

Faraday Reports Full Year 2024 Results

Revenue for 4Q24 was NT\$2,953 Million with a Basic EPS of NT\$0.91

2024 Consolidated Revenue was NT\$11.06 billion with a Basic EPS of NT\$4.04

IP and NRE Continues to Hit Record Highs While Advanced Packaging Drives AI Contributions

Fourth Quarter 2024 Highlights ^[1]

- Revenue of NT\$2,953 million (US\$91.5 million)
- Gross margin was 42.8%
- Net income attributed to stockholders of the parent was NT\$236 million (US\$7.3 million)
- Earnings per share of NT\$0.91

<Hsinchu, Taiwan – Feb. 21st, 2025> Faraday Technology Corporation (“Faraday” or the “Company”) (TWSE: 3035), a leading fabless ASIC service and silicon IP provider, today announced its consolidated financial results for the fourth quarter of 2024. Fourth quarter consolidated revenue was NT\$2,953 million, up by 2% QoQ and up by 5% YoY, with gross margin of 42.8%. Net income attributed to stockholders of the parent was NT\$236 million, with a basic EPS of NT\$0.91. For the fiscal year of 2024, consolidated revenue totaled NT\$11,065 million, down 8% YoY, with gross margin of 45.7% and net income attributed to stockholders of the parent was NT\$1,041 million, with a basic EPS of NT\$4.04.

Looking back at the fourth quarter, total revenue increased by 2% QoQ and increased by 5% YoY, reaching NT\$2,953 million, mainly driven by revenue growth from mass production. IP revenue decreased by 1% QoQ but increased by 27% YoY to NT\$440 million, and NRE revenue declined by 49% QoQ due to deferred design win project recognition but increased by 11% YoY to NT\$329 million. Mass production revenue was supported by contributions from advanced packaging projects and therefore grew by 22% QoQ, reaching NT\$2,184 million. Gross margin declined by 3.6 percentage points from last quarter reaching 42.8% due to impact from product mix shift. Net income attributed to stockholders of the parent was NT\$236 million, with a basic EPS of NT\$0.91.

For the full year of 2024, total consolidated revenue decreased by 8% YoY to NT\$11,065 million. Despite this decline, both IP and NRE revenues continued to grow, marking a fourth consecutive record-high year. Mass production

revenue declined by 18% YoY to NT\$7,255 million due to ongoing inventory adjustments. Gross margin improved by 1.3 percentage points from last year to 45.7%, while the operating margin was 9.7%. Net income attributed to stockholders of the parent was NT\$1,041 million, with a basic EPS of NT\$4.04. Throughout 2024, the Company made significant advancements in process technology, R&D resources, and strategic partnerships. Through strategic investments and acquisitions, the Company expanded its business scope and market potential, creating new opportunities and rapidly accumulating projects in advanced process and advanced packaging. The Company's core business has evolved beyond IP and mature process technologies, now encompassing six key areas, including advanced process nodes, 2.5D packaging, 3D packaging, and physical chip design services. Notably, with the successful mass production of a flagship 2.5D advanced packaging project, the Company's integrated one-stop advanced packaging platform has gained market recognition. The Company is well-positioned to provide vertical supply chain integration and horizontal procurement solutions, enhancing its service offerings. This comprehensive business model is expected to drive growth in advanced packaging and AI applications, making them key revenue drives in 2025.

Looking ahead to first quarter of 2025, driven by mass production of advanced packaging and revenue growth from NRE, consolidated revenue is expected to surge significantly, potentially more than doubling from the previous quarter. As AI applications continue to diversify, they will create new opportunities in the ASIC market. The company's flexible business model and strategic partnerships have unique positioning in value chain management. Moving beyond traditional IC design services and standard supply chain management, the Company tailors its offerings to each customer's value chain needs, providing agile value supplementation. Whether through end-to-end turnkey solutions or targeted support at specific stages, the Company leverages a modular business model to precisely meet customer requirements. The resilient and adaptive operational approach enhances competitiveness by allowing the Company to quickly adjust to market shifts, seize opportunities, and mitigate risks. This strategic flexibility establishes a strong foundation for long-term growth and success.

[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 December 31, 2024, the three-month period ended September 30, 2024, and the equivalent three-month period that ended December 31, 2023. For all 4Q24 results, New Taiwan Dollar (NT\$) amounts have been converted into U.S. dollars at the exchange rate of NT\$32.29 to one U.S. dollar.

Summary of Operating Results

Operating Results					
(Amount: NT\$ million)	4Q24	3Q24	QoQ% change	4Q23	YoY% change
Revenues	2,953	2,884	2.4	2,824	4.6
Gross profit	1,265	1,338	-5.4	1,297	-2.4
Operation expenses	(1,077)	(1,029)	4.7	(840)	28.2
Operating income	188	309	-39.0	457	-58.8
Non-operating items	107	44	145.3	6	1640.9
Net income attributed to stockholders of the parent	236	264	-10.6	320	-26.2
EPS (NTD)	0.91	1.01		1.29	

Detailed Financials Section

COGS & Expenses & Non-Operating Items					
(Amount: NT\$ million)	4Q24	3Q24	QoQ% change	4Q23	YoY% change
Revenues	2,953	2,884	2.4	2,824	4.6
Operating costs	(1,688)	(1,546)	9.1	(1,527)	10.5
Gross profit	1,265	1,338	-5.4	1,297	-2.4
Gross margin (%)	42.8%	46.4%		45.9%	
Operating expenses	(1,077)	(1,029)	4.7	(840)	28.2
Operating income	188	309	-39.0	457	-58.8
Operating margin (%)	6.4%	10.7%		16.2%	
Non-operating items	107	44	145.3	6	1640.9

Current Assets				Liabilities			
(Amount: NT\$ million)	As of			Amount: NT\$ million)	As of		
	Dec 31, 2024	Sep 30, 2024	Dec 31, 2023		Dec 31, 2024	Sep 30, 2024	Dec 31, 2023
Cash and cash equivalents	8,311	8,319	5,715	Total current liabilities	3,872	3,888	3,236
Notes and accounts receivable, net	1,054	1,236	1,559	Notes and accounts payable	1,675	1,412	999
A/R Turnover Days	43	47	44	Others	2,197	2,476	2,237
Inventories, net	1,074	842	1,187	Non-current liabilities	985	1,019	328
Inventory Turnover Days	69	64	115	Total liabilities	4,857	4,907	3,564
Total current assets	11,024	10,901	8,873	Liabilities to equity	36.0%	36.3%	36.2%

Analysis of Revenues

NRE Revenues Breakdown by Application

Application	4Q24	3Q24	4Q23
Communication	7.1%	22.4%	19.8%
Industrial	55.0%	62.7%	13.7%
MM/Con/PC	0.9%	3.6%	9.7%
HPC & AI	12.6%	3.1%	31.3%
IoT	24.4%	8.2%	25.5%

NRE Revenues Breakdown by Geometry

Geometry	4Q24	3Q24	4Q23
$\geq 0.25\mu\text{m}$	2.0%	0.5%	1.3%
$0.11\mu\text{m} \sim 0.18\mu\text{m}$	11.7%	2.0%	9.4%
55nm~90nm	4.6%	8.2%	20.4%
40nm	26.2%	11.9%	19.1%
28nm	28.0%	41.2%	44.5%
$\leq 14\text{nm}$	27.5%	36.2%	5.3%

MP Revenues Breakdown by Application

Application	4Q24	3Q24	4Q23
Communication	2.5%	10.3%	5.7%
Industrial	18.4%	28.0%	49.0%
MM/Con/PC	6.9%	6.4%	6.7%
HPC & AI	36.3%	2.1%	-
IoT	35.9%	53.2%	38.6%

MP Revenues Breakdown by Geometry

Geometry	4Q24	3Q24	4Q23
$\geq 0.25\mu\text{m}$	0.4%	0.6%	0.6%
$0.11\mu\text{m} \sim 0.18\mu\text{m}$	4.4%	7.5%	38.7%
55nm~90nm	35.4%	58.3%	39.2%
40nm	19.9%	21.4%	10.8%
28nm	3.8%	12.2%	10.8%
$\leq 14\text{nm}$	36.1%	-	-

Total Revenues Breakdown by Billing Method

Billing	4Q24	3Q24	4Q23
MP	74.0%	62.0%	77.2%
NRE	11.1%	22.5%	10.5%
IP	14.9%	15.5%	12.3%

Contact

Grace Tseng
CFO & Spokesperson
+886-3-5787888

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

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](#).