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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 operating expenses, non-GAAP operating income (loss). 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.

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# Today's Chips Have Become The Core Of Electronic Systems

Arteris semiconductor system IP solutions address ~10-20% of silicon area\*, solving IP reuse, chiplet and SoC design challenges → Best Power/Performance/Area (PPA), lower costs, and reduced project risks

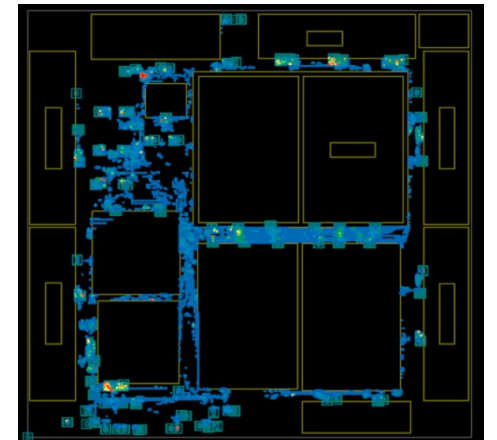
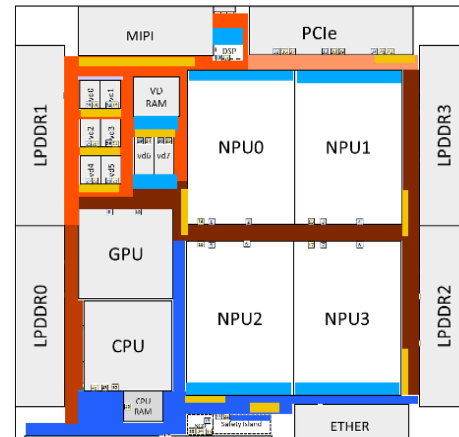
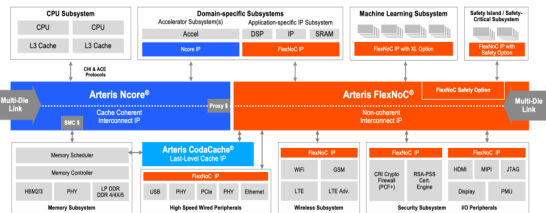
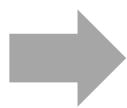
**ARTERIS IP** Requirements - Specification - IP Integration - Verification - Physical NoC Estimation - RTL Generation - Documentation

Physical Implementation

System IP Library

Commercially Licensed IP Blocks

Internally Developed IP Blocks



SoC Bill of Materials

Architectural View

SoC View

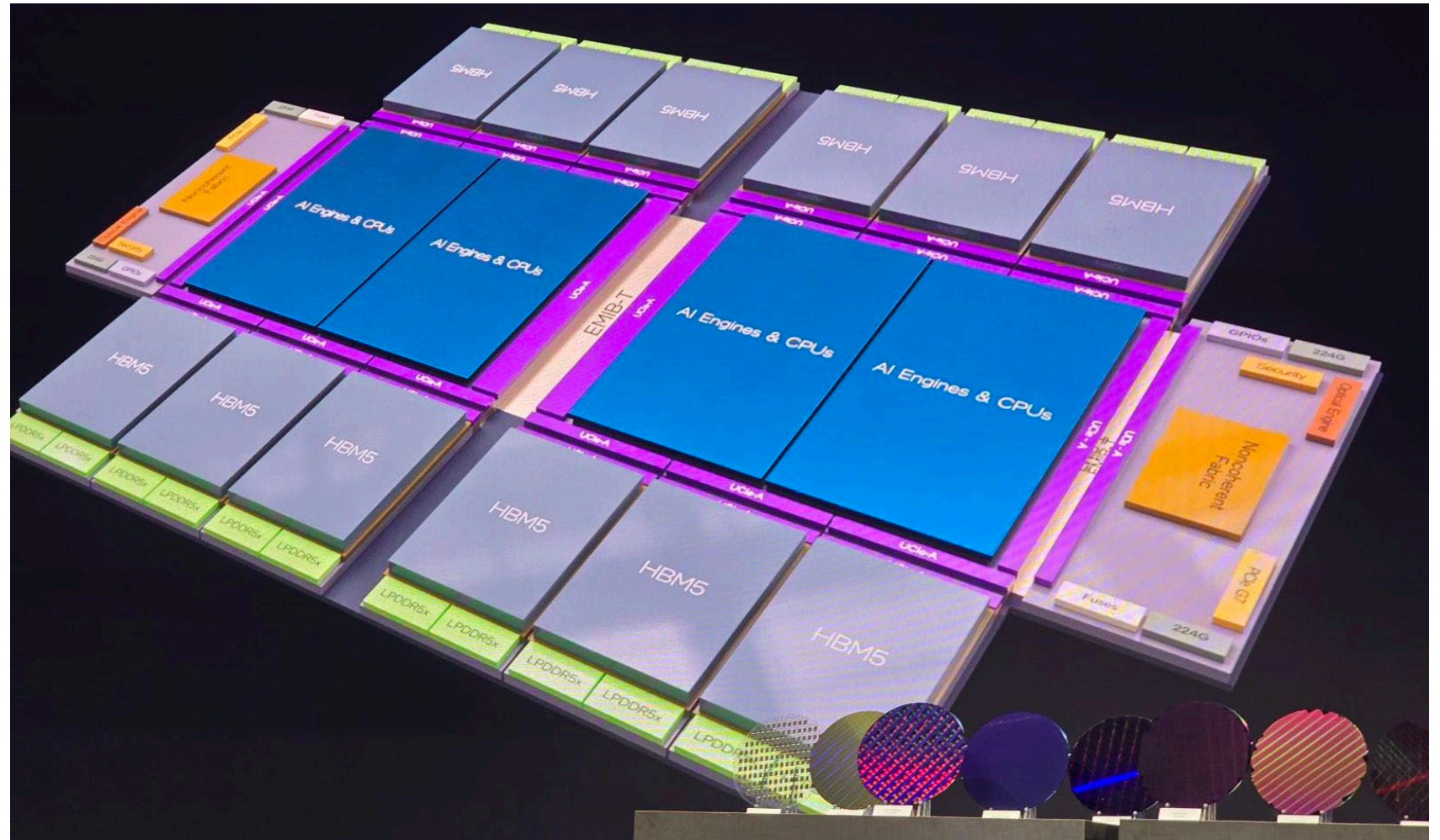
Physical Awareness View

\*Management estimates

# System IP Becoming More and More Complex

The Era of the Chiplet based SoC → Providing Opportunities to Increase Customer Value

- 12x reticle size
- Multi-die
- Multi-vendor
- Multi-function
- Multi-process
- Multi-performance



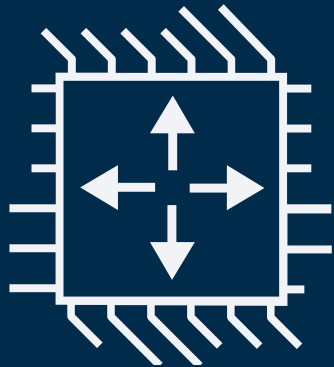
Presented by Kevin O'Buckley, SVP & GM Intel Foundry Services, Intel Foundry Day, Apr. 29, 2025

# Arteris Has a Proven and Comprehensive System IP Solution

Arteris System IP Segments → Model, Package, Integrate, Verify

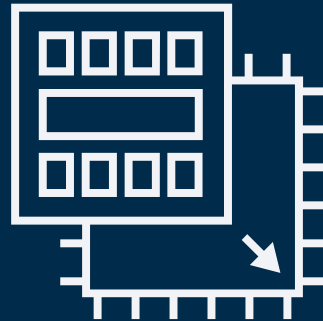
## SoC Integration Automation

SoC IP blocks connected & configured with Arteris software



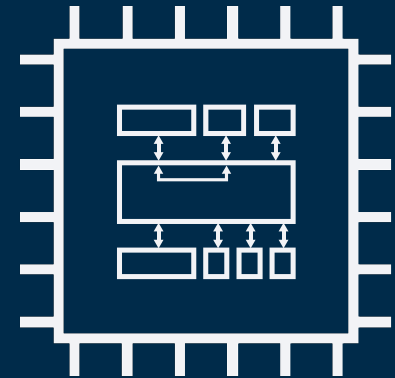
## Network-on-Chip Interconnect IP

Protocol converters, switches, rate adaptors, coherent units, transport networks, directories etc.



## Network-on-Chip Interface IP

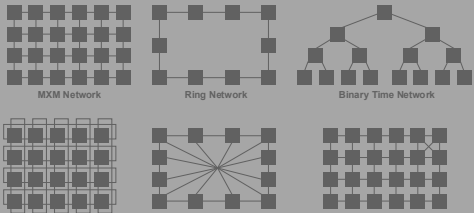
Additional interconnects & IP blocks connected to NoC IPs



# Arteris Addressing Emerging Electronics Trends

## Adoption of New Semi. Technologies

More Processors & IP Blocks  
– data movement key competency –



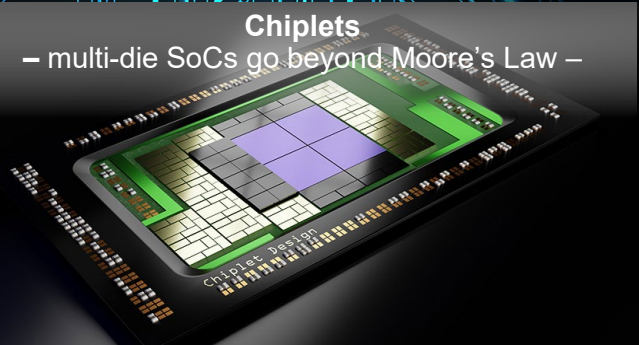
## Artificial Intelligence

– electronic systems making decisions –

# AI

## Chiplets

– multi-die SoCs go beyond Moore's Law –



## Smart Systems Connected Everywhere



## Regionalization of Semiconductor Industry



## Supporting Silicon Based Business Creation



# Building a Leading SoC System IP Company With Global Footprint

Broad customer base deploying Arteris' interconnect IP and SoC integration software

- Silicon-proven IP used in **over 3.75 billion+** units shipped to date<sup>1</sup>
- **200+ customers** and **over 860 SoC design starts** to date<sup>1</sup>
- **70-80%** market share of **automotive ADAS SoC market**<sup>2</sup>
- Strong technology and traction in **AI/ML systems**
- **Ecosystem** - any processor, any IP, any EDA, any foundry
- Customer retention rate of **90+%**<sup>1</sup>
- 100 patents and 126 patent applications<sup>3</sup>
- **ISO 9001:2015** Quality Management System (QMS) Certified
- **ISO 26262** Certified for Automotive Functional Safety for Magillem software and Ncore coherent interconnect IP

<sup>1</sup> Over a three year period ending March 31,2025

<sup>3</sup> As of March 31, 2025

<sup>2</sup> Management estimates

## Diversified Customer Base

Subset of Publicly Disclosed Customers



# Arteris' System IP Business Has Deep Moats

Challenging for new vendors to address system IP profitably



## Marketable Product

- Annual product releases + new product innovation

Competition: 2 to 5 years to develop & mature

## Product Design In

- Customer SoC design win into electronic systems

Competition: 3 to 6 years to deploy

## Royalty Engine

- Generating royalties over a decade

Competition: 5 to 8 years to develop & mature

## Investment

- Established products supported by market leading expertise

Competition: Substantial investment for product line

## Ecosystem

- Foundry, IP & EDA ecosystem established

Competition: Lengthy development

## Engineering Resources

- Global team

Competition: Deep expertise, difficult to find

## Intellectual Property

- 100 patents issued, 126 pending

Competition: Patent infringement risk

Total time to a solid market position:  
**10+ years**

# Arteris' 2024 Technology Delivery → FlexGen – Smart NoC IP

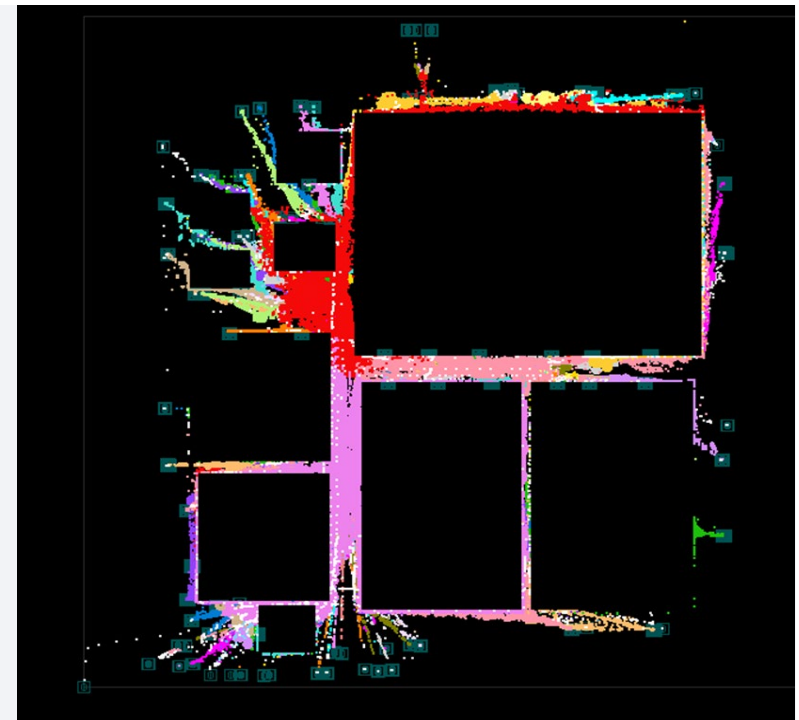
## Arteris Revolutionizes Semiconductor Design with FlexGen - Smart Network-on-Chip IP Delivering Productivity Improvements and Quality of Results

**Challenge:** SoC design complexity has surpassed manual human capabilities, requiring smart NoC automation. Modern SoCs have 5 to 20+ unique NoC instances and each instance can require 5-10 iterations.

### FlexGen, smart NoC IP from Arteris delivers:

- **Productivity Boost:** Accelerates chip design by up to **10x**, shortening and reducing iterations from weeks to days for greater efficiency.
- **Expert-Level Results:** Enhances engineering efficiency by **3x** while delivering expert-quality results with optimized routing and reduced congestion.
- **Wire Length Reduction:** AI-driven heuristics reduce wire length by up to **30%**, improving chip or chiplet power efficiency.

➔ Connects any processor (Arm, RISC-V, x86, Mixed) and supports industry protocols.



# Arteris' 2025 Technology Delivery → Magillem Registers Release

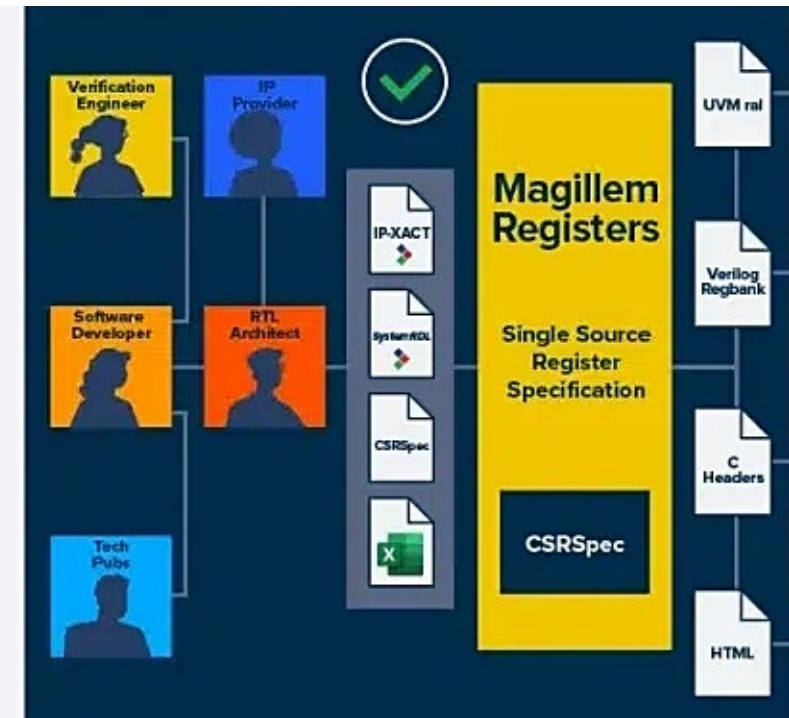
## Latest Generation of Magillem Registers Automates Semiconductor Hardware/Software Integration

**Challenge:** SoC design complexity has outgrown manual workflows. Hardware Software Interfaces (HSIs) are critical to design success, as modern design include millions of registers, and are highly error-prone.

### Magillem Registers, SoC integration automation software delivers:

- **Solution Integration:** Combines silicon-proven Magillem 5 and Semifore CSRCompiler products into next-generation 'single source of truth' product.
- **Any Design:** Up to 3x faster and 5x scalability address today's SoCs and FPGA designs, ranging from simple IoT devices to state-of-the-art complex AI silicon.
- **Broad Standards Support:** Adds to IEEE 1685-2009 (IP-XACT) support to include 2014 and 2022 versions, Accellera SystemRDL 1.0 and 2.0, and Excel..

➔ Single source of truth for millions of registers used in SoC design, verification, and documentation



# Arteris Innovation Recognized from Among 3,600 Nominations

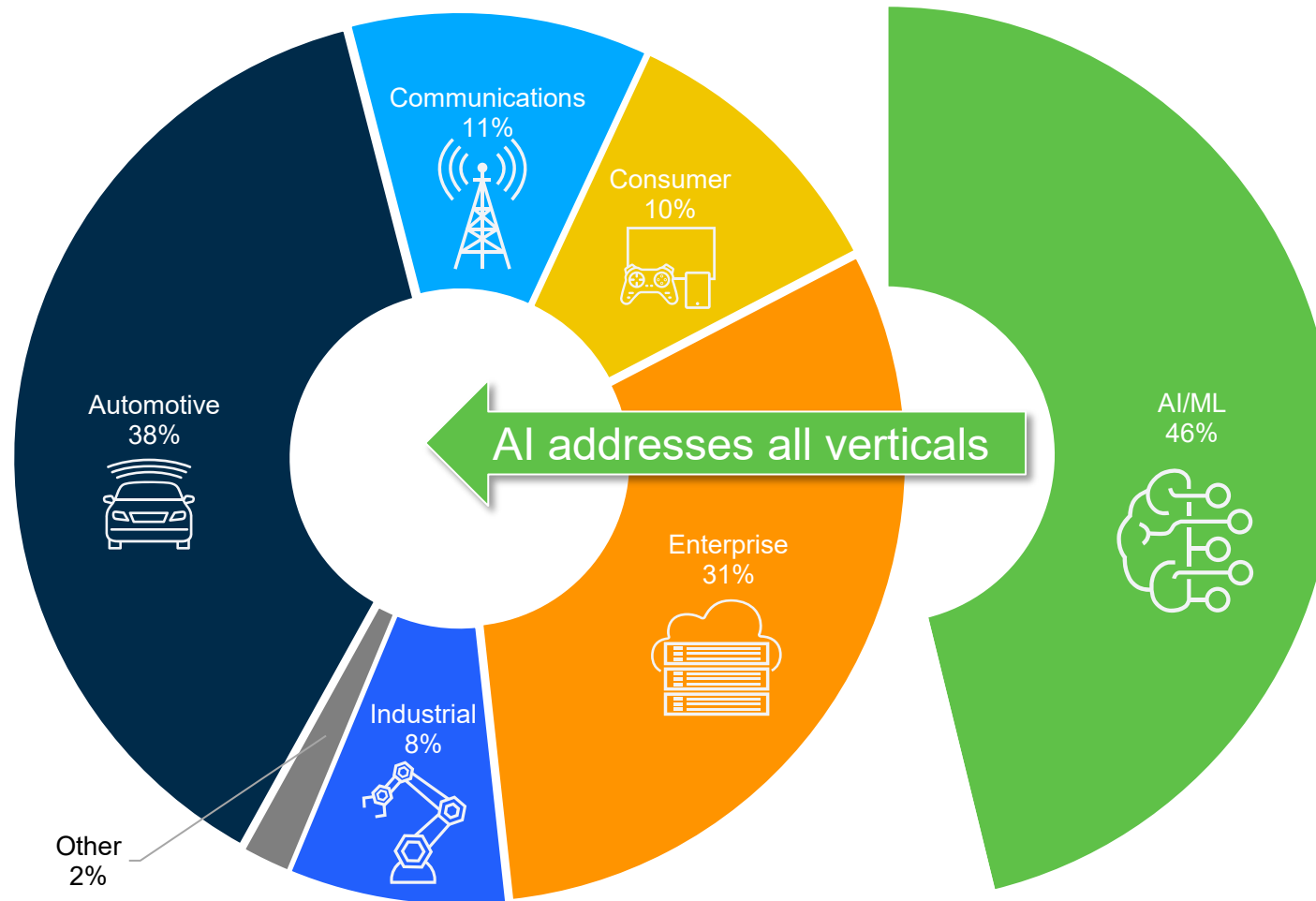


## Arteris named the winner of

- Gold Stevie® Winner for **Most Innovative Technology Company of the Year**
- Gold Stevie® Winner for Ncore for **Technical Innovation of the Year**
- Silver Stevie® Winner for AI NoC Tiling for **Achievement in Product Innovation**

# Accelerating Innovation In Key Verticals

1Q2025 ACV+Royalties vertical breakdown estimates



- Training
- Inference
- Generative AI
- Vehicle endpoints
- Robotics
- Datacenter
- Infrastructure

AI/ML horizontal ACV+R allocation based on management approximation of nature of customer's licensed designs and overall business

# Arteris' System IP Position In Artificial Intelligence/Machine Learning

Data movement is a key competency of AI SoCs; Arteris offers superior bandwidth & features

	Number of Customers – Mar 25	Arteris Customers → 245+ AI SoC design wins							
<b>Datacenter Training</b>	5+	Hyperscaler #1	 蓝洋智能 BlueOceanSmart	 Cambricon 寒武纪科技	 Corerain 鲲云科技	 Enflame 燧原科技	Automotive EV OEM #1		
<b>Datacenter Inference</b>	30+	 Achronix Data Acceleration	 Baidu 百度	 BITMAIN	 DEEPIX	 ESWIN	 INNOSILICON	 Lynxi 灵汐科技	 METAX 沐曦集成电路
		 MONTAGE Technology	 neubla	 NEUREALITY	 RAIN	 rebellions_	 RECOGNI REALTIME OBJECT RECOGNITION	 SiMa <sup>®</sup>	
		 tenstorrent	 清微智能 TSING MICRO	 瀚博半导体 Vastai Technologies	 VeriSilicon				
		Hyperscaler #1	Hyperscaler #2	Hyperscaler #3	Hyperscaler #4	Hyperscaler #5			
<b>Edge Inference</b>	20+	 ANALOG INFERENCE	 AXELERA ARTIFICIAL INTELLIGENCE	 bos SEMICONDUCTORS	 Canaan	 EDGE Q	 Horizon Robotics	 INUITIVE	
		 mobilint	 Movidius an Intel company	 眸芯科技(上海)有限公司 Moichip Technology (Shanghai) Co.,Ltd.	 NXP	 RECOGNI REALTIME OBJECT RECOGNITION	 RENESAS	 SOPHGO 昇腾	
<b>Endpoint Inference</b>	40+	 alchip	 BOSCH	 BLACK SESAME TECHNOLOGIES	 DREAM CHIP	 FURIOSA	 HALLO	 后摩智能 HOUMDAI	
		 天数智芯 Iluvatar CoreX	 mobileye	 nextchip	 NXP	 siengine 芯擎科技	 SAMSUNG		
		 芯驰 SemiDrive	 sacionext	 life.augmented	 Telechips	 TEXAS INSTRUMENTS	 BMW	 Toshiba	
		Automotive EV OEM #1	Automotive EV OEM #2	Automotive EV OEM #3	Automotive EV OEM #4	Automotive EV OEM #5	Automotive EV OEM #6	Automotive EV OEM #7	
		Automotive EV OEM #6	Automotive EV OEM #7	Automotive EV OEM #8	Major Robotaxi #1	Major Robotaxi #2			

# Key Arteris Automotive OEM Customer Wins

## Major Japanese OEM



### Market Need

- Automotive OEMs are increasingly moving towards in-house development of complex semiconductors, such as ADAS/autonomous driving chips, tightening integration of the hardware and software architecture of their next generation vehicles

### Arteris Solution

- This major OEM took its first license of FlexNoC interconnect IP for its superior performance, as it looks to further develop its own autonomous driving platform

## Major APAC EV OEM



### Market Need

- The electric vehicle market has become a battleground for OEMs to compete on the latest features for vehicle comfort, entertainment, performance, and safety—all of which require top performance and energy efficiency

### Arteris Solution

- This growing EV customer expanded its use of Arteris product by licensing FlexNoC and its ISO26262 functional safety option to ensure its next generation of vehicles are delivering a highly resilient, feature-rich driving experience

# Strengthening Ecosystem Alliances



## Arteris Joins Intel Foundry Accelerator Ecosystem Alliance Program to Support Advanced Semiconductor Designs

"Intel Foundry is pleased to welcome Arteris, a pioneer of NoC IP technology used in a broad range of applications, to our Intel Foundry Accelerator Ecosystem Alliance. By leveraging our advanced foundry technology capabilities through our IP and Chiplet Alliance programs, Arteris can further optimize its physically aware and highly interoperable NoC IPs used in SoCs and chiplets, accelerating backend convergence, interoperability, and silicon deployment to help drive success for our joint customers."

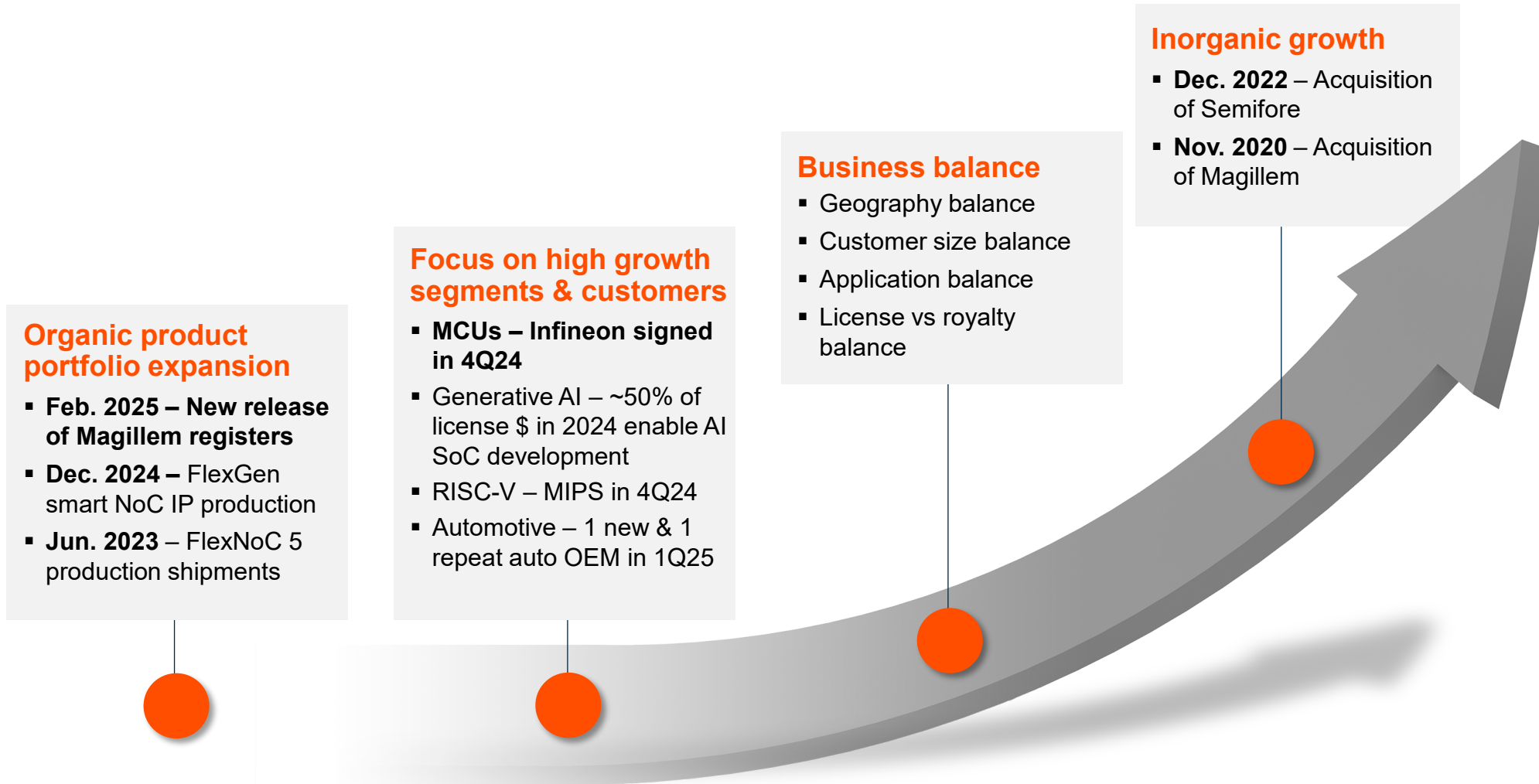
**Suk Lee, VP & GM of Ecosystem Technology Office**



The goal of the Automotive Chiplet Forum is to rally the automotive industry to build an open chiplet ecosystem



# Arteris Is One Of The Major Silicon Enabling Companies





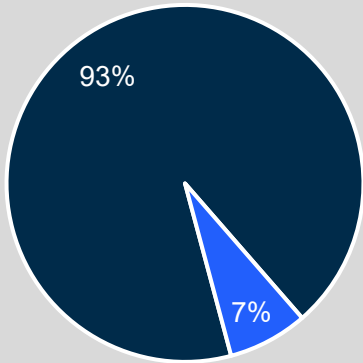
# Financial Overview

Nick Hawkins

# Key Financial Parameters

## Revenue

Derived from 2 Main Sources



### License & Support

- Fully ratable (since 2Q'23)
- 2 – 3 year design term
- Long-term CAGR<sup>1</sup>: 15 – 20%

### Royalties

- Long-term CAGR<sup>1</sup>: ~2x license growth rate
- Diverse royalty stream across multiple verticals, dozens of customers

## Operating Expense

- Goal of controlled growth, flat Y/Y

<sup>1</sup>Management estimates, 2024 - 2029

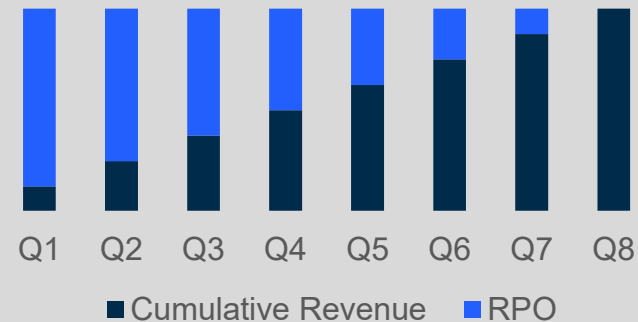
## Free Cash Flow

- Majority of deals paid up front
- Revenue deferred
- OpEx as incurred

FCF Leads  
NGOI

## Remaining Performance Obligations (RPO)

Essentially deferred revenue on BS



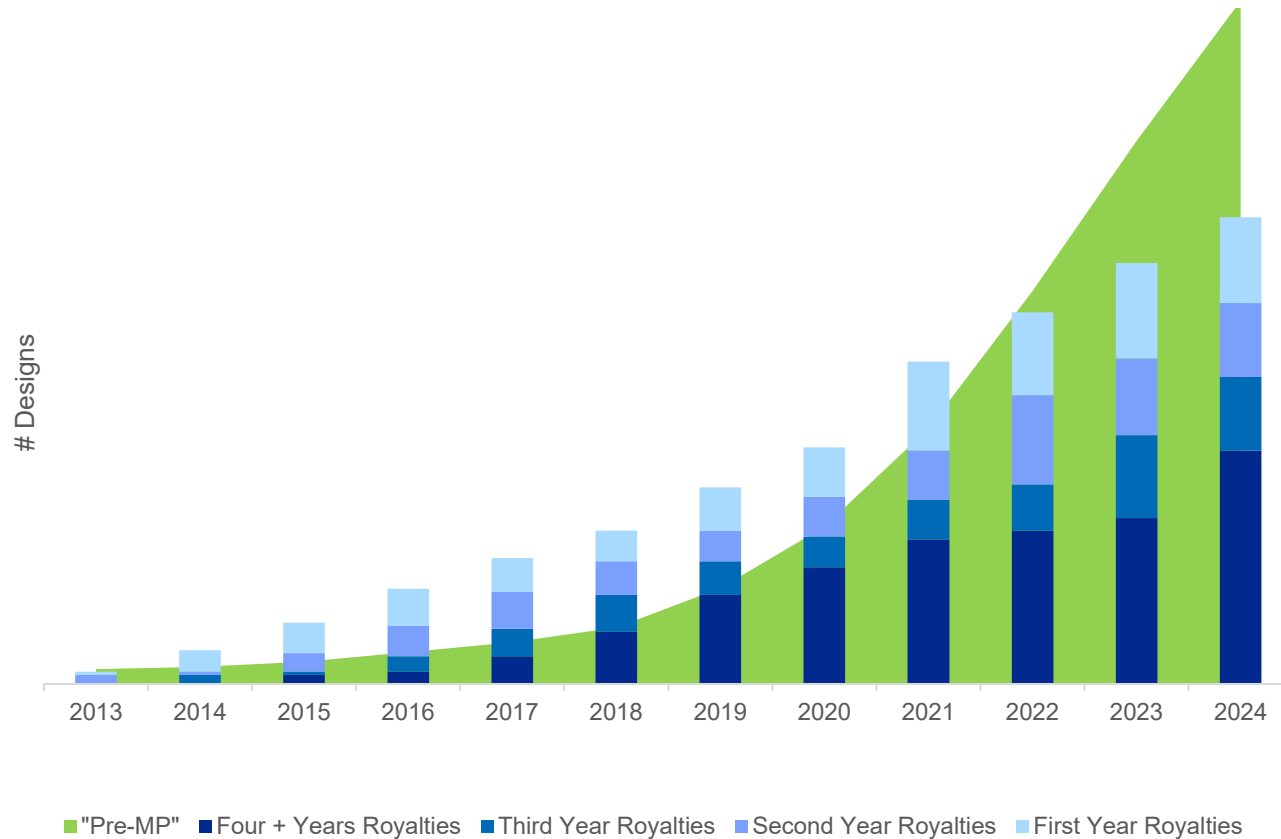
RPO  
+19%  
Y/Y

Illustrative example based on historic performance and not necessarily indicative of future results

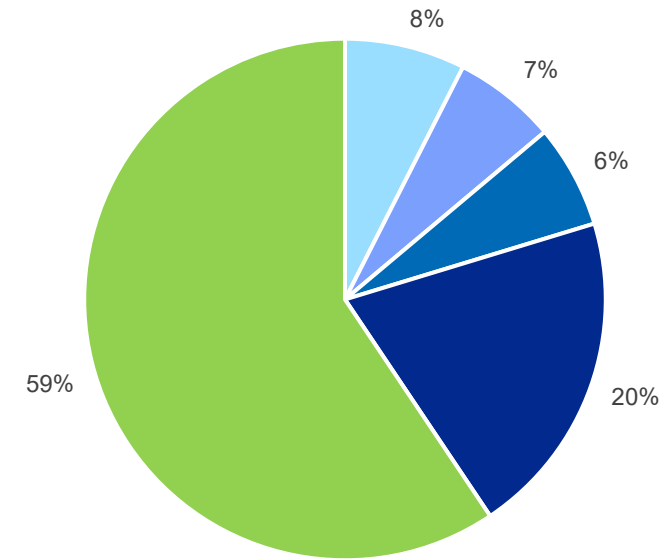
# Future Royalty Engine

~60% of design wins waiting to deliver royalty revenue; 21% of customer designs still ramping up

Royalty Pipeline\*

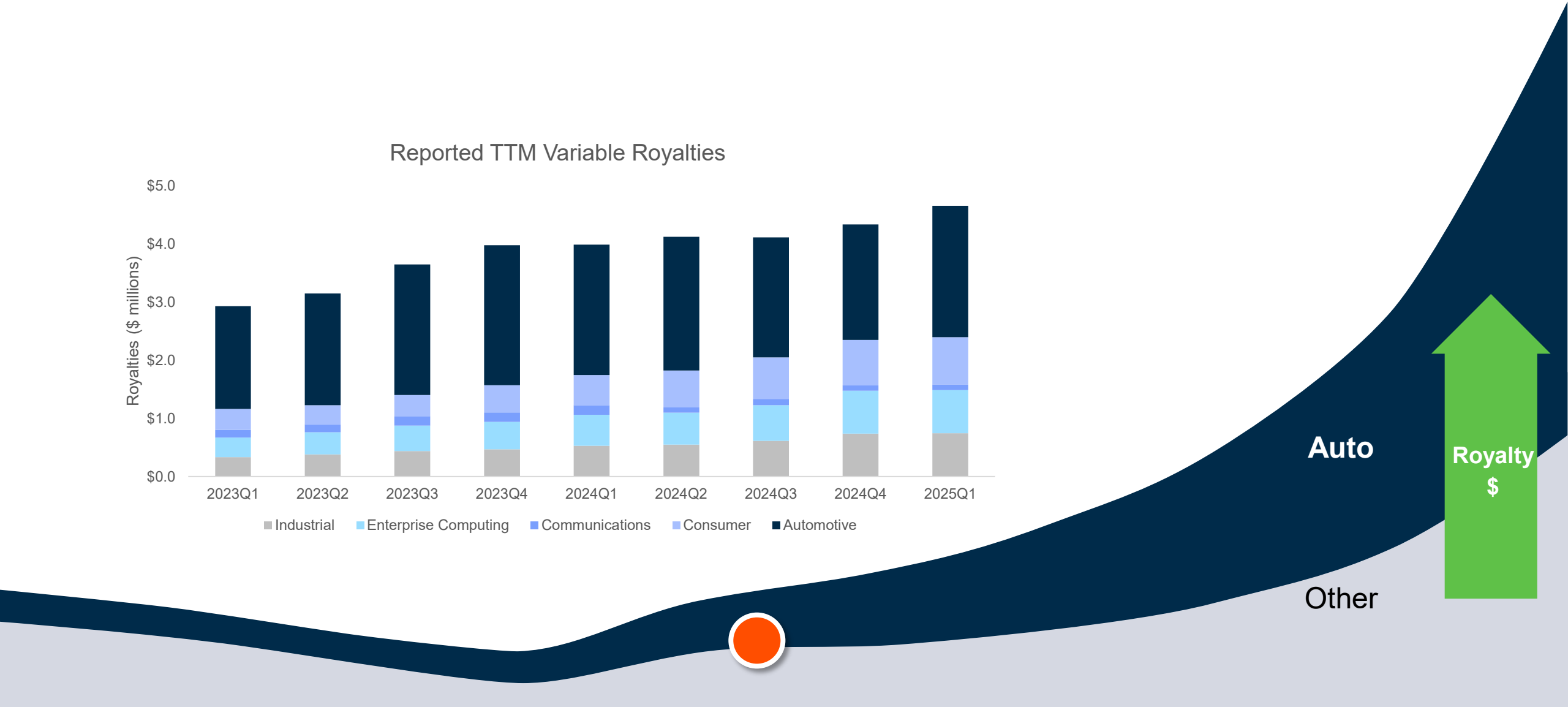
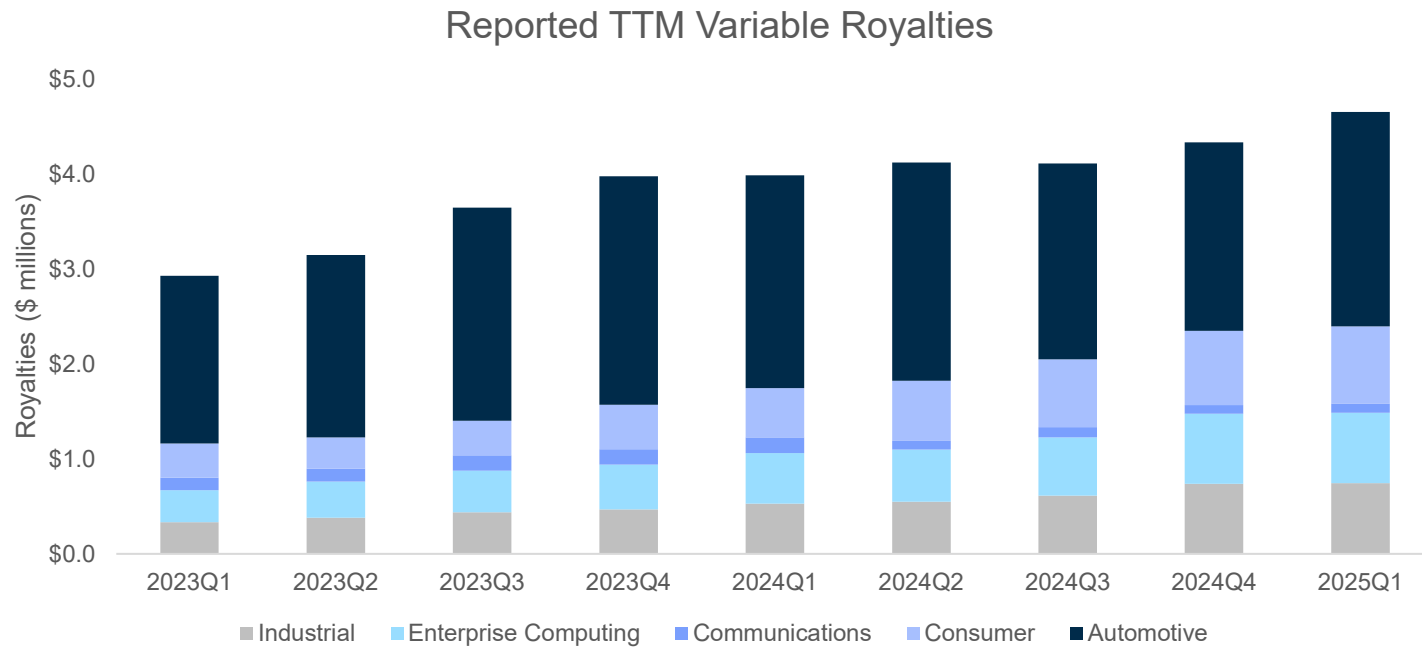


Royalty Design Maturity\*



\*Full-year data as of December 31, 2024

# Design Wins Result in Future Royalty Expansion



# 1Q 2025 Business Highlights

	1Q'24	1Q'25	Y/Y
<b>Revenue</b>	12.9	<b>16.5</b>	▲28%
<b>ACV + Royalties</b>	58.2	<b>66.8</b>	▲15%
<b>NG OpEx*</b>	17.0	<b>18.4</b>	▲8%
<b>NGOI*</b>	(5.3)	<b>(3.2)</b>	▲40%
<b>FCF*</b>	0.3	<b>2.7</b>	▲\$2.4M
<b>RPO</b>	74.7	<b>88.9</b>	▲19%

\*Non-GAAP measure: See appendix for reconciliation to closest GAAP measure

- Expanded presence and re-orders with large existing customers drive record high revenue (\$16.5M) and ACV+R (\$66.8M), growing 28% and 15% Y/Y, respectively
- Non-GAAP operating expense was \$18.4M, up 8% Y/Y due to a weaker USD increasing the cost of overseas operations, and continued investment in R&D and field application engineering teams
- 40% Y/Y improvement in non-GAAP operating income
- Free cash flow positive in the quarter, generating \$2.7M\*
- Record high RPO exits 2024 at **\$88.9M**, +19% Y/Y

# 1Q 2025 Actuals vs Guidance

In \$ millions	1Q 2025 Guidance	1Q 2025 Results	
Revenue	15.7 – 16.1	16.5	Above top-end of guidance range
ACV + Royalties	65.5 – 67.5	66.8	Above mid-point of guidance range
NGOI*	(4.0) – (3.0)	(3.2)	Near top-end of guidance range
Free Cash Flow*	(2.0) – 2.0	2.7	Above top-end of guidance range

\*Non-GAAP measure: See appendix for reconciliation to closest GAAP measure

# Guidance

## 2Q 2025 Guidance

**ACV + Royalties<sup>1</sup>**

\$66M - \$70M

**Revenue<sup>2</sup>**

\$16.1M - \$16.5M

**Non-GAAP Op.  
Income\***

(\$4M) – (\$3M)

**Free Cash Flow\***

(\$5M) – \$0

## FY 2025 Guidance

**ACV + Royalties<sup>3</sup>**

\$71M - \$79M

**Revenue<sup>4</sup>**

\$65M - \$71M

**Non-GAAP Op.  
Income\***

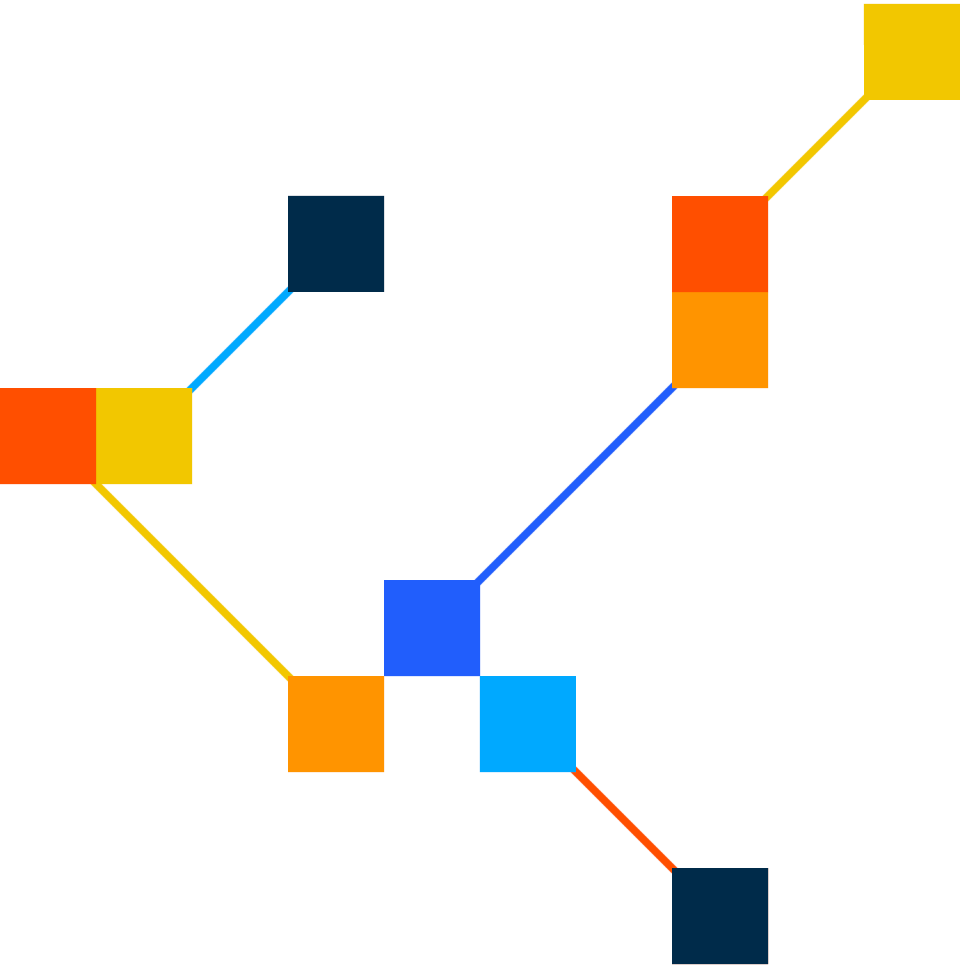
(\$14M) – (\$7M)

**Free Cash Flow\***

\$0 – \$8M

<sup>1</sup> 68M at the midpoint, +\$7.9M Y/Y (+13%)    <sup>2</sup> 16.3M at the midpoint, +\$1.7M Y/Y (+12%)  
<sup>3</sup> 75M at the midpoint, +\$9.9M Y/Y (+15%)    <sup>4</sup> 68M at the midpoint, +\$10.3M Y/Y (+18%)

\*Non-GAAP measure: See appendix for reconciliation to closest GAAP measure



**ARTERIS** IP

Thank you

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# Appendix - Non-GAAP Financial Measures

To supplement our financial results, which are prepared and presented in accordance with GAAP, we use certain non-GAAP financial measures, as described below, to understand and evaluate our core performance. These non-GAAP measures, which may be different than similarly-titled measures used by other companies, are presented to enhance investors' overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

We define "Non-GAAP gross profit" as GAAP gross profit, adjusted for stock-based compensation expense and amortization of acquired intangible assets included in cost of revenue. We define "Non-GAAP operating expenses" as GAAP operating expenses, adjusted for stock-based compensation and amortization of acquired intangible assets. We define "Non-GAAP operating income (loss)" as GAAP operating income (loss) adjusted to exclude stock-based compensation and amortization of acquired intangible assets.

The above items are excluded from our Non-GAAP gross profit, Non-GAAP operating expenses and Non-GAAP operating income (loss) because these items are non-cash in nature, or are not indicative of our core operating performance, and render comparisons with prior periods and competitors less meaningful. We believe Non-GAAP gross profit, Non-GAAP operating expenses and Non-GAAP operating income (loss) provide useful supplemental information to investors and others in understanding and evaluating our results of operations, as well as provide a useful measure for period-to-period comparisons of our business performance.

We define free cash flow as net cash provided by (used in) operating activities less cash used for purchases of property and equipment. We believe that free cash flow is a useful indicator of liquidity that provides information to management and investors, even if negative, about the amount of cash used in our operations other than that used for investments in property and equipment.

# Appendix - GAAP To Non-GAAP Reconciliation

## Operating expenses

In \$ thousands	Three Months Ending:		
	March 31, 2024	December 31, 2024	March 31, 2025
Operating expenses	20,613	21,016	22,714
Less:			
Stock-based Compensation	3,468	3,944	4,108
Amortization of acquired intangible assets	142	167	167
Non-GAAP operating expenses	17,003	16,905	18,439

# Appendix - GAAP To Non-GAAP Reconciliation

## Income (loss) from operations

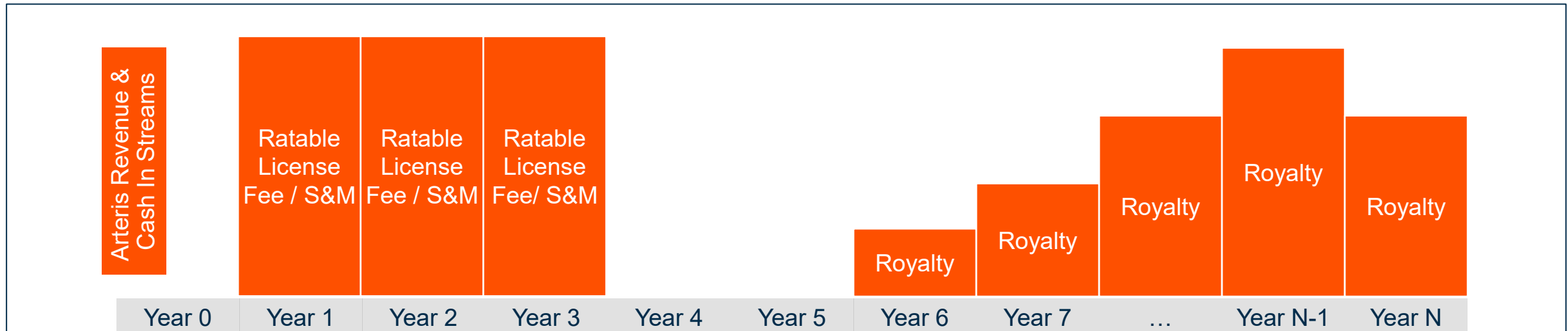
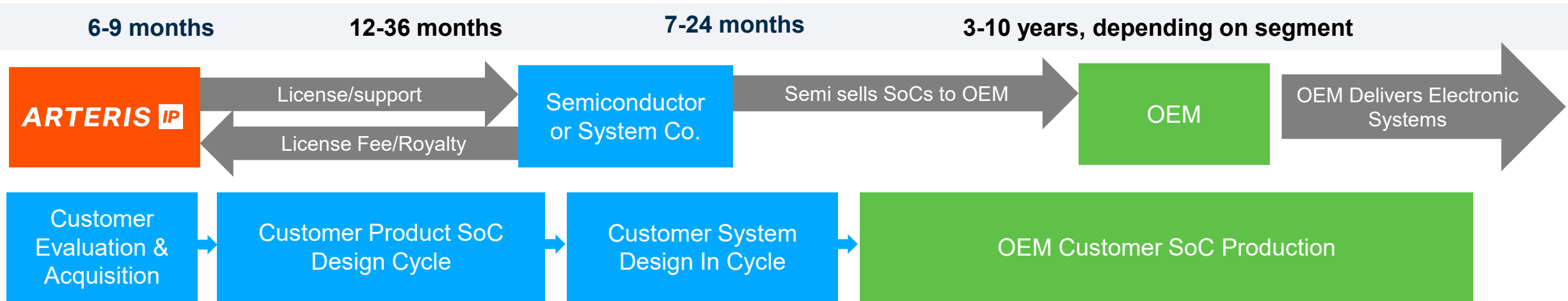
In \$ thousands	Three Months Ending:		
	March 31, 2024	December 31, 2024	March 31, 2025
Income (loss) from Operations	(9,134)	(7,102)	(7,708)
Add:			
Stock-based Compensation	3,657	4,131	4,313
Amortization of acquired intangible assets	192	216	217
Non-GAAP income (loss) from operations	(5,285)	(2,755)	(3,178)

# Appendix –Free Cash Flow

In \$ thousands	Three Months Ending:		
	March 31, 2024	December 31, 2024	March 31, 2025
Net cash provided by (used in) operating activities	477	(2,631)	2,860
Less:			
Purchase of property and equipment	196	50	183
Free cash flow	281	(2,681)	2,677

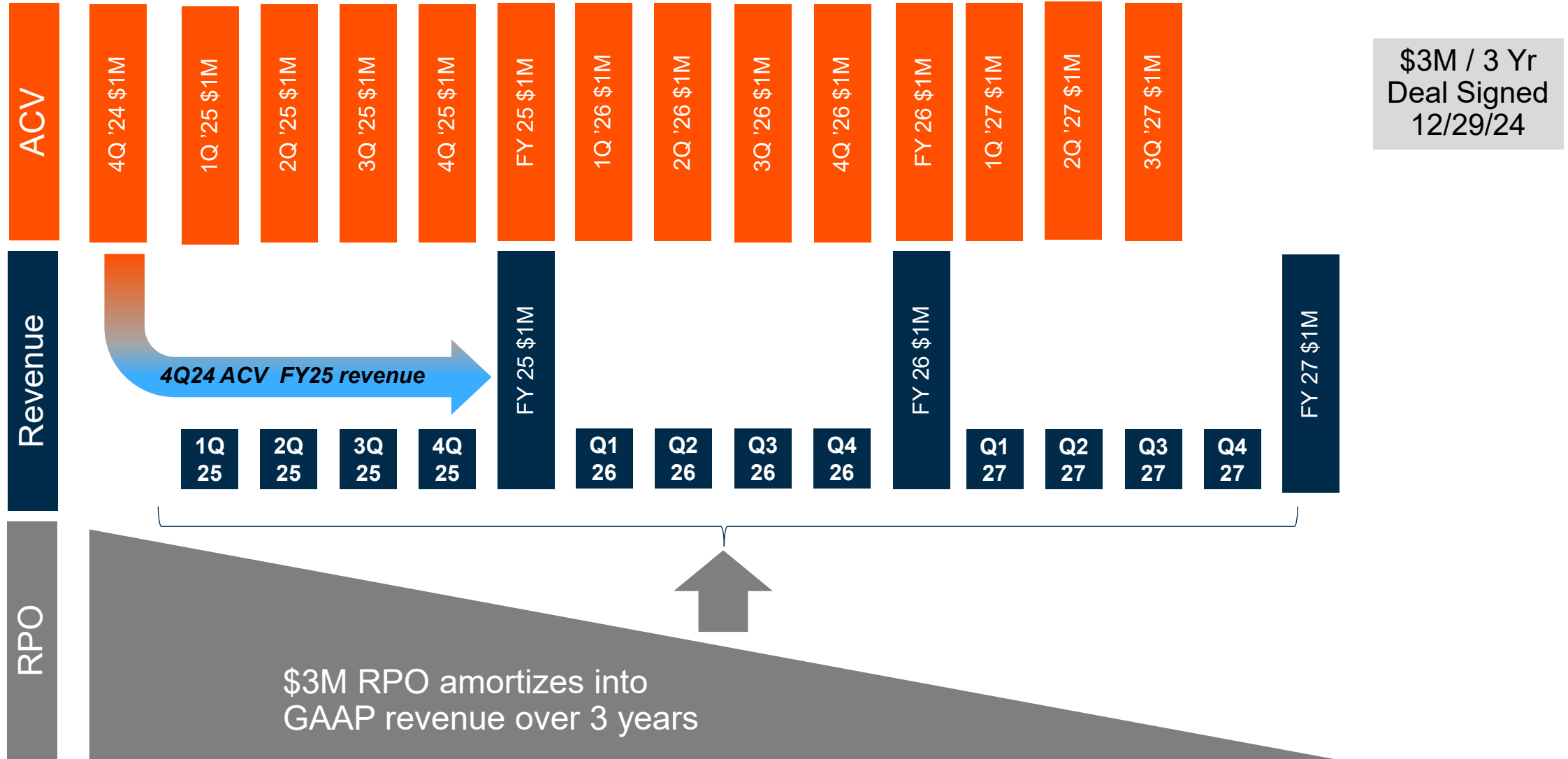
# Appendix - Arteris Business Model

Arteris customers have delivered 3.75 Billion units based on over 860 SoC projects



# Appendix - License Revenue / ACV / RPO Model

Example \$3M deal, 36-month license term



\$3M / 3 Yr Deal Signed 12/29/24