



Faraday Reports First Quarter 2026 Results

**1Q26 Revenues Reached NT\$2,589 million; Gross Margin Surged to 47.3%, Reaching 13-Quarter High
Secured New 14nm AI ASIC and Advanced Packaging Projects**

First Quarter 2026 Overview ^[1]

- Revenues of NT\$2,589 million (US\$82.2 million)
- Gross margin was 47.3%
- Net income attributable to stockholders of the parent was NT\$104 million (US\$3.3 million)
- Earnings per share of NT\$0.40

<Hsinchu, Taiwan – Apr. 28, 2026> Faraday Technology Corporation (“Faraday” or the “Company”) (TWSE: 3035), a leading fabless ASIC service and silicon IP provider, today announced its consolidated operating results for the first quarter of 2026. First quarter consolidated revenues were NT\$2,589 million, down 8% QoQ and 65% YoY. Gross profit was NT\$1,225 million, up 3% QoQ but down 19% YoY, with gross margin reached 47.3%. Operating income stood at NT\$108 million, increasing 34% QoQ while declining 71% YoY. Operating margin recovered to 4.2%. Net income attributed to stockholders of the parent was NT\$104 million, with a basic EPS of NT\$0.40.

Looking back at the first quarter, consolidated revenue reached NT\$2,589 million, representing an approximately 8% sequential decline. Performance across the three product lines varied: IP revenue remained stable at NT\$413 million; NRE revenue totaled NT\$537 million, down 42% QoQ due to a high comparison base and adjustments to milestones recognition, though still up 18% YoY. Mass production outperformed expectations at NT\$1,639 million, rising 12% QoQ despite a 75% YoY decrease. Gross margin for the quarter rose significantly to 47.3%, up 5 percentage points from the previous quarter and 27 percentage points higher than the same period last year, reaching the highest level in 13 quarters. As the revenue mix continues to improve throughout the year, the Company expects the gross margin to normalize toward historical levels. Regarding the development of advanced business, Faraday continued to make breakthroughs, securing new cloud AI project in advanced process as well as additional advanced packaging engagements in the first quarter, further demonstrating its design capabilities in advanced process technologies.

Looking ahead, the Company expects revenue growth momentum to continue into the second quarter, driven primarily by revenues from IP and mass production businesses. Over the past several years, Faraday has deepened

its strategic presence in advanced technology fields by developing six key capabilities. These encompass comprehensive front-end and back-end IC design services, IP subsystem solutions, multiple-foundry partnerships, and 2.5D/3D advanced packaging technologies. This integrated approach has not only significantly strengthened the Company's winning position but has also laid a solid foundation for a comprehensive entry into the AI market. In the cloud AI, the Company has successfully made progress in specialized AI accelerator projects. Moving into the next phase, Faraday will focus on cloud AI inference technology and AI companion chips, aiming to provide customers with high-computing-power, low-power-consumption, and easily integrated solutions. This strategic focus is expected to further expand the Company's influence and market share in key segments such as high-performance computing, data centers, and edge computing, thereby driving sustained mid-to-long-term operational growth.

[1] Unless otherwise stated, all financial figures discussed in this announcement are prepared in accordance with Taiwan-International Financial Report Standards (TIFRSs). They represent comparisons among the three-month period ended March 31, 2026, the three-month period ended December 31, 2025, and the equivalent three-month period that ended March 31, 2025. For all 1Q26 results, New Taiwan Dollar (NT\$) amounts have been converted into U.S. dollars at the exchange rate of NT\$31.50 per U.S. dollar.

Summary of Operating Results

Operating Results

(Unit: NT\$ million)	1Q26	4Q25	QoQ% change	1Q25	YoY% change
Revenues	2,589	2,808	(7.8)	7,438	(65.2)
Gross profit	1,225	1,184	3.4	1,508	(18.8)
Operation expenses	(1,117)	(1,103)	1.2	(1,139)	(2.0)
Operating income	108	81	34.3	369	(70.7)
Non-operating items	83	209	(60.2)	86	(3.1)
Net income attributable to stockholders of the parent	104	208	(49.8)	346	(69.9)
EPS (NTD)	0.40	0.80		1.33	

Detailed Financials Section

COGS & Expenses & Non-Operating Items

(Unit: NT\$ million)	1Q26	4Q25	QoQ% change	1Q25	YoY% change
Revenues	2,589	2,808	(7.8)	7,438	(65.2)
Operating costs	(1,364)	(1,624)	(16.0)	(5,930)	(77.0)
Gross profit	1,225	1,184	3.4	1,508	(18.8)
Gross margin (%)	47.3%	42.2%		20.3%	
Operating expenses	(1,117)	(1,103)	1.2	(1,139)	(2.0)
Operating income	108	81	34.3	369	(70.7)
Operating margin (%)	4.2%	2.9%		5.0%	
Non-operating items	83	209	(60.2)	86	(3.1)

Current Assets

(Unit: NT\$ million)	As of		
	Mar 31, 2026	Dec 31, 2025	Mar 31, 2025
Cash and cash equivalents	8,381	7,266	6,794
Notes and accounts receivable, net	1,864	1,726	2,155
A/R Turnover Days	63	28	20
Inventories, net	1,120	955	2,526
Inventory Turnover Days	69	28	28
Total current assets	13,024	11,201	12,342

Liabilities

(Unit: NT\$ million)	As of		
	Mar 31, 2026	Dec 31, 2025	Mar 31, 2025
Total current liabilities	5,733	4,684	4,963
Notes and accounts payable	2,124	1,649	2,245
Others	3,609	3,035	2,718
Non-current liabilities	753	719	817
Total liabilities	6,486	5,403	5,780
Liabilities to equity ratio	45.0%	39.9%	42.2%

Analysis of Revenues

NRE Revenues Breakdown by Application

Application	1Q26	4Q25	1Q25
Communication	22.0%	25.3%	10.0%
Industrial	24.0%	22.0%	30.9%
MM/Con/PC	9.2%	4.0%	11.4%
AI	35.0%	14.2%	24.3%
IoT	9.8%	34.5%	23.4%

NRE Revenues Breakdown by Geometry

Geometry	1Q26	4Q25	1Q25
$\geq 0.25\mu\text{m}$	-	0.2%	4.1%
0.11 μm ~0.18 μm	1.2%	2.4%	3.1%
55nm~90nm	3.1%	0.4%	11.2%
40nm	18.6%	6.9%	21.5%
28nm	41.0%	34.4%	31.2%
$\leq 14\text{nm}$	36.1%	55.7%	28.9%

MP Revenues Breakdown by Application

Application	1Q26	4Q25	1Q25
Communication	7.3%	13.5%	1.5%
Industrial	27.3%	25.2%	5.7%
MM/Con/PC	11.6%	13.8%	3.3%
AI	0.7%	3.2%	78.1%
IoT	53.1%	44.3%	11.4%

MP Revenues Breakdown by Geometry

Geometry	1Q26	4Q25	1Q25
$\geq 0.25\mu\text{m}$	1.0%	1.9%	0.3%
0.11 μm ~0.18 μm	13.3%	12.3%	2.3%
55nm~90nm	54.9%	46.6%	11.0%
40nm	22.8%	24.9%	7.2%
28nm	7.6%	11.3%	1.2%
$\leq 14\text{nm}$	0.4%	3.0%	78.0%

Total Revenues Breakdown by Billing Method

Billing Method	1Q26	4Q25	1Q25
MP	63.3%	52.2%	88.5%
NRE	20.7%	33.1%	6.1%
IP	16.0%	14.7%	5.4%

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About Faraday Technology Corporation

Faraday Technology Corporation (TWSE: 3035) is dedicated to the mission of benefiting humanity and upholding sustainable values in every IC it handles. The company offers a comprehensive range of ASIC solutions, including total 3DIC packaging, Neoverse CSS design, FPGA-Go-ASIC, and design implementation services. Furthermore, its extensive silicon IP portfolio encompasses a wide array of offerings, such as I/O, Cell Library, Memory Compiler, ARM-compliant CPUs, LPDDR4/4X, DDR4/3, MIPI D-PHY, V-by-One, USB 3.1/2.0, 10/100 Ethernet, Giga Ethernet, SATA3/2, PCIe Gen4/3, and SerDes. For further details, visit www.faraday-tech.com or follow Faraday on [LinkedIn](#).