

ACCELERATING THE CREATION OF SEMICONDUCTORS

Corporate Overview
February 2023

Charlie Janac – CEO Nick Hawkins - CFO

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This presentation and the accompanying oral presentation include express and implied "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by terms such as "anticipate," "believe," "estimate," "expect," "intend," "may," "might," "plan," "project," "will," "would," "should," "could," "can," "predict," "potential," "target," "explore," "continue," or the negative of these terms, and similar expressions intended to identify forward-looking statements. However, not all forward-looking statements contain these identifying words. These statements may relate to our market size and growth strategy, our estimated and projected costs, margins, revenue, expenditures and growth rates, our future results of operations or financial condition, our plans and objectives for future operations, growth, initiatives, or strategies. By their nature, these statements are subject to numerous uncertainties and risks, including factors beyond our control, that could cause actual results, performance or achievement to differ materially and adversely from those anticipated or implied in the statements. These assumptions, uncertainties and risks include, among others, risks related to: market conditions and global economic factors (including the potential adverse effects of the ongoing global COVID-19 pandemic), our ability to access debt and equity financing, our efforts to establish and maintain proper and effective internal controls, and other factors relating to our business, operations and financial performance. It is not possible for us to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results or outcomes to differ materially from those contained in any forward-looking statements we may make. You should not rely upon forward-looking statements as predictions of future events. Although our management believes that the expectations reflected in our statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances described in the forward-looking statements will be achieved or occur. Moreover, neither we, nor any other person, assumes responsibility for the accuracy and completeness of these statements. Recipients are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date such statements are made and should not be construed as statements of fact. Except to the extent required by federal securities laws, we undertake no obligation to update any information or any forward-looking statements as a result of new information, subsequent events, or any other circumstances after the date hereof, or to reflect the occurrence of unanticipated events.

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In addition to the financials presented in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation includes the following non-GAAP metrics: non-GAAP loss from operations. Non-GAAP metrics have limitations as analytical tools and you should not consider them in isolation or as a substitute for or superior to the most directly comparable financial measures prepared in accordance with U.S. GAAP. There are a number of limitations related to the use of non-GAAP metrics versus their nearest GAAP equivalents. Other companies, including companies in our industry, may calculate non-GAAP metrics differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP metrics as tools for comparison. We urge you to review the reconciliation Arteris IP's non-GAAP metrics to the most directly comparable GAAP financial measures, and not to rely on any single financial measure to evaluate our business. See the Appendix for reconciliation between each non-GAAP metric and the most comparable GAAP measure.

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Investment highlights

¹ Management estimates

² Deutsche Bank Research

³ Gartner

⁴ As of December 31, 2022. We define this as the amount of contracted future revenue not yet recognized, including both deferred revenue and contracted amounts that will be invoiced and recognized as revenue in future periods

Market leadership

- Leader in semiconductor System-on-Chip (SoC) System IP
- ~50% increase in Active Customers since 2020
- 660+ SoC Design Starts
- Over 3 billion SoCs shipped

Large addressable market

- TAM \$1.3 in 2021¹
- TAM \$3.2B expected by 2026¹
- 19% TAM CAGR 2021–2026¹

Well-positioned in high growth segments

- 70 – 80% market share of automotive ADAS SoC market¹
- Autonomous vehicle/ADAS TAM growing at 36% CAGR through 2030²
- Automotive semiconductor TAM growing at 19% CAGR through 2030³

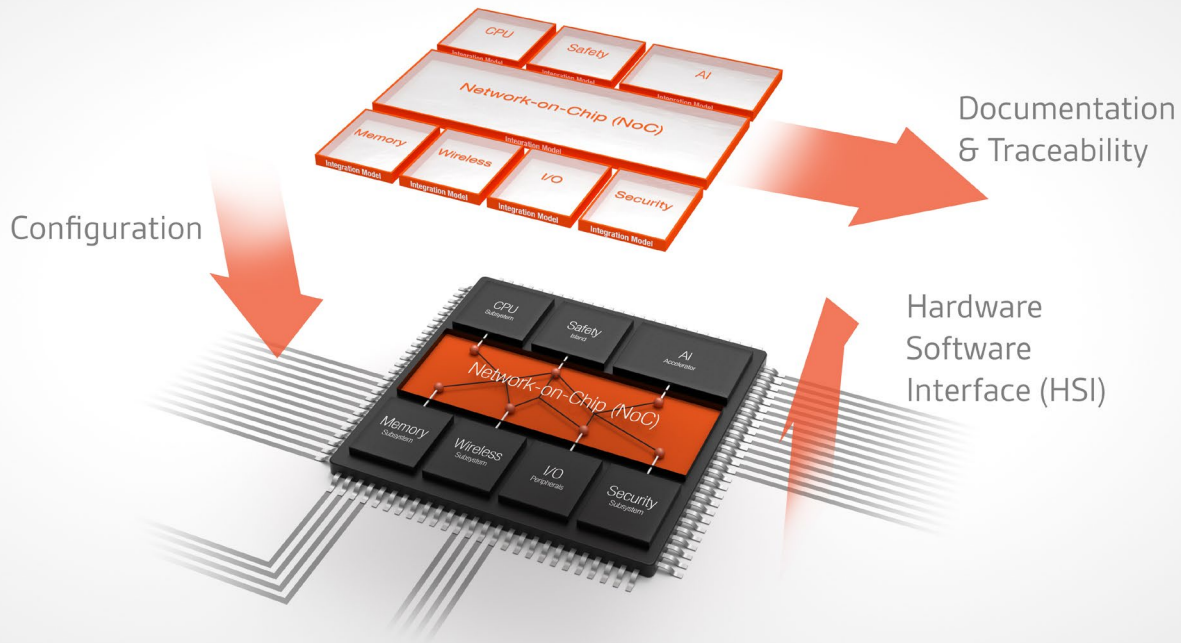
Differentiated technology

- Networking technology inside semiconductors
- Strong IP deployment technology, IP-XACT committee member
- 54 issued patents and 75 patent applications

Scalable business model

- IP business model
- Address high-growth segments with growing royalty streams
- Targeting high operating margin
- ~\$58 million contracted future revenue (RPO)⁴

Arteris SoC System IP



NoC Interconnect IP

Protocol converters, switches, rate adaptors, etc.

NoC Interface IP

Additional interconnects & IP blocks connected to NoC IPs

IP Deployment Automation

SoC IP blocks packaged with Arteris IP deployment software

Addressing Multi-Billion-Dollar Serviceable Market

Arteris SoC System IP

NoC Interconnect IP

NoC transports data within SoC

NoC Interface IP

Data transport and Control IPs attached to NoC interconnects

IP Deployment Software

Package IP Blocks, integrate SoCs

Total Addressable Market - 2021¹

~\$700M

Total Addressable Market - 2026¹

~\$1.6B

~\$300M

~\$1.1B

~\$300M

~\$500M

\$1.3B SoC system IP market
in 2021

\$3.2B SoC system IP market
by 2026 20% CAGR

1. Source: Arteris bottom-up analysis, Arm

Arteris IP – A Leading SoC System IP Company

Global customer base producing billions of SoCs with Arteris IP SoC system IP technology

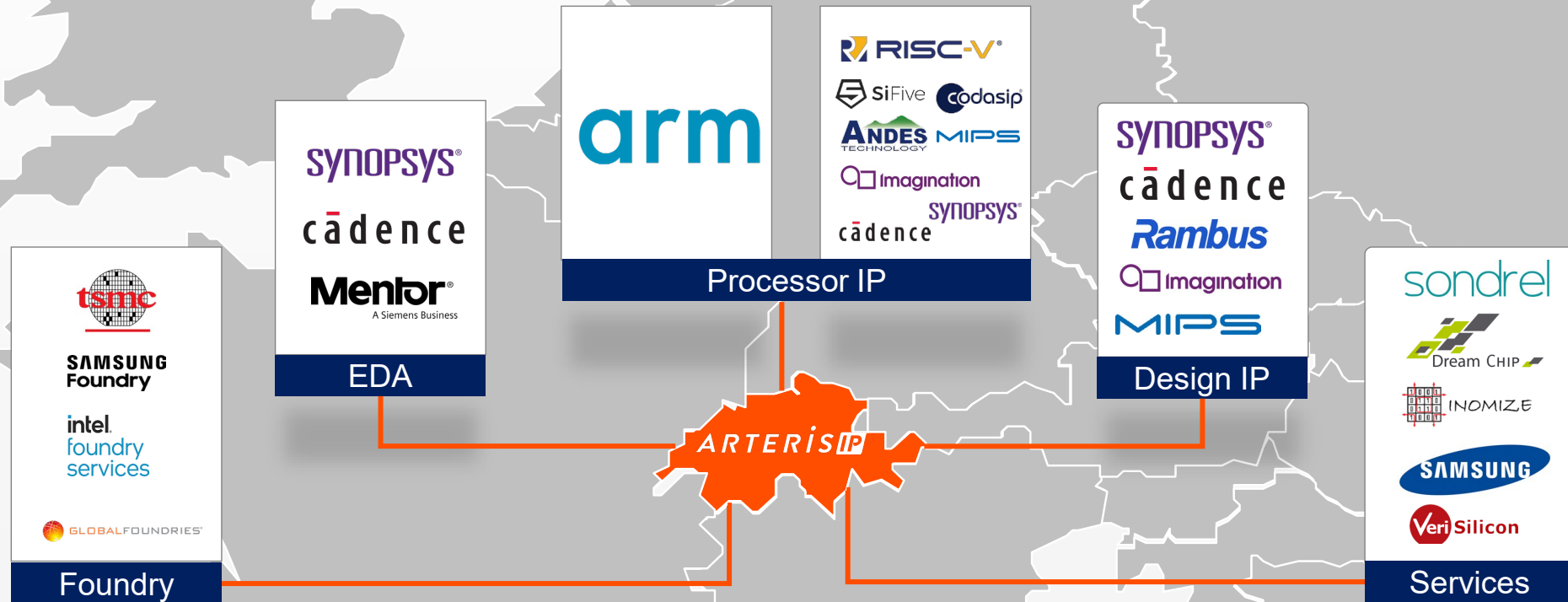
- ✓ Silicon-proven IP used in **3 billion+** SoCs shipped to date
- ✓ **200+** customers and **600+** SoC design starts to date
- ✓ **70-80% market share** of automotive ADAS SoC market¹
- ✓ **54** patents and **75** patent applications
- ✓ **Broad support** - any processors, IP, EDA, foundry
- ✓ Innovative technology coupled with expert support results in a **97% annual average customer retention rate**
- ✓ **Global reach** – offices in 8 locations

¹Management estimates



Arteris Ecosystem → The 'Switzerland' of IP

Neutral, trusted partner for IP providers and semiconductor makers



Recent Customer Momentum



Arteris FlexNoC interconnect licensed to enhance performance, security, configurability and low power for Microchip's next-generation MCU family.



Telechips integrates Arteris IP for Automotive applications including ADAS and MCUs, with ISO 26262 ASIL B and ASIL D functional safety



Arteris collaborates with SiMa.ai to optimize ML SoC implementation with efficient topology interconnect IP for the embedded edge

DIFFERENTIATED COMPETITIVE POSITION

```
##selection: end -add back the deselected mirror-##
mirror_ob.select= 1
modifier_ob.select=1
bpy.context.scene.objects.active = modifier_ob
print("Selected" + str(modifier_ob)) # modifier ob is the active ob
mirror_ob.select = 0
new = bpy.context.selected_objects[0]
new.data.from_object = mirror_ob
```

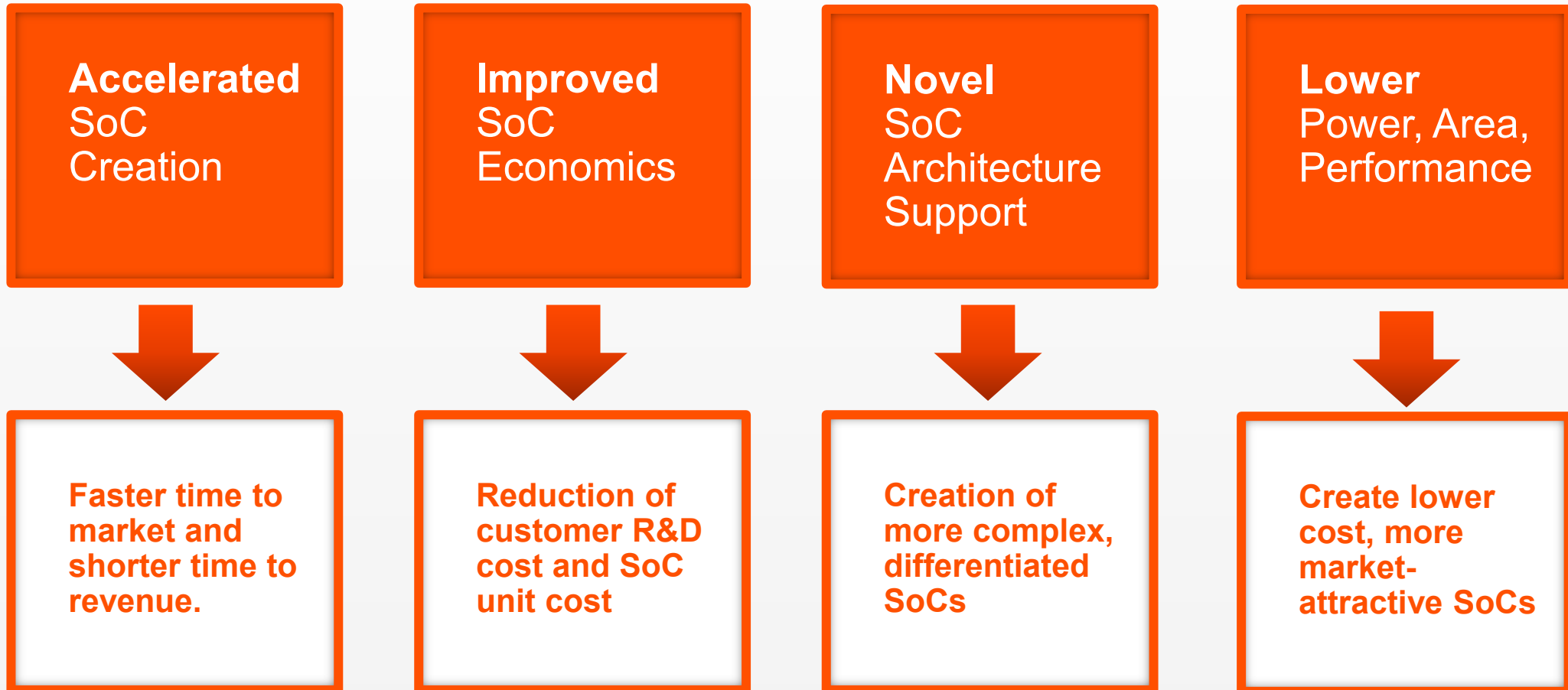
Low Competitor Risk

Arteris has a deep moat around its business

Barrier to Entry	ARTERIS ^{IP}	New Competitor Entrant
Market Experience	Founded in 2003	2 to 5 years to establish
Product Development	Annual product releases	3 to 6 years to build
Royalty Engine	Generating royalties for over a decade	5 to 8 years to build
<i>Total Time to Establishment</i>		10 to 20 years
Investment	Established, leading product line supported by market leading expertise	Tens of millions of dollars
Ecosystem	Foundry, IP & EDA ecosystem established	Costly development
Engineering Resources	Global team	Deep expertise difficult to find
Intellectual Property	54 patents issued, 75 pending	Patent infringement risk

Arteris is a Catalyst for SoC Innovation

Enabling customers to create complex SoCs efficiently and reliably



ADDRESSING THE MOST ATTRACTIVE MARKET SEGMENTS



Accelerating Innovation in Key Verticals & Horizontals

Working with market-shaping leaders to address evolving IP and SoC challenges

7 of the Top 10
Semis*



Automotive

8 of the Top 10
Semis



Communications

7 of the Top 10
Semis



Consumer
Electronics

8 of the Top 10
Semis



Enterprise
Computing

7 of the Top 10
Semis



Industrial











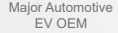
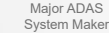

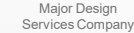



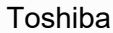











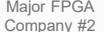


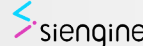










Artificial Intelligence / Machine Learning

Functional Safety and Reliability

Hardware / Software

Arteris Well Positioned for Automotive Growth

Arteris System IP enables novel transportation SoC architectures

	SoCs per function	Arteris IP customers → 117 SoC design wins									
ADAS / Machine Learning / Car Controller (1-4 systems per vehicle)	2	              									
Vision Camera – Local Processing (4-16 systems per vehicle)	4	    									
Radar / Lidar	6	      									
Infotainment	1	  									
Dashboard / HUD / DMS	2	     									
Chassis / Engine / Motor Control	5	 									
V2X / V2I / WAN Modem / Gateway	3	    									
	23	Average of 23 complex SoCs per electronically enabled vehicle by 2026									

Source: IHS Markit, McKinsey

Automotive

- 117 SoC design wins, OEMs take on silicon
- ~\$117 billion automotive semiconductor market by 2030¹
- Partnered with Arm
- Unique safety capabilities
- Example customers:
 - **NXP**
 - **Mobileye**
 - **Sondrel**

Automotive 19.4% CAGR¹



ADAS
31.2% CAGR¹

Connectivity/ Telematics
11.4% CAGR²

Auto HPC
(High Performance Compute)
99.2% CAGR¹

Infotainment
8.0% CAGR²

1. CAGR 2022 – 2030; Source: Gartner
2. CAGR 2022 – 2026; Source: Omdia Informa

Arm and Arteris Automotive Partnership

Strategic partnership to accelerate automotive electronics innovation

Drivers

Enormous demand for autonomous vehicles with Advanced Driver Assistance Systems (ADAS)

Efficient compute required for the electrification and digitization of everything

Evolving expectations driving advanced digital cockpits and in-vehicle-infotainment

Automotive Partnership

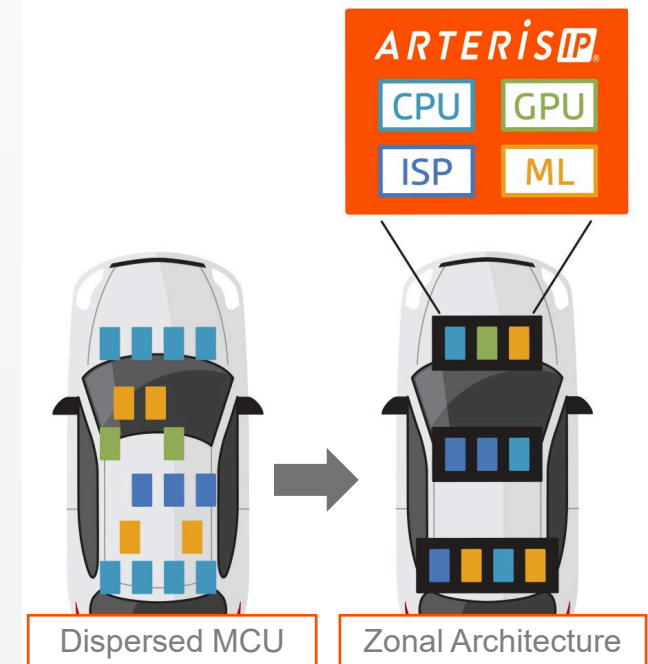
Delivering customer success via integration and aligned roadmaps of best-in-class products across:

- + Arm® processor IP: Cortex®-A family, Cortex-R, Cortex-M, and Mali™ GPU & ISP
- Arteris® system IP: FlexNoC® & Ncore® interconnect, and Magillem® IP deployment software

Implication

Expanded cooperation required between system-on-chip technology leaders: Arm + Arteris

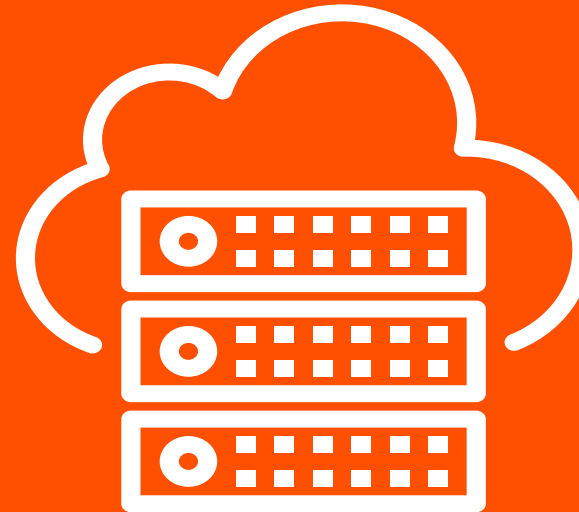
Mutual growth, leveraging the Automotive Silicon TAM* scaling from \$12.6B ('21) to \$30B+ ('30)



Enterprise Computing

- Workload optimization in data centers drives specialization
- Unique enablement of AI/ML designs—100 AI/ML enabling customers
- Example customers:
 - **Achronix**
 - **Vastai**
 - **Bitmain**

Enterprise Computing 4.5% CAGR¹



Data Center Servers
9.0% CAGR¹

Data Center Networking
14.4% CAGR¹

Solid State Data Storage
11.6% CAGR¹

1. CAGR 2022 – 2026; Source: Omdia Informa

Connected Edge

Consumer, communications, industrial

- **IoT** across industries, **Edge** computing and **hyperconnected** future drives specialized chips
- Unique **Safety** capabilities
- Example customers:
 - **Renesas**
 - **NXP**
 - **SiMa.ai**



VR
12.1% CAGR¹

Wearables
23.6% CAGR¹



Smartphones
6.4% CAGR¹

Automation
7.2% CAGR¹



**Smart Grid
(Power/Energy)**
7.8% CAGR¹

**Building & Home
Control**
6.7% CAGR¹

1. CAGR 2022 – 2026; Source: Omdia Informa

SiFive + Arteris Edge AI Partnership

Partnership to speed up innovation for consumer and industrial applications

Drivers

Growing demand for high-performance and power-efficient semiconductors in Edge AI applications

RISC-V enables “Freedom to Innovate” for digital transformation in many industries

Evolving user expectations drive RISC-V transforming the future of computing

Edge AI Partnership

Combination of the SiFive Intelligence™ processor IP and Arteris Ncore interconnect IP

Interoperability speeds up the development of edge AI SoCs with high performance and power efficiency while reducing project schedules, integration complexity, and costs

First Partnership Deliverable

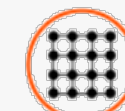
SiFive 22G1 X280 Customer Reference Platform, SiFive X280 processor IP + Arteris Ncore cache-coherent interconnect IP, running on AMD Virtex™ UltraScale+™ FPGA VCU118 Evaluation Kit

Arteris and SiFive
Partner to Accelerate
RISC-V SoC Design of
Edge AI Applications.

ARTERIS IP



Consumer Electronics
&
Industrial Applications



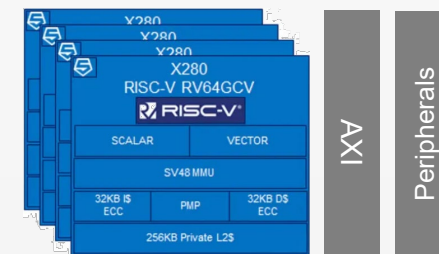
Flexible



Scalable



Performance



ARTERIS IP Ncore®

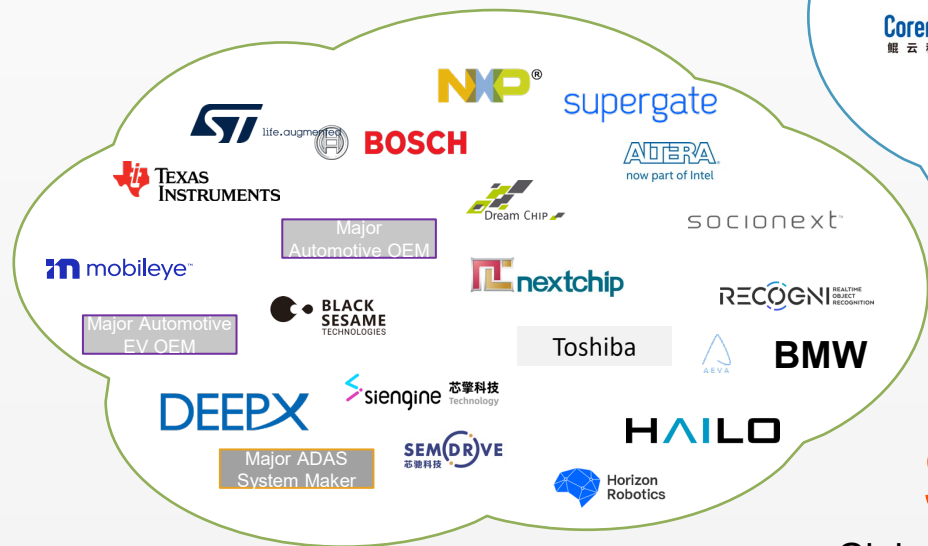
Memory & Peripherals

Connecting Artificial intelligence Everywhere

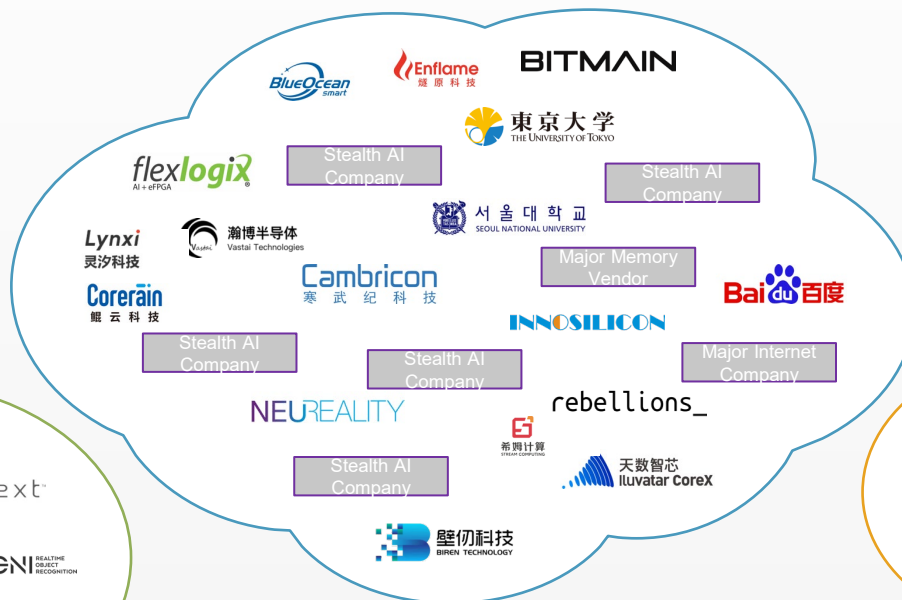
100

AI / ML
Customers

Transportation



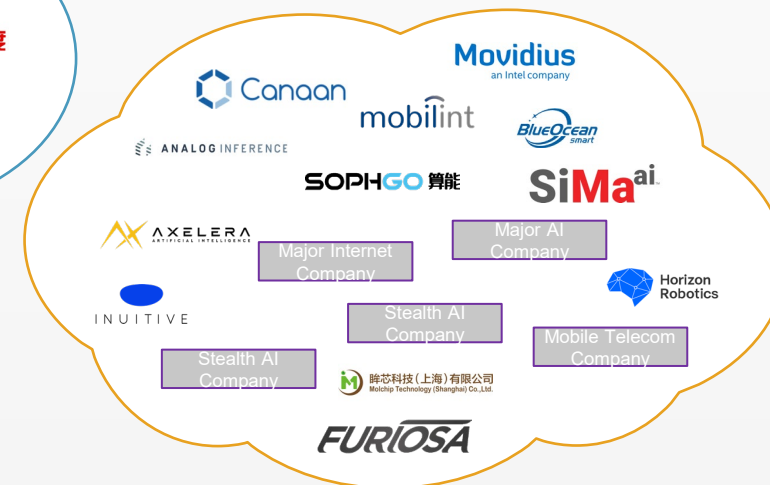
Datacenter



156

AI / ML Arteris IP Connected
SoCs Started

Edge



\$52B

Global AI Edge Chipset
Revenue by 2025

37%

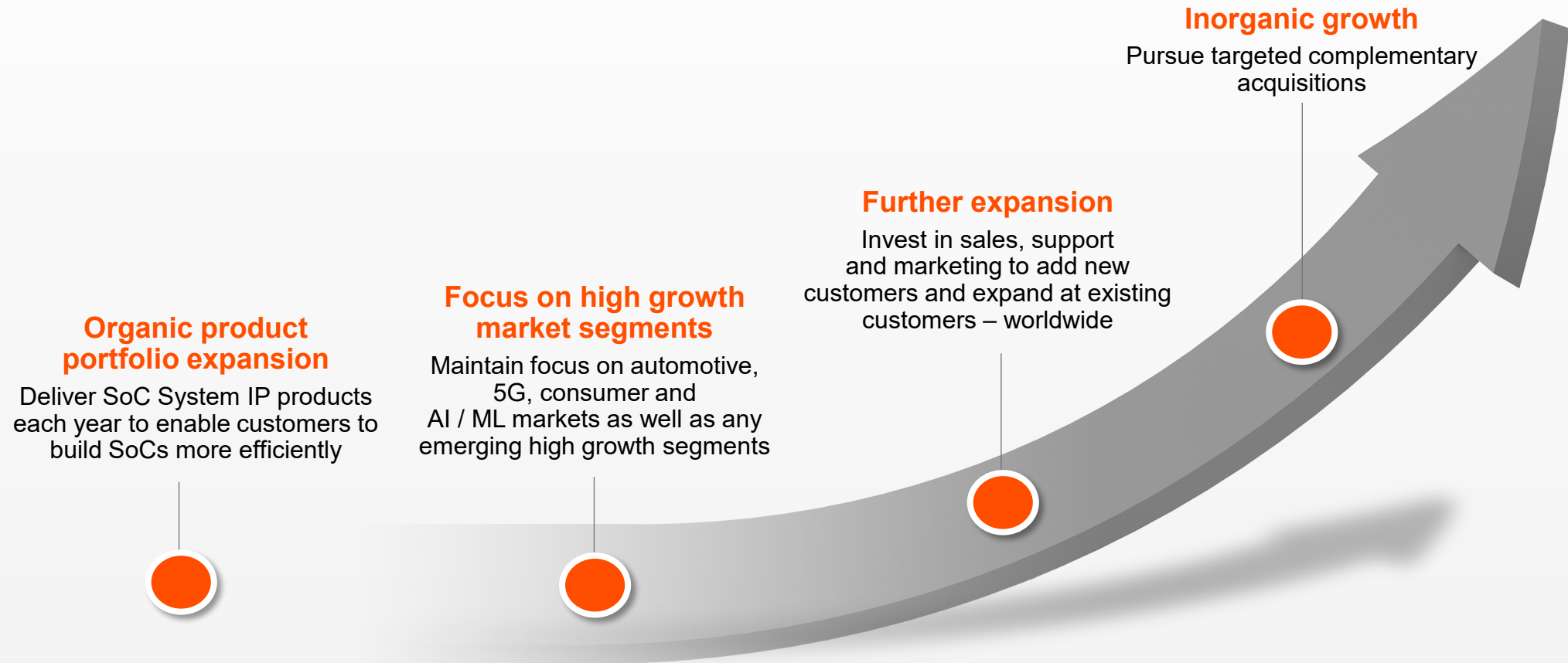
Annual Growth in Global AI
Edge Chipset Revenue
(2019–2025)

Source: Statista

GROWTH STRATEGIES

```
Aspiration: end -add back the deselected mirror -  
mirror_ob.select= 1  
modifier_ob.select=1  
bpy.context.scene.objects.active = modifier_ob  
print("Selected" + str(modifier_ob)) # modifier ob is the active ob  
-mirror_ob.select = 0  
-bpy.context.selected_objects[0]  
-bpy.context.active_object
```

Growth and innovation strategies



Growth and innovation milestones

Organic product portfolio expansion

- **Feb. 2023** – FlexNoC 5 announced

Focus on high growth market segments

- **Feb. 2023** – Partnership with RISC-V for Edge AI applications
- **Sep. 2022** – Partnership with Arm for automotive electronics

Further expansion

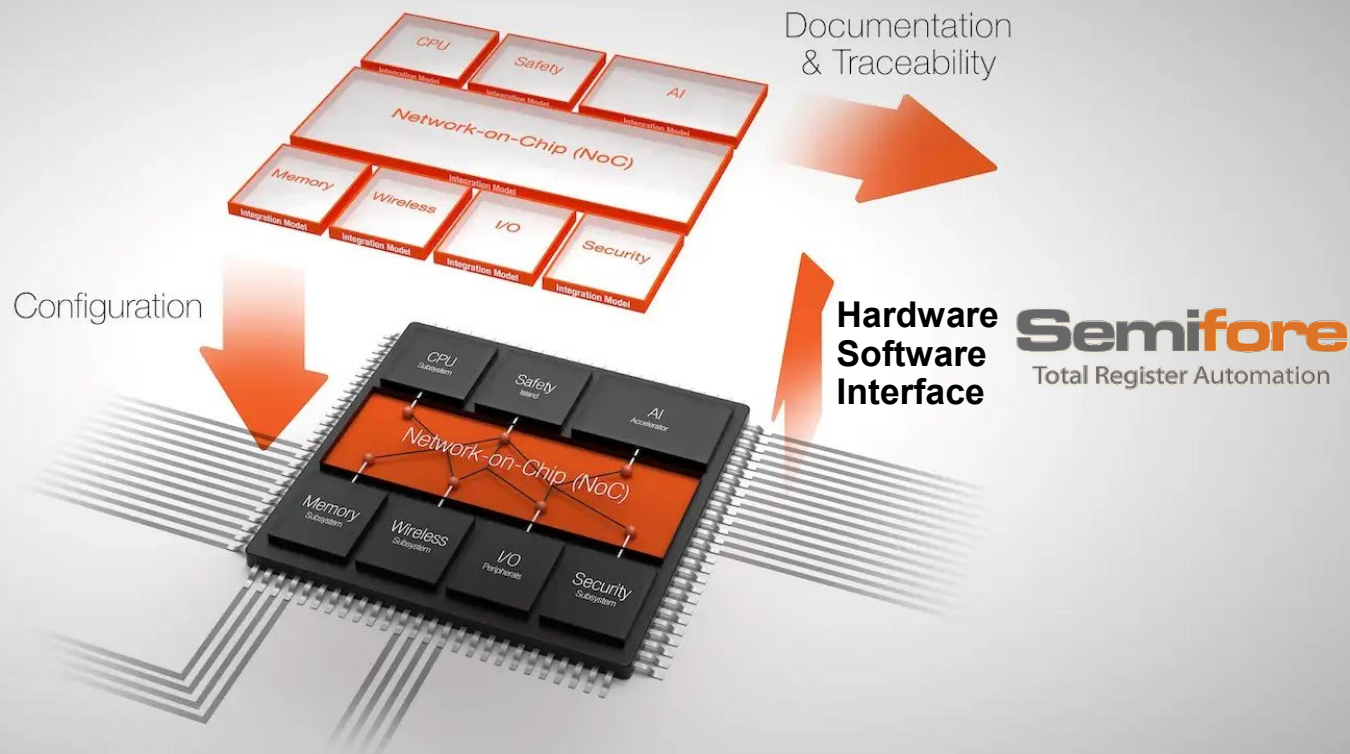
- **Nov. 2022** – Christel-Mauffet Smith joins as EVP of Sales
- **Mar. 2022** – Michal Siwinski joins as CMO
- **Apr. 2021** – Laurent Moll joins as COO

Inorganic growth

- **Dec. 2022** – Acquisition of Semifore
- **Dec. 2020** – Acquisition of Magillem

Arteris Acquires Semifore To Accelerate SoC Development

ARTERIS IP



- **Technology**

- Arteris® provides leading system IP
 - FlexNoC®, FlexWay®, Ncore®, CodaCache®
- Arteris provides IP deployment automation
 - Magillem® solution for connectivity and system map
 - Magillem solution for register management
 - **Acquired December 2020**
- Semifore® provides leading HW/SW Interface (HSI)
 - Recommended solution for registers
 - Hardware/software SoC integration
 - Delivering faster time to market and better SoC economics
 - **Acquired December 2022**

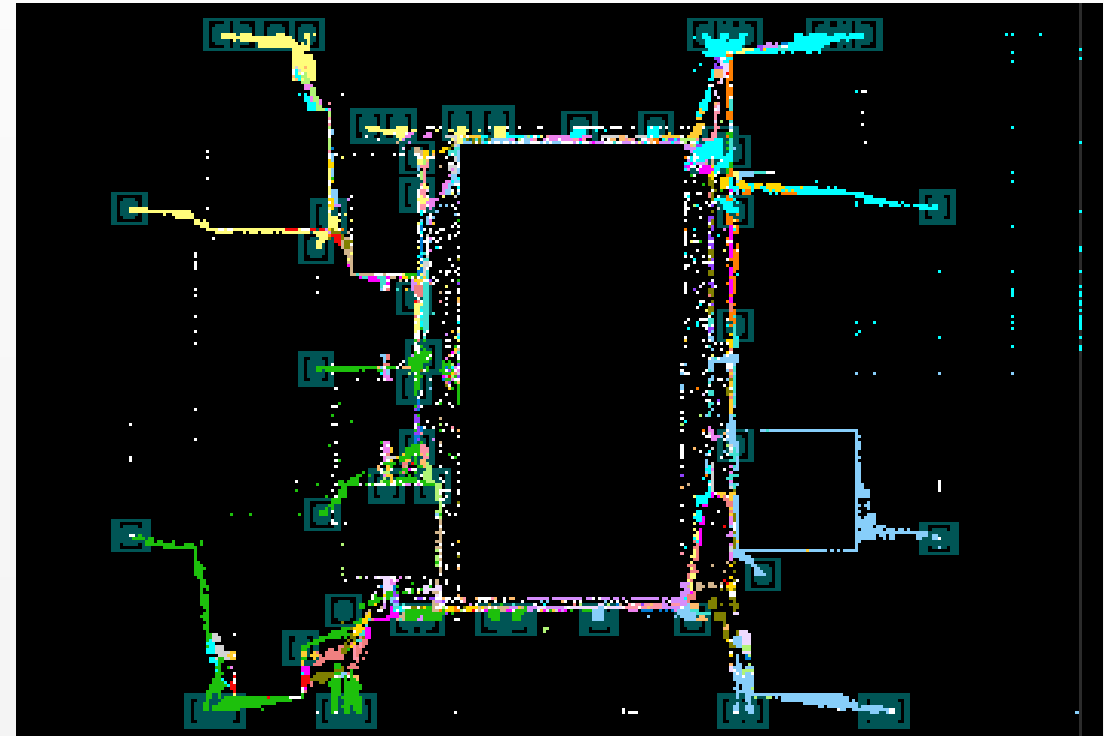
- **Roadmap**

- Arteris will create value-add integrations of both solutions

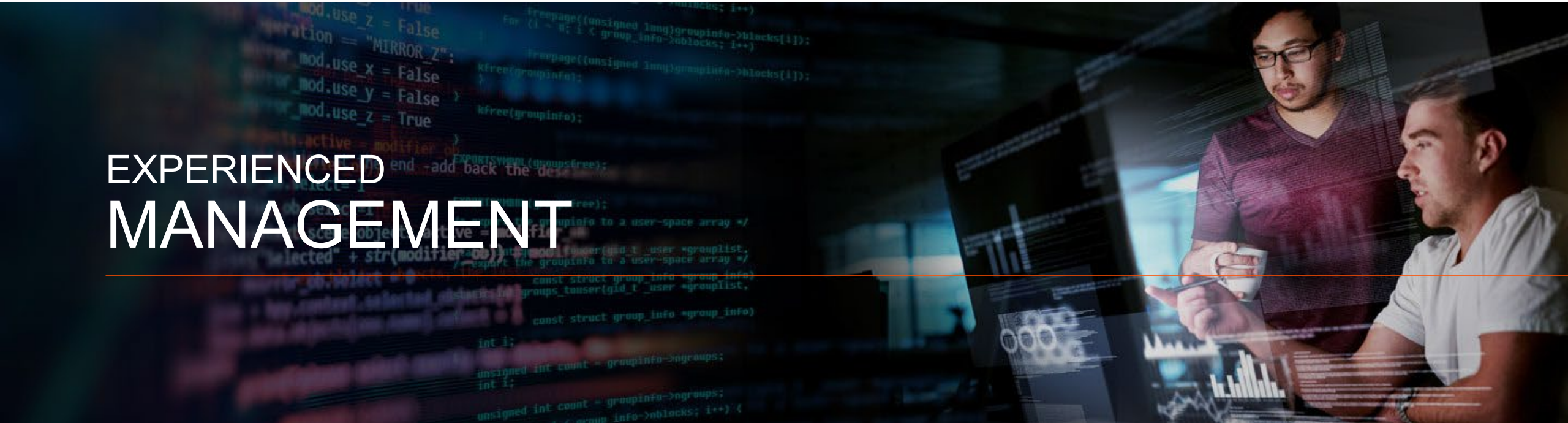
Latest Product Innovation: FlexNoC 5 Network-on-Chip IP

One of the Industry's First Physically Aware NoC IP Designed To Reduce Complexity + Optimize Design

1. Customers get to physical convergence up to 5x faster.
2. Engineering resources are optimized, reducing manual iterations, cutting months to days.
3. Power, performance, and area goals are achieved within schedule and budget constraints.



EXPERIENCED MANAGEMENT



Seasoned Executive Team with Deep Domain Expertise

Charlie Janac



**Chairman
President & CEO**

Laurent Moll



**Chief Operating
Officer**

Michal Siwinski



**Chief Marketing
Officer**

Nick Hawkins



**Chief Financial
Officer**

Christel Mauffet-Smith



**Executive VP of
Global Sales**

Paul Alpern



**Vice President
General Counsel**

cā dence®



Qualcomm



cā dence®



cā dence®

SYNOPSYS®

MACOM™

MIPS

Charlie has over 30 years of experience in multiple industries including electronic design automation, semiconductor capital equipment, nano-technology, industrial polymers and venture capital

B.S. & M.S. Tufts University & M.B.A Stanford Graduate School of Business

Laurent recently served as VP of Engineering at Qualcomm. Previously, Laurent was the CTO at Arteris Inc

PhD École Polytechnique, and holds over 60 patents on SoC technology

Michal has over 23 years of experience in a variety of marketing, customer success, and operations leadership roles. Most recently he was the Corp VP of Marketing and Business Development at Cadence

B.S. in EE & CS from UC Berkeley, Mini-MBA from University of Santa Clara

Nick has held CFO positions for over 20 years and was recently CFO of Corsair Gaming in the consumer electronics space

BSc from Exeter University & Fellow Chartered Accountant

Christel has over 25 years of experience in sales and field applications management from across Cadence, Synopsys and Ansys, and semiconductor design background from Philips

MS from École Polytechnique, B.S. in EE from Bournemouth University, UC Berkeley Haas School Executive Leadership

Paul has over 20 years of experience in law covering global semiconductor, IP licensing, system & software companies

Graduate Summa Cum Laude in Economics from UC Berkeley, & Juris Doctor from Harvard Law School

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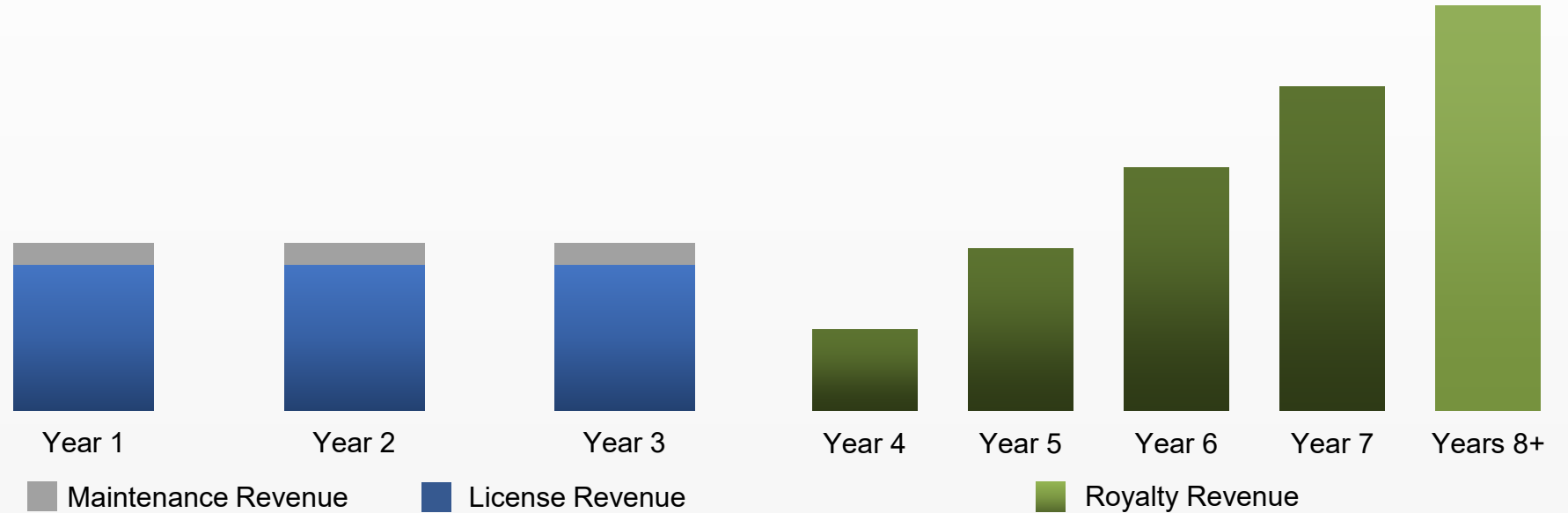
FINANCIAL OVERVIEW

Nick Hawkins, CFO



Scalable IP business model

2 revenue streams



Support and
Maintenance Fee

License
Fee

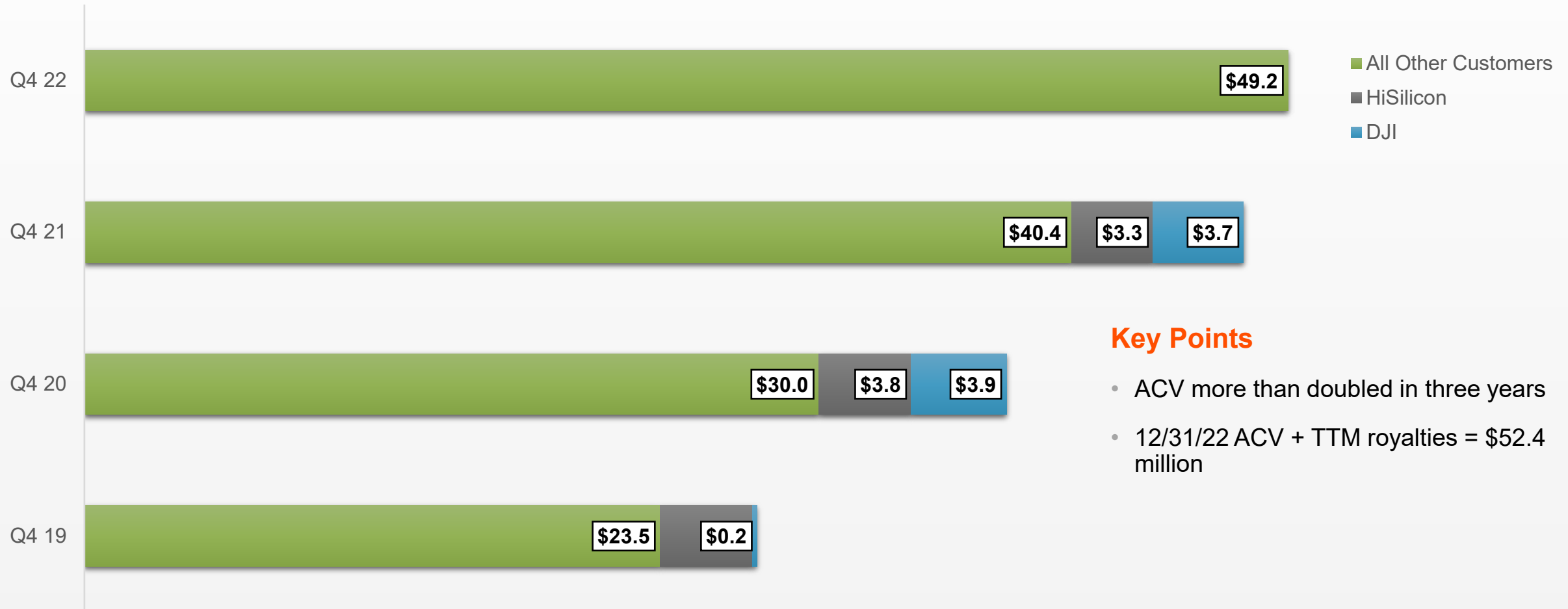
Repeatable, Long-term
Product Royalties

Customer Acquisition
(2–9 months)

Customer SoC Design
(1–3 years)

Customer Mass Production
(2–10 years)

Customer Growth Drives Increased Annual Contract Value (ACV)^{1,2}



Key Points

- ACV more than doubled in three years
- 12/31/22 ACV + TTM royalties = \$52.4 million

Growth in Confirmed Design Starts Drives Future Royalty Expansion

Confirmed Design Starts³



Low Point
2021

Auto

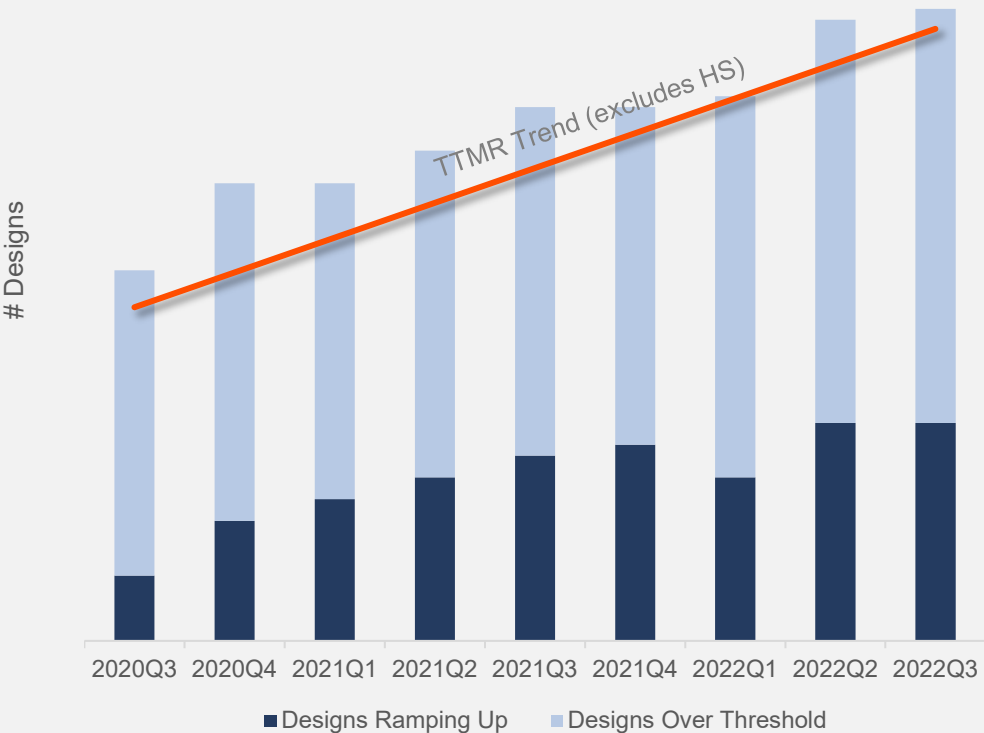
Royalty
\$

Other

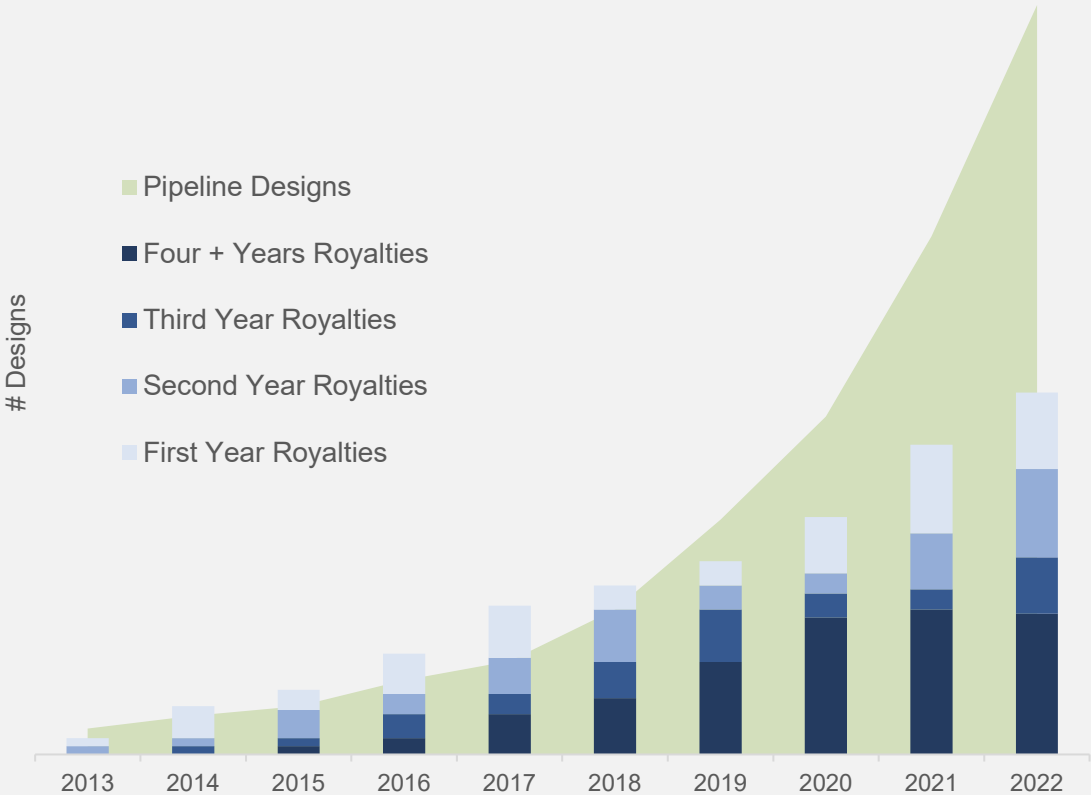
³ We define Confirmed Design Starts as when customers confirm their commencement of new semiconductor designs using our interconnect IP and notify us

A Growing Royalty Base

Material Royalty Designs (>\$10K TTMR)



Design Pipeline and Royalties by Year



“Designs Ramping Up” : Designs under the \$10k TTMR threshold, but over 50% growth Y/Y in TTMR

High Visibility

- GAAP revenue drivers:

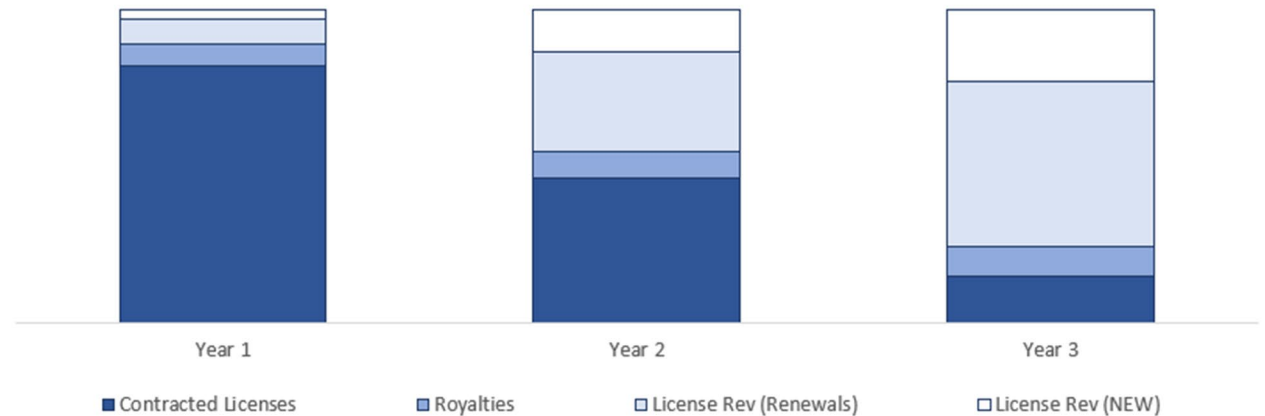
- 1. RPO: \$58M at 12/31/22 - amortizes over 3+ years
- 2. Royalties: contracted except sales out volume
- 3. License renewals: ~97% renewal rate p.a.⁽¹⁾
- 4. New business

- ACV drivers

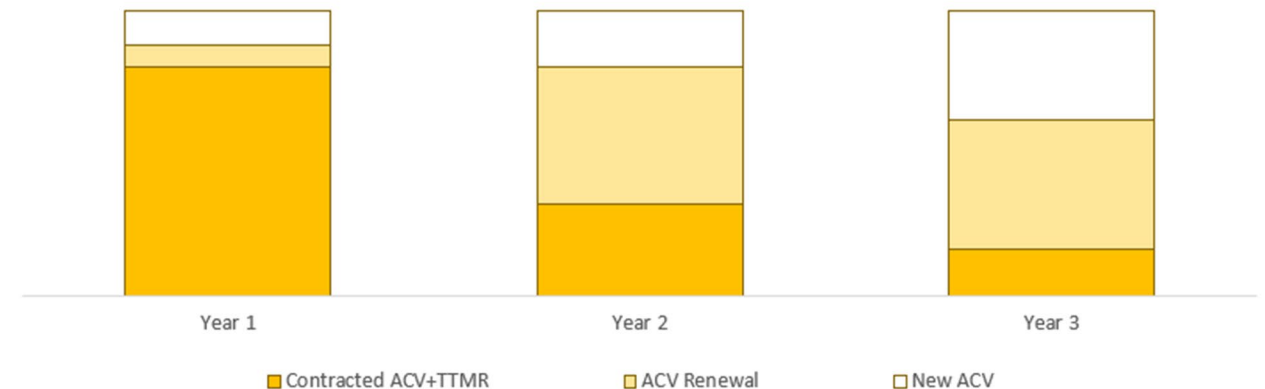
- 1. Existing ACV waterfall extends over 3+ years
- 2. Renewal ACV: ~97% renewal rate p.a.⁽¹⁾
- 3. New business

¹Annual average customer retention rate, excluding IP deployment solutions, was 97.1% from December 31, 2019 to December 31, 2022.

Potential Revenue Visibility - For Illustrative Purposes



Potential ACV Visibility - For Illustrative Purposes



Operating Results

Key Points

- HiSilicon & DJI both drop out of ACV in 2022 (\$7.0m headwind)
- GAAP license revenue largely ratable
 - Predictable GAAP revenue
 - But defers revenue to future periods
- 90–95% gross margin (FY20 – FY22)
- OpEx investments
 - Next-generation product development
 - Expansion of sales & marketing to drive growth
 - Public company G&A

<i>In \$ millions</i>	FY 2021	FY 2022	Q4 2021	Q4 2022	Q1 2023 Guidance	FY 2023 Guidance
ACV	47.4	49.2	47.4	49.2		
TTM ² Royalties and Other	2.6	3.2	2.6	3.2		
ACV + TTM ² Royalties	50.0	52.4	50.0	52.4	51.5 – 55.5	60.4 – 65.4
Revenue	37.9	50.4	11.4	11.2	11.0 – 13.0	56.0 – 60.0
Non-GAAP Information						
Non-GAAP Loss From Operations ¹	(15.5)	(16.2)	(2.8)	(5.8)	55.0% – 75.0%	28.5% – 43.5%
Free Cash Flow	(1.6)	(7.8)	(2.9)	(0.8)	(81.7%) – (56.7%)	(19.7%) – (9.7%)

Financial highlights

Strong royalty model Fueled by automotive & other verticals growth

\$58M Contracted future revenue (RPO)

21% CAGR in ACV
12/31/19 – 12/31/22

90–95% Gross Margin¹

Significant operating leverage

Debt free

¹2020-2022

Investment highlights

¹ Management estimates

² Deutsche Bank Research

³ Gartner

⁴ As of December 31, 2022. We define this as the amount of contracted future revenue not yet recognized, including both deferred revenue and contracted amounts that will be invoiced and recognized as revenue in future periods

Market leadership

- Leader in semiconductor System-on-Chip (SoC) System IP
- ~50% increase in Active Customers since 2020
- 660+ SoC Design Starts
- Over 3 billion SoCs shipped

Large addressable market

- TAM \$1.3 in 2021¹
- TAM \$3.2B expected by 2026¹
- 19% TAM CAGR 2021–2026¹

Well-positioned in high growth segments

- 70 – 80% market share of automotive ADAS SoC market¹
- Autonomous vehicle/ADAS TAM growing at 36% CAGR through 2030²
- Automotive semiconductor TAM growing at 19% CAGR through 2030³

Differentiated technology

- Networking technology inside semiconductors
- Strong IP deployment technology, IP-XACT committee member
- 54 issued patents and 75 patent applications

Scalable business model

- IP business model
- Address high growth segments with growing royalty streams
- Targeting high operating margin
- ~\$58 million contracted future revenue (RPO)⁴

THANK YOU!



APPENDIX

Appendix - GAAP to Non-GAAP Reconciliation

Income (loss) from operations

<i>In \$ thousands</i>	Three Months Ending:		Twelve Months Ending	
	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022
Income (loss) from Operations	(7,280)	(9,060)	(21,765)	(28,856)
Add:				
Stock-based Compensation	4,366	2,610	5,510	11,692
Acquisition costs		527	238	527
Amortization of acquired intangible assets	120	120	478	478
Non-GAAP income (loss) from operations	(2,794)	(5,803)	(15,539)	(16,159)