UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 27, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to .

Commission file number 001-41541

Mobileye Global Inc.

(Exact name of registrant as specified in its charter)

Delaware	**88-0666433**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
c/o Mobileye B.V. Har Hotzvim, 1 Shlomo Momo HaLevi Street Jerusalem 9777015, Israel	+972-2-541-7333
(Address of principal executive offices) (Zip Code)	(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	**Trading Symbol**	**Name of Each Exchange on Which Registered**
Class A common stock, par value $0.01	MBLY	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐
Emerging growth company ☐	

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

There were 252,419,583 shares of Class A common stock, $0.01 par value, outstanding at July 15, 2026.

MOBILEYE GLOBAL INC.

FORM 10-Q

For the quarterly period ended June 27, 2026

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In this report, references to "we," "us," "our," our "company," "Mobileye," the "Company," and similar terms refer to Mobileye Global Inc. and, unless the context requires otherwise, its consolidated subsidiaries, except with respect to our historical business, operations, financial performance, and financial condition. References to "Moovit" refer to GG Acquisition Ltd., Moovit App Global Ltd., and their consolidated subsidiaries. References to "Mentee Robotics" refer to Mentee Robotics Ltd.

We have a 52- or 53-week fiscal year that ends on the last Saturday in December. Fiscal year 2026 is a 52-week fiscal year; fiscal year 2025 was also a 52-week fiscal year. Certain amounts, percentages, and other figures presented in this report have been subject to rounding adjustments. Accordingly, figures shown as totals, dollars, or percentage amounts of changes may not represent the arithmetic summation or calculation of the figures that precede them.

Part 1: FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

MOBILEYE GLOBAL INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(UNAUDITED)

U.S. dollars in millions, except share and per share data	June 27, 2026	December 27, 2025
Assets		
Current assets		
Cash and cash equivalents	$ 1,311	$ 1,836
Marketable securities and deposits	132	55
Trade accounts receivable, net	208	131
Inventories	310	327
Other current assets	120	129
Total current assets	**2,081**	**2,478**
Non-current assets		
Property and equipment, net	472	473
Intangible assets, net	1,067	1,166
Goodwill	4,911	8,200
Other long-term assets	307	175
Total non-current assets	**6,757**	**10,014**
TOTAL ASSETS	**$ 8,838**	**$ 12,492**
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued expenses	$ 251	$ 228
Employee related accrued expenses	150	141
Related party payable	2	4
Other current liabilities	49	33
Total current liabilities	**452**	**406**
Non-current liabilities		
Long-term employee benefits	83	78
Deferred tax liabilities	5	60
Other long-term liabilities	88	67
Total non-current liabilities	**176**	**205**
Contingencies (see note 11)		
TOTAL LIABILITIES	**$ 628**	**$ 611**
Equity		
Class A common stock: $0.01 par value; 4,000,000,000 shares authorized; shares issued and outstanding: 242,205,475 as of June 27, 2026 and 216,980,847 as of December 27, 2025	2	2
Class B common stock: $0.01 par value; 1,500,000,000 shares authorized; shares issued and outstanding: 597,768,015 as of June 27, 2026 and December 27, 2025	6	6
Additional paid-in capital	15,481	15,308
Accumulated other comprehensive income (loss), net of tax	12	17
Retained earnings (accumulated deficit)	(7,291)	(3,452)
TOTAL EQUITY	**8,210**	**11,881**
TOTAL LIABILITIES AND EQUITY	**$ 8,838**	**$ 12,492**

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.

MOBILEYE GLOBAL INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

(UNAUDITED)

U.S. dollars in millions, except share and per share data	Three Months Ended		Six Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Revenue	$ 508	$ 506	$ 1,066	$ 944
Cost of revenue	273	254	556	485
Gross profit	**235**	**252**	**510**	**459**
Research and development, net	207	282	530	557
Sales and marketing	27	25	56	56
General and administrative	31	19	62	37
Goodwill impairment	—	—	3,788	—
Total operating expenses	**265**	**326**	**4,436**	**650**
Operating income (loss)	**(30)**	**(74)**	**(3,926)**	**(191)**
Financial income (expense), net	13	13	27	31
Income (loss) before income taxes	**(17)**	**(61)**	**(3,899)**	**(160)**
Benefit (provision) for income taxes	(4)	(6)	60	(9)
Net income (loss)	**$ (21)**	**$ (67)**	**$ (3,839)**	**$ (169)**
Earnings (loss) per share attributed to Class A and Class B stockholders:				
Basic and diluted	$ (0.03)	$ (0.08)	$ (4.70)	$ (0.21)
Weighted-average number of shares used in computation of earnings (loss) per share attributed to Class A and Class B stockholders (in millions):				
Basic and diluted	818	812	817	812
Net income (loss)	**(21)**	**(67)**	**(3,839)**	**(169)**
Other comprehensive income (loss), net of tax	3	18	(5)	15
TOTAL COMPREHENSIVE INCOME (LOSS)	**$ (18)**	**$ (49)**	**$ (3,844)**	**$ (154)**

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.

MOBILEYE GLOBAL INC.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(UNAUDITED)

U.S. dollars except number of shares, in millions	Common Stock Number of shares	Common Stock Amount	Additional paid-in capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Accumulated deficit)	Total Shareholders' Equity
Three Months Ended						
Balance as of March 28, 2026	**841**	**$ 8**	**$ 15,417**	**$ 9**	**$ (7,270)**	**$ 8,164**
Net income (loss)	—	—	—	—	(21)	(21)
Other comprehensive income (loss), net	—	—	—	3	—	3
Share-based compensation expense	—	—	88	—	—	88
Issuance of common stock under employee share-based compensation plans	2	—	—	—	—	—
Repurchase of common stock	(3)	*	(24)	—	—	(24)
Balance as of June 27, 2026	**840**	**$ 8**	**$ 15,481**	**$ 12**	**$ (7,291)**	**$ 8,210**
Balance as of March 29, 2025	**812**	**$ 8**	**$ 15,204**	**$ (1)**	**$ (3,162)**	**$ 12,049**
Net income (loss)	—	—	—	—	(67)	(67)
Other comprehensive income (loss), net	—	—	—	18	—	18
Share-based compensation expense	—	—	69	—	—	69
Recharge to Parent for Share-based compensation	—	—	(3)	—	—	(3)
Issuance of common stock under employee share-based compensation plans	3	—	—	—	—	—
Balance as of June 28, 2025	**815**	**$ 8**	**$ 15,270**	**$ 17**	**$ (3,229)**	**$ 12,066**
Six Months Ended						
Balance as of December 27, 2025	**815**	**$ 8**	**$ 15,308**	**$ 17**	**$ (3,452)**	**$ 11,881**
Net income (loss)	—	—	—	—	(3,839)	(3,839)
Other comprehensive income (loss), net	—	—	—	(5)	—	(5)
Share-based compensation expense	—	—	168	—	—	168
Issuance of common stock under employee share-based compensation plans	2	—	—	—	—	—
Issuance of common stock in connection with the acquisition of Mentee Robotics	26	*	29	—	—	29
Repurchase of common stock	(3)	*	(24)	—	—	(24)
Balance as of June 27, 2026	**840**	**$ 8**	**$ 15,481**	**$ 12**	**$ (7,291)**	**$ 8,210**
Balance as of December 28, 2024	**812**	**$ 8**	**$ 15,137**	**$ 2**	**$ (3,060)**	**$ 12,087**
Net income (loss)	—	—	—	—	(169)	(169)
Other comprehensive income (loss), net	—	—	—	15	—	15
Tax sharing agreement with Parent	—	—	3	—	—	3
Share-based compensation expense	—	—	134	—	—	134
Recharge to Parent for Share-based compensation	—	—	(4)	—	—	(4)
Issuance of common stock under employee share-based compensation plans	3	—	—	—	—	—
Balance as of June 28, 2025	**815**	**$ 8**	**$ 15,270**	**$ 17**	**$ (3,229)**	**$ 12,066**

* Less than $1 million.

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.

MOBILEYE GLOBAL INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

U.S. dollars in millions	Six Months Ended June 27, 2026	Six Months Ended June 28, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ (3,839)	$ (169)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation of property and equipment	42	36
Share-based compensation	168	134
Amortization of intangible assets	227	222
Goodwill impairment	3,788	—
Exchange rate differences on cash and cash equivalents	(9)	(8)
Deferred income taxes	(73)	(11)
(Gains) losses on equity and debt investments, net	—	(1)
Other	1	4
Changes in operating assets and liabilities:		
Decrease (increase) in trade accounts receivable	(77)	(5)
Decrease (increase) in other current assets	10	12
Decrease (increase) in inventories	17	90
Decrease (increase) in other long-term assets	(125)	(2)
Increase (decrease) in accounts payable, accrued expenses and related party payable	33	4
Increase (decrease) in employee-related accrued expenses and long-term benefits	13	17
Increase (decrease) in other current liabilities	13	(6)
Increase (decrease) in other long-term liabilities	21	5
Net cash provided by operating activities	**210**	**322**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(51)	(28)
Purchases of debt and equity investments	(152)	(44)
Maturities and sales of debt and equity investments	75	33
Cash paid for acquisition of Mentee Robotics, net of cash acquired	(591)	—
Net cash used in investing activities	**(719)**	**(39)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repurchase of common stock	(24)	—
Net cash used in financing activities	**(24)**	**—**
Effect of foreign exchange rate changes on cash and cash equivalents	9	8
Increase (decrease) in cash, cash equivalents and restricted cash	(524)	291
Balance of cash, cash equivalents and restricted cash, at beginning of year	1,860	1,438
Balance of cash, cash equivalents and restricted cash, at end of period	**$ 1,336**	**$ 1,729**
Supplementary non-cash investing and financing activities:		
Non-cash purchase of property and equipment	$ 9	$ 13
Tax sharing agreement with Parent	$ —	$ (3)

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.

MOBILEYE GLOBAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 - GENERAL

Background

Mobileye Global Inc. ("Mobileye", "the Company" or "we") is a leader in the development and deployment of advanced driver assistance systems ("ADAS") and autonomous driving technologies and solutions, aimed to provide the capabilities required for the future of autonomous driving, leveraging a comprehensive suite of purpose-built software and hardware technologies.

Intel Corporation ("Intel" or the "Parent") directly or indirectly holds all of the Class B common stock of Mobileye as well as 50,000,000 shares of Class A common stock, which as of June 27, 2026, together represent approximately 77.1% of our outstanding common stock and 96.9% of the voting power of our common stock.

Operations in Israel

On October 7, 2023, Hamas launched a series of attacks on civilian and military targets in Southern Israel and Central Israel, to which the Israel Defense Forces responded. In addition, Iran, Hezbollah and the Houthi movement attacked military and civilian targets in Israel, to which Israel responded, including through increased air and/or ground operations in Lebanon, Syria, Yemen and Iran. Following years of conflict in the region, on October 9, 2025, Israel, Hamas, the United States and other countries in the region agreed to a framework for a ceasefire in Gaza between Israel and Hamas. On February 28, 2026, the United States and Israel launched joint combat operations in Iran to which Iran and Hezbollah responded with ballistic missile and drone attacks on Israel as well as other countries and U.S. military bases in the region. Although the United States and Iran have announced ceasefire and de-escalation arrangements from time to time, including a memorandum of understanding entered into on June 17, 2026 that contemplates the termination of military operations on multiple fronts, hostilities have resumed and may continue or escalate. How long and how severe the current conflicts in Gaza, Northern Israel, Lebanon, Iran or the broader region last and become is unknown at this time and any continued clash among Israel, Hamas, Hezbollah, Iran or other countries or militant groups in the region may escalate in the future into a greater regional conflict. To date, our operations have not been materially affected, although as of July 15, 2026 approximately 2.4% of our employees have been called to reserve duty in the Israel Defense Forces. However, since these are events beyond our control, their continuation or cessation may affect our expectations. We continue to monitor political and military developments closely and examine the consequences for our operations and assets.

Share Purchase Agreement for the acquisition of 100% of Mentee Robotics shares

On February 3, 2026, the Company and Mobileye Vision Technologies Ltd. (a wholly-owned indirect subsidiary of the Company) acquired 100% of the issued and outstanding stock of Mentee Robotics, a privately held Israeli company focused on humanoid robotics (the "Acquisition"), pursuant to a share purchase agreement dated as of January 5, 2026 (the "Share Purchase Agreement") by and among the Company, Mobileye Vision Technologies Ltd., Mentee Robotics Ltd., the shareholders of Mentee Robotics, and Shareholder Representative Services LLC, as the exclusive representative of the Mentee Robotics shareholders. For further detail, see Note 13 *Business Combinations.*

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These condensed consolidated financial statements have been prepared in accordance with United States generally accepted accounting principles ("U.S. GAAP") and applicable rules and regulations of the Securities and Exchange Commission ("SEC") for interim financial reporting.

Certain information and footnote disclosures normally included in the financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. These condensed consolidated financial statements have been prepared on the same basis as the Company's annual audited consolidated financial statements and, in the opinion of management, reflect all adjustments, consisting only of normal recurring adjustments, which are necessary for the fair statement of the Company's financial information.

MOBILEYE GLOBAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

We have a 52- or 53-week fiscal year that ends on the last Saturday in December. Fiscal year 2026 is a 52-week fiscal year; fiscal year 2025 was also a 52-week fiscal year.

The results of operations for the three and six months ended June 27, 2026 shown in this report are not necessarily indicative of the results to be expected for the full year ending December 26, 2026. The condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the fiscal year ended December 27, 2025.

There have been no material changes in our significant accounting policies as described in our consolidated financial statements for the fiscal year ended December 27, 2025, except as detailed below regarding accounting for a business combination and research and development incentives. For further detail, see Note 2 in the audited consolidated financial statements for the fiscal year ended December 27, 2025.

Use of estimates

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the amounts and events reported and disclosed in the condensed consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions and factors, including the current economic environment, that we believe to be reasonable under the circumstances. Actual results could differ from those estimates.

On an on-going basis, management evaluates its estimates, judgments, and assumptions. The most significant estimates and assumptions relate to valuation of intangible assets, useful lives of intangible assets, impairment assessment of intangible assets and goodwill, income taxes and research and development incentives. A change in estimates, including a change in the overall market value of the Company, could require reassessments of the items noted above.

Research and Development Incentives

On March 29, 2026, a new law was enacted by the Israeli Knesset, the "Law for the Encouragement and Incentivization of Research and Development, 2026" (the "R&D Law"). The R&D Law introduces a refundable tax credit regime which applies to qualifying research and developments expenditures incurred in tax years beginning on or after January 1, 2026. The R&D Law provides eligible companies with an incentive calculated as a percentage of qualifying research and development expenditures incurred in Israel. Subject to applicable statutory requirements and other conditions, the incentive may be offset against Israeli income taxes or Israeli qualified domestic minimum top-up taxes ("QDMTT"). Alternatively, an unused grant may be received in cash after the prescribed carryforward period, or an eligible company may make an irrevocable election to receive the incentive as a cash grant rather than a credit.

Because the incentive may be received in cash and is determined based on qualifying research and development expenditures, the Company accounts for this benefit using a government grant accounting model applied by analogy. The Company recognizes the incentive as qualifying expenditures are incurred, in the same period in which the related research and development expenses are recognized, when there is reasonable assurance that the Company will comply with the applicable conditions and the incentive will be received. The Company presents amounts recognized as a reduction of research and development expenses. As of June 27, 2026, the Company recognized an asset of $110 million under other long term assets, with a corresponding reduction to research and development expenses in the amount of $110 million for the three and six months ended June 27, 2026, reflective of the first half of 2026.

MOBILEYE GLOBAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Business Combinations

The Company makes a determination whether a transaction should be accounted for as a business combination or as an asset acquisition in accordance with ASC 805, Business Combinations. The Company accounts for business combinations using the acquisition method of accounting. The Company includes the results of operations of the businesses that it acquires in the consolidated financial statements beginning on the date of acquisition. The Company allocates the purchase price paid for assets acquired and liabilities assumed in connection with the Company's acquisitions based on their estimated fair values at the date of acquisition. This allocation involves a number of assumptions, estimates, and judgments, including the following:

- Intangible assets, including the valuation methodology, estimations of future cash flows, discount rates, and growth rates, as well as the estimated useful life of intangible assets;

- Deferred tax assets and liabilities, uncertain tax positions, and tax-related valuation allowances, which are initially estimated as of the acquisition date; and

- Goodwill measured as the excess of consideration transferred over the net of the acquisition date fair values of the assets acquired and the liabilities assumed.

The Company's assumptions and estimates are based on comparable market data and information obtained from the Company's management and the management of the acquired companies. These assumptions and estimates are used to value assets acquired and liabilities assumed, and to allocate goodwill to the reporting unit of the business that is expected to benefit from the acquisition. During the measurement period, which may extend up to one year from the acquisition date, the Company may record adjustments to the preliminary allocation of the purchase consideration based on additional information about facts and circumstances that existed as of the acquisition date.

Acquisition related expenses are recognized separately from the business combination and expensed as incurred.

Cash, cash equivalents and restricted cash

The following is a reconciliation of the cash, cash equivalents and restricted cash as of each period end:

	As of	
U.S. dollars in millions	**June 27, 2026**	**December 27, 2025**
Cash	$ 44	$ 35
Short term deposits	701	785
Money market funds	566	1,016
Restricted cash (within other current and other long-term assets)	25	24
Cash, cash equivalents and restricted cash presented in the consolidated statements of cash flows	**$ 1,336**	**$ 1,860**

Fair value measurement

The carrying amounts of short-term deposits, trade accounts receivable and accounts payable approximates their fair value due to the short maturity of these items.

The Company's investment in money market funds is measured at fair value within Level 1 of the fair value hierarchy because they consist of financial assets for which quoted prices are available in an active market. Interest income related to money market funds for the three months ended June 27, 2026 and June 28, 2025 amounted to $5 million and $11 million, respectively; and $12 million and $21 million for the six months ended June 27, 2026 and June 28, 2025, respectively.

The Company's investment in U.S. government and corporate bonds is measured at fair value within Level 1 of the fair value hierarchy because they consist of U.S. bonds for which quoted prices are available in an active market.

MOBILEYE GLOBAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The Company's derivative instruments designated as hedging instruments are measured at fair value within Level 2 of the fair value hierarchy.

Research and development, net

Research and development costs are expensed as incurred, and consist primarily of personnel, facilities, equipment, and supplies for research and development activities.

The Company enters into best-efforts non-refundable, non-recurring engineering ("NRE") arrangements pursuant to which the Company is reimbursed for a portion of the research and development expenses attributable to specific development programs. The Company does not receive any additional compensation or royalties upon completion of such projects and the potential customer does not commit to purchase the resulting product in the future. The participation reimbursement received by the Company does not depend on whether there are future benefits from the project. All intellectual property generated from these arrangements is exclusively owned by the Company.

Participation in expenses for research and development projects are recognized on the basis of the costs incurred and are netted against research and development expenses in the condensed consolidated statements of operations and comprehensive income (loss). Research and development reimbursements of $34 million and $19 million were offset against research and development costs in the three months ended June 27, 2026 and June 28, 2025, respectively; and $50 million and $45 million were offset in the six months ended June 27, 2026 and June 28, 2025, respectively.

Derivatives and hedging

During the fourth quarter of 2024 the Company initiated a foreign currency cash flow hedging program, designed to hedge the Company's foreign exchange rate risk, resulting from ILS payroll expenses. The Company hedges portions of its forecasted payroll payments denominated in ILS for a period of up to 12 months, using forward contracts that are designated as cash flow hedges, as defined by ASC 815. These derivative instruments are measured at fair value within Level 2 of the fair value hierarchy. Derivative instruments are recorded as other current assets or other current liabilities, according to the timing of settlement. For these derivative instruments, designated as a cash flow hedge, gains and losses are reported as a component of other comprehensive income (loss) and reclassified into earnings in the same line item associated with the hedged transaction and in the same period or periods during which the hedged transaction affects the statement of operations and comprehensive income (loss). As of June 27, 2026, the Company expects to reclassify all of its unrealized gains and losses from accumulated other comprehensive income (loss) to earnings during the next twelve months. The cash flows associated with these derivatives are classified in the consolidated statements of cash flows consistently with the classification of the underlying hedged transaction, within cash flows from operating activities.

The notional amount and fair value of outstanding derivatives at the end of each period were:

	As of	
U.S. dollars in millions	**June 27, 2026**	**December 27, 2025**
Notional amount of derivative contracts	$ 301	$ 303
Fair value of derivative assets	$ 13	$ 18

MOBILEYE GLOBAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The changes in accumulated other comprehensive income (loss) relating to gains (losses) on derivatives used for hedging were as follows:

	Three Months Ended		Six Months Ended	
U.S. dollars in millions	**June 27, 2026**	**June 28, 2025**	**June 27, 2026**	**June 28, 2025**
Other comprehensive income (loss) before reclassifications	$ 18	$ 23	$ 22	$ 22
Amounts reclassified out of accumulated other comprehensive (income) loss **	(15)	(4)	(27)	(6)
Tax effects	*	(1)	*	(1)
Other comprehensive income (loss), net from hedging transactions	**$ 3**	**$ 18**	**$ (5)**	**$ 15**

* Less than $1 million.

** Amounts of gains (losses) reclassified from other comprehensive income (loss) into profit or loss are recorded in cost of revenue and operating expenses.

Concentration of credit risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and cash equivalents, which include short-term deposits, money market funds, U.S. government and corporate bonds, derivative financial instruments, and also trade accounts receivable.

The majority of the Company's cash and cash equivalents are invested in banks domiciled in the U.S. and Europe, as well as in Israel. Generally, these cash equivalents may be redeemed upon demand. Short-term bank deposits are held in the aforementioned banks. The money market funds consist of institutional investors money market funds and are readily redeemable to cash, and the U.S. government and corporate bonds are also highly liquid. Derivative financial instruments are forward contracts entered into with major banks in Israel to hedge the Company's foreign exchange rate risk. Accordingly, management believes that these bank deposits, money market funds, U.S. government bonds and derivative financial instruments have minimal credit risk. Our investments in U.S. corporate bonds are made with high-credit-quality counterparties, and we limit our credit exposure to any single counterparty.

The Company's accounts receivable are derived primarily from sales to Tier 1 suppliers to the automotive manufacturing industry located mainly in the U.S., Europe, and China. Concentration of credit risk with respect to accounts receivable is mitigated by credit limits, ongoing credit evaluation, and account monitoring procedures. Credit is granted based on an evaluation of a customer's financial condition and, generally, collateral is not required. Trade accounts receivable are typically due from customers within 30 to 60 days.

The Company performs ongoing credit evaluations of its customers and has not experienced any material losses in the periods presented. The Company recognizes an allowance for credit losses for any potential uncollectible amounts. The allowance is based on various factors, including historical experience, the age of the accounts receivable balances, credit quality of the customers, and other reasonable and supportable information. This allowance consists of an amount based on overall estimated exposure for the receivable portfolio and amounts identified for specific customers. Expected credit losses are recorded as general and administrative expenses in the Company's condensed consolidated statement of operations and comprehensive income (loss). As of June 27, 2026 and December 27, 2025, the credit loss allowance for trade accounts receivable was not material. For the three and six months ended June 27, 2026 and June 28, 2025, the charge-offs and recoveries in relation to the credit losses were not material.

MOBILEYE GLOBAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Customer concentration risk

The Company's business, results of operations, and financial condition for the foreseeable future will likely continue to depend on sales to a relatively small number of customers. In the future, these customers may decide not to purchase the Company's products, may purchase fewer products than in previous years, or may alter their purchasing patterns. Further, the amount of revenue attributable to any single customer or customer concentration generally may fluctuate in any given period. In addition, a decline in the production levels of one or more of the Company's major customers, particularly with respect to vehicle models for which the Company is a significant supplier, could reduce revenue. The loss of one or more key customers, a reduction in sales to any key customer or the Company's inability to attract new significant customers could negatively impact revenue and adversely affect the Company's business, results of operations, and financial condition. See Note 9 *Segment Information* related to customers that accounted for more than 10% of the Company's total revenue and more than 10% of the total accounts receivable balance for each of the periods presented in these condensed consolidated financial statements.

Dependence on a single supplier or limited suppliers risk

The Company purchases all its System on Chip ("EyeQ™ SoC") from a single supplier. For certain materials, equipment, and services, we, and/or our suppliers and vendors, rely on a single or a limited number of direct and indirect suppliers and vendors. Any issues that occur and persist in connection with the manufacture, delivery, quality, or cost of the assembly and testing of inventory could adversely effect the Company's business, results of operations and financial condition.

Supply chain risk

In prior periods, we experienced supply chain disruptions, raw material shortages and manufacturing capacity constraints that reduced the availability of key components, including EyeQ™ SoCs, and resulted in lower inventory levels and limitations on our ability to meet customer demand. As supply conditions improved, we increased inventory levels to help mitigate potential future constraints. However, if similar disruptions were to recur, depending on their duration and severity, we may again be required to operate with reduced inventory levels, which could limit our ability to meet customer demand. As a result, we are substantially reliant on timely shipments of EyeQ™ SoCs from STMicroelectronics and ECUs from Quanta Computer (or other suppliers) and may in the future become reliant on additional suppliers such as TSMC, to fulfill customer orders and if such a shortfall of chips or ECUs were to occur, we may be unable to offset future supply constraints through the use of inventory on hand. Further, in 2025 and in 2026 the AI industry has generated increased demand for components necessary for the production of our solutions, including EyeQ™ SoCs and ECUs for our SuperVision™, Mobileye Chauffeur™ and Mobileye Drive™ solutions. This new demand has resulted in and may continue to result in increased competition for and shortages of components necessary for our solutions, substantial increases in prices for such components and suppliers requiring us to increase lead times and purchase greater quantities of such components in advance in order to ensure we secure sufficient supply. Such shortages of components, as well as the increases in pricing, order requirements and lead times, has and may continue to impact our ability to supply solutions to our customers in order to meet demand as well as impact OEMs' ability to purchase our solutions. Our reliance on single or limited suppliers and vendors for certain components, equipment, and services and the aforementioned shortages of substrates and other components have led to increased supply chain risks and continue to stress our ability to meet the supply demands of our customers. To mitigate these supply chain constraints, management continues to monitor inventory levels on an ongoing basis. Although we cannot fully predict the length and the severity of the impact these pressures will have on a long-term basis, we currently do not anticipate that our current supply chain constraints would materially adversely affect our results of operations, capital resources, sales, profits, and liquidity on a long-term basis.

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New Accounting pronouncements

Accounting Pronouncements adopted in the period

In July 2025, the FASB issued Accounting Standards Update 2025-05, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets* ("ASU 2025-05"). ASU 2025-05 provides a practical expedient that all entities can use when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under ASC 606, Revenue from Contracts with Customers. Under this practical expedient, an entity is allowed to assume that the current conditions it has applied in determining credit loss allowances for current accounts receivable and current contract assets remain unchanged for the remaining life of those assets. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, including interim reporting periods within those fiscal years. Entities that elect the practical expedient and, if applicable, make the accounting policy election are required to apply the amendments prospectively. ASU 2025-05 did not have a material impact on the Company's consolidated financial statements.

Accounting Pronouncements effective in future periods

In November 2024, the FASB issued Accounting Standards Update 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosure (Subtopic 220-40): Disaggregation of Income Statement Expense* ("ASU 2024-03"), and Accounting Standards Update 2025-01, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date* ("ASU 2025-01"). ASU 2024-03 and ASU 2025-01 improves the disclosures about a public business entity's expenses and provides more detailed information about the types of expenses in commonly presented expense captions. The amendments require that at each interim and annual reporting period an entity will, inter alia, disclose amounts of purchases of inventory, employee compensation, depreciation and amortization included in each relevant expense caption (such as cost of revenue, general and administrative, and research and development). ASU 2024-03 and ASU 2025-01 are both effective for annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is evaluating the potential impact of ASU 2024-03 and ASU 2025-01 on its consolidated financial statement disclosures.

In September 2025, the FASB issued Accounting Standards Update 2025-06, *Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software* ("ASU 2025-06"). ASU 2025-06 provides targeted improvements to the accounting for internal-use software costs by replacing the existing project-stage model with a principles-based approach to determine when capitalization of costs should begin. ASU 2025-06 is effective for all entities, on a prospective basis, for annual reporting periods beginning after December 15, 2027, including interim reporting periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the potential impact that ASU 2025-06 will have on its consolidated financial statements.

In December 2025, the FASB issued Accounting Standards Update 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements* ("ASU 2025-11"). ASU 2025-11 provides clarifications intended to improve the consistency and usability of interim disclosure requirements, including a comprehensive listing of required interim disclosures and a new disclosure principle for reporting material events occurring after the most recent annual period. The amendments do not change the underlying objectives of interim reporting but are designed to enhance clarity in application. ASU 2025-11 is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted.

In December 2025, the FASB issued Accounting Standards Update 2025-10, Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities ("ASU 2025-10"). The update provides recognition, measurement, presentation, and disclosure requirements for government grants, including guidance for grants related to an asset and grants related to income. ASU 2025-10 is effective for annual reporting periods beginning after December 15, 2028, and interim reporting periods within those annual reporting periods. Early adoption is permitted. ASU 2025-10 permits an entity to apply the new guidance using a modified prospective basis, a modified retrospective basis, or a full retrospective basis. The Company is currently evaluating the impact of ASU 2025-10 on its consolidated financial statements.

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NOTE 3 - OTHER FINANCIAL STATEMENT DETAILS

Inventories

	As of	
U.S. dollars in millions	June 27, 2026	December 27, 2025
Raw materials	$ 23	$ 21
Work in process	1	—
Finished goods	286	306
Total inventories	**$ 310**	**$ 327**

Inventory write-downs and write-offs totaled zero and $1 million for the three months ended June 27, 2026 and June 28, 2025, respectively; and zero and $2 million for the six months ended June 27, 2026 and June 28, 2025, respectively.

Property and equipment

	As of	
U.S. dollars in millions	June 27, 2026	December 27, 2025
Computers, electronic equipment and software	$ 271	$ 245
Vehicles	10	10
Office furniture and equipment	13	11
Buildings	332	322
Leasehold improvements	58	56
Total property and equipment, gross	**$ 684**	**$ 644**
Less: accumulated depreciation	(212)	(171)
Total property and equipment, net	**$ 472**	**$ 473**

Depreciation expenses totaled $22 million and $18 million for the three months ended June 27, 2026 and June 28, 2025, respectively; and $42 million and $36 million for the six months ended June 27, 2026 and June 28, 2025, respectively.

NOTE 4 - EQUITY

Share repurchase program

In April 2026, the Board of Directors authorized a program to repurchase up to $250 million of Mobileye's outstanding Class A common stock (the "Repurchase Program"). Under the Repurchase Program, share repurchases may be made from time to time subject to general market conditions, opportunities and other factors. The Repurchase Program does not have a fixed expiration date and does not obligate the Company to acquire any specific dollar amount or number of shares.

During the three and six months ended June 27, 2026, the Company repurchased 2,505,096 shares of outstanding Class A common stock for $23.5 million.

Share-based compensation plans

Mobileye Plan

In June 2025, the stockholders of the Company approved the Amended and Restated Mobileye Global Inc. 2022 Equity Incentive Plan (the "2022 Plan"). Equity awards under the 2022 Plan are granted for Class A shares and vest upon the satisfaction of a service-based vesting condition, mostly over service periods of three years.

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Restricted Stock Units

The RSU activity for the six months ended June 27, 2026 for RSUs granted to Company's employees under the 2022 Plan was as follows:

	Number of RSUs	Weighted average grant date fair value per share
	In thousands	U.S. dollars
Outstanding as of December 27, 2025	**32,853**	**$ 20**
Granted	8,356	8
Vested	(1,450)	19
Forfeited	(1,535)	18
Outstanding as of June 27, 2026	**38,224**	**$ 17**

The RSU activity for the three months ended June 27, 2026 for RSUs granted to Company's employees under the 2022 Plan was as follows:

	Number of RSUs	Weighted average grant date fair value per share
	In thousands	U.S. dollars
Outstanding as of March 28, 2026	**37,100**	**$ 18**
Granted	2,906	7
Vested	(1,054)	17
Forfeited	(728)	15
Outstanding as of June 27, 2026	**38,224**	**$ 17**

As of June 27, 2026, the unrecognized compensation cost related to all unvested RSUs granted under the 2022 Plan, was $344 million, which is expected to be recognized as an expense over a weighted-average period of 1.87 years.

Restricted Shares

In connection with the acquisition of Mentee Robotics, 23,651,844 Restricted Shares of Class A common stock were issued to the Mentee Founders. Such Restricted Shares were deposited with a deferred consideration trustee and will be released in equal portions twenty-four and forty-eight months after the closing date of February 3, 2026, subject to continued employment, or under certain circumstances affiliation, with the Company and its subsidiaries. For further detail, refer to Note 13 *Business Combination.*

The Restricted Shares activity for the six months ended June 27, 2026 was as follows:

	Number of Restricted Shares	Grant date fair value per share
	In thousands	U.S. dollars
Outstanding as of December 27, 2025	**—**	**$ —**
Granted	23,652	9
Outstanding as of June 27, 2026	**23,652**	**$ 9**

The Restricted Shares activity for the three months ended June 27, 2026 was as follows:

	Number of Restricted Shares	Grant date fair value per share
	In thousands	U.S. dollars
Outstanding as of March 28, 2026	**23,652**	**$ 9**
Outstanding as of June 27, 2026	**23,652**	**$ 9**

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As of June 27, 2026, the unrecognized compensation cost related to all unvested Restricted Shares, was $186 million, which is expected to be recognized as an expense over a weighted-average period of 3.61 years.

Share-based compensation expense summary

Expenses recognized

Share-based compensation expenses included in the condensed consolidated statements of operations and comprehensive income (loss) were as follows:

	Three Months Ended		Six Months Ended	
U.S. dollars in millions	**June 27, 2026**	**June 28, 2025**	**June 27, 2026**	**June 28, 2025**
Cost of revenue	$ 1	$ 1	$ 1	$ 1
Research and development, net (1)	67	59	135	116
Sales and marketing	1	2	3	3
General and administrative	19	7	33	14
Total share-based compensation	**$ 88**	**$ 69**	**$ 172**	**$ 134**

(1) Not including R&D Law incentive grant related to ordinary income from sold RSUs as further detailed in Note 2 under Research and Development Incentives, which depends on the actual sale of the shares of common stock issued upon the conversion of RSUs.

NOTE 5 - EARNINGS (LOSS) PER SHARE

The following table summarizes the calculation of basic and diluted earnings (loss) per share for the periods presented:

	Three Months Ended		Six Months Ended	
In millions, except per share amounts	**June 27, 2026**	**June 28, 2025**	**June 27, 2026**	**June 28, 2025**
Numerator:				
Net income (loss)	$ (21)	$ (67)	$ (3,839)	$ (169)
Denominator:				
Weighted average common shares - basic and diluted	818	812	817	812
Earnings (loss) per share:				
Basic and diluted	$ (0.03)	$ (0.08)	$ (4.70)	$ (0.21)

For the three months ended June 27, 2026 and June 28, 2025, the computation of diluted earnings (loss) per share attributable to common stockholders does not include 62.0 million and 22.1 million potential common shares, respectively; and 55.9 million and 21.7 million potential common shares for the six months ended June 27, 2026 and June 28, 2025, respectively, related to restricted stock units granted under the 2022 Plan to the Company's employees, and restricted shares granted as part of the acquisition of Mentee Robotics, as the effect of their inclusion would have been anti-dilutive.

NOTE 6 - INCOME TAXES

The Company's quarterly benefit (provision) for income taxes and the estimates of its annual effective tax rate, are subject to fluctuation due to several factors, principally including variability in overall pre-tax income and the mix of tax paying components to which such income relates.

As the Company has jurisdictions that have sustained recent losses, a valuation allowance is required for deferred tax assets for which no benefit can be currently realized.

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The provision for income tax in the three months ended June 27, 2026, was $(4) million compared to a provision of $(6) million in the three months ended June 28, 2025. This change was primarily due to the reduction in deferred tax liability resulting from the goodwill impairment to the Mobileye reporting unit which was recorded in the first quarter of 2026, partially offset by a lower loss before income taxes in foreign jurisdictions. Benefit for income tax in the six months ended June 27, 2026 was $60 million compared to a provision for income tax of $(9) million in the six months ended June 28, 2025. This was primarily due to the deferred tax effect of $67 million attributed to goodwill impairment to the Mobileye reporting unit which was recorded in the first quarter of 2026.

NOTE 7 - RELATED PARTIES TRANSACTIONS

The Company has entered into a series of related party arrangements with Intel. For further description of the arrangements refer to Note 9 of the notes to the consolidated financial statements for the year ended December 27, 2025.

Stock Compensation Recharge Agreement

The Company entered into a stock compensation recharge agreement with Intel, which requires the Company to reimburse Intel for certain amounts, net of any related withholding tax, relating to the value of share-based compensation provided to the Company's employees for RSUs or stock options exercisable in Intel stock. The reimbursement amounts recorded as an adjustment to additional paid-in capital in the condensed consolidated statement of changes in equity were immaterial and $3 million for the three months ended June 27, 2026 and June 28, 2025, respectively, and $0.2 million and $4 million for the six months ended June 27, 2026 and June 28, 2025, respectively.

Lease agreements

Under lease agreements with Intel, the Company leases office space in Intel's buildings. The costs are included in the condensed consolidated statements of operations and comprehensive income (loss) primarily on a specific and direct attribution basis. The leasing costs for the three months ended June 27, 2026 and June 28, 2025, were immaterial and $0.6 million, respectively, and immaterial and $1.3 million for the six months ended June 27, 2026 and June 28, 2025, respectively.

Other services to a related party

The Company reimbursed its Chief Executive Officer for reasonable travel related expenses incurred while conducting business on behalf of the Company as well as paid for certain security related costs. Travel - related reimbursements and security - related costs were immaterial and $0.2 million for the three months ended June 27, 2026 and June 28, 2025, respectively, and $0.8 million and $1.3 million for the six months ended June 27, 2026 and June 28, 2025, respectively.

Administrative Services Agreement

Under the Administrative Services Agreement, Intel provides the Company with administrative and other services. The Company pays fees to Intel for the services rendered based on pricing per service agreed between the Company and Intel.

The costs incurred under this agreement for the three months ended June 27, 2026 and June 28, 2025 were $0.2 million and $0.4 million, respectively, and $0.4 million and $1.3 million for the six months ended June 27, 2026 and June 28, 2025, respectively.

Technology and Services Agreement

The Technology and Services Agreement, provides a framework for the collaboration on technology projects and services between the Company and Intel ("Technology Projects"), and sets out the licenses granted by each party to its respective technology for the conduct of the Technology Projects, provisions relating to the ownership of certain existing technology, the allocation of rights in any new technology created in the course of the Technology Projects, and certain provisions applicable to the development of a certain radar product of the Company. The Technology and Services Agreement does not apply to projects for the development and manufacture of a lidar sensor system for automobiles. Pursuant to the Technology and Services Agreement, the Company and Intel agree to statements of work with additional terms for Technology Projects.

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The amounts incurred under this agreement for the three months ended June 27, 2026 and June 28, 2025 were $0.3 million and $0.6 million, respectively, and $0.6 million and $1.1 million for the six months ended June 27, 2026 and June 28, 2025, respectively.

Tax Sharing Agreement

The Tax Sharing Agreement establishes the respective rights, responsibilities and obligations of the Company and Intel after the completion of the Mobileye IPO with respect to tax matters, including the amount of cash the Company will pay to Intel for its share of the tax liability owed on the consolidated filings in which the Company or any of the Company's subsidiaries are included, including audit or other tax proceedings. On August 14, 2024, Mobileye and Intel entered into an Amended and Restated Tax Sharing Agreement, which incorporated certain clarifying amendments into the original Tax Sharing Agreement. As a result of the Tax Deconsolidation, starting July 12, 2025, the computation of cash payable between the Company and Intel, under the Amended and Restated Tax Sharing Agreement, is no longer applicable with respect to U.S. federal income taxes. However, other obligations of the parties under the Amended and Restated Tax Sharing Agreement remain in effect. As of June 27, 2026 and December 27, 2025, the related party payable to Intel, pursuant to the Tax Sharing Agreement was zero.

Acquisition of Mentee Robotics

On February 3, 2026, the Company and Mobileye Vision Technologies Ltd. (a wholly-owned indirect subsidiary of the Company) acquired 100% of the issued and outstanding stock of Mentee Robotics, pursuant to the Share Purchase Agreement, by and among the Company, Mobileye Vision Technologies Ltd., Mentee Robotics Ltd., the shareholders of Mentee Robotics, and Shareholder Representative Services LLC, as the exclusive representative of the Mentee Robotics shareholders.

The Acquisition was approved by the Board, acting on the recommendation of a strategic transaction committee consisting of four disinterested directors (two of whom are independent). The Audit Committee of the Board also approved the Acquisition pursuant to the Company's Related Persons Transaction Policy. Intel, as the sole beneficial holder of the Company's issued and outstanding Class B common stock, also approved the Acquisition pursuant to the Company's Amended and Restated Certificate of Incorporation. Prof. Amnon Shashua recused himself from the Board's consideration and approval of the Acquisition. Prof. Shashua, President and CEO of the Company, is the Chairman, Co-Founder and a significant shareholder of Mentee Robotics, and Prof. Shai Shalev-Shwartz Chief Technology Officer of the Company, is Co-Founder and a significant shareholder of Mentee Robotics. In addition, Prof. Shashua's son and son-in-law, are both employees of Mentee Robotics, and received consideration for their vested and unvested options pursuant to the terms of the Share Purchase Agreement. The Audit Committee of the Board also approved the Acquisition pursuant to the Company's Related Persons Transaction Policy. Stock based compensation expenses for restricted shares issued to related parties as part of the acquisition, totaled $10 million and $16 million for the three and six months ended June 27, 2026, respectively. For further detail, refer to Note 13 *Business Combination*.

NOTE 8 - IDENTIFIED INTANGIBLE ASSETS

	As of					
	June 27, 2026			December 27, 2025		
U.S. dollars in millions	Gross Assets	Accumulated Amortization	Net	Gross Assets	Accumulated Amortization	Net
Developed technology	$ 3,705	$ 2,950	$ 755	$ 3,705	$ 2,761	$ 944
Developed IP	128	5	123	—	—	—
Customer relationships & brands	777	588	189	777	555	222
Total	**$ 4,610**	**$ 3,543**	**$ 1,067**	**$ 4,482**	**$ 3,316**	**$ 1,166**

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The following table presents the amortization expenses recorded for these identified intangible assets and their weighted average useful lives:

	Three Months Ended		Six Months Ended		Weighted
U.S. dollars in millions	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025	Average Useful Life
Developed technology	$ 94	$ 94	$ 189	$ 188	10
Developed IP	3	—	5	—	9
Customer relationships & brands	17	17	33	34	12
Total amortization expenses	**$ 114**	**$ 111**	**$ 227**	**$ 222**	

During the six months ended June 27, 2026 and June 28, 2025, the Company derecognized the cost and accumulated depreciation of fully depreciated intangible assets in the amount of zero and $9 million, respectively.

The Company expects future amortization expenses for the next five years and thereafter to be as follows:

U.S. dollars in millions	Remainder of 2026	2027	2028	2029	2030	Thereafter	Total
Future amortization expenses	$ 119	$ 193	$ 190	$ 145	$ 111	$ 309	$ 1,067

NOTE 9 - SEGMENT INFORMATION

An operating segment is defined as a component of an enterprise for which discrete financial information is available and is reviewed regularly by the Chief Operating Decision Maker ("CODM"), or decision-making group, to evaluate performance and make operating decisions. The Company has identified its CODM as the Chief Executive Officer ("CEO").

The Company's organizational structure and management reporting supports two operating segments: Mobileye and Moovit. The CODM evaluates performance, makes operating decisions and allocates resources based on the financial data of these operating segments. Operating segments do not record inter-segment revenue. Mobileye is presented as a reportable operating segment and Moovit, which is a mobility-as-a-service company, is presented within "Other" as per ASC 280, Segment Reporting.

The CODM uses segment performance to allocate resources to segments in the annual budget and forecasting process and also uses that measure to assess the segment performance.

Segment performance is the operating income (loss) reported excluding the amortization of acquisition-related intangible assets, share-based compensation expense, R&D Law incentive grant related to ordinary income from sold RSUs, acquisition related expenses and impairment of goodwill.

The measure of assets has not been disclosed for each segment as it is not regularly provided to the CODM.

The accounting policies of the individual segments are the same as those described in the summary of significant accounting policies in Note 2 to the audited consolidated financial statements for the fiscal year ended December 27, 2025.

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The following are segment results for each period as follows:

	Three Months Ended June 27, 2026		
U.S. dollars in millions	**Mobileye**	**Other**	**Total**
Revenues	$ 498	$ 10	$ 508
Cost of revenues	174	1	—
Research and development, net	152	5	—
Sales and marketing	5	4	—
General and administrative	11	1	—
Segment performance	**$ 156**	**$ (1)**	**$ 155**
Amortization of intangible assets	—	—	(114)
Share-based compensation	—	—	(88)
R&D Law incentive grant related to ordinary income from sold RSUs	—	—	17
Financial income (expense), net	—	—	13
Income (loss) before taxes on income	**—**	**—**	**$ (17)**
Depreciation of property and equipment	$ 22	$ —	$ 22

	Three Months Ended June 28, 2025		
U.S. dollars in millions	**Mobileye**	**Other**	**Total**
Revenues	$ 497	$ 9	$ 506
Cost of revenues	159	1	—
Research and development, net	215	7	—
Sales and marketing	4	2	—
General and administrative	11	1	—
Segment performance	**$ 108**	**$ (2)**	**$ 106**
Amortization of intangible assets	—	—	(111)
Share-based compensation	—	—	(69)
Financial income (expense), net	—	—	13
Income (loss) before taxes on income	**—**	**—**	**$ (61)**
Depreciation of property and equipment	$ 18	$ —	$ 18

	Six Months Ended June 27, 2026		
U.S. dollars in millions	**Mobileye**	**Other**	**Total**
Revenues	$ 1,047	$ 19	$ 1,066
Cost of revenues	360	3	—
Research and development, net	397	13	—
Sales and marketing	14	6	—
General and administrative	21	2	—
Segment performance	**$ 255**	**$ (5)**	**$ 250**
Amortization of intangible assets	—	—	(227)
Share-based compensation	—	—	(172)
R&D Law incentive grant related to ordinary income from sold RSUs	—	—	17
Acquisition related expenses	—	—	(6)
Goodwill impairment	—	—	(3,788)
Financial income (expense), net	—	—	27
Income (loss) before taxes on income	**—**	**—**	**$ (3,899)**
Depreciation of property and equipment	$ 42	$ —	$ 42

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	Six Months Ended June 28, 2025		
U.S. dollars in millions	**Mobileye**	**Other**	**Total**
Revenues	$ 925	$ 19	$ 944
Cost of revenues	293	3	—
Research and development, net	427	14	—
Sales and marketing	14	5	—
General and administrative	21	2	—
Segment performance	**$ 170**	**$ (5)**	**$ 165**
Amortization of intangible assets	—	—	(222)
Share-based compensation	—	—	(134)
Financial income (expense), net	—	—	31
Income (loss) before taxes on income	—	—	**$ (160)**
Depreciation of property and equipment	$ 36	$ —	$ 36

Total revenues based on the country that the product was shipped to were as follows:

	Three Months Ended		Six Months Ended	
U.S. dollars in millions	**June 27, 2026**	**June 28, 2025**	**June 27, 2026**	**June 28, 2025**
USA	$ 114	$ 109	$ 244	$ 220
China	122	101	235	201
Germany	72	88	149	162
South Korea	49	53	115	86
Slovakia	35	19	83	33
Poland	31	29	59	57
United Kingdom	27	33	49	69
Hungary	14	28	40	45
Czech Republic	12	20	32	27
Thailand	10	9	20	11
Rest of World	22	17	40	33
Total	**$ 508**	**$ 506**	**$ 1,066**	**$ 944**

We generate the majority of our revenue from the sale of our EyeQ™ SoCs to OEMs primarily through sales to Tier 1 automotive suppliers. EyeQ™ SoC sales represented approximately 90% and 92% of our revenue for each of the three months ended June 27, 2026 and June 28, 2025, respectively, and 91% and 93% of our revenue for each of the six months ended June 27, 2026 and June 28, 2025, respectively.

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Major Customers

Revenue from major customers that amount to 10% or more of total revenue:

	Three Months Ended		Six Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Percent of total revenues:				
Customer A	28 %	28 %	27 %	32 %
Customer D	16 %	12 %	16 %	13 %
Customer C	15 %	17 %	16 %	15 %
Customer B	14 %	21 %	15 %	19 %

Accounts receivable balances of major customers that amount to 10% or more of total accounts receivable balance:

	As of	
	June 27, 2026	December 27, 2025
Percent of total accounts receivables balance:		
Customer A	33 %	39 %
Customer D	19 %	13 %
Customer C	15 %	14 %
Customer B	11 %	*

* Less than 10%

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NOTE 10 - MARKETABLE SECURITIES AND DEPOSITS

Marketable securities include U.S. government and corporate bonds for original maturities of up to 12 months and are classified as available for sale and measured at fair value with the related unrealized gains and losses included in other comprehensive income (loss), net. Short term deposits are short term unrestricted highly liquid investments with original maturities of more than three months at acquisition.

The following tables summarize the Company's marketable debt securities and short term deposits:

	June 27, 2026			
U.S. dollars in millions	**Amortized cost**	**Unrealized gain**	**Unrealized loss**	**Fair value**
U.S. government bonds	$ 76	$ —	$ —	$ 76
U.S. corporate bonds	31	—	—	31
Short term deposits	25	—	—	25
Total	**$ 132**	**$ —**	**$ —**	**$ 132**

	December 27, 2025			
U.S. dollars in millions	**Amortized cost**	**Unrealized gain**	**Unrealized loss**	**Fair value**
U.S. government bonds	$ 55	$ —	$ —	$ 55
Total	**$ 55**	**$ —**	**$ —**	**$ 55**

NOTE 11 - CONTINGENCIES

U.S. Class Action

On January 16, 2024, a putative class action captioned McAuliffe v. Mobileye Global Inc., et al., 1:24-CV-00310 (S.D.N.Y.), was filed in the United States District Court for the Southern District of New York against Mobileye and certain of its current and former officers. Following consolidation of the action with a substantively identical case, Le v. Mobileye Global Inc., et al., 1:24-CV-01390 (S.D.N.Y.), and the appointment of a lead plaintiff, an amended complaint was filed on September 13, 2024. In response to the defendants' motion to dismiss, filed on October 25, 2024, lead plaintiff filed a second amended complaint on November 22, 2024. The second amended complaint asserts violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 in connection with defendants' alleged misstatements and omissions concerning the build-up of excess inventory by certain Tier 1 Mobileye customers, and seeks unspecified damages and other relief on behalf of all persons and entities who purchased or otherwise acquired Mobileye securities between January 26, 2023 and August 8, 2024. The second amended complaint also includes claims asserted by an additional plaintiff under Sections 11 and 15 of the Securities Act of 1933 on behalf of a putative class of purchasers of Mobileye Class A common stock offered in Mobileye's June 5, 2023 secondary offering. Mobileye and the individual defendants filed a motion to dismiss the second amended complaint on December 20, 2024. On January 24, 2025, the lead plaintiff filed a brief in opposition to Mobileye's and the other named defendants' motion to dismiss. On February 21, 2025, Mobileye and the other named defendants jointly filed a brief in reply to the lead plaintiff's opposition brief. On April 16, 2025 the Court granted the defendants' motion and dismissed the second amended complaint in full without leave to amend, closing the case. On May 16, 2025, the lead plaintiff filed a notice of appeal with the U.S. Court of Appeals for the Second Circuit. On July 11, 2025, the lead plaintiff filed a brief in support of their appeal. On August 15, 2025, Mobileye and the named defendants filed their opposition brief, and on September 5, 2025, the appellants filed their reply brief in further support of the appeal. Oral argument was held on December 4, 2025. On December 16, 2025, the Second Circuit issued a summary order affirming the Court's dismissal of the second amended complaint in full. The time for the plaintiff to seek further review by filing a petition for a writ of certiorari with the U.S. Supreme Court has expired, and no such petition was filed. No provision was recorded in the condensed consolidated financial statements as of June 27, 2026.

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U.S. Patent Litigation

On January 26, 2024, Facet Technology Corp. ("Facet") sued Mobileye in the U.S. District Court for the Eastern District of Texas for patent infringement. The suit accuses Mobileye Global Inc., Mobileye Vision Technologies Ltd. and Mobileye Inc. of allegedly infringing two expired patents. Despite expiration of the patents, the suit seeks injunctive relief and a permanent injunction as well as unspecified damages, fees and costs. Mobileye Vision Technologies Ltd. and Mobileye Inc., sued Facet in the U.S. District Court of Minnesota seeking a declaratory judgment of non-infringement of both patents. Before either action was answered, the Patent Trial and Appeal Board ("PTAB") of the US Patent and Trademark Office instituted two Inter Parte Review (IPR) proceedings on both patents, and both district court actions were stayed. Final Determinations were reached by the PTAB in both IPRs. In one, the PTAB found invalid all claims that Facet asserted in the Texas suit. The PTAB upheld the patentability of other claims not asserted in the Texas suit. Facet's request for Director review was denied, and the deadline to appeal has passed without Facet doing so. In the other IPR, the PTAB upheld the patentability of a single claim. Mobileye is pursuing an appeal of that decision. In May 2026, Facet moved to lift the stay in the Texas suit. Mobileye opposed, and the court has yet to rule. Therefore, the Texas and Minnesota district court actions both remain stayed. We intend to defend these matters vigorously. No provision was recorded in the condensed consolidated financial statements as of June 27, 2026.

NOTE 12 - GOODWILL

The following table presents the carrying amount of goodwill by segment as of June 27, 2026 and December 27, 2025.

U.S. dollars in millions	Mobileye	Other	Total
December 27, 2025	$ 8,089	$ 111	$ 8,200
Business combination (1)	498	—	498
Impairment	(3,788)	—	(3,788)
June 27, 2026	$ 4,799	$ 111	$ 4,911

(1) Goodwill arising from the acquisition of Mentee Robotics has been allocated to the Mobileye reporting segment.

During the first quarter of 2026, the Company performed an interim quantitative goodwill impairment analysis for the "Mobileye" reporting unit, due to a 35% decline in the price of the Company's Class A common stock, and a corresponding decline in market capitalization since the most recent assessment date, as well as increased uncertainty in the macroeconomic and geopolitical environment. The quantitative assessment was performed by measuring the reporting unit's fair value using the income approach, based on the expected present value of estimated future cash flows. The fair value measurement is categorized as Level 3 within the fair value hierarchy due to the use of unobservable inputs such as financial projections, terminal growth rate, and discount rate. When using the income approach, we tested the reasonableness of the inputs and outcomes of our discounted cash flow analysis against available market data. As part of this analysis, we determined that a significant increase in the discount rate was required relative to the discount rate used in our most recent assessment. This increase resulted from higher market-based and Mobileye-specific risk premiums associated with changes in global macroeconomic conditions in 2026, including heightened geopolitical risks related to operations in the Middle East, particularly the conflict between Israel and Iran, as well as increased uncertainty related to the evolving competitive landscape.

The results of the impairment analysis indicated that the carrying value of the Mobileye reporting unit was in excess of its fair value. Therefore, the Company has recorded a non-cash impairment loss of $3,788 million, under "goodwill impairment" in the Condensed Consolidated Statements of Operations.

Our impairment conclusion is sensitive to the market capitalization in that a further sustained decline in the Company's market capitalization may require additional analysis to support the reasonability of our implied control premium, and may require further adjustments to certain key assumptions underlying our valuation.

No impairment was identified in any of the other reporting units.

During the second quarter of 2026, we completed our quarterly qualitative assessment for indicators of goodwill impairment. Based on the assessment, no indicators were identified for any of the reporting units.

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NOTE 13 - BUSINESS COMBINATIONS

On February 3, 2026, the Company and Mobileye Vision Technologies Ltd. (a wholly-owned indirect subsidiary of the Company) acquired 100% of the issued and outstanding stock of Mentee Robotics, an AI-first humanoid robotics company, pursuant to the Share Purchase Agreement.

The Share Purchase Agreement provided for an aggregate purchase price of $900 million, which consisted of (i) approximately $612 million in cash, and (ii) 26,279,824 shares of Class A common stock of the Company. The entirety of such Class A common stock (the "Aggregate Stock Consideration") was allocated to the co-founders of Mentee Robotics, Prof. Amnon Shashua, Prof. Shai Shalev-Shwartz and Prof. Lior Wolf (the "Mentee Founders"). 10% of the Aggregate Stock Consideration is subject to a six month lock-up period pursuant to a Lock-Up Agreement. The remaining 90% of the Aggregate Stock Consideration was deposited with a deferred consideration trustee and will be released in equal portions twenty-four and forty-eight months after the closing date of February 3, 2026, subject to continued employment, or under certain circumstances affiliation, with the Company and its subsidiaries. Prof. Amnon Shashua received 37.83% of the total consideration, valued at approximately $341 million, paid evenly in cash and Class A Common Stock, and Prof. Shai Shalev-Shwartz received 13.07% of the total consideration, valued at approximately $118 million, paid evenly in cash and the Company's Class A common stock.

At the closing, $95 million of the purchase price was deposited with an escrow agent (provided that with respect to the Mentee Founders, 50% of their pro rata portion of the escrow was deposited in the form of Class A common stock) to secure the post-closing purchase price adjustments and certain indemnification obligations of the shareholders of Mentee Robotics.

Pursuant to the Share Purchase Agreement, (i) all vested options to acquire shares of Mentee Robotics (each option, a "Mentee Option") and 20% of unvested Mentee Options ("Accelerated Options") were cancelled and converted into the right to receive a portion of the cash consideration based on the intrinsic value of such Mentee Options at the purchase price and (ii) all remaining unvested Mentee Options were cancelled and converted into the right to receive a number of unvested RSUs of the Company calculated based on the volume weighted average of the closing sale prices for the Company's Class A common stock over the thirty (30) Trading Days ending immediately prior to February 3, 2026 and with a value equal to the intrinsic value of such Mentee Options at the purchase price.

The Share Purchase Agreement contains customary representations, warranties and covenants of the Company, Mobileye Vision Technologies Ltd. and Mentee Robotics, certain of which (except for the representations and warranties of the Company) shall survive the closing of the Acquisition. The shareholders of Mentee Robotics have agreed to indemnify the Company and Mobileye Vision Technologies Ltd. for certain breaches of representations, warranties and covenants.

Purchase Price Allocation

The following table summarizes the purchase consideration for the Acquisition of Mentee Robotics:

	U.S. dollars in millions
Cash paid for outstanding Mentee shares (1)	$ 583
Cash paid for vested Mentee options (2)	24
Total cash consideration	**607**
Fair value of Mobileye Class A common stock issued to Mentee Founders (3)	23
Fair value of Mentee options assumed by Mobileye (4)	7
Total purchase consideration	**$ 637**

(1) Represents the cash consideration paid to Mentee Robotics shareholders for their outstanding Mentee shares.

(2) Represents the cash consideration paid to Mentee Robotics employees for their vested options and accelerated options (which were converted into the right to receive cash consideration) for the portion attributable to the pre-combination service period. The portion of accelerated options value which is attributable to post-combination service period, amounted to $4 million and was recognized as an immediate expense.

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(3) Represents the fair value of the Class A common stock (as of the closing date) issued to Mentee Founders that are not subject to continuing employment (10% of the Aggregate Stock Consideration). The substantial majority of the Class A common stock issued to Mentee Founders (90% of the Aggregate Stock Consideration) is contingent on continuing employment and therefore not recognized as part of the total purchase consideration of $637 million. The fair value of these Restricted Shares, amounting to $207 million will be recognized as share-based compensation expense over two and four years.

(4) Represents the fair value of Mentee Robotics options attributable to pre-acquisition services. The fair value of Mobileye RSUs that replaced Mentee Robotics unvested options that is attributable to post-combination services amounts to $10 million and will be recognized as an expense over a service period of up to four years.

Total purchase consideration has been allocated as follows:

	U.S. dollars in millions
Cash and cash equivalents	$ 16
Other current assets	1
Property and equipment, net	1
Intangible assets (1)	128
Goodwill	498
Deferred tax assets	2
Other long-term assets	1
Total assets acquired	**647**
Accounts payable and accrued expenses	*
Employee related accrued expenses	1
Other current liabilities	1
Deferred tax liabilities	8
Total liabilities assumed	**10**
Fair value of net assets acquired (2)	**$ 637**

* Less than $1 million.

(1) The fair value of the Developed IP Asset was determined using the Multi-Period Excess Earnings Method and will be amortized over a useful life of 9 years. The significant assumptions used include useful economic life, estimated annual net cash flows, discount rate and applicable tax rate.

(2) The fair value of the assets and liabilities acquired is based on our preliminary valuations. Final adjustments may be made to the purchase price allocation if more information becomes available.

The goodwill is primarily attributable to the expected synergies and other benefits that will be generated from the combination of Mobileye and Mentee Robotics, as well as the value attributable to the assembled workforce. Goodwill arising from the Acquisition has been allocated to the Mobileye reporting segment.

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The Law for Encouragement of Knowledge-Intensive Industry (Temporary Order) — 2023 by the Israel Tax Authorities, generally referred to as the "Angels Law", offers several incentives to promote investments in Israeli high-tech companies. Notably, it allows a five-year amortization period for the acquisition cost of an Israeli high-tech company. To qualify for this tax benefit, certain requirements must be met, as defined by the Angels Law. The Company expects the acquisition of Mentee Robotics to satisfy the requirements for tax incentives under the Angels Law.

For U.S. tax purposes, the Company has elected to treat the acquisition as an asset purchase. The election will result in a step-up in the tax basis of the acquired assets to their estimated fair values. The step-up will create deductible temporary differences primarily related to intangible assets and goodwill, which are expected to be amortized over fifteen years for U.S. tax purposes.

During the six months ended June 27, 2026, we incurred $6 million of transaction costs related to the Acquisition which were recorded in general and administrative expenses in the condensed consolidated statements of operations and comprehensive income (loss).

The operating results of Mentee Robotics have been included in the condensed consolidated statements of operations and comprehensive income (loss) since the acquisition date and are not material. Proforma financial information has not been presented because the impact of the acquisition was not material to the condensed consolidated statements of operations and comprehensive income (loss).

NOTE 14 - SUBSEQUENT EVENTS

Share-based compensation

In July 2026, the Company's compensation committee approved the issuance of restricted stock units to be issued under our 2022 Plan. The total aggregate fair value of RSUs granted was $334.4 million, which consisted of 35,018 thousand RSUs, which will vest over a service period of two to three years.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and related notes included elsewhere in this report. Some of the information contained in this discussion and analysis includes forward-looking statements that involve risks and uncertainties. You should review the sections titled "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" included elsewhere in this report for a discussion of forward-looking statements and important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Company Overview

Mobileye is a leader in the development and deployment of advanced driver assistance systems ("ADAS") and autonomous driving technologies and solutions. We pioneered ADAS technology more than 25 years ago and have continuously expanded the scope of our ADAS offerings, while leading the evolution to autonomous driving solutions. On February 3, 2026, we completed the acquisition of Mentee Robotics, a humanoid robotics company. This acquisition combines Mobileye's advanced artificial intelligence ("AI") technology and global production expertise with Mentee Robotics' breakthrough humanoid platform and deep AI talent, creating a comprehensive provider of Physical AI technology across two transformative markets: autonomous driving and humanoid robotics.

Our portfolio of solutions is built upon a comprehensive suite of purpose-built software and hardware technologies designed to provide the capabilities needed to make the future of ADAS and autonomous driving a reality. These technologies can be harnessed to deliver mission-critical capabilities at the edge and in the cloud, advancing the safety of road users, and revolutionizing the driving experience and the movement of people and goods globally.

As of June 27, 2026, our solutions had been installed in approximately 1,400 vehicle models (including local country, year, and other vehicle model variations), and our System-on-Chips ("SoCs") had been deployed in more than 258 million vehicles. We are actively working with more than 50 Original Equipment Manufacturers ("OEMs") worldwide on the implementation of our ADAS solutions. In the six months ended June 27, 2026, we shipped approximately 20.9 million of our systems, the substantial majority of which were EyeQ™ SoCs. This represents an increase from the approximately 18.1 million of our systems that we shipped in the six months ended June 28, 2025.

We were founded in Israel in 1999. Our co-founder, Professor Amnon Shashua, is our President and Chief Executive Officer. In 2014, we completed an initial public offering as a foreign private issuer and traded under the symbol "MBLY" on the New York Stock Exchange. Intel Corporation ("Intel") acquired Mobileye for $15.3 billion in 2017, after which we became a wholly-owned subsidiary of Intel. We completed the internal reorganization and design of our new public entity (the "Reorganization") and our initial public offering (the "Mobileye IPO") in October 2022.

Operations in Israel.

On October 7, 2023, Hamas launched a series of attacks on civilian and military targets in Southern Israel and Central Israel, to which the Israel Defense Forces responded. In addition, Iran, Hezbollah and the Houthi movement attacked military and civilian targets in Israel, to which Israel responded, including through increased air and/or ground operations in Lebanon, Syria, Yemen and Iran. Following years of conflict in the region, on October 9, 2025, Israel, Hamas, the United States and other countries in the region agreed to a framework for a ceasefire in Gaza between Israel and Hamas. On February 28, 2026, the United States and Israel launched joint combat operations in Iran to which Iran and Hezbollah responded with ballistic missile and drone attacks on Israel as well as other countries and U.S. military bases in the region. Although the United States and Iran have announced ceasefire and de-escalation arrangements from time to time, including a memorandum of understanding entered into on June 17, 2026 that contemplates the termination of military operations on multiple fronts, hostilities have resumed and may continue or escalate. How long and how severe the current conflicts in Gaza, Northern Israel, Lebanon, Iran or the broader region last and become is unknown at this time and any continued clash among Israel, Hamas, Hezbollah, Iran or other countries or militant groups in the region may escalate in the future into a greater regional conflict. To date, our operations have not been materially affected, although as of July 15, 2026 approximately 2.4% of our employees have been called to reserve duty in the Israel Defense Forces. However, since these are events beyond our control, their continuation or cessation may affect our expectations. We continue to monitor political and military developments closely and examine the consequences for our operations and assets.

Our Business Model

We currently derive substantially all of our revenue from our commercially deployed ADAS solutions, including our Premium ADAS solutions. We are now approaching the start of production of an advanced set of solutions, including Mobileye Surround ADAS™, Mobileye SuperVision™, Mobileye Chauffeur™ and Mobileye Drive™. These solutions are propelled by our EyeQ™6 SoC and subsequent EyeQ™ generations, our next-generation software solutions, and our software-defined imaging radars. We expect these solutions will, over time, meaningfully contribute to changes in our mix of revenue and result in broader adoption of premium ADAS and AV products by our customers.

We generate the majority of our revenue from the sale of our EyeQ™ SoCs to OEMs through sales to Tier 1 automotive suppliers. We typically sell our products with volume-based pricing and recognize the revenue and costs associated with our products upon shipment.

We invest significant time and other resources early in the process of new program sourcing as part of our relationship with an OEM. We typically have visibility into the number of models that are expected to include our products at least two to three years in advance based on OEM information provided during the sourcing and nomination process, although there is no contractual commitment by the OEM to purchase particular volumes, and programs are subject to changes with respect to timing and volumes. The revenue that we may recognize in any given year is attributable to program design wins in previous years.

We partner with STMicroelectronics, a leading supplier and innovator of semiconductor devices for automotive applications, in manufacturing, design, and research and development. We have co-developed six generations of our automotive grade SoC, EyeQ™, with STMicroelectronics, including EyeQ™5 and EyeQ™6. We have also established relationships with several suppliers, such as Quanta Computer, to develop and assemble our ECUs, including the design for our Mobileye SuperVision™, which includes our EyeQ™5 SoCs manufactured by STMicroelectronics. As part of an effort to establish redundancy and better control of our supply chain, we have sought additional qualified suppliers, and we have recently entered into an agreement with TSMC (Taiwan Semiconductor Manufacturing Company Ltd.) pursuant to which it will manufacture components of our imaging radar and some of our future generations of our EyeQ™ product, and potentially other future products.

Our close partnership with Intel exists on multiple fronts. As a result of our relationship with Intel, we have access to unique and differentiating technologies. For example, we may license certain technologies from Intel that support the design and development of our software-defined imaging radar, including Intel's mmWave technologies. Intel's strength in government affairs and policy development around the world will continue to be of significant value to us as we collaborate with regulators who are preparing frameworks to enable commercial deployment of AVs.

Key Factors Affecting Our Performance

We believe there are several important factors that have affected and that we expect to continue to affect our results of operations:

Global demand for automotive vehicles. Our business performance is related to global automotive sales and automotive vehicle production by our OEM customers. Economic conditions in North America, Europe and Asia can have a large impact on the production volume of new vehicles, and, accordingly, have an impact on our revenue. Our OEM customers' production can vary from period to period due to global demand, market conditions and competitive conditions, geopolitical issues including trade restrictions and tariffs, as well as other factors. For example, towards the end of the first half of 2024, global automotive production forecasts weakened, which disproportionately impacted our core customers, primarily due to their continued market share losses in China. We cannot be certain of the severity and length of the continued volatility in the global automotive market, including macro factors impacting our sales to OEMs in China, and the extent of the adverse effect that such volatility could have on our results of operations, financial condition and business in the long term. While automotive production has now recovered to approximately 2019 levels, current uncertain economic conditions and inflation may contribute to a reduction in consumer demand. In addition to economic conditions, in prior periods we have experienced variability in customer ordering patterns and demand timing driven by supply chain disruptions, inventory management practices and changes in OEM production expectations, including customers accelerating orders during periods of constrained supply and subsequently utilizing accumulated inventory before placing new orders. While these dynamics have largely normalized, similar fluctuations in customer ordering behavior, production estimates or inventory levels may recur in future periods and could result in variability in the timing of our revenue recognition. Additionally, recent increased demand for semi-conductor and other components has resulted in component shortages, price increases and longer order lead times, which may increase the pricing of our solutions and/or our ability to meet our customers' demand. Certain Tier 1 customers may increase their orders for our solutions to counteract these component shortages and any resulting price increases or other impacts, causing some demand for our solutions and the corresponding revenue to be shifted to earlier time period than otherwise would have occurred. ADAS volumes have grown faster in recent years than the overall automotive market as ADAS penetration rates have increased, and we believe that we will continue to benefit from that trend. Our revenue of $1,066 million in the six months ended June 27, 2026 was up 13% year-over-year. Continued or future constraints on global automotive production resulting from the effects of economic uncertainty, both global and in specific markets in which we operate, may be a limiting factor on our ability to increase revenue. We expect to continue to capitalize on our strong and collaborative relationships with OEMs and Tier 1s to expand our presence in key markets and capture the long-term growth opportunities in those markets.

Acquisition and integration of new technologies and expansion into adjacent markets. Our results of operations may be affected by our ability to successfully integrate acquired businesses and technologies and to effectively allocate resources to new areas of development. On February 3, 2026, we acquired Mentee Robotics, a privately held Israeli company focused on humanoid robotics. The integration of Mentee Robotics' personnel, technology and operations may require significant management attention, capital investment and operating expenses, and we may not realize the anticipated benefits of the acquisition on the expected timeline or at all. Humanoid robotics is a nascent and rapidly evolving area characterized by significant technical complexity, long development timelines, potentially high capital requirements, uncertain customer demand and evolving regulatory and safety frameworks. Our investment in this area may result in increased research and development and operating expenses and may divert resources from our core ADAS and autonomous driving initiatives. In addition, the timing and extent of commercialization of humanoid robotics solutions remains uncertain with respect to scalability, economic viability and regulatory approval. In June 2026, we announced plans to establish a vertically integrated robotaxi business that would expand our role beyond supplying autonomous-driving technology to owning and operating an autonomous ride-hailing service. This expansion is in its initial stages, and may require significant management attention, Company resources, capital investment and operating expenses, as well as involve certain uncertainties. As a result, our expansion into adjacent markets and new business models, including through the acquisition of Mentee Robotics and our planned vertically integrated robotaxi business, may adversely affect our results of operations, margins and cash flows, particularly in the near to medium term.

Trade policies, sanctions and import and export controls. Trade policies and international disputes at times result in increased tariffs, trade barriers and other restrictions, which can increase our manufacturing costs, make our solutions less competitive, reduce demand for our solutions, limit our ability to sell to certain customers, limit our ability to procure raw components or raw materials or impede or slow the movement of our goods across borders. In addition, tariffs could lead to higher prices for finished automobiles, which would reduce demand for automobiles and thus the market for our products. During 2025, the United States implemented a series of broad-based and sector-specific tariffs affecting passenger vehicles, automotive components and other industrial inputs, as well as country-specific tariff regimes and reciprocal trade measures. These actions were accompanied by ongoing bilateral and multilateral negotiations, interim trade agreements, pauses, delays and retaliatory measures by certain countries, resulting in significant uncertainty regarding the scope, timing and duration of applicable tariffs and export controls. In addition, sector-specific measures announced during 2025, including tariffs on certain raw materials, export controls affecting the semiconductor supply chain and evolving AI-related export control developments, have increased complexity and risk across global automotive and technology markets. As of the date of this report, there remains a high degree of uncertainty surrounding U.S. trade policy, how it will be implemented, how other countries will react, and how it will ultimately impact our industry and business. For example, our customers may have shifted or will shift orders for components and parts, including our solutions, adjust sourcing strategies or modify productions schedules, which could shift demand for our solutions and corresponding revenue between periods. While we continually evaluate changes in U.S. trade policy and global reactions thereto, as well as our ability to mitigate their impact, these developments may negatively impact our customers, our results of operations and our business. For additional information, see “Item IA - Risk Factors - We are subject to risk related to trade policies, sanctions, and import and export controls” in our 2025 Form 10-K.

Design wins with new and existing customers. Global OEMs are continuously looking for innovative ways to improve the customer appeal and safety of their vehicles. Additional program design wins for production programs are important to our future revenue growth. However, the revenue generated by each design win and the time necessary to achieve a design win can vary significantly. To achieve program design wins, we must maintain our technological leadership and continue to deliver differentiated solutions versus our competition, including in-house technologies developed by our customers, through investment in research and development. Together with Tier 1 automotive suppliers, we work closely with OEMs to understand their solution requirements and have built close long-term relationships with them extending across multiple generations of EyeQ™ products, though there is no guarantee that our customers will purchase our solutions in any certain quantity or at any certain price even after we achieve design wins.

Investment in technology leadership and product development. We believe our ability to continue to develop and design highly advanced and cost-efficient ADAS and AV solutions will position us to extend our technology leadership and encourage greater adoption of our solutions by enabling greater levels of autonomy. We also believe that our roadmap for future generations of EyeQ™ SoCs and advanced systems will ultimately power autonomous driving solutions. The EyeQ™ family design further enables scalable ECU architectures, from supporting a variety of ADAS solution architectures to hosting the full workload of autonomous driving, while meeting stringent cost and power efficiency requirements. We expect that our software-defined imaging radar will provide a significant cost advantage by eliminating the need for multiple high-cost lidars around the vehicle and require only a single front-facing lidar, significantly lowering the overall cost of the required sensors compared to solutions that use lidar centric or lidar-only systems.

Regulation for ADAS and autonomous driving solutions. Demand for our solutions is influenced by the impact of regulation and the ratings systems deployed by the various NCAPs, particularly the Euro NCAP and the U.S. NCAP, administered by the National Highway Traffic Safety Administration. As these NCAPs demand more ADAS applications such as automatic emergency braking, OEMs will increasingly include ADAS as a standard feature in their models to maintain or to achieve the highest safety ratings. In many countries, these safety assessments have created a “market for safety” as car manufacturers seek to demonstrate that their models satisfy the NCAPs’ highest ratings. We expect national NCAPs to continue to add specific ADAS applications to their evaluation items over the next several years, led by the Euro NCAP. In recent years, as regulatory requirements and NCAP ratings have increased, OEMs have also begun to highlight their safety features as a competitive advantage. As additional regulations are implemented around the world, we expect this to lead to increased global adoption of ADAS, and we believe that we are well positioned to benefit from such increasing safety regulations globally, particularly due to the verifiable nature of our current and future solutions.

Fully autonomous vehicles are still nascent, and regulation of autonomous driving is evolving globally on both a local and national level. We believe that regulatory bodies will demand that AV undergo certain validation and audit requirements before autonomous driving is permitted. The potential impact of regulatory requirements and initiatives on the timing for widespread adoption of fully autonomous driving and on the cost of developing and introducing autonomous driving solutions is uncertain. RSS is our framework that informs our driving policy and formalizes a driving safety concept. Our RSS framework and decision-making engine have inspired a global standardization effort of AV safety including IEEE 2846, which is an industry working group that we lead. We are actively engaged in AV regulations globally as they have implications for the pace at which autonomous driving technologies may be deployed as well as which AV technology validation and audit requirements must be met. Importantly, we believe RSS, which is a pragmatic method that is architected to deliver a provably acceptable level of risk defined by governments, will facilitate standardization efforts worldwide as AV deployments accelerate. In addition to impacting the pace at which autonomous driving technologies are deployed, we expect regulations to impact our financial performance on an ongoing basis over time once autonomous driving gains market adoption. We cannot provide any assurance how any such regulations will impact us and the extent of such impact, particularly if autonomous driving is prohibited in certain areas.

Consumer adoption of our ADAS and autonomous driving solutions. Our financial performance is in part driven by public awareness and demand for ADAS solutions. Over time we expect autonomous driving solutions to contribute meaningfully to our revenue growth. As a result, consumers' demand for, and willingness to adopt, ADAS and autonomous driving technologies, including robotaxi services will significantly impact our financial performance. We believe that our leadership position in ADAS positions us to continue to set the standard for advanced autonomous solutions and will help us benefit from increasing consumer confidence in and demand for autonomous technology over time.

Solution mix, pricing, and product costs. Solution mix is among the most important factors affecting our revenue and gross margin, as our prices vary significantly across our solutions. The price of our solutions depends on the bundle of applications that are included in the specific product. Our solutions have different margin profiles. As we develop, bundle, and sell full systems that include third-party hardware beyond EyeQ™ SoCs, we expect that our gross margin will decrease on a percentage basis because of the greater third-party hardware content. However, as a result of a higher expected selling price for such systems, we expect our gross profit per unit will increase on a dollar basis.

Average selling price ("ASP") varies based on a solution's applications and complexity. As a particular solution matures and unit volumes increase, we expect its ASP to decline. In addition, there are generally step-downs in pricing over periods of production as volumes ramp up. While individual solution ASPs may decline, we seek to continually offer new features and functionality and increase the value that our solutions offer to OEM customers as we target new design win opportunities, manage the life cycles of existing solutions and create new ADAS categories with advanced features. We also are currently delivering full system solutions consisting of higher-function products such as SuperVision™ which carry significantly higher prices as compared to our single EyeQ™ SoC and cloud-enhanced ADAS products. We believe our differentiated and scalable solutions consistently enhanced by additional features can enable us to maintain or increase overall ASPs over time, as SuperVision™ and other advanced solutions become a larger portion of our product mix.

The cost of input materials and manufacturing costs are significant factors affecting our gross margin. Material costs are affected by a variety of factors, including the availability of sufficient supply to meet market demand. For example, in late 2021, semiconductor fabrication costs increased as a result of a global supply shortage that began in 2020. We experienced increases in input costs in 2022 and 2023 as a result of supply chain shortages, including the global semiconductor shortage, and inflationary pressures. While we were largely successful in increasing our ASPs to reflect these cost increases, we experienced a reduction in percentage gross margin as a result of these cost increases. More recently, the AI industry has generated increased demand for components necessary for the production of our solutions, including EyeQ™ SoCs and ECUs for our SuperVision™, Mobileye Chauffeur™ and Mobileye Drive™ solutions. This new demand has resulted in and may continue to result in increased competition for and shortages of components necessary for our solutions and substantial increases in prices for such components. Our gross margin has been and may continue to be affected by our ability to offset these and any future cost increases through realizing pricing increases on our solutions and achieving decreases in other production costs. We work closely with STMicroelectronics, Quanta Computer and other suppliers on a continuous basis to manage material costs, increase yields and improve manufacturing, assembly, and test costs.

Supply and manufacturing capacity. Our solutions are dependent on the global semiconductor supply chain. The continued and timely supply of input materials, the availability of manufacturing capacity, and packaging and testing services at reasonable prices impact our ability to meet customer demand. Supply chain disruptions, shortages of raw material, such as wafers and substrates, and manufacturing limitations could limit our ability to meet customer demand and result in delayed, reduced, or canceled orders. In prior periods, we experienced supply chain disruptions, raw material shortages and manufacturing capacity constraints that reduced the availability of key components, including EyeQ™ SoCs, and resulted in lower inventory levels and limitations on our ability to meet customer demand. As supply conditions improved, we increased inventory levels to help mitigate potential future constraints. However, if similar disruptions were to recur, depending on their duration and severity, we may again be required to operate with reduced inventory levels, which could limit our ability to meet customer demand. As a result, we are substantially reliant on timely shipments of EyeQ™ SoCs from STMicroelectronics and ECUs from Quanta Computer (or other suppliers) and may in the future become reliant on additional suppliers such as TSMC, to fulfill customer orders and if such a shortfall of chips or ECUs were to occur, we may be unable to offset future supply constraints through the use of inventory on hand. Further, in 2025 and in 2026 the AI industry has generated increased demand for components necessary for the production of our solutions, including EyeQ™ SoCs and ECUs for our SuperVision™, Mobileye Chauffeur™ and Mobileye Drive™ solutions. This new demand has resulted in and may continue to result in increased competition for and shortages of components necessary for our solutions, substantial increases in prices for such components and suppliers requiring us to increase lead times and purchase greater quantities of such components in advance in order to ensure we secure sufficient supply. Such shortages of components, as well as the increases in pricing, order requirements and lead times, has and may continue to impact our ability to supply solutions to our customers in order to meet demand as well as impact OEMs' ability to purchase our solutions. Our reliance on single or limited suppliers and vendors for certain components, equipment, and services and the aforementioned shortages of substrates and other components have led to increased supply chain risks and continue to stress our ability to meet the supply demands of our customers. To mitigate these supply chain constraints, management continues to monitor inventory levels on an ongoing basis. Although we cannot fully predict the length and the severity of the impact these pressures will have on a long-term basis, we do not currently anticipate that our current supply chain constraints would materially adversely affect our results of operations, capital resources, sales, profits, and liquidity on a long-term basis.

Equity compensation expenses. In connection with the Mobileye IPO, we established an equity incentive plan for purposes of granting share-based compensation awards to certain members of our senior management, to our non-employee directors and to employees, to incentivize their performance and align their interests with ours. Equity compensation has been, and will continue to be, an important part of our future compensation strategy and a significant component of our future expenses, which we expect to increase over time.

Intel Segment Reporting

Certain of our financial results are presented as an operating segment within Intel's publicly reported financial results. The financial results for us reported by Intel in its segment reporting may differ from our standalone financial results primarily due to Intel's reporting of expenses related to certain corporate overhead functions and differences in the materiality thresholds applied to prepare consolidated financial results for Intel and for Mobileye on a standalone basis.

Components of Results of Operations

Revenue

We currently derive substantially all of our revenue from our commercially deployed ADAS solutions including our Premium ADAS solutions. We generate the majority of our revenue from the sale of our EyeQ™ SoCs to OEMs primarily through sales to Tier 1 automotive suppliers that implement our product into vehicles, in which case our direct customer is the Tier 1 automotive supplier that is responsible for paying us for our products. Because of the complex nature of our products and the need to customize and validate a product and to integrate it into the OEM's overall ADAS system, we also have strong direct relationships with the OEMs.

EyeQ™ SoC sales represented approximately 90% and 92% of our revenue for the three months ended June 27, 2026 and June 28, 2025, respectively, and 91% and 93% of our revenue in the six months ended June 27, 2026 and June 28, 2025, respectively. Sales of our SuperVision™ product represented over half of the remainder of our revenue for the three and six months ended June 27, 2026, and less than half of the remainder of our revenue for the three and six months ended June 28, 2025. Revenue from the sale of our EyeQ™ products and SuperVision™ products is recognized at the time of product shipment from our facilities, as determined by the agreed-upon shipping terms. Our sales to any single Tier 1 automotive supplier typically cover more than one OEM and more than one production program from any OEM.

Cost of Revenue

Cost of revenue consists primarily of expenses associated with the manufacturing cost of our EyeQ™ SoCs and our SuperVision™ product, and amortization of acquired intangible assets, identified as developed technology and developed IP. Additional costs are royalty fees for the intellectual property that is included in the EyeQ™ SoC, personnel-related expenses, logistics and insurance costs and allocated overhead costs. As we develop and sell full systems that include hardware beyond EyeQ™ SoCs, we expect that our gross margin will decrease over time because of the greater hardware content included in our solutions. However, as a result of a higher expected selling price for such systems, we expect our gross profit per unit will increase on a dollar basis in future periods.

Research and Development Expenses, net

Research and development expenses primarily consist of expenses associated with personnel related expenses, facilities, equipment and supplies for research and development activities, materials, parts and other prototype development, cloud computing services, consulting and other professional services, quality assurance within the development programs, and allocated overhead costs.

We enter into best-efforts nonrefundable non-recurring engineering ("NRE") arrangements pursuant to which we are reimbursed for a portion of the research and development expenses attributable to specific development programs. We do not receive any additional compensation or royalties upon completion of such projects and the potential customer does not commit to purchase the resulting product in the future. The participation reimbursement that we receive does not depend on whether there are future benefits from the project. All intellectual property generated from these arrangements are exclusively owned by us.

On March 29, 2026, the Israeli Knesset enacted the "Law for the Encouragement and Incentivization of Research and Development, 2026" (the "R&D Law"). The R&D Law introduces a refundable tax credit regime which applies to qualifying research and developments expenditures incurred in tax years beginning on or after January 1, 2026. The R&D Law provides eligible companies with an incentive calculated as a percentage of qualifying research and development expenditures incurred in Israel. Subject to applicable statutory requirements and other conditions, the incentive may be offset against Israeli income taxes or Israeli qualified domestic minimum top-up taxes ("QDMTT"). Alternatively, an unused grant may be received in cash after the prescribed carryforward period, or an eligible company may make an irrevocable election to receive the incentive as a cash grant rather than a credit. Such incentives are recognized as a reduction of research and development expenses once there is reasonable assurance that the Company complies with required conditions and the incentive will be received.

We intend to continue our significant investment in research and development activities to attain our strategic objectives. Accordingly, we expect research and development expenses to increase in absolute dollars, but to gradually decrease as a percentage of total revenue. The expected increase is mainly due to additional research and development headcount and higher direct expenses that we expect to incur in connection with the development of our new EyeQ™ SoC generations, Premium Driver-Assist offerings and the investment in software and hardware infrastructure for our AV solutions and active sensor suite.

Sales and Marketing Expenses

Sales and marketing expenses consist primarily of expenses associated with the amortization of acquired intangible assets, comprised of customer relationships and brands, personnel-related expenses, including share-based compensation of our sales force, as well as marketing expenses and allocated overhead costs.

We expect to increase our sales and marketing expenses over time, as we continue our efforts to increase market awareness of the benefits of our solutions, but we expect sales and marketing expenses to decrease as a percentage of total revenue as our business grows.

General and Administrative Expenses

General and administrative expenses consist of personnel-related expenses, including share-based compensation of our executive, insurance costs, expenses associated with finance and legal departments, including legal and accounting fees, litigation expenses, and fees for professional and contract services.

We expect our general and administrative expenses to moderately increase in absolute dollars but to decrease as a percentage of total revenue as our business grows. The expected increase is mainly associated with the costs related to being a public company, as well as the increased use of share-based compensation for general and administrative personnel.

Goodwill Impairment

Goodwill impairment expenses consist of a non-cash impairment loss recognized for the goodwill of the "Mobileye" reporting unit in the six months ended June 27, 2026, as a result of the impairment analysis the Company performed during the first quarter of 2026.

Financial Income (Expense), net

Financial income (expense), net, consists primarily of income related to investments in money market funds, short term deposits as well as income from marketable securities, and fluctuations in value due to foreign exchange differences between our monetary assets and liabilities denominated in New Israeli Shekels and to a much lesser extent, the Euro, the Chinese Yuan, the Japanese Yen, and other currencies.

Benefit (provision) for income taxes

Benefit (provision) for income taxes consists primarily of income taxes related to the United States, Israel and other foreign jurisdictions in which we conduct business. We also have incurred deferred tax liabilities with respect to tax amortization of certain acquired intangible assets. We are eligible for certain tax benefits in Israel under the Investment Law, at a reduced tax rate, subject to specified terms.

In addition, in 2021, the OECD announced an Inclusive Framework on Base Erosion and Profit Shifting including Pillar Two Model Rules defining the global minimum tax, which calls for the taxation of large multinational corporations at a minimum rate of 15%. Subsequently, multiple sets of administrative guidance have been issued. Many non-U.S. tax jurisdictions have either recently enacted legislation to adopt certain components of the Pillar Two Model Rules beginning in 2024 (including the European Union Member States), with the adoption of additional components in later years, or announced their plans to enact legislation in future years. In Israel, the regulations implementing the Pillar Two Model Rules became effective for tax years beginning after January 1, 2026. The Pillar Two Model are not expected to have a material effect on our income tax provision for fiscal year 2026. We are continuing to evaluate the impacts of enacted legislation and pending legislation to enact Pillar Two Model Rules in the non-U.S. tax jurisdictions in which we operate. The Company is a constituent entity of its Parent for Pillar Two Model Rules purposes.

On March 29, 2026, the Israeli Knesset approved the R&D Law. The R&D Law introduces a refundable tax credit regime calculated as a percentage of qualifying research and development expenditures incurred in Israel, beginning on or after January 1, 2026, and is intended to align with the OECD Pillar Two framework. Subject to applicable statutory requirements and other conditions, eligible companies may offset the incentive against Israeli income taxes or QDMTT. Alternatively, an unused grant may be received in cash after the prescribed carryforward period, or an eligible company may make an irrevocable election to receive the incentive as a cash grant rather than a credit. Such incentives are recognized as a reduction to research and development expenses once there is reasonable assurance the conditions will be met and the benefit will be received.

The Israeli operations of Mobileye, Moovit and Mentee Robotics are taxable in the United States as a branch entity. As a result, these operations are taxed both in the United States and Israel. For U.S. tax purposes, there are favorable future tax deductions that we have not benefited due to a valuation allowance position. If warranted, based on the assessment of verifiable evidence in support of the realization of deferred tax assets, the valuation allowances may be released, resulting in a tax benefit.

Realization of deferred tax assets is based on our judgment and various factors including reversal of deferred tax liabilities, the ability to generate future taxable income in jurisdictions where such assets have arisen, and potential tax planning strategies. The valuation allowance for the periods presented in our condensed consolidated financial statements primarily relates to U.S. branch deferred tax assets not currently expected to be realized given that we have sustained recent losses.

Results of Operations

The following table sets forth our results of operations in dollars and as a percentage of revenue for the periods indicated:

	Three Months Ended				Six Months Ended			
	June 27, 2026		June 28, 2025		June 27, 2026		June 28, 2025	
U.S. dollars in millions	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Revenue	$ 508	100 %	$ 506	100 %	$ 1,066	100 %	$ 944	100 %
Cost of revenue	273	54 %	254	50 %	556	52 %	485	51 %
Gross profit	**235**	**46 %**	**252**	**50 %**	**510**	**48 %**	**459**	**49 %**
Operating expenses:								
Research and development, net	207	41 %	282	56 %	530	50 %	557	59 %
Sales and marketing	27	5 %	25	5 %	56	5 %	56	6 %
General and administrative	31	6 %	19	4 %	62	6 %	37	4 %
Goodwill impairment	—	— %	—	— %	3,788	355 %	—	— %
Total operating expenses	**265**	**52 %**	**326**	**64 %**	**4,436**	**416 %**	**650**	**69 %**
Operating income (loss)	**$ (30)**	**(6)%**	**$ (74)**	**(15)%**	**$ (3,926)**	**(368)%**	**$ (191)**	**(20)%**
Financial income (expense), net	13	3 %	13	3 %	27	3 %	31	3 %
Income (loss) before income taxes	**(17)**	**(3)%**	**(61)**	**(12)%**	**(3,899)**	**(366)%**	**(160)**	**(17)%**
Benefit (provision) for income taxes	(4)	(1)%	(6)	(1)%	60	6 %	(9)	(1)%
Net income (loss)	**$ (21)**	**(4)%**	**$ (67)**	**(13)%**	**$ (3,839)**	**(360)%**	**$ (169)**	**(18)%**

(1) Includes amortization of acquired intangible assets, as follows:

	Three Months Ended		Six Months Ended	
U.S. dollars in millions	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Cost of revenue	$ 97	$ 94	$ 192	$ 188
Research and development, net	—	—	2	—
Sales and marketing	17	17	33	34
Total amortization of acquired intangible assets	**$ 114**	**$ 111**	**$ 227**	**$ 222**

(2) Includes share-based compensation expense, as follows:

	Three Months Ended		Six Months Ended	
U.S. dollars in millions	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Cost of revenue	$ 1	$ 1	$ 1	$ 1
Research and development, net	67	59	135	116
Sales and marketing	1	2	3	3
General and administrative	19	7	33	14
Total share-based compensation	**$ 88**	**$ 69**	**$ 172**	**$ 134**

(3) Includes the R&D Law incentive grant related to ordinary income from sold RSUs which reflects the actual sale of shares of common stock issued upon conversion of restricted stock units and is recognized as a reduction to research and development expenses:

	Three Months Ended		Six Months Ended	
U.S. dollars in millions	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Research and development, net	**$ 17**	**$ —**	**$ 17**	**$ —**

Comparison of the three and six months ended June 27, 2026 and June 28, 2025

Revenue

In the three months ended June 27, 2026, revenue increased by $2 million compared to the three months ended June 28, 2025. This increase in revenue was primarily due to an increase of $15 million in SuperVision™ mostly attributable to an 81% increase in volume resulting from higher customer demand, partially offset by a decrease of $10 million in EyeQ™ SoC revenue, mostly attributable to higher sales to Chinese OEMs with lower Average System Price. Average System Price, calculated as the sum of revenue related to EyeQ™ and SuperVision™ systems divided by the number of systems delivered, decreased by approximately 2%, primarily due to the higher portion of EyeQ™ sales to Chinese OEMs, partially offset by a higher percentage of SuperVision™ related revenue as compared to the second quarter of 2025.

In the six months ended June 27, 2026, revenue increased by $122 million, or 13%, compared to the six months ended June 28, 2025. This increase was primarily due to an increase of $90 million, or 10%, in EyeQ™ SoC and $34 million or 181% in SuperVision™ revenue attributable mainly to a 15% and 164% increase in volumes respectively, resulting mainly from higher customer demand. Average System Price decreased by 1%, mainly due to the higher portion of EyeQ™ sales to Chinese OEMs, partially offset by a higher percentage of SuperVision™ related revenue as compared to the six months ended June 28, 2025.

Cost of Revenue

In the three months ended June 27, 2026, our cost of revenue increased by $19 million, or 7% compared to the three months ended June 28, 2025. The increase is attributed to manufacturing costs, mainly resulting from the increase in sales of SuperVision™ systems as well as higher cost resulting from different generation mix of EyeQ™ SoC.

In the six months ended June 27, 2026, our cost of revenue increased by $71 million, or 15%, compared to the six months ended June 28, 2025. The increase is attributed to manufacturing costs, mainly resulting from the increase in sales of EyeQ™ SoC and SuperVision™ systems.

Gross Profit and Margin

In the three months ended June 27, 2026, our gross profit decreased by $17 million, or 7% compared to the three months ended June 28, 2025. The decrease was primarily due to a modest reduction in EyeQ™ ASP, as well as an increase in amortization of intangible assets associated with the acquisition of Mentee Robotics, which was slightly offset by an increase in SuperVision™ revenue.

In the six months ended June 27, 2026, our gross profit increased by $51 million, or 11%, compared to the six months ended June 28, 2025. The increase was primarily due to the increase in EyeQ™ and SuperVision™ revenue, slightly offset by an increase in amortization of intangible assets associated with the acquisition of Mentee Robotics.

In the three months ended June 27, 2026, our gross margin decreased to 46% compared to 50% in the three months ended June 28, 2025. This decrease was due to a modest reduction in EyeQ™ ASP, mainly attributable to higher volume sold to Chinese OEMs, which carry lower ASP, in addition to a higher portion of SuperVision™ revenue with lower margin given the greater hardware content included. In the six months ended June 27, 2026, our gross margin decreased to 48% compared to 49% in the six months ended June 28, 2025. This decrease was primarily due to a modest reduction in EyeQ™ ASP, mainly attributed to higher volume sold to Chinese OEMs, which carry lower ASP.

Research and Development Expenses, net

Research and development expenses, net, in the three months ended June 27, 2026, decreased by $75 million, or 27%, compared to the three months ended June 28, 2025. This decrease was primarily due to a $110 million R&D Law incentive grant recognized this quarter for the entire first half of 2026, which was partially offset by higher payroll and related expenses mainly due to the effect of exchange rate fluctuations of the U.S. Dollar against the New Israeli Shekel, as well as higher share-based compensation expenses.

Research and development expenses, net, in the six months ended June 27, 2026 decreased by $27 million, or 5%, compared to the six months ended June 28, 2025. This decrease was mainly due to a $110 million R&D Law incentive grant recognized this quarter for the entire first half of 2026, partially offset by an increase in payroll and related expenses mainly due to the effect of exchange rate fluctuations of the U.S. Dollar against the New Israeli Shekel, in addition to an increase in average research and development headcount, higher share-based compensation expenses, higher cloud compute expenses and higher occupancy expenses including depreciation.

Sales and Marketing Expenses

Sales and marketing expenses in the three months ended June 27, 2026, increased by $2 million or 8% compared to the three months ended June 28, 2025, mainly due to higher marketing expenses.

Sales and marketing expenses in the six months ended June 27, 2026, remained flat compared to the six months ended June 28, 2025.

General and Administrative Expenses

General and administrative expenses in the three months ended June 27, 2026 increased by $12 million or 63% compared to the three months ended June 28, 2025 due to higher share-based compensation expenses associated primarily with the acquisition of Mentee Robotics.

General and administrative expenses in the six months ended June 27, 2026 increased by $25 million or 68%, compared to the six months ended June 28, 2025. This increase was due to transaction costs and share-based compensation expenses associated primarily with the acquisition of Mentee Robotics.

Goodwill Impairment

Goodwill impairment expenses were zero and $3,788 million in the three and six months ended June 27, 2026, respectively, and zero in the three and six months ended June 28, 2025. During the first quarter of 2026, the Company performed an interim quantitative goodwill impairment analysis for the "Mobileye" reporting unit, resulting in a non-cash impairment loss. For further details, refer to Note 12 to the Condensed Consolidated Financial Statements included in this report.

Financial Income (expense), net

Financial income, net, in the three months ended June 27, 2026 remained flat compared to the three months ended June 28, 2025, mainly as a result of a decrease in interest income earned on investment in money market funds due to cash used for the acquisition of Mentee Robotics in February 2026, which was offset by the impact of fluctuations in foreign exchange rates. Financial income, net, in the six months ended June 27, 2026 decreased by $4 million, or 13%, compared to the six months ended June 28, 2025, due to a decrease in interest income, which was partially offset by the impact of fluctuations in foreign exchange rates.

Benefit (Provision) for Income Tax

In the three months ended June 27, 2026 provision for income tax was $4 million, compared to $6 million in the three months ended June 28, 2025. The decrease of $2 million in tax provision was primarily due to the reduction in deferred tax liability resulting from the goodwill impairment to the Mobileye reporting unit which was recorded in the first quarter of 2026, partially offset by a lower loss before income taxes in foreign jurisdictions. In the six months ended June 27, 2026, benefit for income tax was $60 million, compared to a provision for income tax of $9 million in the six months ended June 28, 2025, mainly due to the deferred tax effect of $67 million attributed to goodwill impairment to the Mobileye reporting unit which was recorded in the first quarter of 2026.

Liquidity and Capital Resources

We believe we have sufficient sources of funding to meet our business requirements and plans for the next 12 months and in the longer term. Cash generated by operations is our primary source of liquidity for funding our strategic business requirements.

Our primary uses of funds have been for funding increases in headcount in our research and development departments; investments attributable to new product development; the recent acquisition of Mentee Robotics, a humanoid robotics company; the repurchase program authorized by our Board of Directors in April 2026 to repurchase up to $250 million of Mobileye's outstanding Class A common stock (the "Repurchase Program"), as well as for funding our capital expenditures. Our capital expenditures for purchase of property and equipment have related mainly to data storage and other computer related equipment, expenditure related to research and development projects including data farming and cloud compute, and to leasehold improvements, and were $51 million and $28 million for the six months ended June 27, 2026 and June 28, 2025, respectively. Cash paid for the acquisition of Mentee Robotics, net of cash acquired, was $591 million.

To fund our cash requirements in the ordinary course of business, we anticipate that we will continue to primarily rely on operating cash flows, supplemented by our total cash and cash equivalents. We expect our total capital expenditures for 2026 to be higher compared to our total capital expenditures in 2025. We continue to invest in equipment related to the development of our next generation products. Our future capital requirements will depend on many factors, including our growth rate and the timing and extent of operating expenses.

We have lease obligations and other contractual obligations and commitments as part of our ordinary course of business. We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements involving commitments or obligations, including contingent obligations, arising from arrangements with unconsolidated entities or persons that have or are reasonably likely to have a material current or future effect on our financial condition, results of operations, liquidity, cash requirements or capital resources.

Cash Flows

The following table sets forth certain consolidated statements of cash flow data:

	Six Months Ended	
U.S. dollars in millions	**June 27, 2026**	**June 28, 2025**
Net cash provided by operating activities	$ 210	$ 322
Net cash used in investing activities	(719)	(39)
Net cash used in financing activities	(24)	—
Effect of foreign exchange rate changes on cash and cash equivalents	9	8
Increase (decrease) in cash, cash equivalents and restricted cash	**$ (524)**	**$ 291**

Operating activities

For the six months ended June 27, 2026 compared to the six months ended June 28, 2025, the $112 million decrease in cash provided by operating activities was mainly due to a higher increase in trade accounts receivable and a lower decrease in inventory compared to the six months ended June 28, 2025, due to the increase in sales and the relatively low accounts receivable balance as of the end of 2025. This was partially offset by a higher increase in accounts payable, accrued expenses and related party payable compared to prior year period.

Investing activities

Net cash used in investing activities in the six months ended June 27, 2026 and June 28, 2025 was $719 million and $39 million, respectively. The six months ended June 27, 2026 include $591 million net cash paid for the acquisition of Mentee Robotics. In both periods net cash used in investing activities included capital expenditures and debt investments.

Financing activities

Net cash used in financing activities in the six months ended June 27, 2026 was $24 million consisting of repurchases of common stock. Net cash used in financing activities in the six months ended June 28, 2025 was zero.

Liability in respect of employee rights upon retirement

Israeli labor laws and agreements require severance payments upon dismissal of an employee or upon termination of employment in other circumstances. The severance pay liability with respect to Israeli employees is calculated pursuant to the Israeli Severance Pay Law based on the most recent salary of the employees multiplied by the number of years of employment as of the balance sheet date.

Our liability for all of our Israeli employees is covered by monthly deposits with severance pay funds. The value of the deposited funds is based on the cash surrender value of these policies and includes profits (or loss) accumulated through the balance sheet date. The deposited funds may be withdrawn only upon the fulfillment of the obligations pursuant to the Israeli Severance Pay Law or labor agreements.

The majority of our liability for severance pay is covered by the provisions of Section 14 of the Israeli Severance Pay Law ("Section 14"). Under Section 14 employees are entitled to monthly deposits, at a rate of 8.33% of their monthly salary, contributed by us on their behalf to their insurance funds. Payments in accordance with Section 14 release us from any future severance payments in respect of those employees. As a result, we do not recognize any liability for severance pay due to these employees and the deposits under Section 14 are not recorded as assets on the consolidated balance sheets.

Severance pay liability increased from $78 million as of December 27, 2025, to $83 million as of June 27, 2026, mainly due to the impact of fluctuations in foreign exchange rates.

Lease liabilities

We have lease agreements for vehicles and offices. We lease office space in various locations in Israel and around the world including Germany and China. All leases are operating leases with fixed payment terms where some of the leases include annual increases to lease payments based on an index or a rate. Lease liabilities as of June 27, 2026, representing the present value of future lease payments, have remained flat compared to December 27, 2025, due to new lease contracts offset by the progress in lease payments for existing arrangements.

Indebtedness

We have several bank guarantees aggregating approximately $24 million as of June 27, 2026 (denominated in New Israeli Shekels) mainly in connection with lease agreements and import of vehicles.

Non-GAAP Financial Measures

Our management uses Adjusted Gross Profit (Loss) and Margin, Adjusted Operating Income (Loss) and Margin and Adjusted Net Income (Loss), collectively, as key measures in operating our business. We use such non-GAAP financial measures to make strategic decisions, establish business plans and forecasts, identify trends affecting our business, and evaluate performance. For example, we use these non-GAAP financial measures to assess our pricing and sourcing strategy, in the preparation of our annual operating budget, and as a measure of our operating performance. We believe that these non-GAAP financial measures, when taken collectively, may be helpful to investors because they allow for greater transparency into what measures our management (and Intel's management) uses in operating our business and measuring our performance, and enable comparison of financial trends and results between periods where items may vary independent of business performance. The non-GAAP financial measures are presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with GAAP, and may be different from similarly titled non-GAAP measures used by other companies. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure presented in accordance with GAAP. Investors are encouraged to review the related GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures, as well as our condensed consolidated financial statements and related notes included elsewhere in this report.

We believe excluding items that neither relate to the ordinary course of business nor reflect our underlying business performance, such as the amortization of intangible assets, enables management and our investors to compare our underlying business performance from period-to-period. Accordingly, we believe these adjustments facilitate a useful evaluation of our current operating performance and comparison to our past operating performance and provide investors with additional means to evaluate cost and expense trends. In addition, we also believe these adjustments enhance comparability of our financial performance against those of other technology companies.

Our non-GAAP financial measures reflect adjustments for amortization charges of our acquisition-related intangible assets, share-based compensation expenses, R&D Law incentive grant related to ordinary income from sold RSUs, acquisition-related expenses, impairment of goodwill and the related income tax effects where applicable. We exclude amortization charges for our acquisition-related intangible assets for purposes of calculating certain non-GAAP measures, although revenue is generated, in part, by these intangible assets, to eliminate the impact of these non-cash charges that are inconsistent in size and are significantly impacted by the timing and valuation of our acquisitions. We believe that the exclusion of share-based compensation expense is appropriate because it eliminates the impact of non-cash expenses for equity-based compensation costs that are based upon valuation methodologies and assumptions that vary over time, and the amount of the expense can vary significantly between companies due to factors that are unrelated to their core operating performance and that can be outside of their control. Although we exclude share-based compensation expenses from our non-GAAP measures, equity compensation has been, and will continue to be, an important part of our future compensation strategy and a significant component of our future expenses, and may increase in future periods. We believe that the exclusion of goodwill impairment is appropriate because it does not reflect our core operating performance, and excluding such non-cash impairment loss facilitates a useful evaluation of our performance and comparisons to past operating results. We believe that the exclusion of the R&D Law incentive grant related to ordinary income from sold RSUs is consistent with our treatment of share-based compensation expenses in our non-GAAP measures, as it relates to incentives associated with equity-based compensation that are excluded from our non-GAAP results. Acquisition-related expenses include professional fees and other costs incurred in connection with business combinations. We believe exclusion of acquisition-related expenses is appropriate because they are transaction-specific costs and not reflective of our ongoing operating results.

Adjusted Gross Profit and Margin

We define Adjusted Gross Profit as gross profit presented in accordance with GAAP, excluding amortization of acquisition related intangibles and share-based compensation expenses. Adjusted Gross Margin is calculated as Adjusted Gross Profit divided by total revenue.

Set forth below is the reconciliation of gross profit to Adjusted Gross Profit and the calculations of Gross Margin and Adjusted Gross Margin:

	Three Months Ended				Six Months Ended			
	June 27, 2026		June 28, 2025		June 27, 2026		June 28, 2025	
U.S. dollars in millions	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Gross Profit and Margin	$ 235	46 %	$ 252	50 %	$ 510	48 %	$ 459	49 %
Add: Amortization of acquired intangible assets	97	19 %	94	19 %	192	18 %	188	20 %
Add: Share-based compensation expense	1	— %	1	— %	1	— %	1	— %
Adjusted Gross Profit and Margin	**$ 333**	**66 %**	**$ 347**	**69 %**	**$ 703**	**66 %**	**$ 648**	**69 %**

Our Gross Margin (gross profit as a percentage of revenue) and Adjusted Gross Margin (Adjusted Gross Profit as a percentage of revenue) reflect the high value-added nature of our solutions. As we develop and sell full systems that include hardware beyond EyeQ™ SoCs, we expect that our Gross Margin and Adjusted Gross Margin will decrease over time because of the greater hardware content included in our solutions. However, as a result of a higher expected selling price for such systems, we expect our gross profit per unit will increase on a dollar basis.

Our Adjusted Gross Margin decreased from 69% in both the three and six months ended June 28, 2025 to 66% in both the three and six months ended June 27, 2026. This decrease was primarily due to a modest reduction in EyeQ™ ASP, mainly attributable to higher volume sold to Chinese OEMs, which carry lower ASP, and a higher portion of SuperVision™ revenue with lower margin given the greater hardware content included.

Adjusted Operating Income (Loss) and Margin

We define Adjusted Operating Income (Loss) as operating income (loss) presented in accordance with GAAP, adjusted to exclude amortization of acquisition related intangibles, share-based compensation expenses, the R&D Law incentive grant related to ordinary income from sold RSUs acquisition-related expenses and impairment of goodwill. Operating Margin is calculated as operating income (loss) divided by total revenue, and Adjusted Operating Margin is calculated as Adjusted Operating Income (Loss) divided by total revenue.

Set forth below is the reconciliation of operating income (loss) to Adjusted Operating Income (Loss) and the calculations of Operating Margin and Adjusted Operating Margin:

	Three Months Ended				Six Months Ended			
	June 27, 2026		June 28, 2025		June 27, 2026		June 28, 2025	
U.S. dollars in millions	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Operating Income (Loss) and Operating Margin	$ (30)	(6)%	$ (74)	(15)%	$ (3,926)	(368)%	$ (191)	(20)%
Add: Amortization of acquired intangible assets	114	22 %	111	22 %	227	21 %	222	24 %
Add: Share-based compensation expense	88	17 %	69	14 %	172	16 %	134	14 %
Less: R&D Law incentive grant related to ordinary income from sold RSUs	(17)	(3)%	—	— %	(17)	(2)%	—	— %
Add: Acquisition related expenses	—	— %	—	— %	6	1 %	—	— %
Add: Goodwill impairment	—	— %	—	— %	3,788	355 %	—	— %
Adjusted Operating Income (Loss) and Margin	**$ 155**	**31 %**	**$ 106**	**21 %**	**$ 250**	**23 %**	**$ 165**	**17 %**

Our Operating Loss decreased from $74 million in the three months ended June 28, 2025 to $30 million in three months ended June 27, 2026, mainly due to a decrease in operating expenses attributed to a R&D Law incentive grant recognized this quarter for the entire first half of 2026, partially offset by higher share-based compensation expenses.

Our Operating Loss increased from $191 million in the six months ended June 28, 2025 to $3,926 million in the six months ended June 27, 2026, mainly due to a goodwill impairment loss recognized in the first quarter of 2026.

Our Adjusted Operating Income increased by $49 million in the three months ended June 27, 2026 compared to the three months ended June 28, 2025, mainly due to a decrease in operating expenses attributed to a R&D Law incentive grant recognized this quarter for the entire first half of 2026, partially offset by a decrease in Adjusted Gross Profit.

Our Adjusted Operating Income increased by $85 million in the six months ended June 27, 2026 compared to the six months ended June 28, 2025, mainly due to higher adjusted gross profit and lower operating expenses attributed to a R&D Law incentive grant recognized this quarter for the entire first half of 2026,

Our Adjusted Operating Margin increased from 21% for the three months ended June 28, 2025 to 31% for the three months ended June 27, 2026. Our Adjusted Operating Margin increased from 17% for the six months ended June 28, 2025 to 23% for the six months ended June 27, 2026. The increase in both periods was mainly due to a lower operating expenses as a percentage of revenue, partially offset by lower Adjusted Gross Margin.

Adjusted Net Income (Loss)

We define Adjusted Net Income (Loss) as net income (loss) presented in accordance with GAAP, adjusted to exclude amortization of acquisition related intangibles, share-based compensation expenses, the R&D Law incentive grant related to ordinary income from sold RSUs, acquisition-related expenses, impairment of goodwill and the related income tax effects. Income tax effects have been calculated using the applicable statutory tax rate for each adjustment taking into consideration the associated valuation allowance impacts. The adjustment for income tax effects consist primarily of the deferred tax impact of the amortization of acquired intangible assets and impairment of goodwill.

Set forth below is the reconciliation of net income (loss) to Adjusted Net Income (Loss):

	Three Months Ended				Six Months Ended			
	June 27, 2026		June 28, 2025		June 27, 2026		June 28, 2025	
U.S. dollars in millions	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Net Income (Loss)	$ (21)	(4)%	$ (67)	(13)%	$ (3,839)	(360)%	$ (169)	(18)%
Add: Amortization of acquired intangible assets	114	22 %	111	22 %	227	21 %	222	24 %
Add: Share-based compensation expense	88	17 %	69	14 %	172	16 %	134	14 %
Less: R&D Law incentive grant related to ordinary income from sold RSUs	(17)	(3)%	—	— %	(17)	(2)%	—	— %
Add: Acquisition related expenses	—	— %	—	— %	6	1 %	—	— %
Add: Goodwill impairment	—	— %	—	— %	3,788	355 %	—	— %
Less: Income tax effects	(9)	(2)%	(11)	(2)%	(86)	(8)%	(22)	(2)%
Adjusted Net Income (Loss)	**$ 155**	**30 %**	**$ 102**	**20 %**	**$ 251**	**24 %**	**$ 165**	**18 %**

The three months ended June 27, 2026 ended with a Net Loss of $21 million compared to a $67 million Net Loss in the three months ended June 28, 2025. The decrease in Net Loss is mainly due to a reduction in operating expenses attributed to a R&D Law incentive grant recognized this quarter for the entire first half of 2026, partially offset by higher share-based compensation expenses.

Our Net Loss increased by $3,670 million in the six months ended June 27, 2026, compared to the six months ended June 28, 2025. The increase in Net Loss is mainly due to a goodwill impairment loss recognized during the first quarter of 2026.

Our Adjusted Net Income increased by $53 million in the three months ended June 27, 2026, compared to the three months ended June 28, 2025. Our Adjusted Net Income increased by $86 million in the six months ended June 27, 2026, compared to the six months ended June 28, 2025. The increase in both periods was mainly due to an increase in Adjusted Operating Income.

Critical Accounting Policies and Estimates

Our unaudited condensed consolidated financial statements have been prepared in accordance with U.S. GAAP. The preparation of financial statements and related disclosures in conformity with U.S. generally accepted accounting principles and the Company's discussion and analysis of its financial condition and operating results require the Company's management to make judgments, assumptions and estimates that affect the amounts reported. We base our assumptions, estimates and judgments on historical experience, current trends and other factors that management believes to be relevant at the time the estimate was made.

Note 2, "Significant Accounting Policies" of the Notes to the condensed consolidated Financial Statements in Part I, Item 1 of this Form 10-Q and in the Notes to the Consolidated Financial Statements in Part II, Item 8 of the 2025 Annual Report on Form 10-K, as filed with the SEC on February 12, 2026 (the "2025 Form 10-K") describe the significant accounting policies and methods used in the preparation of the Company's condensed consolidated financial statements. There have been no material changes to the Company's critical accounting estimates since the 2025 Form 10-K, except for the addition of a new critical accounting estimate regarding Refundable Research and Development Incentives detailed below.

Goodwill

As noted in the 2025 Form 10-K critical accounting policies, we regularly test our goodwill and intangible assets to make a judgment on whether facts and circumstances indicate that the carrying amount may not be recoverable and an impairment may be required. These reviews can be affected by various factors, including external factors such as industry and economic trends, and internal factors such as changes in our business strategy and our forecasts for specific product lines.

During the fourth quarter of 2025, we completed our annual impairment assessment. For the "Mobileye" reporting unit, the assessment was performed using a quantitative test. The quantitative impairment test estimated the fair value of the reporting unit using an income approach. The Company also assessed the reasonableness of the estimated fair value of the reporting unit by comparison to its market capitalization, including consideration of expected acquirer synergies, control premium, and the current market. Based on the assessment, no impairment was recorded.

During the first quarter of 2026, we performed an interim quantitative goodwill impairment analysis for the "Mobileye" reporting unit due to a 35% decline in the share price of the Company's Class A common stock and the corresponding decline in market capitalization since the most recent assessment date, as well as increased uncertainty in the macroeconomic and geopolitical environment. The quantitative impairment test estimates the fair value of the reporting unit using an income approach. Significant inputs and assumptions incorporated in the valuation include business projections, estimated costs, terminal growth rate, and discount rate based on the reporting unit's weighted average cost of capital. When using the income approach, we tested the reasonableness of the inputs and outcomes of our discounted cash flow analysis against available market data. As part of this analysis, we determined that a significant increase in the discount rate was required relative to the discount rate used in our most recent assessment. This increase resulted from higher market-based and Mobileye-specific risk premiums associated with changes in global macroeconomic conditions in 2026, including heightened geopolitical risks related to operations in the Middle East, particularly the conflict between Israel and Iran, as well as increased uncertainty related to the evolving competitive landscape.

We also assessed the reasonableness of the estimated fair value of the reporting unit by comparison to its market capitalization, including consideration of expected acquirer synergies, control premium, and the current market.

The results of the impairment analysis indicate that the fair value of the Mobileye reporting unit is below its carrying amount and therefore a non-cash impairment loss of $3,788 million was recognized in the first quarter of 2026.

A 1% increase in the discount rate and a 0.5% decrease in terminal growth rate would have resulted in an additional impairment of $682 million and $141 million, respectively.

Our impairment conclusion is sensitive to the market capitalization in that a further sustained decline in the Company's market capitalization may require additional analysis to support the reasonability of our implied control premium, and may require further adjustments to certain key assumptions underlying our valuation.

Research and Development Incentives

The R&D Law, enacted on March 29, 2026, introduced a refundable tax credit regime which applies to qualifying research and developments expenditures incurred in tax years beginning on or after January 1, 2026. The R&D Law provides eligible companies with an incentive calculated as a percentage of qualifying research and development expenditures incurred in Israel. Subject to applicable statutory requirements and other conditions, the incentive may be offset against Israeli income taxes or Israeli QDMTT. Alternatively, an unused grant may be received in cash after the prescribed carryforward period, and an eligible company may make an irrevocable election to receive the incentive as a cash grant rather than a credit.

Because the incentive may be received in cash and is determined based on qualifying research and development expenditures, the Company accounts for this benefit using a government grant accounting model applied by analogy. The benefit is recognized as a reduction of the related research and development expense when there is reasonable assurance that the Company will comply with the applicable conditions and that the benefit will be received.

The recognition and measurement of the incentive require judgment, including in assessing the Company's eligibility, determining whether the recognition criteria have been met, identifying and measuring qualifying research and development expenditures incurred in Israel and estimating the amount expected to be approved by the relevant Israeli authorities. Changes in these judgments, or in regulations, interpretations, administrative guidance or determinations under the R&D Law (including in respect of any change in Intel's status as a controlling shareholder and any resulting impact on the Company's eligibility for, or the amount of the incentive) could affect the amount and timing of the incentive recognized and, consequently, research and development expenses in the Company's consolidated financial statements.

Cautionary Note Regarding Forward-Looking Statements

This report includes forward-looking statements within the meaning of the federal securities laws. Mobileye and its representatives may also, from time to time, make certain forward-looking statements in publicly released materials, both written and oral, including statements contained in filings with the SEC, press releases, and our reports to stockholders. Forward-looking statements may be identified by the use of words such as "plan," "expect," "believe," "intend," "will," "may," "anticipate," "estimate" and other words of similar meaning in conjunction with, among other things, discussions of future operations and financial performance (including volume growth, pricing, sales and earnings per share growth, and cash flows) and statements regarding our strategy for growth, future product development, regulatory approvals, competitive position and expenditures. All statements that address our future operating performance or events or developments that we expect or anticipate will occur in the future are forward-looking statements.

Forward-looking statements are, and will be, based on management's then-current views and assumptions regarding future events, developments and operating performance, and speak only as of their dates. Investors should realize that if underlying assumptions prove inaccurate, or risks or uncertainties materialize, actual results could vary materially from our expectations and projections. Investors are therefore cautioned not to place undue reliance on any forward-looking statements. Furthermore, we undertake no obligation to update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events and developments or otherwise, except as required by applicable law or regulations.

Forward-looking statements contained in this report may include, but are not limited to, statements about:

- further deterioration of macroeconomic conditions due to ongoing global economic and political uncertainty;
- future business, strategic and financial performance, goals and measures;
- our anticipated growth prospects and trends in markets and industries relevant to our business;
- business and investment plans;
- expectations about our ability to maintain or enhance our leadership position in the markets in which we participate;
- future consumer demand and behavior, including expectations about excess inventory utilization by customers;
- our ability to effectively compete in the markets in which we operate;
- increased competition from emerging chip manufacturers and OEMs;
- future products and technology, and the expected availability and benefits of such products and technology;
- our planned vertically integrated robotaxi business, including the development, launch, operation, scaling, regulatory approval and commercial acceptance of autonomous ride-hailing services, may not proceed as expected;
- the humanoid robotics industry and its accompanying technology may not develop as expected;
- development of regulatory frameworks for current and future technology;
- changes in regulation and trade policy, including increased tariffs, in regions in which we operate, including the U.S., Europe and China;
- projected cost and pricing trends;
- future production capacity and product supply;
- potential future benefits and competitive advantages associated with our technologies and architecture and the data we have accumulated;
- the future purchase, use and availability of products, components and services supplied by third parties, including third-party IP and manufacturing services;
- uncertain events or assumptions, including statements relating to our estimated vehicle production and market opportunity, potential production volumes associated with design wins and other characterizations of future events or circumstances;
- adverse conditions in Israel, including as a result of war and geopolitical conflict, which may affect our operations and may limit our ability to produce and sell our solutions;
- any disruption in our operations by the obligations of our personnel to perform military service as a result of current or future military actions involving Israel;

- availability, uses, sufficiency and cost of capital and capital resources, including expected returns to stockholders such as dividends, and the expected timing of future dividends;
- tax- and accounting-related expectations;
- sustained low levels of our share price and market capitalization as well as other factors may require further testing of our Mobileye reporting unit, which may result in an impairment of goodwill;
- the ability to meet our social and environmental goals and projections; and
- other statements described in this report and under the sections entitled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business," in our 2025 Form 10-K.

The risk factors discussed under the section entitled "Risk Factors" included in our 2025 Form 10-K could cause our results to differ materially from those expressed in the forward-looking statements made in this Quarterly Report on Form 10-Q. There also may be other risks that are currently unknown to us or that we are unable to predict at this time.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of foreign currency exchange rates and interest rates. There were no material changes to the information on market risk disclosure from our 2025 Form 10-K.

Interest Rate Risk

Our investments in money market funds, U.S. government and corporate bonds and short term deposits are subject to market risk due to changes in interest rates, which may affect our interest income and fair market value of our investments. To minimize this risk, we invest in institutional investors money market funds, which consist of high-grade securities. Our short term deposits are redeemable upon demand and held in banks domiciled in the U.S. and Europe, as well as in Israel. As of June 27, 2026 and December 27, 2025, our investment in money market funds was $566 million and $1,016 million, respectively; our U.S. government bonds were $76 million and $55 million, respectively, our corporate bonds were $31 million and zero, respectively, and our short term deposits were $726 million and $785 million, respectively.

The primary objectives of our investments in money market funds, U.S. government and corporate bonds, and short term deposits is to fund our cash requirements in the ordinary course of business and preserve principal. We do not enter into investments for trading or speculative purposes.

Foreign Currency Exchange Risk

The U.S. dollar is our functional currency. Substantially all our revenue was denominated in U.S. dollars for all periods presented; however certain expenses comprising our cost of revenue and operating expenses were denominated in New Israeli Shekels, mainly payroll. As a result, our condensed consolidated financial statements are subject to fluctuations due to changes in exchange rates as our operating expenses, denominated in New Israeli Shekels, are remeasured from New Israeli Shekels into U.S. dollars. We also have expenses in other currencies, in particular the Euro, the Chinese Yuan, and the Japanese Yen, although to a much lesser extent.

The Company hedges portions of its forecasted payroll payments denominated in ILS using forward contracts that are designated as cash flow hedges, as defined by ASC 815.

If the New Israeli Shekel had strengthened by 10% against the U.S. dollar, it would have decreased our cash flows by approximately $12 million in the six months ended June 27, 2026. If the New Israeli Shekel had strengthened by 10% against the U.S. dollar, it would have decreased our cash flows by approximately $21 million in the six months ended June 28, 2025.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

As of the end of the period covered by this report, management conducted an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is accumulated and communicated to management, including our principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosures.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting that occurred during the three months ended June 27, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

The effectiveness of any system of controls and procedures is subject to certain limitations, and, as a result, there can be no assurance that our controls and procedures will detect all errors or fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system will be attained.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

In the ordinary course of conducting our business, we have in the past and may in the future become involved in various legal actions and other claims. We may also become involved in other judicial, regulatory and arbitration proceedings concerning matters arising in connection with the conduct of our businesses. Some of these matters may involve claims of substantial amounts. In addition, from time to time, third parties may assert intellectual property infringement claims against us in the form of letters and other forms of communication. These legal proceedings may be subject to many uncertainties and there can be no assurance of the outcome of any individual proceedings. An adverse outcome in certain of these proceedings could have a material adverse effect on our business, financial condition and results of operations, and could cause the market value of our common stock to decline.

Legal Actions

U.S. Patent Litigation

On January 26, 2024, Facet Technology Corp. ("Facet") sued Mobileye in the U.S. District Court for the Eastern District of Texas for patent infringement. The suit accuses Mobileye Global Inc., Mobileye Vision Technologies Ltd. and Mobileye Inc. of allegedly infringing two expired patents. Despite expiration of the patents, the suit seeks injunctive relief and a permanent injunction as well as unspecified damages, fees and costs. Mobileye Vision Technologies Ltd. and Mobileye Inc., sued Facet in the U.S. District Court of Minnesota seeking a declaratory judgment of non-infringement of both patents. Before either action was answered, the Patent Trial and Appeal Board ("PTAB") of the US Patent and Trademark Office instituted two *Inter Parte Review* (IPR) proceedings on both patents, and both district court actions were stayed. Final Determinations were reached by the PTAB in both IPRs. In one, the PTAB found invalid all claims that Facet asserted in the Texas suit. The PTAB upheld the patentability of other claims not asserted in the Texas suit. Facet's request for Director review was denied, and the deadline to appeal has passed without Facet doing so. In the other IPR, the PTAB upheld the patentability of a single claim. Mobileye is pursuing an appeal of that decision. In May 2026, Facet moved to lift the stay in the Texas suit. Mobileye opposed, and the court has yet to rule. Therefore, the Texas and Minnesota district court actions both remain stayed. We intend to defend these matters vigorously. No provision was recorded in the condensed consolidated financial statements as of June 27, 2026.

Item 1A. Risk Factors

There have been no material changes to the risk factors as disclosed in our 2025 Form 10-K. The risks described in the section entitled "Item 1A. Risk Factors" in our 2025 Form 10-K could materially and adversely affect our business, financial condition, and results of operations, and the trading price of our Class A common stock could decline. These risk factors do not identify all risks that we face. Our operations could also be affected by factors that are not presently known to us or that we currently consider to be immaterial to our operations. Due to risks and uncertainties, known and unknown, our past financial results may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. Refer also to the other information set forth elsewhere herein, including the sections entitled "Forward-Looking Statements", "Management's Discussion and Analysis of Financial Condition and Results of Operations", and our Consolidated Condensed Financial Statements and related Notes thereto.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Recent Sale of Unregistered Securities

There were no sales of unregistered equity securities during the three months ended June 27, 2026.

Use of Proceeds

Not applicable.

Issuer Purchases of Equity Securities

The following table summarizes the share repurchase activity for the three months ended June 27, 2026:

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs (1)	Approximate Dollar Value of Shares that May Yet be Purchased Under the Program (in millions) (1)
March 29, 2026 - April 25, 2026	—	$ —	—	$ —
April 26, 2026 - May 23, 2026	775,241	$ 9.68	775,241	$ 242.50
May 24, 2026 - June 27, 2026	1,729,855	$ 9.23	1,729,855	$ 226.53
Total	2,505,096	$ 9.37	2,505,096	$ 226.53

(1) On April 23, 2026, the Company announced that its Board of Directors authorized the repurchase of up to $250 million of our Class A common stock. The program has no fixed expiration date. As of June 27, 2026, 2,505,096 shares were repurchased under the program. Refer to Note 4 to the Condensed Consolidated Financial Statements included in Part 1, Item 1 of this Quarterly Report on Form 10-Q, for additional information.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

31.1*	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certificate of the Chief Executive Officer of Mobileye Global Inc. pursuant to 18 U.S.C. § 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certificate of the Chief Financial Officer of Mobileye Global Inc. pursuant to 18 U.S.C. § 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101*	The following financial statements from Mobileye Global Inc.'s Quarterly Report on Form 10-Q for the three months ended June 27, 2026, filed with the Securities and Exchange Commission on July 23, 2026, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations and Comprehensive Income (Loss), (iii) the Consolidated Statements of Changes in Equity, (iv) the Consolidated Statements of Cash Flows and (v) the Notes to Consolidated Financial Statements.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: July 23, 2026

Mobileye Global Inc.

By: /s/ Professor Amnon Shashua
Professor Amnon Shashua
Chief Executive Officer, President and Director
(Principal Executive Officer)

By: /s/ Moran Shemesh Rojansky
Moran Shemesh Rojansky
Chief Financial Officer
(Principal Financial and Accounting Officer)