



Stock Code: 6643 TT

2026 Second Quarter Earnings Conference

www.m31tech.com

Aug 12th, 2026

Agenda

- **Welcome** Livy Chen, Investor Relations
- **2Q26 Financial Results** Livy Chen, Investor Relations
- **Outlook & Key Messages** Scott Chang, CEO
- **Q&A** Scott Chang, CEO

Safe Harbor Notice

- M31's statements of its current expectations are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.
- Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

2Q26 Financial Results

2Q26 Statements of Comprehensive Income

Selected Items from Statements of Comprehensive Income

(In NT\$ thousands unless otherwise noted)

	2Q26	1Q26	2Q25	2Q26 over 1Q26	2Q26 over 2Q25
Net Revenue (US\$ thousands)	13,305	12,467	14,711	+6.7%	-9.6%
Net Revenue	421,850	394,748	448,722	+6.9%	-6.0%
Gross Margin	100%	100%	100%		
Operating Expenses	(438,685)	(461,015)	(409,530)	-4.8%	+7.1%
Operating Margin	-4.0%	-16.8%	8.7%	+12.8 ppt	-12.7 ppt
Net Income	(2,738)	(49,247)	(40,775)	+46,509	+38,037
Net Profit Margin	-0.6%	-12.5%	-9.1%	+11.8 ppt	+8.4 ppt
EPS (NT Dollar)	(0.06)	(1.18)	(0.98)	+1.12	+0.92
Average Exchange Rate-USD/NTD	31.60	31.65	30.80	-0.2%	+2.6%

* Weighted average outstanding shares were 41,791 units in 2Q26.

** 2Q26 net foreign exchange loss of NTD \$2,702K.

1H26 Statements of Comprehensive Income

Selected Items from Statements of Comprehensive Income

(In NT\$ thousands unless otherwise noted)

	1H26	1H25	1H256 over 1H25
Net Revenue (US\$ thousands)	25,772	28,081	-8.2%
Net Revenue	816,598	883,247	-7.5%
Gross Margin	100%	100%	
Operating Expenses	(899,700)	(836,413)	+7.6%
Operating Margin	-10.2%	5.3%	-15.5 ppt
Net Income	(51,985)	(21,211)	(30,774)
Net Profit Margin	-6.4%	-2.4%	-4.0 ppt
EPS (NT Dollar)	(1.24)	(0.51)	(0.73)
Average Exchange Rate-USD/NTD	31.62	31.82	-0.6%

* Diluted weighted average outstanding shares were 41,791 units in 1H26.

** 1H26 net foreign exchange gain of NTD \$10,396K.

2Q26 Balance Sheets

Selected Items from Balance Sheets *(In NT\$ thousands)*

	2Q26		1Q26		2Q25	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	496,337	24%	443,088	22%	497,063	24%
Accounts Receivable	360,702	17%	281,039	14%	337,669	16%
Other current assets	365,361	17%	422,317	21%	323,071	16%
Net PP&E	583,668	28%	591,314	29%	593,388	29%
Other non-current assets	301,032	14%	287,514	14%	301,637	15%
Total Assets	2,107,100	100%	2,025,272	100%	2,052,828	100%
Current Liabilities	213,163	10%	206,678	10%	237,704	12%
Non-current Liabilities	16,773	1%	16,549	1%	10,807	1%
Total Liabilities	229,936	11%	223,227	11%	248,511	12%
Total Shareholders' Equity	1,877,164	89%	1,802,045	89%	1,804,317	88%

2Q26 Cash Flow

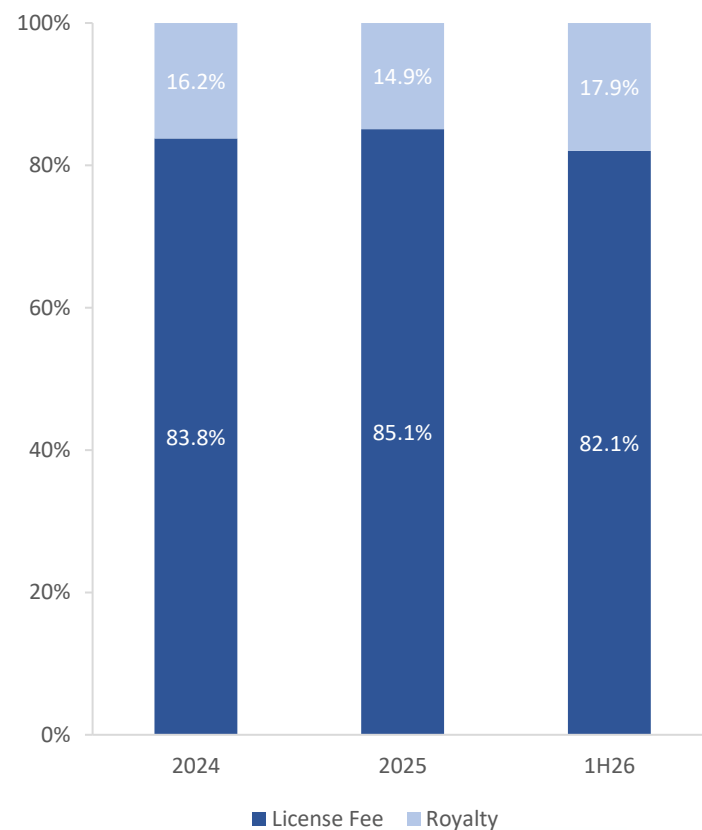
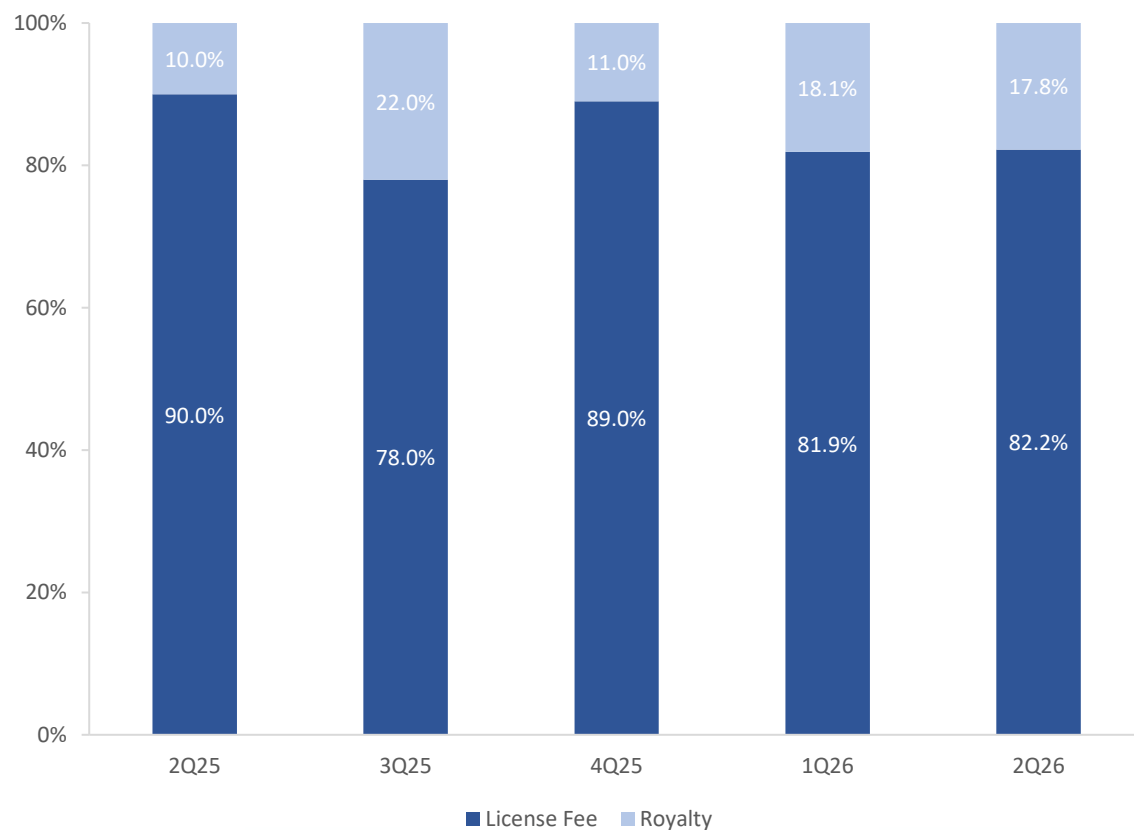
(In NT\$ thousands)

	2Q26	1Q26	2Q25
	6 Months Ended	3 Months Ended	6 Months Ended
Beginning Balance	497,689	497,689	529,011
Cash generated from operating activities	(128,200)	(137,128)	(152,274)
Cash used in investing activities	(80,437)	(55,883)	(33,440)
Cash generated from/(used in) financing activities	64,983	(2,832)	(9,065)
FX effects on cash held in foreign currencies	1,225	19	(17,626)
Ending Balance	355,260	301,865	316,606

Operating Result

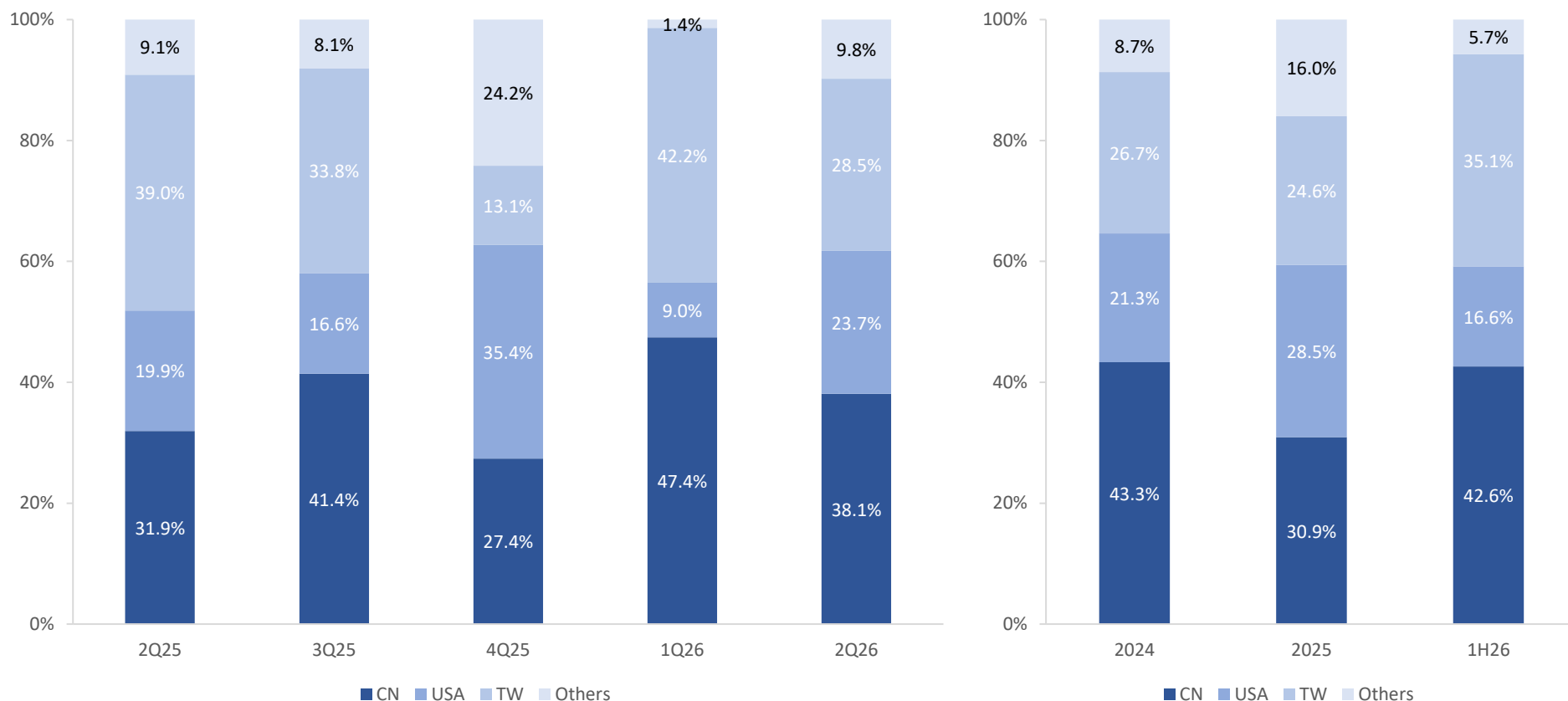
2Q26 Revenue by Income Source

- In 2Q26, royalties accounted for 17.8% of revenue, and the absolute royalty amount grew by 4.7% QoQ.
- License revenue remains our main revenue driver, accounting for 82.1% of total revenue in 1H26.



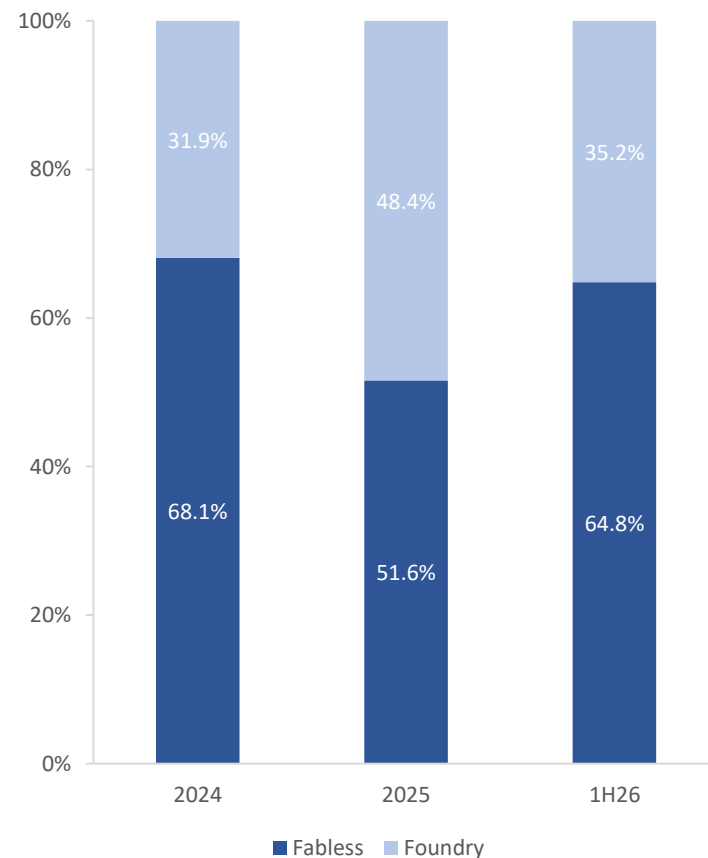
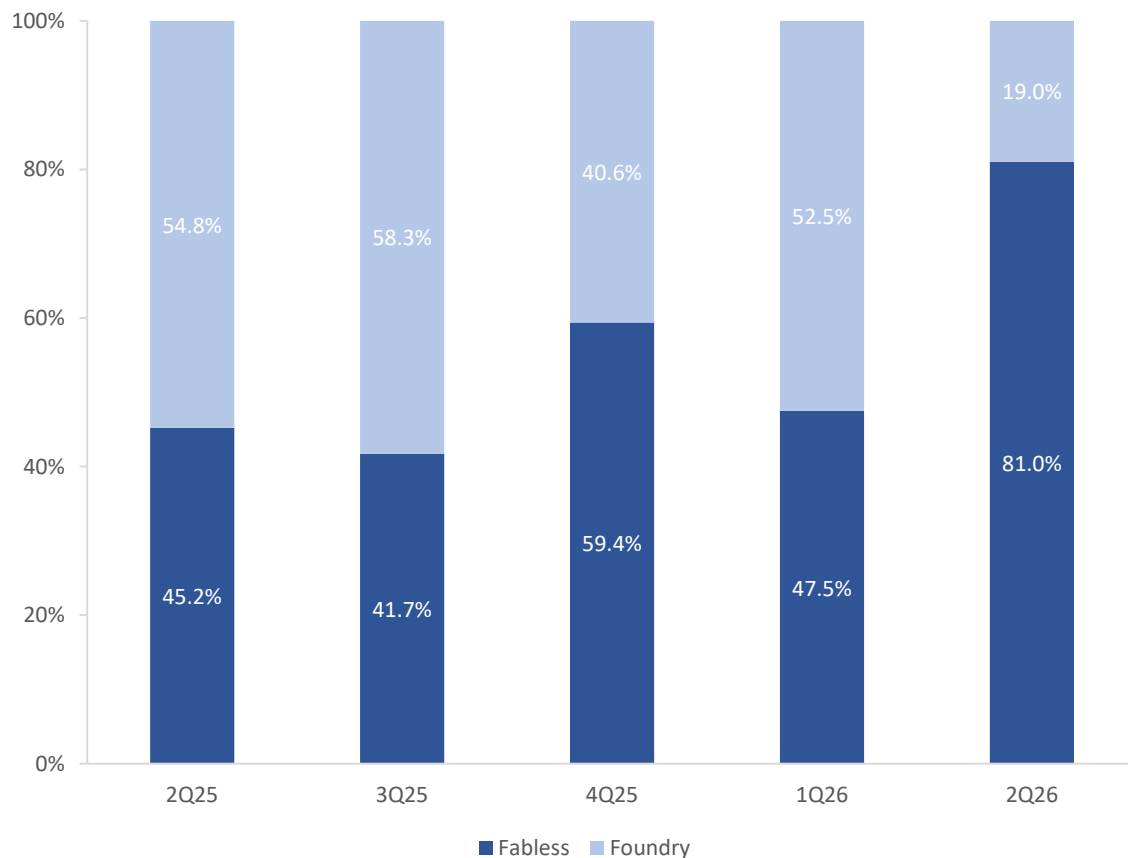
2Q26 Revenue by Region

- In 1H26, revenue mix became more concentrated in China and Taiwan, with U.S. revenue weighted toward project enhancements.
- In 1H26, revenue from China and Taiwan increased 34.5% and 14.3% YoY, supported by robust demand from fabless customers and foundry projects.



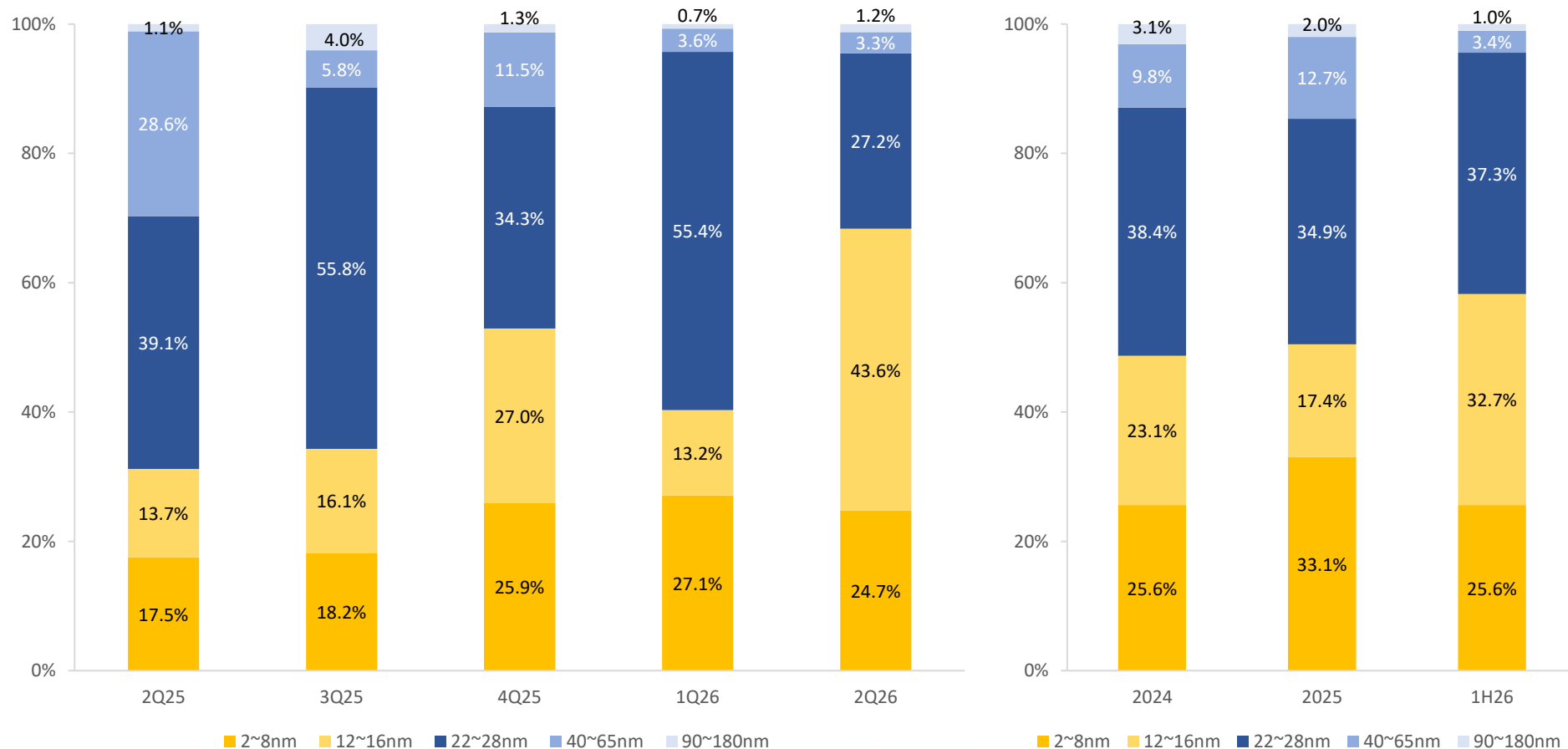
2Q26 Revenue by Customer Type

- In 2Q26, the revenue mix shifted significantly toward Fabless customers, accounting for 81% of revenue, a five-quarter high, compared with 47.5% in 1Q26.
- Fabless became the primary revenue contributor in 1H26, accounting for 64.8% of revenue, up from 51.6% in 2025.



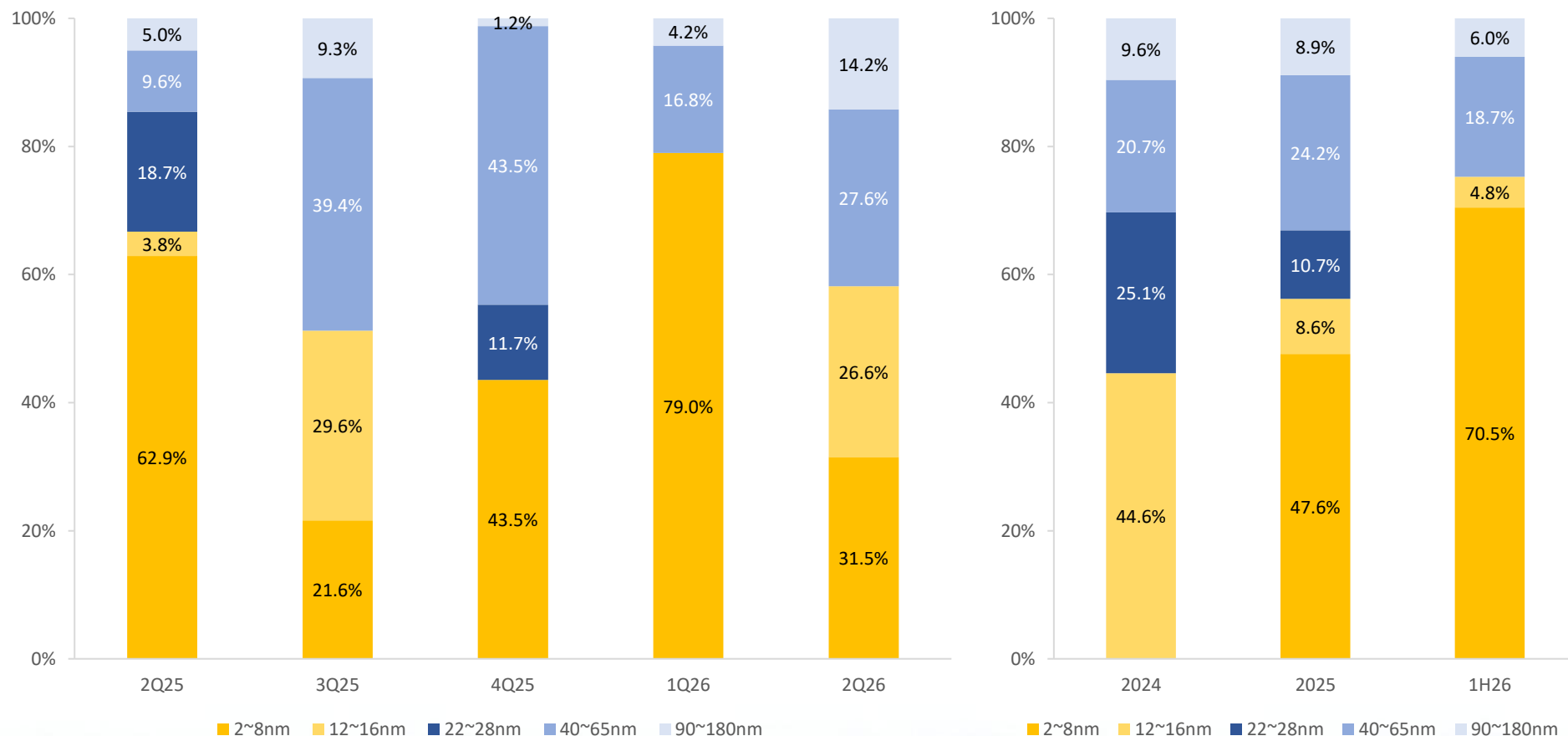
2Q26 Fabless License Fee by Nodes

- In 2Q26, 12~16nm nodes were the key driver of Fabless license fees (43.6%), with advanced nodes below 16nm accounting for a significant 68.3% of the total.
- Sub-16nm Fabless license fees have continued to gain share since 2024, accounting for nearly 60% in 1H26.

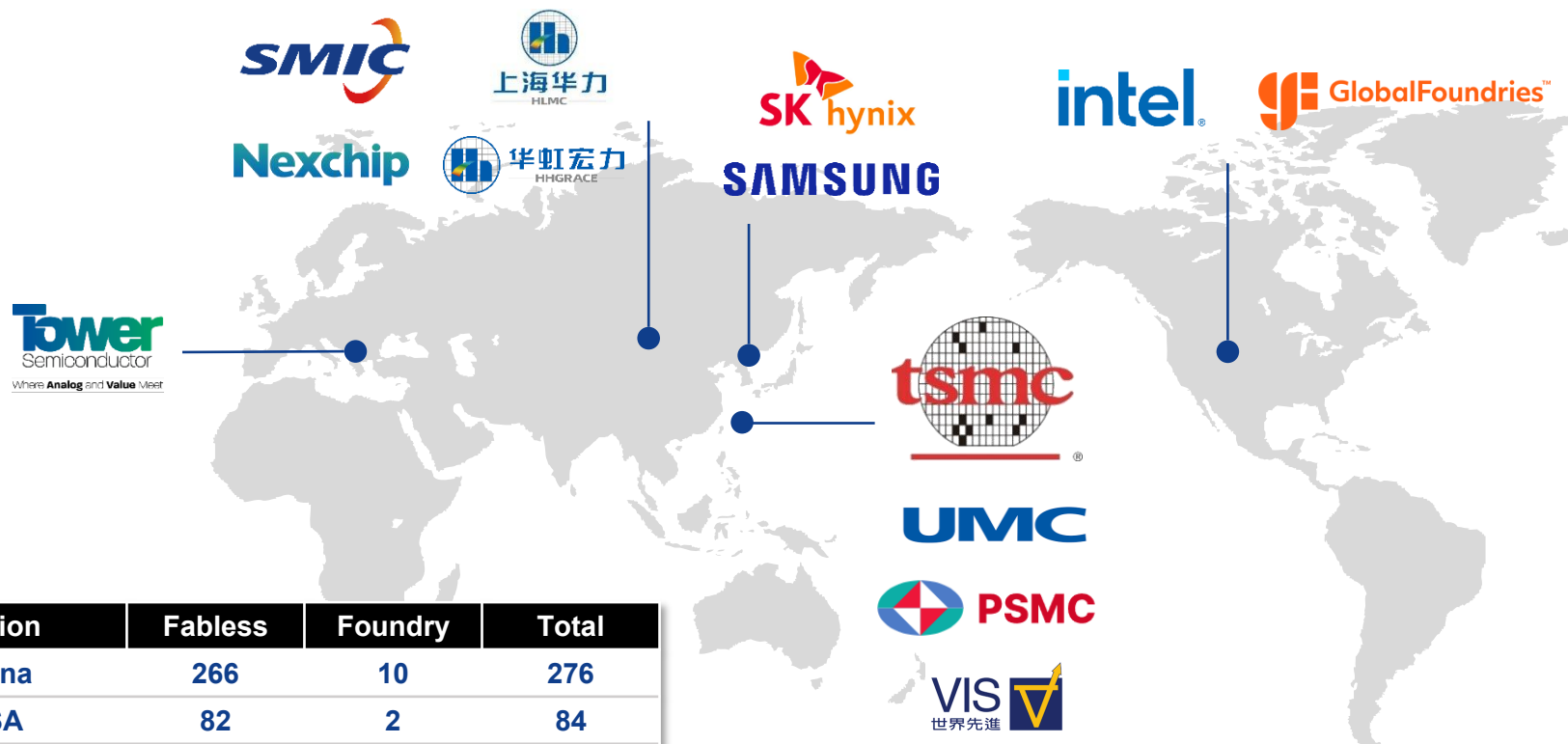


2Q26 Foundry License Fee by Nodes

- In 2Q26, sub-16nm nodes continued to account for over 50% of Foundry license fees, including new platform engagements at 2~8nm nodes.
- From 2024 to 1H26, the share of Foundry license fees from sub-16nm nodes showed a steady increase, rising from 44.6% to 75.3%.



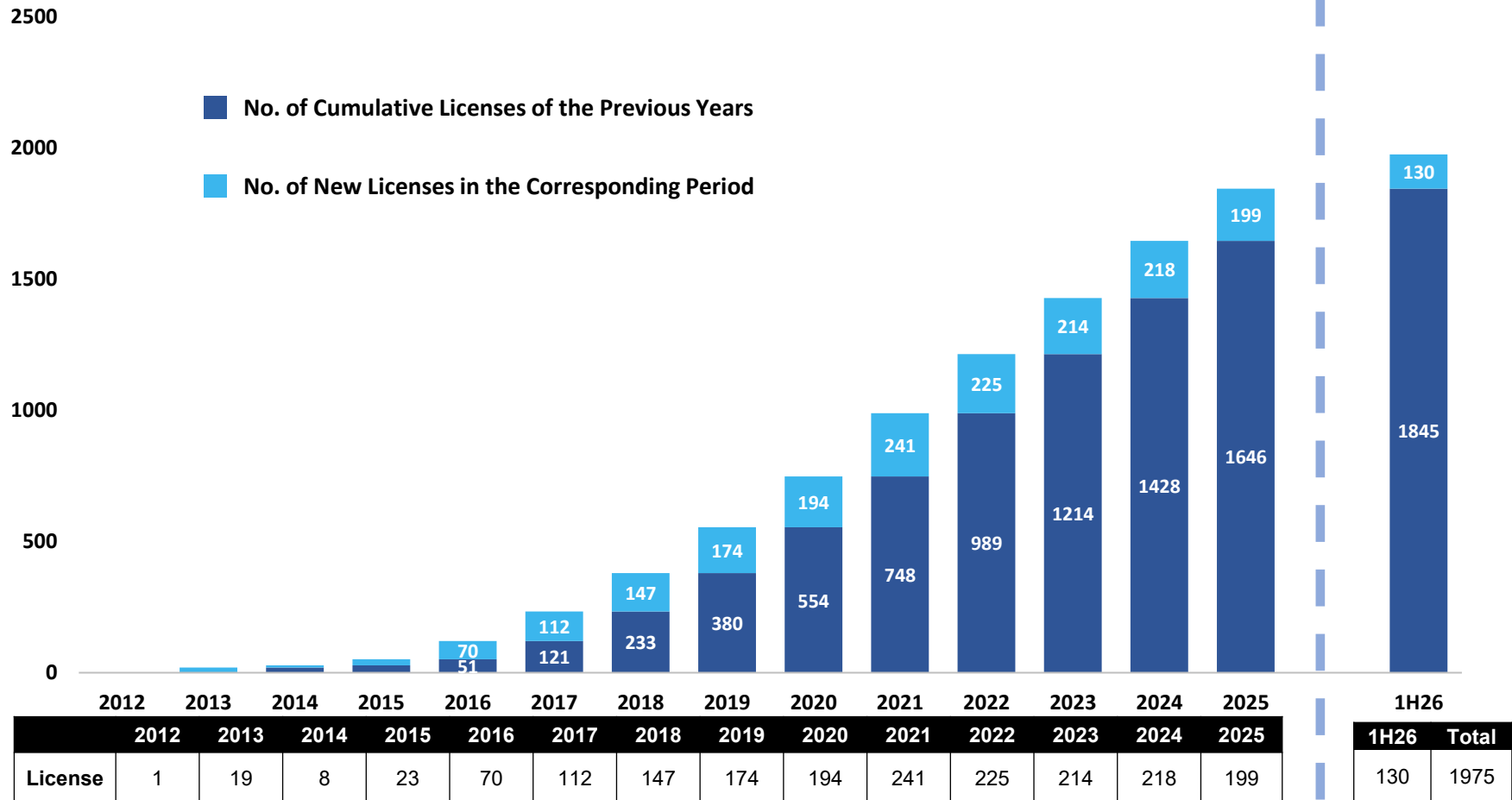
M31 Customers & Partners



Region	Fabless	Foundry	Total
China	266	10	276
USA	82	2	84
Taiwan	77	5	82
Korea	12	3	15
Japan	8	0	8
Eurasia	25	3	28
Others	2	0	2
Total	472	23	495

* Our IP solutions are adopted by leading foundries and fabless worldwide.
 * Customer numbers by region and business type till 2Q26.

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 2Q26 Operating Result

2Q26 operating performance improved, with revenue rising 6.9% QoQ to NT\$422 million. EPS recovered from -1.18 to -0.06, as losses narrowed significantly. Revenue was down 6.0% YoY due to delayed large projects, while increased R&D hiring led to a roughly 7% rise in operating expenses.

Licensing:

- In 2Q26, 16nm-and-below nodes contributed 67.4% of license revenue, driven by AI vision, smartphone, AI accelerator, AIoT, memory, and automotive chip projects in U.S. and China. New sub-6nm projects with a leading foundry also commenced during this quarter.
- For 2H26, we expect more leading-edge design starts from fabless customers in smartphone, sport camera, and ADAS applications. We also look forward to our first collaboration with an U.S. IDM and new projects from the U.S. specialty-process foundry.

Royalties:

- In 2Q26, sub-16nm royalty revenue grew nearly 400% YoY and accounted for over 30% of total royalty revenue, reflecting growing advanced-node royalty momentum.
- We expect more meaningful advanced-node royalty contributions in 2H26 as customers ramp mass production.

Recent Updates

Private Placement

- The Board approved a private placement, with ASPEED Technology Inc. subscribing to 530,000 shares, representing a 1.24% equity stake. The investment strengthens the long-standing partnership between the two companies and supports deeper collaboration in server interface IP, product development, and customer engagement.

Corporate Governance & Sustainability

- The Company was recognized in the top 5% of the Corporate Governance Evaluation for the fifth consecutive year, underscoring its commitment to transparency, sustainable management, and long-term stakeholder value.

M31 Future Prospects



Q&A Session



Your IP Partner

Your Virtual Team

Thank You