31 Technology CEO Scott Chang stated: "The key advancements in advanced process technologies by foundries this year, along with the broader adoption of 2nm IP by major North American chipmakers, fully affirm the company's leading technical capabilities. At the same time, the company's long-term investments in advanced nodes are gradually translating into tangible mass production and commercial value. Looking ahead to the second half of the year, as momentum returns among chip design houses,

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new projects at foundries below the 5nm node are expected to continue emerging, driving steady revenue growth."

M31's 2025 second quarter consolidated results:

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

	2Q25 Amount ^a	2Q24 Amount	YoY Inc. (Dec.) %	1Q25 Amount	QoQ Inc. (Dec.) %
Net revenue	448,721	429,383	+4.5%	434,525	+3.3%
Gross margin	100%	100%		100%	
Operating expenses	(409,530)	(322,648)	+26.9%	(426,883)	-4.1%
Operating margin	8.7%	24.9%	-16.1 ppt	1.8%	+7.0 ppt
Net income	(40,775)	109,860	(150,635)	19,564	(60,339)
Net profit margin	-9.1%	25.6%	-34.7 ppt	4.5%	-13.6 ppt
EPS (NT\$)	(0.98) ^b	2.64 ^c	(3.62)	0.47 ^d	(1.45)

a: 2Q2025 figures have been approved by Board of Directors

b: Based on 41,751 thousand weighted average outstanding shares

c: Based on 41,551 thousand weighted average outstanding shares

d: Based on 41,755 thousand weighted average outstanding shares