Regulated Information

X-FAB Third Quarter 2026 Results

Intermediate declaration by the Board of Directors
Tessenderlo-Ham, Belgium – October 29, 2026, 05.40 p.m. CET

Highlights Q3 2026:

- *Revenue was USD 194.4 million, down 15% year-on-year (YoY) and down 3% quarter-on-quarter (QoQ)*
- *Excluding the impact from revenue recognized over time (IFRS 15), revenue was USD 200.7 million, down 12% YoY and up 2% QoQ, within the guided range of USD 195-205 million.*
- *Bookings increased to USD 224.7 million, the highest level in two years, up 38% YoY and up 30% QoQ*
- *EBITDA was USD 37.5 million, down 30% YoY and up 12% QoQ*
- *EBITDA margin was 19.3%; excluding IFRS 15 impact, EBITDA margin was 18.6%, within the guided 17-20% range*
- *EBIT was USD 4.3 million, down 82% YoY and up 107% QoQ*

Outlook:

- *Q4 2026 revenue is expected to come in within the range of USD 205-215 million with an EBITDA margin in the range of 19-22%.*
- *The guidance is based on an average exchange rate of 1.14 USD/Euro and does not take into account the impact of IFRS 15.*

Revenue breakdown per quarter:

in millions of USD	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	**Q3 2026**	Q3 y-o-y growth
Automotive	128.6	135.4	143.4	146.9	132.6	121.6	116.0	**119.1**	-19%
Industrial	36.1	39.3	47.2	47.6	50.5	52.0	45.2	**49.6**	4%
Medical	16.5	13.8	15.1	21.2	21.2	19.2	21.0	**19.1**	-10%
Subtotal core business	181.2	188.6	205.7	215.7	204.3	192.9	182.1	**187.8**	-13%
	92.1%	*93.2%*	*94.2%*	*94.2%*	*93.7%*	*93.6%*	*92.9%*	***93.6%***	
CCC[1]	15.1	13.6	12.2	13.3	13.6	12.7	13.5	**12.4**	-6%
Others	0.5	0.2	0.4	0.0	0.3	0.2	0.3	**0.5**	
Revenue*	196.8	202.3	218.3	228.9	218.1	205.8	196.0	**200.7**	-12%
Impact from revenue recognized over time	-8.0	1.8	-3.0	-0.3	4.2	-10.3	3.9	**-6.3**	
Total revenue	188.8	204.1	215.3	228.6	222.3	195.6	199.8	**194.4**	-15%

[1]*Consumer, Communications & Computer*

**excluding impact from revenue recognized over time according to IFRS 15*

in millions of USD	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	**Q3 2026**	Q3 y-o-y growth
Smart CMOS & SOI	170.8	173.4	185.1	191.8	182.9	156.9	156.7	**158.6**	-17%
Microsystems & Photonics[1]	20.2	22.9	25.3	27.5	25.0	33.7	28.7	**25.9**	-6%
Wide-bandgap technologies[2]	5.8	6.0	7.9	9.6	10.2	15.1	10.6	**16.2**	68%
Revenue*	196.8	202.3	218.3	228.9	218.1	205.8	196.0	**200.7**	-12%
Impact from revenue recognized over time	-8.0	1.8	-3.0	-0.3	4.2	-10.3	3.9	**-6.3**	
Total revenue	188.8	204.1	215.3	228.6	222.3	195.6	199.8	**194.4**	-15%

[1]Photonics revenue included as from Q1 2026
[2]SiC and GaN; GaN revenue included as from Q1 2026

Business development

In the third quarter of 2026, X-FAB recorded revenue of USD 194.4 million, down 15% year-on-year and down 3% quarter-on-quarter. Excluding the impact from revenue recognized over time, quarterly revenue was USD 200.7 million, up 2% quarter-on-quarter and within the guided range of USD 195-205 million. Third quarter revenue in X-FAB's core markets – automotive, industrial, and medical – amounted to USD 187.8 million*, down 13% year-on-year and up 3% quarter-on-quarter, accounting for a share of 94%* of total revenue.

Bookings in the third quarter increased 38% year-on-year and 30% sequentially to USD 224.7 million, the highest level in two years, resulting in a book-to-bill ratio of 1.12. Quarter-end backlog increased by 7% to USD 313.6 million from USD 291.8 million at the end of the previous quarter. The growth in bookings and backlog supports the anticipated recovery in the second half of 2026.

Third-quarter **automotive** revenue totaled USD 119.1 million*, down 19% year-on-year but up 3% sequentially. Inventory corrections no longer weighed on X-FAB's automotive bookings, which increased significantly in the third quarter.

Quarterly **industrial** revenue came in at USD 49.6 million*, up 4% year-on-year and up 10% quarter-on-quarter, mainly driven by the increase in silicon carbide revenue.

In the third quarter, **medical** revenue was USD 19.1 million*, down 10% year-on-year and 9% quarter-on-quarter. Demand for ultrasound and pacemaker applications was strong, which was partly offset by lower orders for a major customer's lab-on-a-chip device and lower demand for temperature sensors.

**excluding impact from revenue recognized over time according to IFRS 15*

In the third quarter, **smart CMOS & SOI** revenue reached USD 158.6 million*, down 17% year-on-year and up 1% quarter-on-quarter. Strong demand for battery management systems and an AI data center test application drove a production ramp, while X-FAB also secured several major design wins during the quarter. These include a silicon photomultiplier for a medical scanner, a handheld ultrasound application, and an actuator for optical circuit switches in data centers. The CMOS sensor business is also gaining momentum as customers seek alternative sources amid supply constraints at their existing suppliers.

Microsystems & Photonics revenue was USD 25.9 million* in the third quarter, down 6% year-on-year and 10% quarter-on-quarter. While revenue in X-FAB's microsystems business fluctuates due to its high share of customer-specific projects, customer interest remains strong and the outlook is positive. Global demand for MEMS sensors, particularly in China, was robust in the third quarter, with a revenue increase by more than 40% quarter-on-quarter. The pilot line for an industrial inkjet printing application based on piezo materials has been installed, further expanding X-FAB's capabilities. X-FAB's heterogeneous integration technology for integrating light sources is attracting strong customer interest, and photonics prototyping revenue is growing.

In the third quarter, **wide bandgap** revenue reached USD 16.2 million*, up 68% year-on-year and 52% sequentially. Silicon carbide (SiC) accounted for most of the wide bandgap revenue with X-FAB recording an all-time high number of SiC wafers sold in the third quarter, up 45% year-on-year, while customer traction continued to grow. Gallium nitride (GaN) development activities are gaining momentum, with the number of customers doubling from six to twelve over the past year. New wide bandgap opportunities include solid-state circuit breakers (SSCBs) as an emerging application for both SiC and GaN power semiconductors, driven by the need for fast and efficient power protection in next-generation data centers and energy infrastructure. X-FAB has secured two SSCB-related development agreements during the third quarter, with several additional opportunities under negotiation.

Overall prototyping revenue totaled USD 16.3 million* in the third quarter, down 17% year-on-year and 8% quarter-on-quarter. Underlying CMOS demand is positive, with both the number and value of opportunities increasing across the customer engagement funnel. Microsystems and wide-bandgap development projects, however, are billed upon reaching milestones rather than at regular intervals, causing fluctuations in total prototyping revenue.

**excluding impact from revenue recognized over time according to IFRS 15*

Prototyping and production revenue* per quarter and end market:

in millions of USD	Revenue	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Automotive	Prototyping	5.5	2.8	3.3	2.7	**2.1**
	Production	141.4	129.8	118.3	113.3	**117.0**
Industrial	Prototyping	9.7	12.8	12.2	12.1	**11.0**
	Production	37.9	37.7	39.8	33.1	**38.5**
Medical	Prototyping	2.8	3.1	2.0	1.7	**1.8**
	Production	18.4	18.1	17.2	19.3	**17.3**
CCC	Prototyping	1.6	1.5	1.4	0.9	**1.0**
	Production	11.6	12.0	11.3	12.6	**11.4**

Financial update

In the third quarter, EBITDA was USD 37.5 million with an EBITDA margin of 19.3%. Excluding the impact of revenue recognized over time, the EBITDA margin would have reached 18.6%, within the guided range of 17-20%.

X-FAB's business is naturally hedged and profitability unaffected by exchange rate fluctuations. At a constant USD/Euro exchange rate of 1.17 as experienced in the previous year's quarter, the EBITDA margin would have remained unchanged.

Third-quarter capital expenditures totaled USD 31.8 million. X-FAB received the first EU Chips Act funding payment for the new microsystems fab in Erfurt, Germany, resulting in net capital expenditures of USD 29.9 million.

Cash and cash equivalents totaled USD 196.0 million at the end of the quarter, an increase of USD 32.5 million from the previous quarter. Net debt amounted to USD 315.5 million, up USD 3.2 million from the previous quarter.

Management comments

Damien Macq, CEO of X-FAB Group, said: "We are increasingly seeing the pieces of our strategy coming together. Bookings have reached their highest level in two years, and capacity utilization at our factories is increasing. This supports our confidence in the gradual recovery across our core business. At the same time, we continue to broaden X-FAB's growth opportunities through our differentiated technology portfolio, including microsystems, photonics, wide-bandgap technologies and applications related to data center infrastructure. With the capacity and capabilities we have built globally over recent years, X-FAB is well positioned to support our customers' long-term growth and to translate these investments into higher utilization and sustainable profitable growth."

**excluding impact from revenue recognized over time according to IFRS 15*

X-FAB Quarterly Conference Call

X-FAB's third quarter results will be discussed in a live conference call/audiocast on Thursday, October 29, 2026, at 6.30 p.m. CET. The conference call will be in English. Please register here.

Financial calendar

February 11, 2027	Publication of Q4 2026 results
April 5, 2027	Publication of Annual Report 2026
April 29, 2027	Publication of Q1 2027 results

About X-FAB

X-FAB is a global foundry group providing a comprehensive set of specialty technologies and design IP to enable its customers to develop world-leading semiconductor products that are manufactured at X-FAB's six wafer fabs located in Malaysia, Germany, France, and the United States. With its expertise in analog/mixed-signal technologies, microsystems, photonics, and wide bandgap products, X-FAB is the development and manufacturing partner for its customers, primarily serving the automotive, industrial and medical end markets. X-FAB has approximately 4,000 employees and has been listed on Euronext Paris since April 2017 (XFAB). For more information, please visit www.xfab.com.

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Forward-looking information

This press release may include forward-looking statements. Forward-looking statements are statements regarding or based upon our management's current intentions, beliefs or expectations relating to, among other things, X-FAB's future results of operations, financial condition, liquidity, prospects, growth, strategies, or developments in the industry in which we operate. By their nature, forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results or future events to differ materially from those expressed or implied thereby. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein.

Forward-looking statements contained in this press release regarding trends or current activities should not be taken as a report that such trends or activities will continue in the future. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless legally required. You should not place undue reliance on any such forward-looking statements, which speak only as of the date of this press release.

The information contained in this press release is subject to change without notice. No re-report or warranty, express or implied, is made as to the fairness, accuracy, reasonableness, or completeness of the information contained herein and no reliance should be placed on it.

Condensed consolidated statement of profit and loss

in thousands of USD	Quarter ended 30 Sep 2026 unaudited	Quarter ended 30 Sep 2025 unaudited	Quarter ended 30 Jun 2026 unaudited	Nine months ended 30 Sep 2026 unaudited	Nine months ended 30 Sep 2025 unaudited
Revenue*	200,661	228,884	195,979	602,462	649,491
Impact from revenue recognized over time	-6,250	-319	3,852	-12,669	-1,531
Total revenue	194,411	228,565	199,830	589,794	647,961
Revenues in USD in %	57	56	56	56	57
Revenues in EUR in %	43	44	44	44	43
Cost of sales	-162,780	-180,281	-169,348	-496,976	-505,107
Gross profit	**31,631**	**48,284**	**30,483**	**92,818**	**142,854**
Gross profit margin in %	*16.3*	*21.1*	*15.3*	*15.7*	*22.0*
Research and development expenses	-13,417	-12,369	-14,472	-43,416	-36,818
Selling expenses	-2,319	-2,088	-2,508	-7,551	-6,743
General and administrative expenses	-12,702	-12,406	-12,997	-39,021	-37,197
Rental income and expenses from investment properties	554	480	846	2,189	2,042
Other income and other expenses	593	1,887	744	3,674	2,456
Operating profit	**4,340**	**23,788**	**2,096**	**8,691**	**66,594**
Finance income	6,984	4,143	5,813	22,317	30,249
Finance costs	-13,391	-9,774	-10,293	-31,906	-60,452
Financial result	**-6,407**	**-5,631**	**-4,480**	**-9,590**	**-30,204**
Profit before tax	**-2,067**	**18,157**	**-2,384**	**-898**	**36,390**
Income tax	-755	-1,573	-12,445	-15,828	-7,995
Profit for the period	**-2,822**	**16,584**	**-14,829**	**-16,727**	**28,395**
Operating profit (EBIT)	4,340	23,788	2,096	8,691	66,594
Depreciation	33,172	30,078	31,524	96,624	87,923
EBITDA	**37,512**	**53,866**	**33,620**	**105,315**	**154,516**
EBITDA margin in %	*19.3*	*23.6*	*16.8*	*17.9*	*23.8*
Earnings per share	**-0.02**	**0.13**	**-0.11**	**-0.13**	**0.22**
Weighted average number of shares	130,631,921	130,631,921	130,631,921	130,631,921	130,631,921
EUR/USD average exchange rate	1.15086	1.16772	1.16281	1.16125	1.11802

Amounts in the financial tables provided in this press release are rounded to the nearest thousand except when otherwise indicated, rounding differences may occur.

**excluding impact from revenue recognized over time in accordance with IFRS 15*

Condensed consolidated statement of financial position

in thousands of USD	Quarter ended 30 Sep 2026 unaudited	Quarter ended 30 Sep 2025 unaudited	Quarter ended 30 Jun 2026 unaudited	Year ended 31 Dec 2025 audited
ASSETS				
Non-current assets				
Property, plant, and equipment	1,195,210	1,211,016	1,201,564	1,220,272
Investment properties	3,615	7,083	3,667	7,007
Intangible assets	11,205	6,501	11,307	9,522
Other non-current assets	13	29	17	25
Deferred tax assets	51,027	64,482	50,942	61,855
Total non-current assets	**1,261,069**	**1,289,111**	**1,267,497**	**1,298,681**
Current assets				
Inventories	257,456	287,471	252,969	264,659
Contract assets	8,085	16,561	14,335	20,753
Trade and other receivables	92,300	95,100	100,727	88,990
Other assets	71,444	85,949	64,421	79,588
Cash and cash equivalents	196,042	174,225	163,576	194,314
Total current assets	**625,328**	**659,306**	**596,028**	**648,304**
TOTAL ASSETS	**1,886,397**	**1,948,417**	**1,863,525**	**1,946,985**
EQUITY AND LIABILITIES				
Equity				
Share capital	432,745	432,745	432,745	432,745
Share premium	348,709	348,709	348,709	348,709
Retained earnings	255,627	270,360	258,449	272,069
Cumulative translation adjustment	624	580	660	552
Treasury shares	-770	-770	-770	-770
Total equity	**1,036,936**	**1,051,623**	**1,039,793**	**1,053,305**
Non-current liabilities				
Non-current loans and borrowings	254,269	403,356	220,385	187,895
Other non-current liabilities and provisions	3,092	2,690	3,093	3,577
Total non-current liabilities	**257,361**	**406,047**	**223,479**	**191,472**
Current liabilities				
Trade payables	37,925	40,978	36,050	54,805
Current loans and borrowings	257,244	63,823	255,494	292,512
Other current liabilities and provisions	296,931	385,946	308,708	354,891
Total current liabilities	**592,100**	**490,747**	**600,253**	**702,208**
TOTAL EQUITY AND LIABILITIES	**1,886,397**	**1,948,417**	**1,863,525**	**1,946,985**

Condensed consolidated statement of cash flows

in thousands of USD	Quarter ended 30 Sep 2026 unaudited	Quarter ended 30 Sep 2025 unaudited	Quarter ended 30 Jun 2026 unaudited	Nine months ended 30 Sep 2026 unaudited	Nine months ended 30 Sep 2025 unaudited
Income before taxes	**-2,067**	**18,157**	**-2,384**	**-898**	**36,390**
Reconciliation of income before taxes to cash flow arising from operating activities:	**42,718**	**37,235**	**36,051**	**105,530**	**120,348**
Depreciation and amortization, before effect of grants and subsidies	33,172	30,078	31,524	96,624	87,923
Amortization of investment grants and subsidies	-1,232	-1,601	-1,243	-3,865	-4,062
Interest income and expenses (net)	4,936	4,302	3,775	13,584	12,373
Loss/(gain) on the sale of plant, property, and equipment (net)	-31	-1,403	-318	-2,361	-1,511
Loss/(gain) on the change in fair value of derivatives and financial assets (net)	724	483	719	649	-3,677
Other non-cash transactions (net)	5,149	5,376	1,593	899	29,301
Changes in working capital:	**-11,339**	**-1,433**	**-33,534**	**-54,374**	**-33,752**
Decrease/(increase) of trade receivables	8,408	16,463	-7,585	-2,973	1,289
Decrease/(increase) of other receivables and other assets	-3,272	-5,241	-3,437	4,880	-5,325
Decrease/(increase) of inventories	-4,487	736	8,363	7,203	-5,706
Decrease/(increase) of contract assets	6,250	319	-3,852	12,669	1,531
(Decrease)/increase of trade payables	2,332	656	-9,806	-9,520	-4,542
(Decrease)/increase of other liabilities	-20,569	-14,367	-17,217	-66,633	-20,999
Income taxes (paid)/received	**-266**	**-4,023**	**-1,097**	**-5,324**	**-5,255**
Net cash from operating activities	**29,046**	**49,936**	**-964**	**44,933**	**117,730**
Cash flow from investing activities:					
Payments for property, plant, equipment and intangible assets	-31,754	-23,455	-24,212	-82,001	-178,911
Receipt of government grants and subsidies	2,295	0	9,397	11,692	0
Proceeds from sale of property, plant, and equipment	33	1,467	320	6,061	1,585
Interest received	1,102	994	1,058	3,019	3,180
Net cash used in investing activities	**-28,324**	**-20,993**	**-13,436**	**-61,229**	**-174,146**

Condensed consolidated statement of cash flows – con't

in thousands of USD	Quarter ended 30 Sep 2026 unaudited	Quarter ended 30 Sep 2025 unaudited	Quarter ended 30 Jun 2026 unaudited	Nine months ended 30 Sep 2026 unaudited	Nine months ended 30 Sep 2025 unaudited
Cash flow from (used in) financing activities:					
Proceeds from loans and borrowings	87,194	5,467	45,364	148,476	56,038
Repayment of loans and borrowings	-43,712	-6,368	-19,985	-115,025	-44,918
Receipts of sale and leaseback arrangements	0	0	22,846	22,846	30,020
Payments of lease installments	-5,922	-4,727	-7,720	-17,804	-18,004
Interest paid	-6,038	-5,851	-4,834	-16,603	-15,519
Cash flow from (used in) financing activities	**31,522**	**-11,478**	**35,673**	**21,890**	**7,617**
Effect of changes in foreign currency exchange rates on cash balances	223	-918	-2,391	-3,865	7,187
Increase/(decrease) of cash and cash equivalents	32,244	17,464	21,273	5,594	-48,799
Cash and cash equivalents at the beginning of the period	163,576	157,678	144,694	194,314	215,837
Cash and cash equivalents at the end of the period	**196,042**	**174,225**	**163,576**	**196,042**	**174,225**

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