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Zacks Small-Cap Research

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GCT Semiconductor Holding, Inc. (NYSE: GCTS)

GCTS: Initiation: A Pure Play in the Transition to 5G. Revenues are Expected to Ramp Rapidly as GCT Moves into the Production Phase for its 5G Chipsets

We believe that GCT Semiconductor's stock is worth $4.50 per share based on an EV to Sales Ratio of 3.7 times, or half the valuation of its peers.

Current Price (2/2/26)	$1.18
Valuation	**$4.50**

OUTLOOK

GCT Semiconductor Holding, Inc., a fabless semiconductor manufacturer, has long been a provider for devices (other than low-margin smartphones) that use 4G chips. While that market declines, and as new 5G networks are rolling out worldwide, GCT has been working on new 5G chips and is ready to ramp production following its first commercial shipments in the December quarter. It hopes to return historical revenue volumes and reach quarterly breakeven in 2026. We expect breakeven to occur at approximately $25 million in sales which could happen in 2H2026.

SUMMARY DATA

52-Week High	**$2.28**
52-Week Low	**$0.99**
One-Year Return (%)	**-41.6**
Beta	**1.2**
Average Daily Volume (sh)	**9,715,036**
Shares Outstanding (mil)	**57.1**
Market Capitalization ($mil)	**$67.4**
Short Interest Ratio (days)	**6.3**
Institutional Ownership (%)	**28**
Insider Ownership (%)	**5**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/M**
P/E using 2025 Estimate	**N/M**
P/E using 2026 Estimate	**N/M**

Risk Level	**Above Average**
Type of Stock	**Small Growth**
Industry	**Semiconductors**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	3.3 A	1.5 A	2.6 A	1.8 A	9.1 A
2025	0.5 A	1.2 A	0.4 A	0.7 E	2.8 E
2026	2.2 E	3.4 E	10.4 E	25.0 E	41.0 E
2027					95.0 E

Earnings Per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	$0.03 A	-$0.02 A	-$0.16 A	-$0.11 A	-$0.30 A
2025	-$0.15 A	-$0.26 A	-$0.25 A	-$0.21 E	-$0.89 E
2026	-$0.19 E	-$0.19 E	-$0.17 E	-$0.02 E	-$0.58 E
2027					-$0.11 E

KEY POINTS

- GCT Semiconductor is a fabless semiconductor provider to the telecom and IoT markets for 4G and 5G devices, excluding most smartphones. Qualcomm dominates the market, and GCT is one of the few, and in some cases the only, possible secondary provider. The company is at an inflection point in revenues, where demand for 4G chipsets is trailing off and is about to ramp up for 5G. Going forward, revenues are expected to be almost exclusively from 5G products. The company expects revenues to begin growing sequentially in Q1 2026. Due to a steep production ramp, it is expected that GCT could be breakeven by Q4 2026, when revenues are expected to surge to over $25 million.

- As revenues from its legacy 4G technology-based chipsets approach zero and are rapidly overtaken by 5G product sales, GCT Semiconductor will become a pure play in 5G. However, because it has 4G functionality in the 5G chipset, it can address virtually all network operators worldwide.

- Since virtually all of its hardware is off-the-shelf, GCT has now started to build 5G chipset inventory in anticipation of orders. While much of what it sells is off-the-shelf, GCT does provide bespoke software and device design assistance as a way of building customer success and loyalty.

- The company has development contracts, MOUs, and/or LOIs with a number of companies that are expected to result in orders for 5G products. These companies include: Verizon, Airspan, Ligado, Kyocera, Orbic, Aramaco Digital, and a European tier-one telecom supplier.

- In late December, Gogo announced a successful launch of its 5G air-to-ground (ATG) network, which is based on GCT's chipset. This is the first network launch using the GCT 5G chipset, for which there will be more in 2026.

- In early January, GCT announced the launch of its first commercial shipments of 5G chipsets. We anticipate that the company will receive additional production orders from its development partners in the first quarter of 2026.

- The stock currently trades at a fully diluted enterprise value of $124 million. The global market for the products GCT sells is estimated to be $23 billion in 2025. If GCT can secure even a small portion of that market, its valuation should far exceed its current price. We believe the stock is worth $4.50 based on $95 million in revenues in 2027 at 3.7x EV to Sales. This is conservative, using only half the valuation of its peers.

OVERVIEW

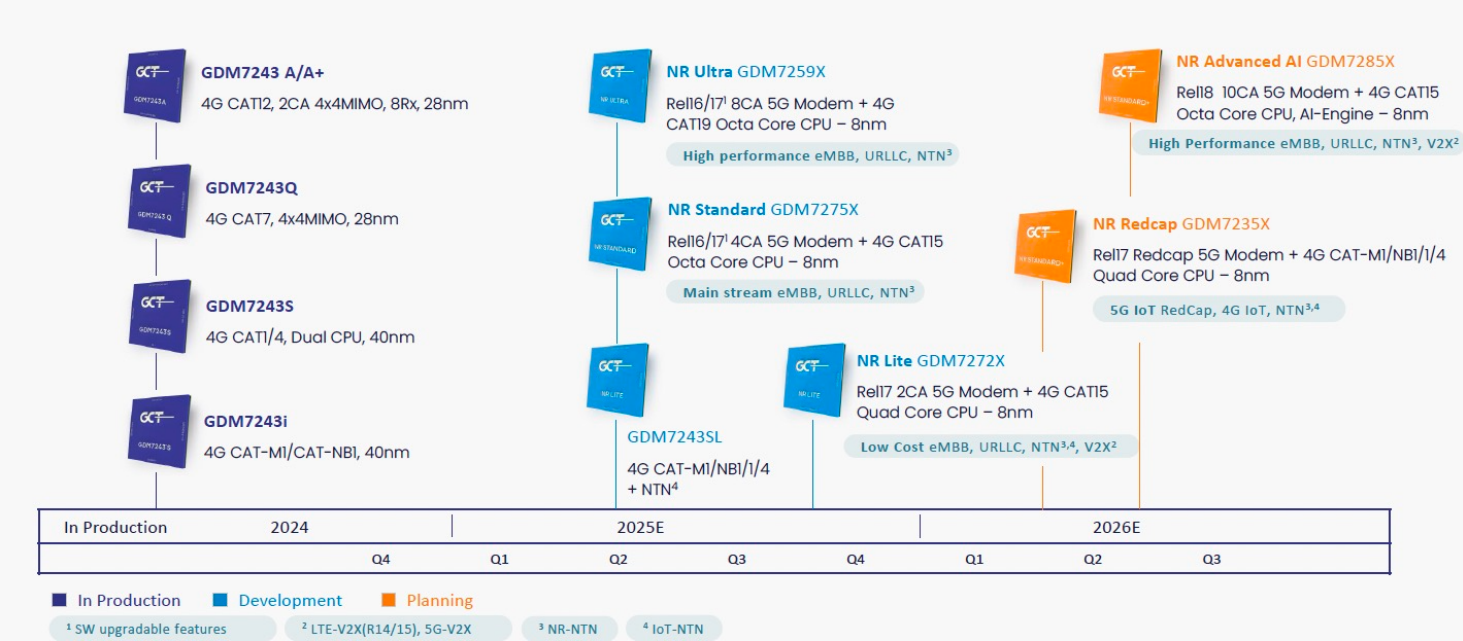
GCT was founded in 2000 in San Jose and became a public company through a SPAC in March 2024. As of the end of 2024, the company had 121 full-time employees, with 96 based in Korea, 18 in the United States, three in Taiwan, two in China, and one each in Hong Kong and Japan. These employees included 76 in research and development, 18 in sales and marketing, 21 in general and administration, and six in operations. It is a fabless semiconductor company that has products produced in Samsung's fabs in Taiwan and Singapore. Its largest shareholder, with 15% of the company, is Anapass, a Korean company headed by Kyeong Ho Lee, the founder of GCT. Anapass has always provided cash to GCT when needed, which should alleviate concerns that GCT might not have required funding.

In the past, the company achieved great success selling RF CMOS, with a focus on transceivers for CDMA and full modems for Wi-Fi and Bluetooth applications. It pursued WiMAX technology and partnered with Intel and

then LTE technology in smartphones with LG, reaching $100 million in sales in 2012. Telecom industry consolidation disrupted growth, and with the move to LTE, the company focused on new customers who did not require legacy 2G/3G technology embedded. It then switched away from the low-margin smartphone business and pursued everything else. Its main verticals now are: carriers for Fixed Wireless Access (FWA) routers and hotspots. Non-Terrestrial Networks (NTN/ satellite), utilities (smart meters and gateways), security, tracking, and private networks. It also has the auto sector in its sights for GPS tracking and IVI connectivity.

In the chart that follows, GCT has laid out its timeline for product introductions.

Chart 1. Company Product Roadmap

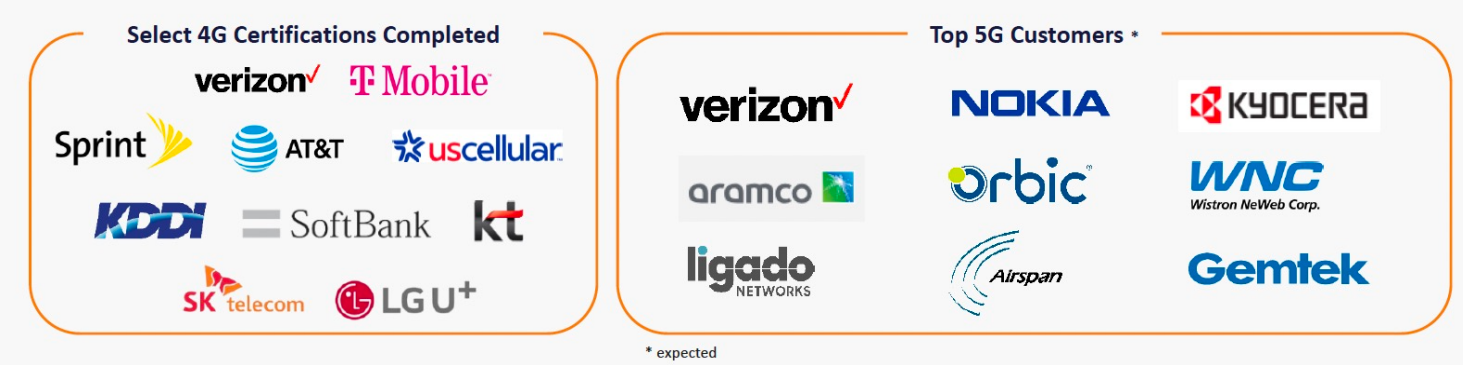


Source: GCT Semiconductor

As far as the products in light blue in development, the GDM7275X started sampling in Q2CY25, and commercial shipments started in Q4. The GDM7272X is on schedule, while the GDM7259 is being held as customers are more focused on the lower cost GDM7275X and GDM7272X. The GDM7243SL is sampling as of this writing and has also started production readiness.

The company obtained worldwide certifications for its 4G products from many companies, as shown in the chart below. It will also be getting certifications for its 5G products from an expanded set of customers, all of which are expected to be placing orders in the future, either directly or through subcontractors and/or distributors.

Chart 2. Completed Certifications



Source: GCT Semiconductor

Recent Developments

On January 29, 2026, GCT announced a 5G licensing agreement with one of the world's largest satellite communication providers.

On January 6, 2026, GCT announced the commercial launch of its 5G chipset.

On December 29, 2025, Gogo announced the launch of its 5G Air-To-Ground Network underpinned by GCT's 5G chipset.

In Q2, GCT delivered initial 5G chipsets to Orbic North America. Orbic North America and GCT are jointly developing and supplying a mobile hotspot and FWA gateway using a Verizon-certified 5G module based on GCT's new 5G chipset.

Airspan Networks has also received 5G chipset samples. It has reported successful milestone testing. Airspan provides Gogo's ATG (Air-to-Ground) system. On September 26th, Gogo (NASDAQ: GOGO) announced that it has reached the crucial final phases of terrestrial testing of its next-generation 5G (ATG) technology. Once terrestrial testing is complete, flight testing is expected to begin in early Q4. It claims that its 5G service will match digital terrestrial performance. More than 400 private aircraft are already pre-provisioned to connect with the Gogo 5G network.

On June 4th, GCT announced a collaboration with Iridium Communications Inc. (NASDAQ: IRDM) to Integrate The Iridium NTN Direct service into GCT's GDM7243SL chipset, expanding GCT's reach into the non-terrestrial market. They will work together to develop a new Iridium® network-enabled narrowband Internet of Things (NB-IoT) chipset based on requirements for 3GPP Release 19.

On May 22nd, GCT and Giesecke+Devrient (G+D) announced a partnership to launch an SGP.32 eSIM solution with integrated profile activation device (IPAd) support for multi-network IoT Devices. SGP.32 is GSMA's latest eSIM technical specification for IoT that ensures eSIM IoT technologies are secure and interoperable worldwide.

On March 4th, GCT and Globalstar, Inc. (Nasdaq: GSAT) announced a partnership to develop two-way satellite messaging systems for Globalstar's mobile devices and modules. Globalstar's recently announced RM200M product will use GCT's IoT chip GDM7243i, with future products using its 4G LTE chip GDM7243SL and 5G IoT-enabled chipset to support Globalstar's satellite network.

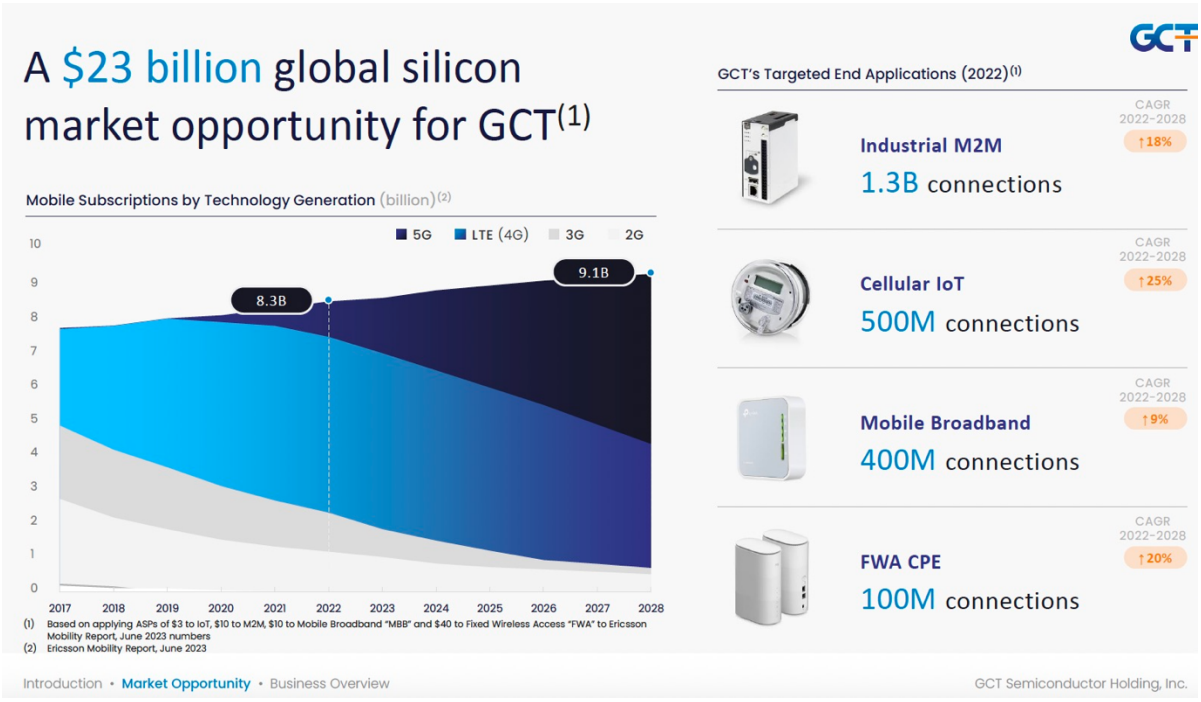
On November 25th, 2024, GCT signed an agreement with a European tier-one wireless infrastructure and terminal provider to collaborate on the development of Fixed Wireless Access technology using GCT's 5G solutions, including modem chipset and RFIC.

In April of 2024, Aramco signed a Memorandum of Understanding (MOU) with GCT to develop the 4G/5G ecosystem in Saudi Arabia for both mission-critical and public safety networks. The two are designing chipsets and modules for LTE, 5G, and the NTN spectrum to support the localization of wireless end-user devices and IoT manufacturing throughout the Kingdom. In January of 2025, GCT was on a panel at the Aramco Digital event, held in collaboration with the 450 MHz Alliance, on January 20-22 in Saudi Arabia. The panel discussed advancements in chipsets for the 450 MHz band and how the 450 MHz ecosystem will evolve in the next five to ten years. Aramco Digital has licensed 450MHz spectrum in Saudi Arabia and has an undisclosed deadline for deployment to keep the license. Aramco has deployed a 4G network, with plans to overlay with 5G. In May of 2025, Aramco also signed an MOU with Qualcomm to use its 450 MHz 5G industrial network to connect intelligent edge devices using Qualcomm technology. This includes smartphones, rugged industrial devices, robots, drones, cameras, sensors, and other IoT devices.

INDUSTRY OUTLOOK

GCT is pursuing four main markets for its products. They are industrial machine-to-machine communications, cellular Internet of Things (IoT), mobile broadband, and fixed wireless access customer premise equipment (FWA CPE). While speeds are moving from 4G to 5G for FWA and mobile phones, many devices do not need the full capabilities of 5G. For those applications, a new stripped-down, lower-cost 5G technology called RedCap is coming to market. GCT has started developing its first RedCap product, the NR RedCap GDM7235X, this past quarter. This solution will support both eRedCap and previous low-power, low-cost IoT modes, such as RedCap, Cat1bis, NB-IOT1/2, Sigfox, Amazon Sidewalk, and all low-speed GEO and LEO NTN networks (3GPP and proprietary).

Chart 3. The Total Addressable Market for GCT Products



Source: GCT Semiconductor

Demand for RedCap 5G modules will be driven initially by applications for remote monitoring and control, video surveillance and security, and fixed wireless terminals. Techno Systems Research (TSR) believes the total RedCap/eRedCap market (or unit demand) will be about 262 million units between 2024 and 2029.

Fixed Wireless Access Customer Premise Equipment (FWA CPE) is used by mobile providers to deliver internet to a fixed location over their cell networks. The T-Mobile Home Internet modem is a good example of this device. The difference between FWA and mobile broadband is that the former needs to be plugged into a wall outlet, while the latter depends on a battery (think hotspots). According to The Ericsson Report, global FWA connections are expected to grow from 160 million at the end of 2024 to 350 million by the end of 2030, representing 18% of all fixed broadband connections. Almost all new broadband connections use this technology. During Q1 2025, AT&T, Verizon, and T-Mobile collectively added 913,000 new connections, bringing the total number of 5G FWA connections to 12.5 million. Verizon plans to double its fixed wireless access (FWA) subscribers to between 8 million and 9 million by 2028.

COMPETITION

While in the past GCT competed with more companies for 4G, the field has dwindled as the demand moves to 5G. Currently, its only real competitor is Qualcomm (NASDAQ: QCOM). While the company would not expect to displace Qualcomm at its current customers, it does expect that many of Qualcomm's customers want a secondary supplier. In fact, Verizon has expressed that need and has a development contract with GCT, in part, for that reason.

MediaTek Inc. (2454.TW) is an $86 billion Taiwanese fabless semiconductor company founded in 1997. The majority of its revenue comes from mobile phone chipsets. Last year, it surpassed Qualcomm as the largest provider of 5G chips for smartphones. The majority of its customers are in Asia, and it is the leading provider of SoCs for smart TVs. It competes with GCT across its product lines. MediaTek does not support mmWave bands (FR2) and thus currently does not compete with GCT in this nascent market.

Sequans Communications (NYSE: SQNS) is a $73 million company incorporated in 2003 and based in Paris. It focuses on low-end IoT applications. It sold off its 4G IoT patents to Qualcomm last year, which resulted in a cash infusion of $200 million. It used that cash to pay off $80 million in debt and buy ACP Advanced Circuit Pursuit AG to improve Sequans' 5G offerings. It then established a Bitcoin treasury strategy in July 2025 and raised $384 million through combined debt and equity offerings to purchase Bitcoin. Sequans is not expected to ship any 5G product until late 2026 at the earliest.

FINANCIALS

First Nine Months of 2025

In the first nine months of 2025, revenues were down 71% to $2.1 million as 4G product revenues tailed off. Product sales were only $647,000 compared to $4.1 million in the first nine months of 2024. Service revenues, primarily from non-recurring engineering, were $1.5 million compared to $3.2 million a year ago. Gross margin was negative for products due to small volumes. Total gross margin was -27.7% this year versus 61.3% last.

If we take out last year's gain on extinguishment of debt of $14.6 million, operating expenses were $24.0 million this year compared to $24.9 million last year. The reduction was due to less R&D spending. The operating loss was $24.6 million this year compared to $20.4 million last year, taking out the one-time gain, which increased due to lower revenue.

Interest expense was higher than last year's nine months at $4.4 million compared to $3.5 million. The pretax loss was $34.0 million versus a loss of $7.2 million. Net loss was $34.4 million compared to a loss of $7.4 million with the one-time gain. The loss per share was $0.67 versus $0.19, and the non-GAAP loss per share was $0.48 versus a loss of $0.58 in the nine months of 2024. Average shares outstanding increased to 51.7 million for the first nine months of 2025 versus 38.4 million in 2024, or 35%.

Balance Sheet

GCT ended the September quarter with $8.3 million in cash and $64.7 million in debt, all of which was short-term. Working capital was then negative $65.2 million. In the nine months of the year, the company had negative free cash flow (not including changes in working capital) of $27.0 million.

80% of the lenders to GCT are Anapass, founder KH Lee, and two Korean banks, all of which are short-term debt, making the current ratio and working capital calculations concerning. They, however, have always renewed

their loans and extended their maturity. In July 2025, KEB Hana Bank extended the maturity date of its $5.9 million loan to July 2026. It bears an annual interest rate of 4.0%. It amended its $4.5 million promissory note with Anapass to extend the maturity date from July 2025 to July 2026, and it borrowed another $2.2 million from Anapass. This term loan has a maturity date in July 2026 and bears an annual interest rate of 6.5%.

On September 11th, GCT entered into a 7% senior secured term loan of about $10.7 million with Anapass. Proceeds will fund working capital, final production readiness, and preparations for mass production and volume shipments targeted for Q4.

After the Quarter Ended

On December 15, 2025, GCT Semiconductor entered into a Convertible Promissory Note Purchase Agreement with Indigo Capital LP to sell Indigo up to $20 million of convertible notes. Indigo provided an initial $1 million advance, with additional advances of up to $1 million each available at the company's request. The notes will be issued at a 7% original issue discount, will mature 24 months after issuance, and will not bear interest. The notes are convertible into shares of common stock at a price equal to 90% of the average volume weighted average price of the three trading days prior to conversion, subject to customary beneficial ownership and stock exchange limitations. GCT may redeem all or a portion of the notes after 12 months, subject to applicable redemption premiums.

FORECASTS

2026

GCT has a number of orders to be shipped in 2026, with more to come. While starting in Q1 with revenues of less than $3 million, we expect the company to ramp quickly. The goal is to reach operating breakeven by Q4, which should be achieved at a quarterly revenue level of $25 million. For the year, the company could reach $41 million in sales with a loss per share of $0.58.

2027

In 2027 we are expecting that revenues will more than double and reach $95 million. $90 million in sales should represent about 2 million units, which should be conservatively achieved based on current customers' expectations. We expect the losses to decrease over the quarters and end the year at a loss per share of $0.11.

VALUATION

GCT is a fabless semiconductor company. Third parties would provide the production of its devices, and we expect it would have margins similar to those of the companies below. They trade at an average of 7.4x enterprise value to estimated 2026 revenues. Currently, GCT trades at an enterprise value of $124 million. We need to look further out to where we think revenues would be by 2027, at $95 million. If we are conservative and use half the 7.4x, or 3.7xs gives us an enterprise valuation of $352 million, a market value of $295 million and a stock price of $5.17 per share by 2027. Discounting this back by 15% to 2026 present value, this would be $4.50 per share today.

Company	Ticker	Calendar 2026E	2025E	LTM	EBITDA	EBIDTA Margin	Enterprise Value / Sales 2026E	2025E	LTM	EV/EBITDA	Included in Average?	Ent. Value
AMD	AMD	$45,090	$34,080	$32,030	6,050	19%	9.0x	11.9x	12.7x	67.3x	y	407,190
Broadcom	AVGO	$109,940	$68,140	$63,890	35,000	55%	14.7x	23.8x	25.4x	46.3x	y	1,620,000
Cirrus Logic	CRUS	$1,900	$1,927	$1,950	501	26%	3.2x	3.2x	3.1x	12.3x	y	6,140
Marvell	MRVL	$9,980	$8,180	$7,790	2,450	31%	7.1x	8.7x	9.1x	29.0x	y	71,050
MediaTek	2454.TW	$20,420	$18,860	$18,600	4,050	22%	4.1x	4.4x	4.5x	20.7x	y	83,640
Monolithic Power Systems	MPWR	$3,260	$2,780	$2,660	740	28%	17.0x	19.9x	20.8x	74.9x	y	55,430
NVIDIA	NVDA	$323,310	$213,350	$187,140	112,700	60%	14.3x	21.7x	24.7x	41.1x	n	4,630,000
Semtech	SMTC	$1,190	$1,050	$1,030	165	16%	6.7x	7.5x	7.7x	47.9x	y	7,920
Sequans	SQNS	$47	$28	$32	(87)	-275%	0.9x	1.5x	1.3x	-0.5x	y	42
Qualcomm	QCOM	$44,550	$44,640	$44,280	14,000	32%	3.8x	3.7x	3.8x	11.9x	y	167,230
Average						**1%**	**7.4x**	**9.4x**	**9.8x**	**34.4x**		**993,863**

RISKS

- GCT is in the midst of a technology transition and is largely discontinuing its old product line for a new one. While many of its past customers may become current customers, there is no assurance they will or that GCT can land new customers.

- While GCT expects its development contracts to turn into production orders eventually, the timing of this is dependent on its customers' needs. Since much of what GCT sells goes into new products, it is particularly difficult to forecast revenues and expenses going forward. Because of this, there is a wide range of possible outcomes for revenues and earnings in the next few years as schedules could shift. Investors should be aware of this risk.

- Its newest technology has not yet been fully proven to work or may not work within the customer's needed parameters.

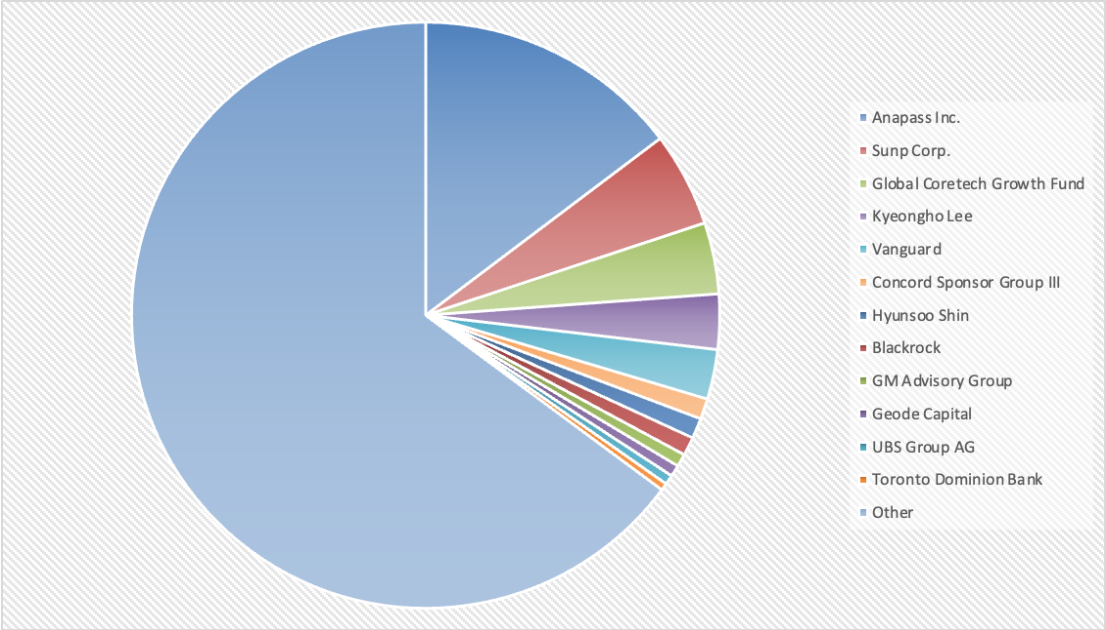
- The company now has historically low revenues, high losses, and is still consuming cash. Until it generates higher revenues and reaches cash breakeven, it might need to raise new capital from investors, which could dilute current shareholders.

PATENTS

As of December 31, 2024, GCT held approximately 86 patents in relation to 5G/4G and next-generation wireless communication semiconductor technology. Its portfolio consists of modem design-related technologies (47 items, 55%), which includes a multi-antenna solution for modular modem design and interference cancellation technology, system impairment (such as IQ mismatch) calibration technology, communication system technology and signal processing modem technology, RF transceiver technologies (22 cases, 26%), frequency synthesis technologies (15 cases, 17%), and other wireless related technologies (2 cases, 2%). Most of the issued patents have already been applied to its commercial products. Among those patents, there are three key aspects:
1. a multi-antenna modem solution, which provides scalable, module modem core design technology, and baseline architecture of its 4G and 5G modems
2. impairment calibration technology to compensate for system impairment from direct-conversion RF and analog parts, such as I/Q imbalance, carrier leakage, and calibration technology
3. RF transceiver architecture and related circuit technology for CMOS direct-conversion RF technology.

In addition to U.S. patents, it has 33 US patents, 35 Korean patents, 9 Taiwanese patents, 2 Japanese patents, 2 Chinese patents, and 5 patents issued in other countries.

OWNERSHIP



MANAGEMENT

John Schlaefer
Chief Executive Officer and President

John Schlaefer is the Chief Executive Officer and has served on the Board of Directors since 2013. He is responsible for ensuring the strategic direction of the company, business development, and day-to-day operations. He served as Chief Operating Officer from 2006 to 2013, where he led all sales, marketing, program management, and production operations at GCT. Mr. Schlaefer offers a strong background in the wireless semiconductor industry, including extensive experience in marketing, business development, and operations. From 2003 to 2006, Mr. Schlaefer served as a member of the Board of Directors. From 2001 to 2005, Mr. Schlaefer was the Product Line Director for the RF Products Business Unit at National Semiconductor Corporation (National), a leading semiconductor company focused on analog and mixed-signal integrated circuits, where he was responsible for National's industry-leading phase-locked loop (PLL) and voltage-controlled oscillator (VCO) product lines. During this time, Mr. Schlaefer also architected a successful partnership between National and GCT, resulting in the launch of PLL/VCO and PHS radio families by National. From 1994 to 2000, Mr. Schlaefer held various positions at National, including Marketing Director, RF Products Business Unit from 1999-2001, Product Line Marketing Manager, Wireless Product Business Unit from 1996 to 1999 and Marketing Manager, New Business Development, Americas Regional Business Unit, from 1994 to 1996. From 1987 to 1993, Mr. Schlaefer was a Project Engineer and Program Manager at Watkins-Johnson Company. Mr. Schlaefer holds a B.S. and M.S. in Electrical Engineering from Stanford University, and an MBA from the University of California at Berkeley.

Edmond Cheng
Chief Financial Officer

Mr. Cheng has been serving as the Chief Financial Officer of GCT Semiconductor since March 2024. He leads the finance and information technology functions at GCT. He brings over 25 years of global leadership experience, including expertise in corporate development, cross-border mergers & acquisitions, corporate controllerships, treasury, and corporate governance. Before joining GCT, Mr. Cheng was the CFO for Cenntro

Inc., a commercial EV company, where he was responsible for the successful execution of its IPO. Before joining Cenntro, he was the CFO at Mithera Capital, a PE/VC firm based in the Pacific Northwest. Prior to that he was the CFO of other publicly-listed companies, including TCL Electronics Holdings, UTStarcom Inc., and Zoomlion Heavy Industry Science & Technology Co. Ltd., as well as private equity-owned portfolio companies. Mr. Cheng holds an MBA from Columbia University, the London School of Business, and Hong Kong University. He also received a Master of Accounting and a BBA from the University of Hawaii at Manoa.

Dr. Jeongmin "Jeemee" Kim
Chief Technology Officer

Dr. Kim has been CTO since 2013, and was VP of Engineering from 2003-2013, and Director of Engineering from 2001-2003. He focuses on developing wireless multimedia SOC based on Bluetooth or Wireless LAN and associated embedded cores for GCT Semiconductor, as well as overseeing the company's mobile media processor initiative. Dr. Kim spent more than nine years with Samsung Electronics and Korea Telecom, working on multimedia semiconductor design. Before GCT, Dr. Kim worked as an independent design engineer in the development of an MPEG2 video decoder for HDTV with Daewoo Electronics from 1997 to 1998; a high-performance H.263 video codec ASIC with Korea Telecom from 1995 to 1997; and a high-performance microcontroller for Samsung Electronics from 1993 to 1995. Dr. Kim holds a B.S. and M.S. in Electrical Engineering, and a Ph.D. in high-performance CPU architecture from Seoul National University.

Alex Sum
Senior Vice President of Sales and Marketing

Alex Sum has been SVP of Sales and Marketing at GCT since 2013. From 2002 to 2013, he was Vice President of Marketing and Business Development. From 1992 to 2002, before joining GCT, Mr. Sum was Product Marketing Manager at Philips Semiconductor, the predecessor company of NXP Semiconductors, N.V. Before Philips, from 1983 to 1992, Mr. Sum was Product/Test Engineering Supervisor at Supertex Inc., a technology company producing high-voltage analog and mixed signal semiconductor components. From 1977 to 1983, Mr. Sum was Product/Test Engineering Supervisor at Fairchild Semiconductor, a mixed signal, memory, and discrete semiconductor company. From 1975 to 1977, Mr. Sum was a Test/Wafer fab processing engineer at Siliconix, the predecessor company of Vishay Intertechnology. Mr. Sum holds a BS in Electrical Engineering from San Jose State University.

BOARD OF DIRECTORS

Kyeongho Lee, Ph.D.
Chairman of the Board

Dr. Kyeongho Lee is a co-founder of the company and has served as Chairman since 2000. Since 2002, he has also been a member of the board of directors of Anapass, a Korean Stock Exchange ("KOSDAQ") listed fabless semiconductor company, which is the largest shareholder of GCT. From 1995 to 1998, Dr. Lee was on the technical staff at Silicon Image Inc., a provider of advanced, interoperable connectivity solutions for high-definition displays. There, Dr. Lee created and patented the technology for the PanelLink flat panel display, which was adopted as the worldwide standards known as DVI and HDMI. Dr. Lee holds 17 U.S. patents on RF direct conversion and other RF design techniques, which laid the foundation for the development of GCT's proprietary CMOS RF and single-chip technology. Dr. Lee holds a B.S., M.S., and Ph.D. in Electrical Engineering from Seoul National University, where he was granted the Distinguished Dissertation award for his Ph.D. thesis on CMOS RF technology.

John Schlaefer
Chief Executive Officer and President

Nelson C. Chan

Nelson C. Chan joined the board in March of 2024. Mr. Chan has been the Chairman of Synaptics since 2018 and a director there since 2007. From December 2006 until August 2008, he was CEO of Magellan Corporation, a leader in the consumer, survey, GIS, and OEM GPS navigation and positioning markets. From 1992 through 2006, Mr. Chan was at SanDisk Corporation, including as EVP and General Manager, Consumer Business. From 1983 to 1992, Mr. Chan held marketing and engineering positions at Chips and Technologies, Signetics, and Delco Electronics. Mr. Chan is also on the board of directors of Deckers Outdoor Corporation (NYSE: DECK) and Twist Bioscience (NASDAQ: TWST). Mr. Chan also currently serves on the boards of directors of several private companies. Previously, Mr. Chan was Chairman of Adesto Technologies, when it was a Nasdaq-listed company, from 2010 to 2020, and a board member of Socket Mobile NASDAQ: SCKT), from 2016 to 2019, Silicon Laboratories (NASDAQ: SLAB) from 2007 to 2010, Affymetrix, from 2010 to 2016, and Outerwall. Mr. Chan holds a BS in Electrical and Computer Engineering from the University of California at Santa Barbara and an MBA from Santa Clara University.

Kukjin Chun, Ph.D.

Dr. Kukjin Chun also joined the board in March of 2024 and before the business combination, he had been a board member since 2022. Dr. Chun was a professor of Electrical and Computer Engineering at Seoul National University from 1989 to 2020, and an assistant professor in the Electrical Engineering Department at WSU from 1986 to 1989. Since 1989, he has held several positions at Seoul National University, such as head of the department of EECS and Director of the Microsystem Technology Center. Dr. Chun is a member of the National Academy of Engineering of Korea and a Fellow at the Institute of Physics in the United Kingdom, as well as a Fellow at IEEE. He has served in various positions at IEEE such as VP Member of Geographical Activity, member of the board of directors, and on several committees. Dr. Chun holds a B.S. in Electrical Engineering from Seoul National University, as well as an M.S. and Ph.D. in Electrical Engineering from the University of Michigan.

Robert Barker

Robert Barker has also been a board member since March 2024 and, before the business combination, was a member of GCT's board of directors since 2011. Mr. Barker has been the CFO and VP of Finance of AIStorm, Inc. since 2018. He has also been the Corporate Secretary of Linear Dimensions Semiconductor since 2016. Both companies are privately held. He had various positions at Micrel from 1994 to 2010, including VP of Human Resources, Vice President of Finance, and CFO. Before that, Mr. Barker was VP of Finance and Secretary of Waferscale Integration, a fabless semiconductor manufacturer of non-volatile memory products. Mr. Barker also held various accounting and financial positions at Monolithic Memories and Lockheed Missiles and Space Co. He earned a B.S. in Electrical Engineering and an MBA from the University of California at Los Angeles.

Hyunsoo "Hans" Shin

Hyunsoo Shin has been a board member since March 2024 and, before the business combination, had been a member of GCT's board since 2022. He offers extensive expertise in business development and management, having served as Advisor to CJ Corporation from October 2022 to October 2024. Prior, Mr. Shin was the CEO of CJ America starting in 2020. From 2016 to 2019, Mr. Shin was EVP, Head of Global Food Business at CJ Cheil-Jedang, where he was responsible for all profits and losses of the processed food business outside Korea. From 2013 to 2015, he served as CEO for CJ Foods in Los Angeles. Mr. Shin served as President of Kellogg Asia from 2002 to 2009 after having served as President of Nhong Shim Kellogg from 1999 to 2002. From 1991 to 1998, he worked for Pepsi-Cola International as President (1995-1998) and Marketing Director (1992-1995) of Pepsi-Cola Korea. From 1984 to 1989, he held various positions at Hyundai Electronics America, such as National Sales Manager, Marketing Director, and Semiconductor Foundry & Assembly Sales Manager. Mr. Shin holds a M.S. in Management from the Sloan School of Management at MIT and a B.S. in Economics from Seoul National University.

Jeff Tuder

Jeff Tuder has been a member of the board since March 2024. He was the CEO and a board member of Concord Acquisition Corp III. Mr. Tuder is currently CEO of Concord Acquisition Corp II and an Operating Partner of Atlas Merchant Capital. Mr. Tuder has also been the CEO of Concord I and Concord II. Previously, Mr. Tuder founded Tremson Capital Management, LLC to invest in undervalued public equities and to make private equity and credit investments in partnership with family offices. Before founding Tremson, Mr. Tuder held various investment positions at JHL Capital Group, KSA Capital Management, and CapitalSource Finance, where he was a Managing Director and head of its Special Opportunity credit investment business. Mr. Tuder began his career as a private equity professional at Fortress Investment Group, Nassau Capital, LLC, which managed the private assets of Princeton University's endowment, and ABS Capital Partners. Mr. Tuder is currently a member of the board of directors of Inseego (NASDAQ: INSG). and serves as a board advisor to various private companies. He previously served on the boards of Unico American (NASDAQ: UNAM), Seachange International (NASDAQ: SEAC), and Nam Tai Properties (NYSE: NTP). Mr. Tuder earned a B.A. in English Literature from Yale College.

INCOME STATEMENT

Dollars in thousands	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25E	Q1 26E	Q2 26E	Q3 26E	Q4 26E	2024	2025E	2026E	2027E
Revenue																
Product	$ 2,378	$ 18	$ 1,715	$ 660	$ 91	$ 408	$ 148	$ 350	$ 1,800	$ 3,000	$ 10,000	$ 24,400	$ 4,771	$ 997	$ 39,200	$ 90,000
Service	887	1,450	895	1,125	405	774	282	300	400	400	400	600	4,357	1,761	1,800	5,000
Total net revenues	**3,265**	**1,468**	**2,610**	**1,785**	**496**	**1,182**	**430**	**650**	**2,200**	**3,400**	**10,400**	**25,000**	**9,128**	**2,758**	**41,000**	**95,000**
Growth %	7%	-66%	-35%	-62%	-85%	-19%	-84%	-64%	344%	188%	2319%	3746%	-43%	-70%	1387%	132%
Cost of revenue																
Cost of product	654	158	710	1,001	207	582	1,419	1,600	1,800	3,000	9,000	15,000	2,523	3,808	28,800	45,000
Product gross margin	1,724	(140)	1,005	(341)	(116)	(174)	(1,271)	(1,250)	0	0	1,000	9,400	2,248	(2,811)	10,400	45,000
Product gross margin %	72%	-778%	59%	-52%	-127%	-43%	-859%	-357%	0%	0%	10%	39%	47%	-282%	27%	50%
Cost of service	658	389	274	208	201	222	61	75	90	90	90	120	1,529	559	390	1,300
Service gross margin %	26%	73%	69%	82%	50%	71%	78%	75%	78%	78%	78%	80%	65%	68%	78%	74%
Total cost of revenues	1,312	547	984	1,209	408	804	1,480	1,675	1,890	3,090	9,090	15,120	4,052	4,367	29,190	46,300
Gross margin	**1,953**	**921**	**1,626**	**576**	**88**	**378**	**(1,050)**	**(1,025)**	**310**	**310**	**1,310**	**9,880**	**5,076**	**(1,609)**	**11,810**	**48,700**
Gross margin %	59.8%	62.7%	62.3%	32.3%	17.7%	32.0%	-244.2%	-157.7%	14.1%	9.1%	12.6%	39.5%	55.6%	-58.3%	28.8%	51.3%
Operating expenses																
R&D	5,521	4,164	4,210	3,434	4,096	3,514	3,258	3,500	3,500	3,500	3,500	3,500	17,329	14,368	14,000	18,000
Sales and Marketing	996	976	949	999	1,118	1,021	1,048	1,200	1,500	1,500	1,600	1,600	3,920	4,387	6,200	9,000
G&A	2,836	2,860	2,379	2,723	2,614	3,435	3,898	4,100	4,000	4,000	4,000	4,000	10,798	14,047	16,000	20,000
Gain on extinguishment of liabilities	(14,636)	0	0	-	0	0	0	0	0	0	0	0	(14,636)	0	0	0
Loss on impairment of liability	0	0	0	787	0	0	0	0	0	0	0	0	787	0	0	0
Operating expenses	(5,283)	8,000	7,538	7,943	7,828	7,970	8,204	8,800	9,000	9,000	9,100	9,100	18,198	32,802	36,200	47,000
Operating income	7,236	(7,079)	(5,912)	(7,367)	(7,740)	(7,592)	(9,254)	(9,825)	(8,690)	(8,690)	(7,790)	780	(13,122)	(34,411)	(24,390)	1,700
Interest expense	(2,082)	(760)	(667)	(358)	(1,070)	(1,532)	(1,783)	(2,000)	(2,100)	(2,200)	(2,000)	(1,900)	(3,867)	(6,385)	(8,200)	(7,000)
Gain on foreign currency	1,472	816	(1,044)	3,446	21	(3,217)	1,320	0	0	0	0	0	4,690	(1,876)	0	0
Change in FV of common stock forward liability	0	(586)	0	2,794	295	0	16	0	0	0	0	0	2,208	311	0	0
Change in FV of common stock warrant liability	(4,626)	6,628	759	(4,231)	1,649	(1,010)	(3,812)	0	0	0	0	0	(1,470)	(3,173)	0	0
Change in FV of conv. promissory notes	(1,203)	14	(165)	768	(19)	(157)	(164)	0	0	0	0	0	(586)	(340)	0	0
Other income	19	(9)	(31)	234	1	9	6	0	0	0	0	0	213	16	0	0
Pretax income	816	(976)	(7,060)	(4,714)	(6,863)	(13,499)	(13,671)	(11,825)	(10,790)	(10,890)	(9,790)	(1,120)	(11,934)	(45,858)	(32,590)	(5,300)
Income tax	59	67	61	258	105	39	178	100	60	60	200	300	445	422	620	800
Net loss	757	(1,043)	(7,121)	(4,972)	(6,968)	(13,538)	(13,849)	(11,925)	(10,850)	(10,950)	(9,990)	(1,420)	(12,379)	(46,280)	(33,210)	(6,100)
Non-GAAP net loss	(7,993)	(8,319)	(6,037)	(6,794)	(7,987)	(7,557)	(9,166)	(9,954)	(10,190)	(10,290)	(9,190)	(520)	(14,076)	(34,664)	(30,190)	(3,300)
Basic and diluted net loss per share	$ 0.03	$ (0.02)	$ (0.16)	$ (0.11)	$ (0.15)	$ (0.26)	$ (0.25)	$ (0.21)	$ (0.19)	$ (0.19)	$ (0.17)	$ (0.02)	$ (0.30)	$ (0.89)	$ (0.58)	$ (0.11)
Yr-to-yr growth	-149.5%	-91.2%	-13.3%	-74.7%	-592.4%	1006.1%	60.1%	93.2%	29.8%	-26.8%	-29.9%	-88.1%	-67%	191%	-34%	-82%
Non-GAAP loss per share	(0.31)	(0.19)	(0.13)	(0.15)	(0.17)	(0.15)	(0.17)	(0.17)	(0.18)	(0.18)	(0.16)	(0.01)	(0.35)	(0.66)	(0.53)	(0.06)
Share outstanding (millions)	25,468	44,060	45,645	46,000	47,606	51,703	55,462	57,100	57,100	57,100	57,100	57,100	40,630	52,191	57,100	58,000
Diluted shares outstanding	26,257	44,060	45,645	46,000	47,606	51,703	55,462	57,100	57,100	57,100	57,100	57,100	40,630	52,692	57,100	58,000
Yr-to-yr growth	10.0%	84.5%	89.8%	84.0%	86.9%	17.3%	21.5%	24.1%	19.9%	10.4%	3.0%	0.0%	69%	30%	8%	2%

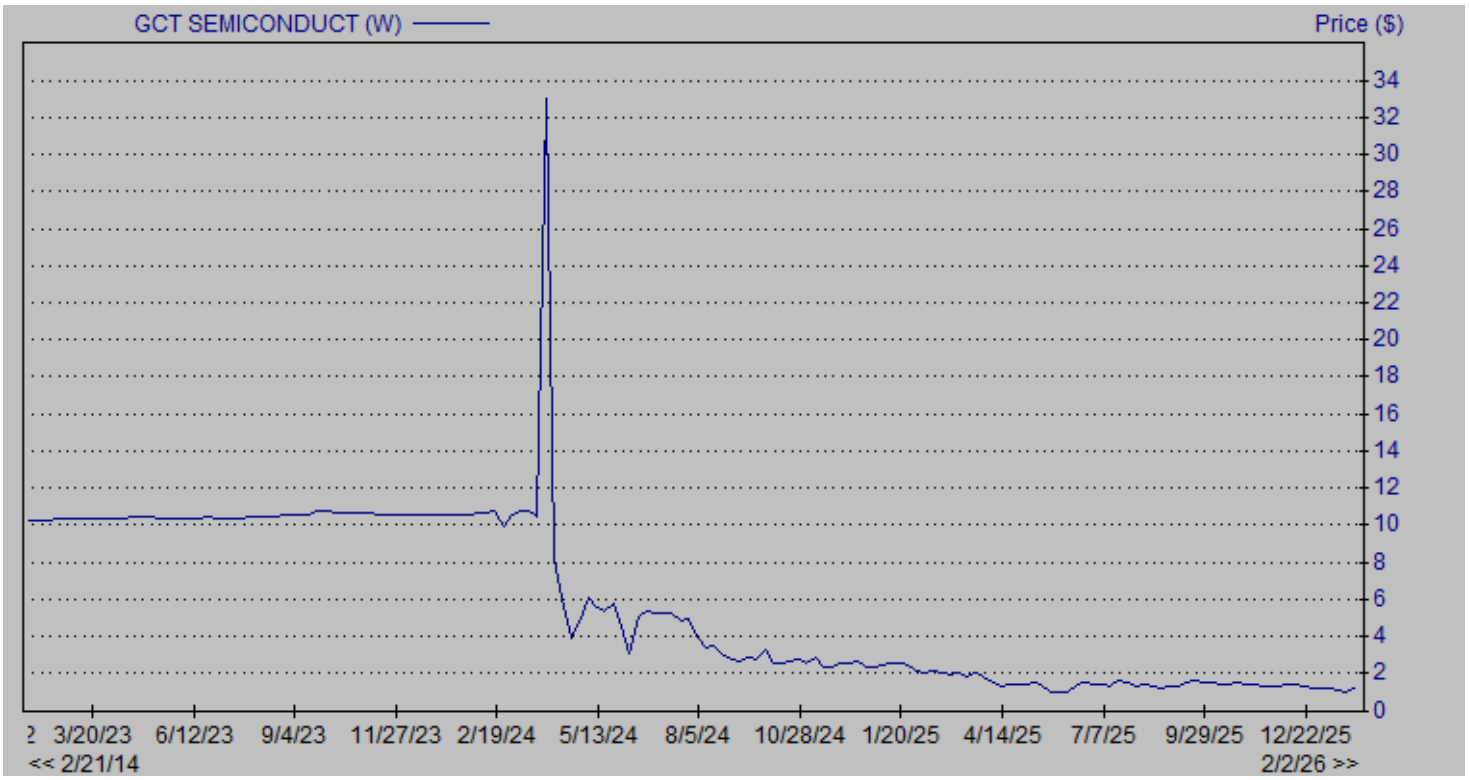
BALANCE SHEET

Dollars in thousands	Sept. 30, 2025	June 30, 2025	Qtr-Qtr % Growth	Sept 30, 2024	Yr-Yr % Growth
Current					
Cash and cash equivalents	**$ 8,343**	**$ 1,266**	559%	**$ 1,812**	360%
Accounts receivable	3,686	3,826	-4%	6,441	-43%
Inventory	1,905	2,995	-36%	3,110	-39%
Contract assets	5,631	5,962	-6%	5,098	10%
Prepaids and other current assets	2,302	1,697	36%	3,545	-35%
Current Assets	21,867	15,746	39%	20,006	9%
Property and equipment	1,582	830	91%	641	147%
Right of use asset	412	589	-30%	1,065	-61%
Intangible assets	10	10	0%	99	-90%
Other assets	404	444	-9%	810	-50%
Total Assets	24,275	17,619	38%	22,621	7%
Liabilities					
Accounts payable	1,053	823	28%	1,070	-2%
Contract liabilities	11	24	-54%	511	-98%
Accrued and other current liabilities	20,970	20,871	0%	22,365	-6%
Common stock forward liability	4	20	-80%	451	-99%
Borrowings	**59,413**	**46,675**	27%	**32,819**	81%
Convertible promissory note	**5,287**	**5,123**	3%	**4,008**	32%
Operating lease liabilities	372	508	-27%	724	-49%
Current Liabilities	87,110	74,044	18%	61,948	41%
Convertible promissory notes, net	0	0		4,830	-100%
Net defined benefit liabilities	7,913	8,052	-2%	8,052	-2%
Lease liability	63	106	-41%	358	-82%
Income taxes payable	2,330	2,196	6%	2,245	4%
Warrant liability	6,923	3,111	123%	3,197	117%
Other liabilities	85	86	-1%	242	-65%
Total liabilities	104,424	87,595	19%	80,872	29%
Shareholders' Equity					
Common stock	6	6	0%	5	20%
Additional paid in capital	515,603	512,782	1%	499,751	3%
Accumulated other comprehensive income	630	(225)	-380%	(946)	-167%
Accumulated deficit	(596,388)	(582,539)	2%	(557,061)	7%
Shareholder's Equity	(80,149)	(69,976)	15%	(58,251)	38%
Tot Liabilities and Share. Equity	$ 24,275	$ 17,619	38%	$ 22,621	7%
Cash and cash equivalents	$ 8,343	$ 1,266	559%	$ 1,812	360%
Current ratio	0.3	0.2	18%	0.3	-22%
Quick ratio	0.2	0.2	33%	0.3	-16%
Working capital	(65,243)	(58,298)	12%	(41,942)	56%
Debt	64,700	51,798	25%	36,827	76%
Debt as a % of assets	267%	294%	-9%	163%	64%

CASH FLOWS

Dollars in Thousands	Mar. 31, 2024	Jun. 30, 2024	Sep. 30, 2024	Dec. 31, 2024	2024	Mar. 31, 2025	Jun. 30, 2025	Sep. 30, 2025
OPERATING ACTIVITIES								
Net loss	$ 757	$ (1,043)	$ (7,121)	$ (4,972)	$ (12,379)	$ (6,968)	$ (13,538)	$ (13,849)
Adjustments for:								
Depreciation and amortization	206	173	149	163	691	170	161	175
Loss on impairment of long-lived assets	0	0	0	787	787	0	0	0
Amortization of right of use assets	176	171	116	171	634	171	178	171
Stock-based compensation	1,223	323	573	581	2,700	511	512	1,871
Issuance of common stock to underwriter	0	667	0	0	667	0	0	0
Change in provision for credit losses	247	(794)	0	116	(431)	311	1,055	(14)
Change in FV of common stock liab.	0	0	0	0	0	(295)	0	(16)
Change in FV of warrant liabilities	4,626	(6,628)	(759)	553	(2,208)	(1,649)	1,010	3,812
Change in FV of conv. promissory note	1,203	(14)	165	116	1,470	19	157	164
Loss from initial recogition of stock forward liab.	0	586	0	0	586	0	0	0
Gain on extinguishment of liability	(14,636)	0	0	0	(14,636)	0	0	0
Net change in non-cash working capital accounts:								
Accounts receivable	(501)	754	(1,148)	556	(339)	888	(340)	154
Inventory	(298)	(213)	(1,113)	133	(1,491)	(147)	129	1,090
Contract assets	(874)	(302)	(483)	(9)	(1,668)	(392)	(463)	331
Prepaid and other current assets	(2,292)	590	1,681	1,085	1064	1144	202	(923)
Other assets	24	20	26	(397)	(327)	24	55	40
Accounts payable	(2,713)	(643)	1,028	(235)	(2,563)	407	(890)	505
Contract liabilities	(13)	(12)	488	(463)	0	(12)	(12)	(13)
Accrued and other current liabilities	(1,067)	(3,340)	1,367	(192)	(3,232)	(1,890)	3,078	(25)
Net defined benefit liabilities	109	242	323	(194)	480	237	895	(179)
Income tax payable	(83)	54	64	56	91	(96)	(228)	(125)
Lease liabilities	(177)	(164)	(114)	(165)	(620)	(172)	(622)	(29)
Other liabilities	(330)	(76)	131	42	(233)	(212)	23	(3)
Cash flows from operating activities	(14,413)	(9,649)	(4,627)	(2,268)	(30,957)	(7,951)	(8,638)	(6,863)
INVESTING ACTIVITIES								
Purchase of property and equipment	0	(131)	(54)	(357)	(542)	(118)	(91)	(934)
Cash flows from investing activities	0	(131)	(54)	(357)	(542)	(118)	(91)	(934)
FINANCING ACTIVITIES								
Proceed from borrowings	0	0	3,696	8,164	11,860	7,500	0	14,263
Proceeds from common stock	0	2,815	7,239	(1,522)	8,532	189	1	0
Proceeds from common stock ATM	0	0	0	0	0	0	487	983
Proceeds from common stock & warrants RD	0	0	0	2,240	2,240	0	11,000	0
Proceeds from exercise of options	0	0	13	2	15	19	2	0
Payment of issuance costs	0	0	0	0	0	0	(847)	(308)
Taxes withheld on RSUs	0	0	0	0	0	(11)	0	0
Proceeds from reverse cap and PIPEs	17,238	0	0	0	17,238	0	0	0
Proceeds from conv. promissory notes	16,290	0	0	0	16,290	0	0	0
Repayments of borrowings	(3,254)	(4,599)	(6,212)	0	(14,065)	0	(2,212)	0
Repayments of conv. promissory notes	0	(630)	(1,000)	(4,007)	(5,637)	0	0	0
Cash flows from financing	30,274	(2,414)	3,736	4,877	36,473	7,697	8,431	14,938
EFFECT OF EX RATE ON CASH	3	107	(1,278)	(2,629)	(3,797)	(24)	525	(64)
NET CHANGE IN CASH	15,864	(12,087)	(2,223)	(377)	1,177	(396)	227	7,077
CASH AND CASH EQUIVALENTS, beg.	258	16,122	4,035	1,812	258	1,435	1,039	1,266
CASH AND CASH EQUIVALENTS, end	16,122	4,035	1,812	1,435	1,435	1,039	1,266	8,343
Cash flow	(6,198)	(6,559)	(6,877)	(2,485)	(22,119)	(7,730)	(10,465)	(7,686)
Free cash flow	(6,198)	(6,690)	(6,931)	(2,842)	(22,661)	(7,848)	(10,556)	(8,620)

HISTORICAL STOCK PRICE



Source: Zacks Investment Research

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