



Stock Code: 6643 TT

2025年第二季 法人說明會

www.m31tech.com

August 6th, 2025

Agenda

- **Welcome** Silvia Su, Spokesperson
- **2Q25 Financial Results** Silvia Su, Spokesperson
- **Outlook & Key Messages** Scott Chang, CEO
- **Q&A** Scott Chang, CEO

免責聲明

- 本次法說會提供之簡報包含前瞻性陳述，內容包括對於未來狀況之預測及評估。此前瞻性陳述係基於本公司目前可得資訊對未來事件的期望和預測，儘管本公司認為該期望和預測具合理性，但此類前瞻性聲明仍涉及風險及不確定性。
- 鑒於這些風險、不確定性及假設，本公司實際結果可能與這些前瞻性聲明中的預期存在重大差異。若因未來實際結果與預期狀況有重大差異，除非法律要求，本公司將不負責更新或公告這些預測的結果。

2Q25 Financial Results

2Q25 Statements of Comprehensive Income

Selected Items from Statements of Comprehensive Income

(In NT\$ thousands unless otherwise noted)

	2Q25	1Q25	2Q24	2Q25 over 1Q25	2Q25 over 2Q24
Net Revenue (US\$ thousands)	14,711	13,370	13,248	+10.0%	+11.0%
Net Revenue	448,722	434,525	429,383	+3.3%	+4.5%
Gross Margin	100%	100%	100%		
Operating Expenses	(409,530)	(426,883)	(322,648)	-4.1%	+26.9%
Operating Margin	8.7%	1.8%	24.9%	+7.0 ppt	-16.1 ppt
Net Income	(40,775)	19,564	109,860	(60,339)	(150,635)
Net Profit Margin	-9.1%	4.5%	25.6%	-13.6 ppt	-34.7 ppt
EPS (NT Dollar)	(0.98)	0.47	2.64	(1.45)	(3.62)
Average Exchange Rate-USD/NTD	30.80	32.90	32.35	-6.4%	-4.8%

* Diluted weighted average outstanding shares were 41,751 units in 2Q25.

** 2Q25 net foreign exchange loss of NTD \$90,533K.

1H25 Statements of Comprehensive Income

Selected Items from Statements of Comprehensive Income

(In NT\$ thousands unless otherwise noted)

	1H25	1H24	1H25 over 1H24
Net Revenue (US\$ thousands)	28,081	24,153	+16.3%
Net Revenue	883,247	771,448	+14.5%
Gross Margin	100%	100%	
Operating Expenses	(836,413)	(662,005)	+26.3%
Operating Margin	5.3%	14.2%	-8.9 ppt
Net Income	(21,211)	152,168	(173,379)
Net Profit Margin	-2.4%	19.7%	-22.1 ppt
EPS (NT Dollar)	(0.51)	3.66	(4.17)
Average Exchange Rate-USD/NTD	31.82	31.91	-0.3%

* Diluted weighted average outstanding shares were 41,753 units in 1H25.

** 1H25 net foreign exchange loss of NTD \$81,477K.

2Q25 Balance Sheets

Selected Items from Balance Sheets

(In NT\$ thousands)

	2Q25		1Q25		2Q24	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	497,063	24%	573,295	28%	842,022	35%
Accounts Receivable	337,669	16%	263,250	13%	363,123	15%
Other current assets	323,071	16%	317,548	15%	283,609	11%
Net PP&E	593,388	29%	594,077	29%	608,663	25%
Other non-current assets	301,637	15%	330,618	16%	353,553	14%
Total Assets	2,052,828	100%	2,078,788	100%	2,450,970	100%
Current Liabilities	237,704	12%	201,948	10%	485,880	20%
Non-current Liabilities	10,807	1%	20,506	1%	22,143	1%
Total Liabilities	248,511	12%	222,454	11%	508,023	21%
Total Shareholders' Equity	1,804,317	88%	1,856,334	89%	1,942,947	79%

2Q25 Cash Flow

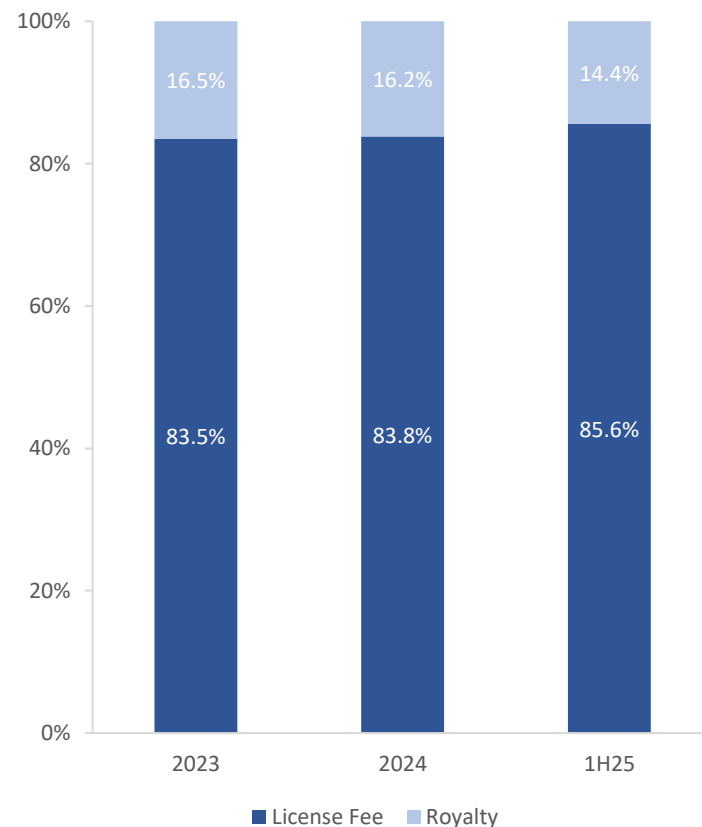
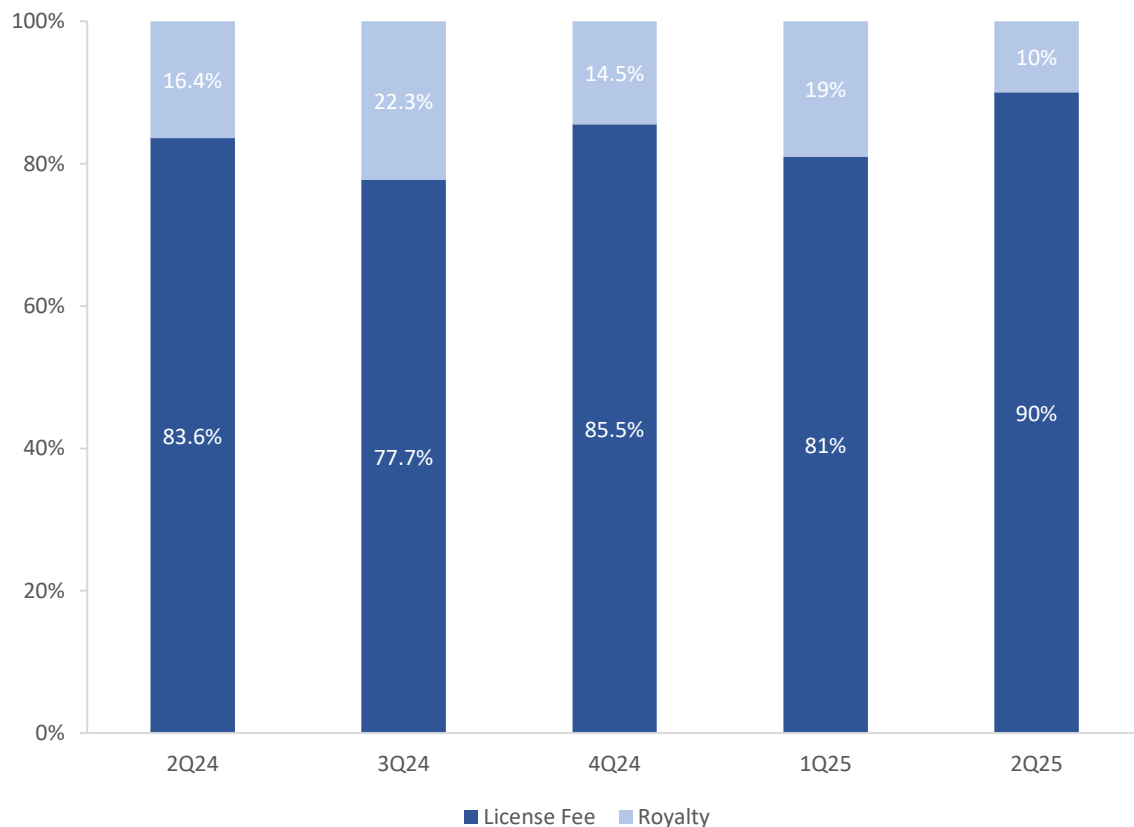
(In NT\$ thousands)

	2Q25	1Q25	2Q24
	6 Months Ended	3 Months Ended	6 Months Ended
Beginning Balance	529,011	529,011	849,121
Cash generated from operating activities	(152,274)	(121,896)	(131,347)
Cash used in investing activities	(33,440)	(16,993)	(152,847)
Cash generated from/(used in) financing activities	(9,065)	(2,941)	(4,877)
FX effects on cash held in foreign currencies	(17,626)	(1,566)	14,608
Ending Balance	316,606	385,615	574,658

Operating Result

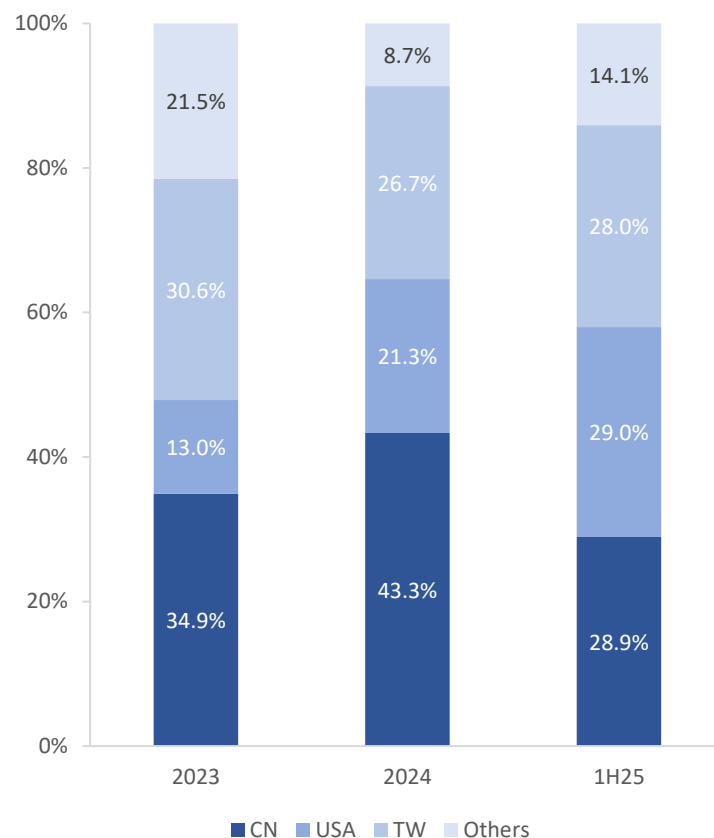
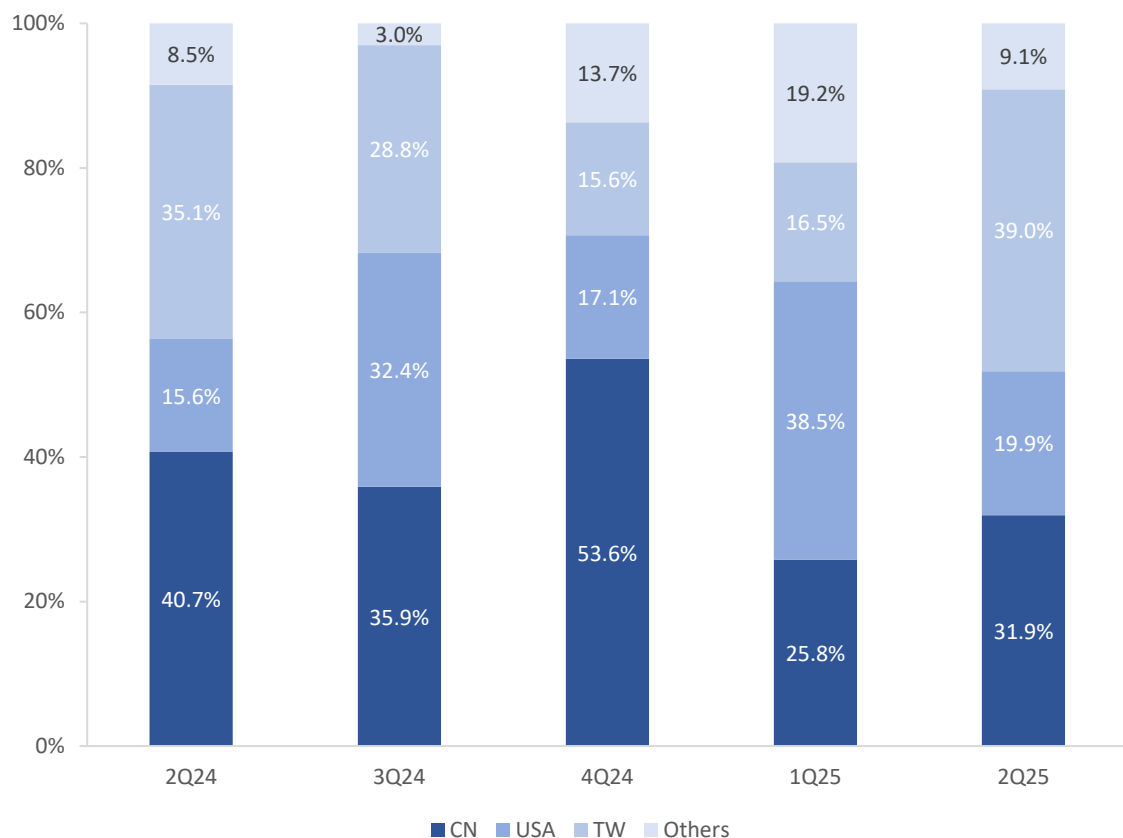
2Q25 Revenue by Income Source

- Our royalty ratio in 2Q25 was 10%, the lowest in the past five quarters, primarily due to a significant increase in license revenue, which diluted the proportion of royalties.
- In 1H25, our royalty revenue increased by 19% compared to 1H24.



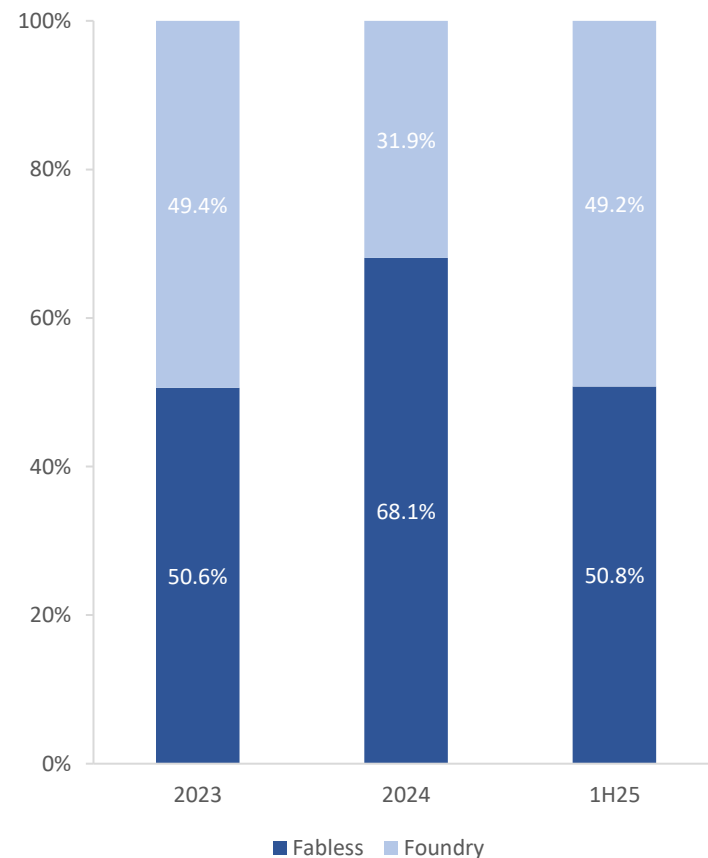
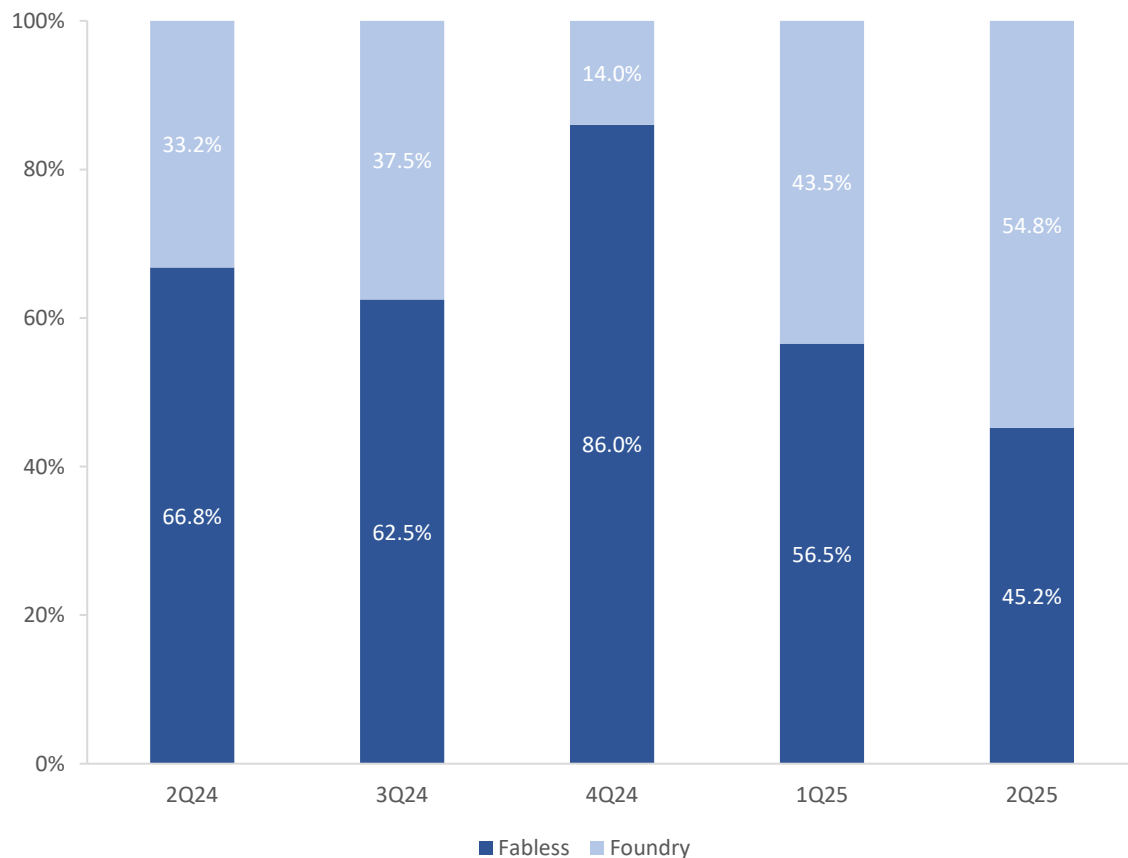
2Q25 Revenue by Region

- In 2Q25, the main revenue contribution came from Taiwan, reaching 39%, which was also the highest level in five consecutive quarters.
- In 1H25, our revenue was evenly distributed across China, USA, and Taiwan, with each region accounting for approximately 30% of the total.



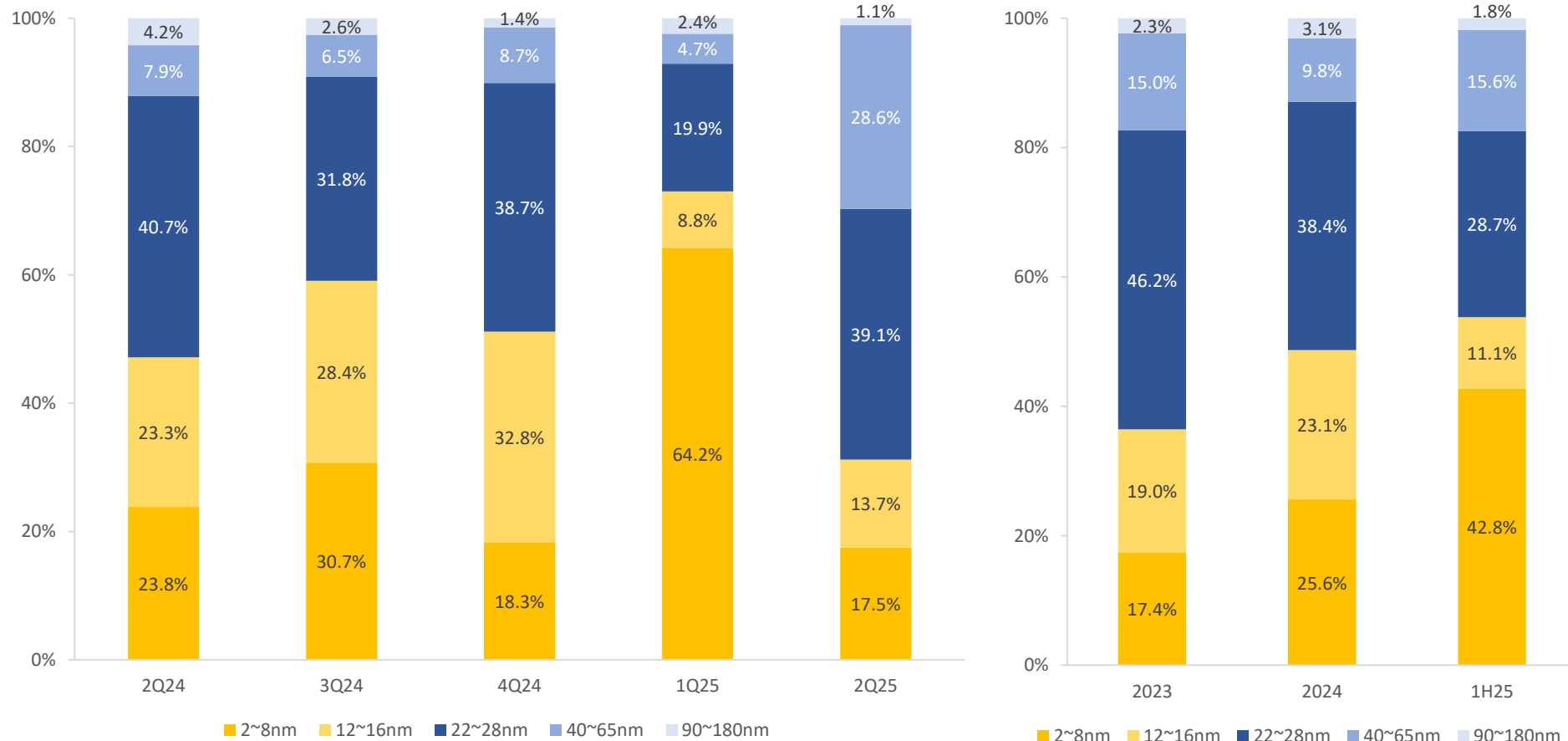
2Q25 Revenue by Customer Type

- The foundry segment continued to grow, accounting for more than half of the total in 2Q25 at 54.8%, marking the highest level in the past five quarters.
- In 1H25, the revenue split between Fabless and Foundry was approximately 50:50.



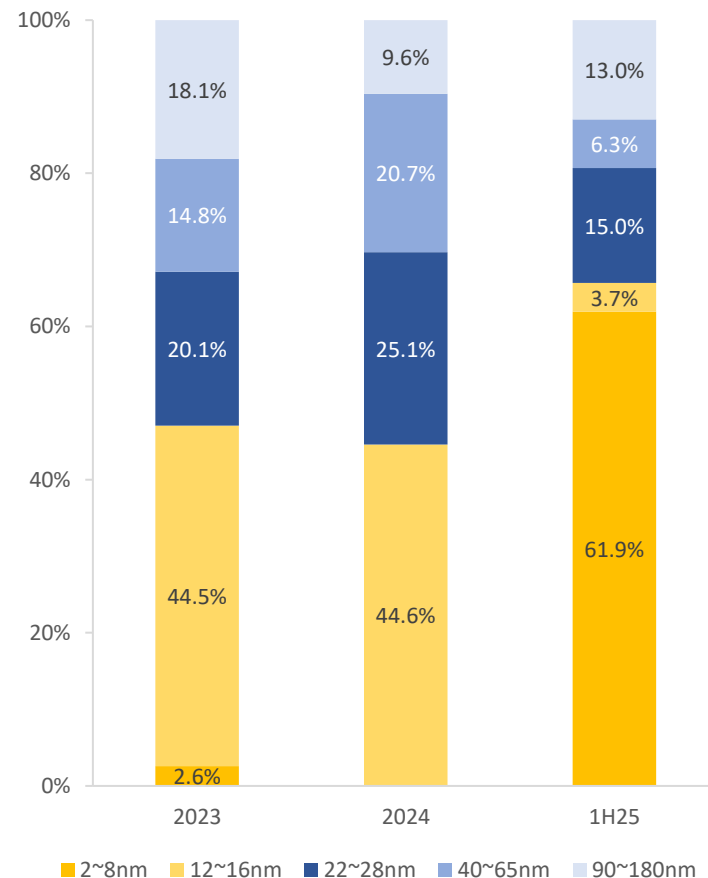
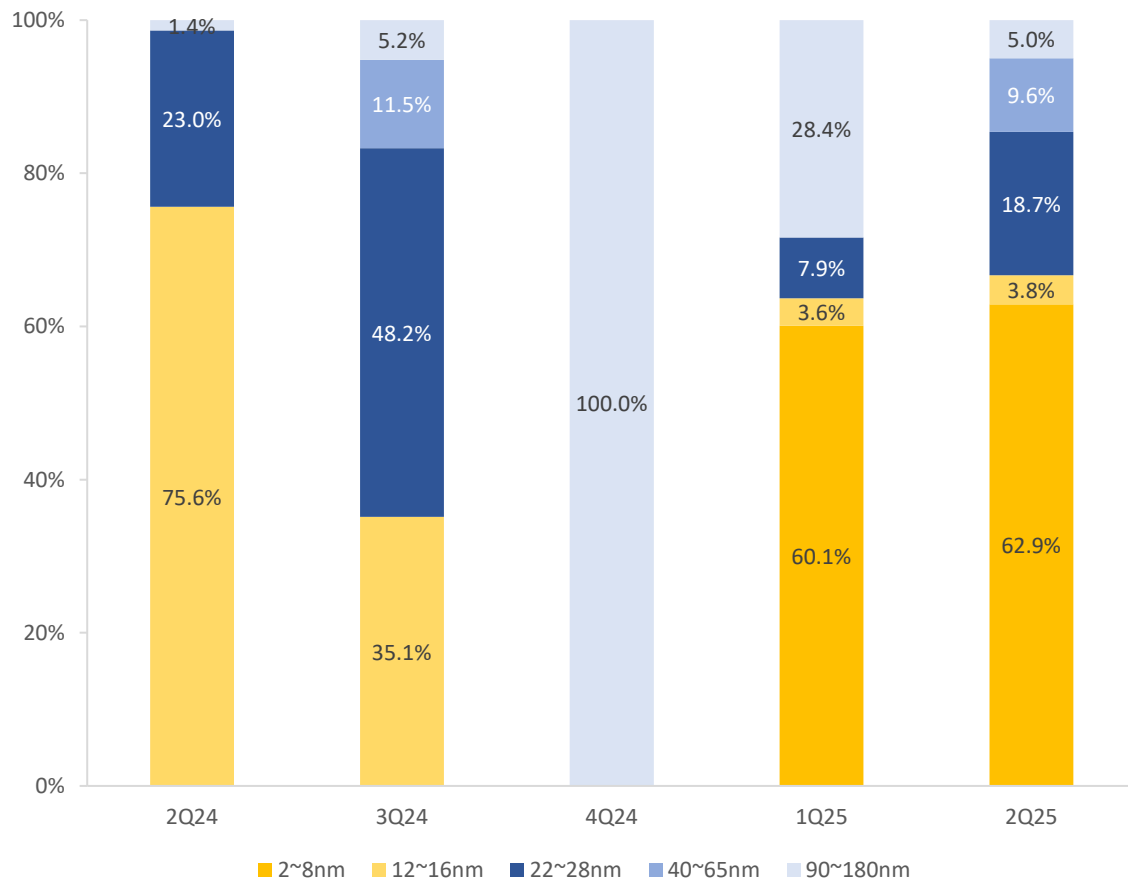
2Q25 Fabless License Fee by Nodes

- In 2Q25, the majority of fabless license fee contributions came from customers in 22–28nm and 40–65nm nodes, which together accounted for 67.7%, while sub-16nm customers contributed only around 30%.
- Since 2023, the fabless license fee ratio for 2-8nm has shown a notable upward trend, increasing from 17.4% to 42.8%.
- In 1H25, license fees from sub-16nm fabless customers surpassed 50%, reaching 53.9%.

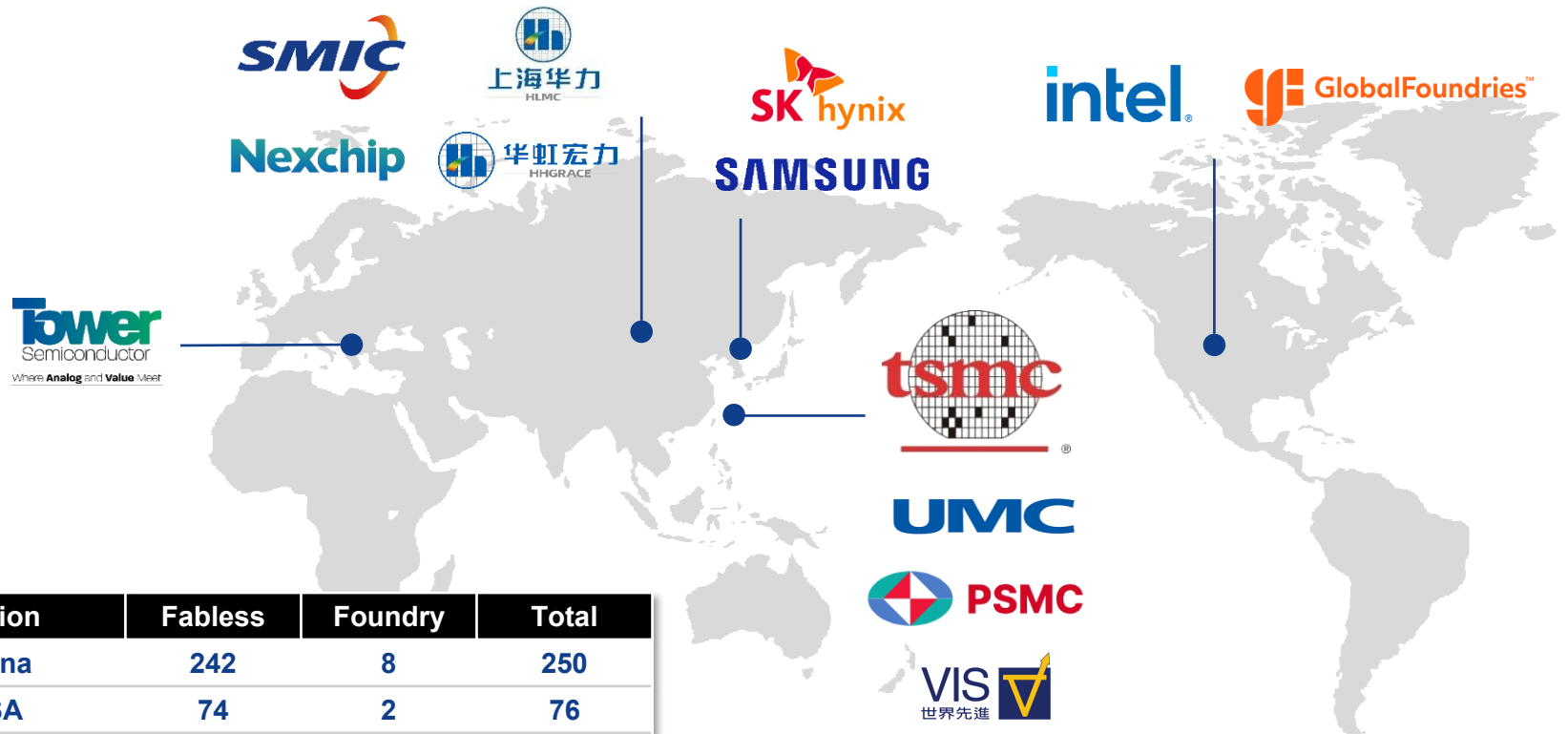


2Q25 Foundry License Fee by Nodes

- New foundry platform projects below 8nm were launched in both 1Q25 and 2Q25. As a result, foundry license fees from sub-8nm nodes exceeded 60% for two consecutive quarters.
- Since 2023, the foundry license fee below 16nm has taken effect, with the proportion reaching 65.6% in 1H25.



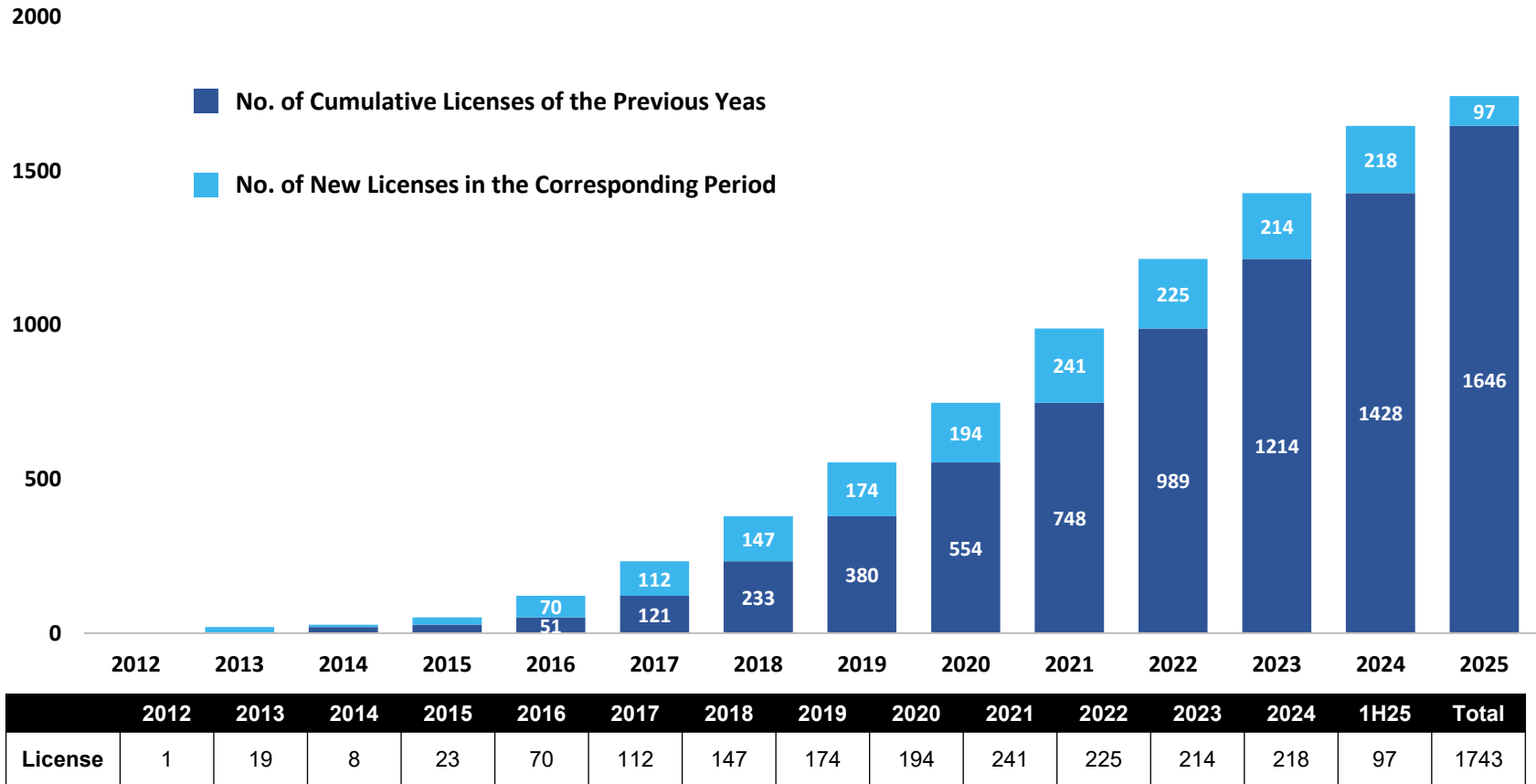
M31 Customers & Partners



Region	Fabless	Foundry	Total
China	242	8	250
USA	74	2	76
Taiwan	71	5	76
Korea	12	3	15
Japan	8	0	8
Eurasia	22	2	24
Others	2	0	2
Total	431	20	451

* Our IP solutions are adopted by leading foundries and fabless worldwide.
 * Customer numbers by region and business type till 1H25.

M31 Licenses



Note: Terms (including number of process platforms and licensing fees) for each technology license are set contractually. Payments are made according to set milestones, and there are no particular seasonal factors involved.

Recap of 1H25 Operating Result (1/2)

1H25 revenue reached US\$28.1M, up mid-teens YoY. However, with USD-denominated revenue, a lean equity base, and high operating leverage, rapid NTD appreciation and an NT\$81M FX loss significantly weighed on profitability, leading to an EPS of –NT\$0.51.

Licensing:

- In 1H25, nodes at 16nm and below contributed nearly 60% of license revenue.
- Strong advanced-node IP demand is driven by major 6nm/5nm foundry licenses, multiple 2nm IP projects, and rising ADAS needs.

Royalties:

- 2Q25 royalties declined YoY due to overseas foundry recognition timing, but 1H25 royalties still grew ~20% YoY, driven by steady ramp-up across multiple foundry platforms.
- Contributions from 12/16nm and 6nm also began in 2Q25, marking a key milestone in M31's advanced-node penetration with further growth expected.

Recap of 1H25 Operating Result (2/2)

In 1H25, foundry revenue grew over 50% YoY, driven by 6nm-and-below advanced process platform along with automotive-grade IP solutions. In 2H25, fabless momentum is expected to strengthen as more U.S. and Chinese chip design projects ramp up.

Foundries:

- We strengthened our global foundry footprint with strong momentum at Taiwan's leading foundry, ongoing collaboration with Korean advanced automotive-grade platforms, deeper penetration into China's 22/28nm, and progress in U.S. mature specialty processes..
- In 2H25, 6nm-and-below advanced platforms will scale further, alongside key design-ins with major European IDMs.

Fabless:

- Despite slower consumer electronics fabless projects in 1H25, cutting-edge advanced-node adoption remained the key revenue driver.
- AI-driven applications are fueling high-speed interface IP migration to 5nm and below, with successive 2nm projects in U.S. and strong ADAS chip demand in China.

M31 Future Prospects



Your IP Partner

Your Virtual Team

Thank You