

Faraday Reports Third Quarter 2026 Results

Revenue Reaches a Record Third Quarter of NT\$3,664 million, Up 11% QoQ
Mass Production Revenue Climbs 20% QoQ; IP Revenue Hits a Record High
Secures Design Win for a 2nm GAA Cloud AI ASIC Project

Third Quarter 2026 Overview^[1]

- Revenue of NT\$3,664 million (US\$114.8 million)
- Gross margin was 42.5%
- Net income attributable to stockholders of the parent was NT\$279 million (US\$8.7 million)
- Earnings per share of NT\$1.07

<Hsinchu, Taiwan – October 27, 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 third quarter of 2026. Third quarter consolidated revenue reached NT\$3,664 million, up 11% QoQ and 13% YoY. Gross profit was NT\$1,557 million, up 4% QoQ and 45% YoY, with a gross margin of 42.5%. Operating income was NT\$214 million, down 21% QoQ but up 443% YoY, representing an operating margin of 5.8%. Net income attributable to stockholders of the parent was NT\$279 million, up 41% QoQ and 84% YoY, with a basic EPS of NT\$1.07.

Looking back at the third quarter, consolidated revenue, driven by the mass production business, not only exceeded the Company’s original guidance but also advanced against the trend, rising 11% QoQ and 13% YoY to NT\$3,664 million. On the profitability front, an optimized product mix lifted gross margin by approximately 9 percentage points from the same period last year, recovering to 42.5%. Although operating income moderated slightly from the prior quarter, the expansion in revenue scale and a better margin structure drove it up more than fourfold YoY, demonstrating continued improvement in the Company's profitability. The third quarter marked several milestones for the Company: IP revenue reached an all-time high, while both mass production revenue and quarterly consolidated revenue set new records for a third quarter. By product mix, IP revenue totaled NT\$448 million, up 4% QoQ and 8% YoY, a new all-time high. NRE revenue came in at NT\$309 million, down 31% QoQ and 37% YoY. Mass production revenue was the primary growth driver this quarter: MCU revenue reached a new quarterly high, and ASIC mass production also advanced as shipment momentum accelerated on AI-related advanced packaging programs, lifting revenue 20% QoQ and 25% YoY to NT\$2,907 million, marking the strongest third quarter on record. Faraday has achieved breakthroughs in both of its key growth engines: advanced packaging and advanced process nodes. The Company recently won a new project from an international customer on the industry-leading 2nm GAA

process, targeting large-scale cloud AI applications. The project is highly significant for Faraday, setting new records in design process node, design complexity, NRE contract value, and advanced packaging technology. It not only affirms the customer's recognition of and confidence in Faraday's design capabilities, but also establishes an important reference case for future orders and business development in advanced process and advanced packaging.

Looking ahead, fourth quarter revenue is expected to remain at a high level, and full-year revenue is poised to sustain its growth trajectory. Amid external challenges in the industry supply chain and booming AI demand, Faraday will continue to deepen its core value and advance toward providing comprehensive value chain management, including wafer capacity booking, supply chain management, packaging and testing coordination, and dynamic cost control, serving as a vital central hub among design services, foundry, and OSAT partners. At the same time, the Company will continue to focus on its three growth pillars of AI HPC, advanced process, and advanced packaging, advancing its AI footprint through turnkey solutions.

[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 September 30, 2026, the three-month period ended June 30, 2026, and the equivalent three-month period that ended September 30, 2025. For all 3Q26 results, New Taiwan Dollar (NT\$) amounts have been converted into U.S. dollars at the exchange rate of NT\$31.91 per U.S. dollar.

Summary of Operating Results

Operating Results					
(Unit: NT\$ million)	3Q26	2Q26	QoQ% change	3Q25	YoY% change
Revenues	3,664	3,314	10.6	3,236	13.2
Gross profit	1,557	1,499	3.9	1,075	44.9
Operation expenses	(1,343)	(1,228)	9.4	(1,035)	29.7
Operating income	214	271	(20.8)	40	442.9
Non-operating items	266	111	138.8	173	53.2
Net income attributable to stockholders of the parent	279	198	40.8	152	83.8
EPS (NTD)	1.07	0.76		0.58	

Detailed Financials Section

COGS & Expenses & Non-Operating Items					
(Unit: NT\$ million)	3Q26	2Q26	QoQ% change	3Q25	YoY% change
Revenues	3,664	3,314	10.6	3,236	13.2
Operating costs	(2,107)	(1,815)	16.1	(2,161)	(2.5)
Gross profit	1,557	1,499	3.9	1,075	44.9
Gross margin (%)	42.5%	45.2%		33.2%	
Operating expenses	(1,343)	(1,228)	9.4	(1,035)	29.7
Operating income	214	271	(20.8)	40	442.9
Operating margin (%)	5.8%	8.2%		1.3%	
Non-operating items	266	111	138.8	173	53.2

Current Assets				Liabilities			
(Unit: NT\$ million)	As of			(Unit: NT\$ million)	As of		
	Sep 30, 2026	Jun 30, 2026	Sep 30, 2025		Sep 30, 2026	Jun 30, 2026	Sep 30, 2025
Cash and cash equivalents	9,043	9,488	7,820	Total current liabilities	6,597	6,437	5,141
Notes and accounts receivable, net	1,022	1,052	1,434	Notes and accounts payable	2,289	2,363	1,835
A/R Turnover Days	39	43	22	Others	4,308	4,074	3,306
Inventories, net	2,032	1,508	1,425	Non-current liabilities	833	751	611
Inventory Turnover Days	77	71	30	Total liabilities	7,430	7,188	5,752
Total current assets	14,039	13,612	11,558	Liabilities to equity ratio	39.3%	40.1%	43.9%

Analysis of Revenues

NRE Revenues Breakdown by Application

Application	3Q26	2Q26	3Q25
Communication	16.5%	17.0%	7.5%
Industrial	27.4%	20.6%	27.9%
MM/Con/PC	14.5%	11.4%	4.0%
AI	33.7%	35.4%	51.3%
IoT	7.9%	15.6%	9.3%

NRE Revenues Breakdown by Geometry

Geometry	3Q26	2Q26	3Q25
$\geq 0.25\mu\text{m}$	0.5%	0.4%	0.7%
0.11 μm ~0.18 μm	1.1%	5.9%	2.7%
55nm~90nm	8.5%	8.4%	1.6%
40nm	14.1%	20.7%	31.6%
28nm	62.0%	35.7%	12.8%
$\leq 14\text{nm}$	13.8%	28.9%	50.6%

MP Revenues Breakdown by Application

Application	3Q26	2Q26	3Q25
Communication	15.0%	21.1%	8.6%
Industrial	18.2%	18.5%	13.9%
MM/Con/PC	10.9%	11.2%	8.1%
AI	5.7%	0.4%	43.5%
IoT	50.2%	48.8%	25.9%

MP Revenues Breakdown by Geometry

Geometry	3Q26	2Q26	3Q25
$\geq 0.25\mu\text{m}$	0.8%	1.3%	0.4%
0.11 μm ~0.18 μm	8.8%	11.3%	6.9%
55nm~90nm	48.4%	48.7%	26.9%
40nm	20.4%	17.8%	16.0%
28nm	14.7%	20.7%	6.5%
$\leq 14\text{nm}$	6.9%	0.2%	43.3%

Total Revenues Breakdown by Billing Method

Billing Method	3Q26	2Q26	3Q25
MP	79.3%	73.3%	72.0%
NRE	8.5%	13.6%	15.2%
IP	12.2%	13.1%	12.8%

Contact

Grace Tseng
CFO & Spokesperson
+886-3-5787888

Samantha Lu
IR Manager
+886-3-5787888 ext. 84588
ir@faraday-tech.com

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, please visit www.faraday-tech.com or follow Faraday on [LinkedIn](#).