

# Accelerating The Creation Of Semiconductors

Corporate Overview

Charlie Janac  
CEO

Nick Hawkins  
CFO

August 2025

**ARTERIS** 

# Disclaimer

This presentation and the accompanying oral presentation have been prepared by Arteris, Inc. ("Arteris" or "the Company") for informational purposes only and not for any other purpose. Nothing contained in this presentation is, or should be construed as, a recommendation, promise or representation by the presenter or Arteris or any officer, director, employee, agent or advisor of Arteris. This presentation does not purport to be all-inclusive or to contain all of the information you may desire. Information provided in this presentation and the accompanying oral presentation speak only as of the date hereof.

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, 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.

This presentation and the accompanying oral presentation also contain estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. In addition, projections, assumptions, and estimates of our future performance and the future performance of the markets in which we compete are necessarily subject to a high degree of uncertainty and risk.

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) and free cash flow. 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' 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.

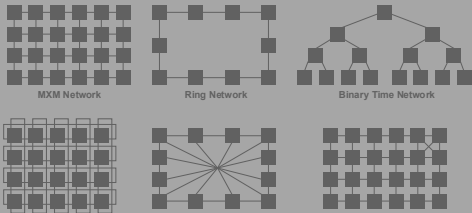
Arteris is unable to provide a reconciliation of certain non-GAAP guidance metrics in this presentation because the corresponding GAAP measures are not accessible on a forward-looking basis. Due to the potential variability and limited visibility of the excluded items, providing such reconciliation would necessitate unreasonable effort.

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.

# Arteris Staying Ahead of Electronic System Innovation

## Adoption of New Semi. Technologies

More Processors & IP Blocks  
– data movement key competency –



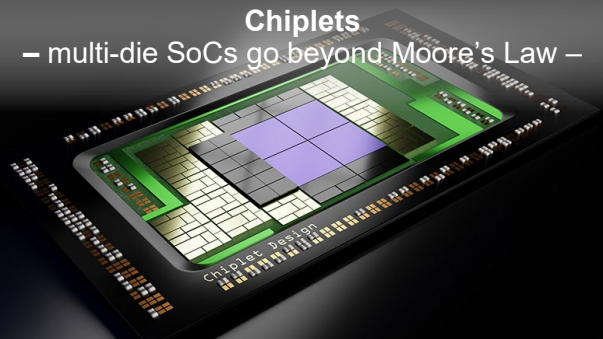
## Artificial Intelligence

– electronic systems making decisions –

# AI

## Chiplets

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



## Smart Systems Connected Everywhere



## Regionalization of Semiconductor Industry

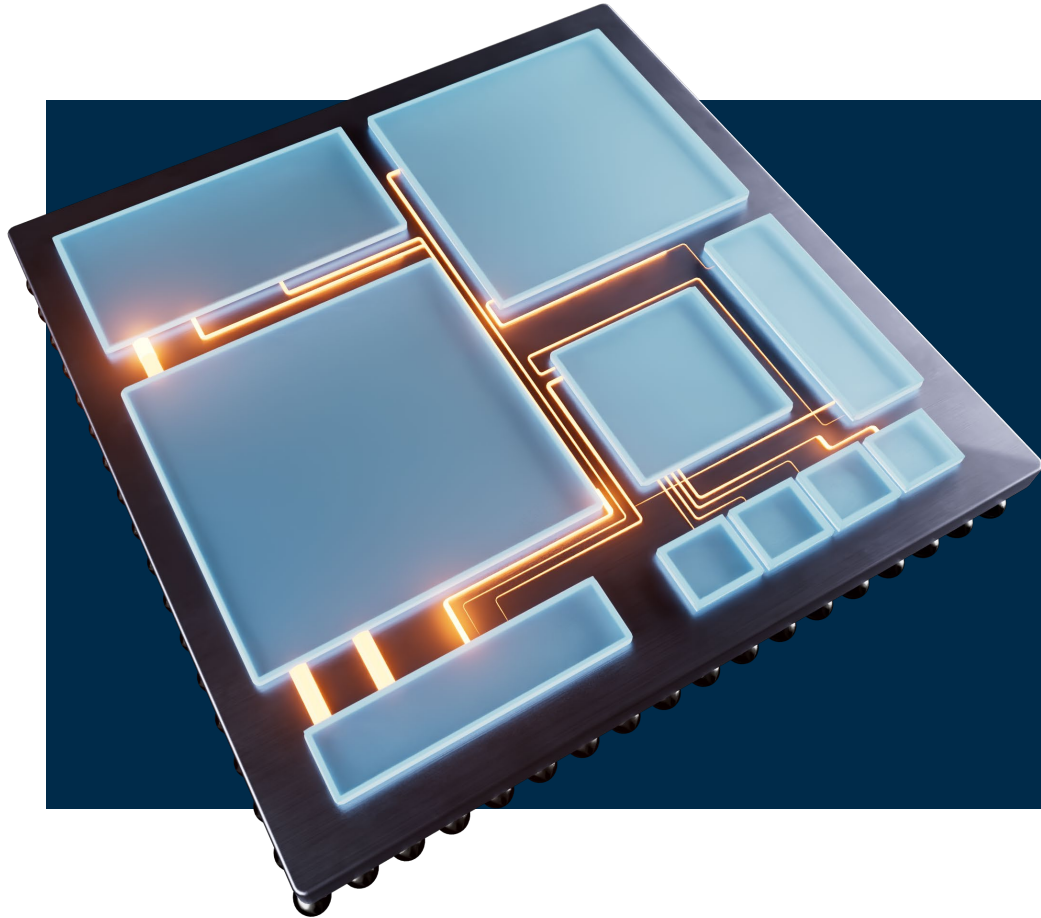


## Supporting Silicon Based Business Creation



# Semiconductors Can't Function without Connectivity + Communications

Optimizing on-chip data transport is critical to overall performance + power efficiency



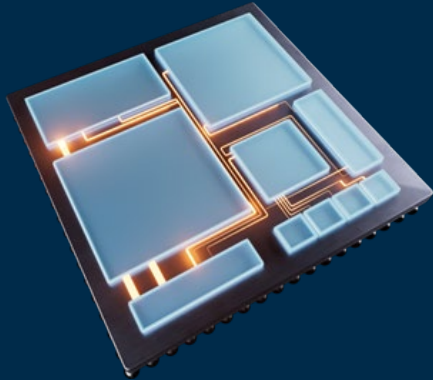
Processors → computing

Logic → functionality

Memory → capacity

**System IP (NoCs) → data movement**

# Arteris System IP Business is Unique & Addresses a Market Opportunity



**System IP** is different from the functional IP block business

It delivers high levels of:

- Automation
- Flexibility
- Functionality
- Quality

**Highly configurable** (>10K parameters)

**Changes many times** during projects & is different for new projects

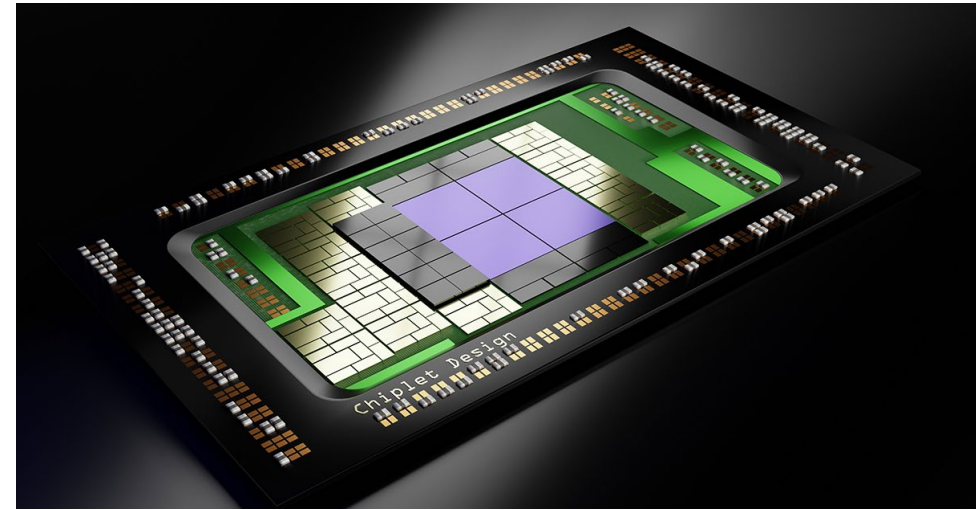
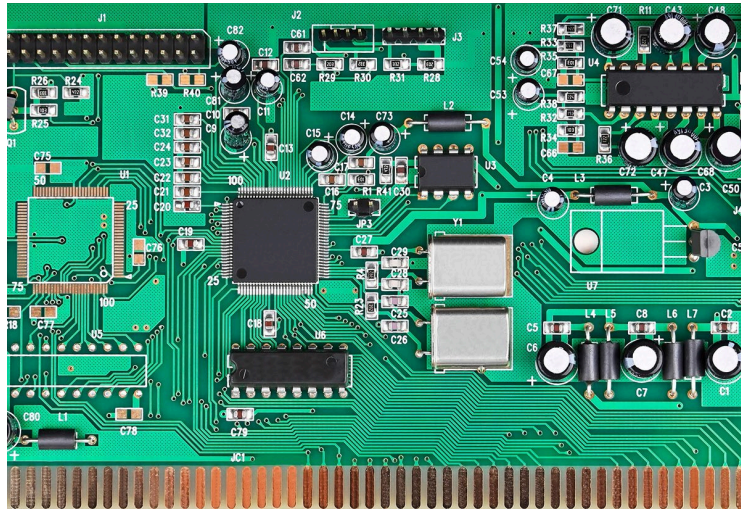
Responsible for its own **integration → self-adapting**

All Chips move data to be chips

**Business opportunity is converting internal system IP to commercial solutions**

# System IP → Electronic Complexity Rises, Shrinking Size & Cost

We went from large boards with small chips to small substrates with complex chips

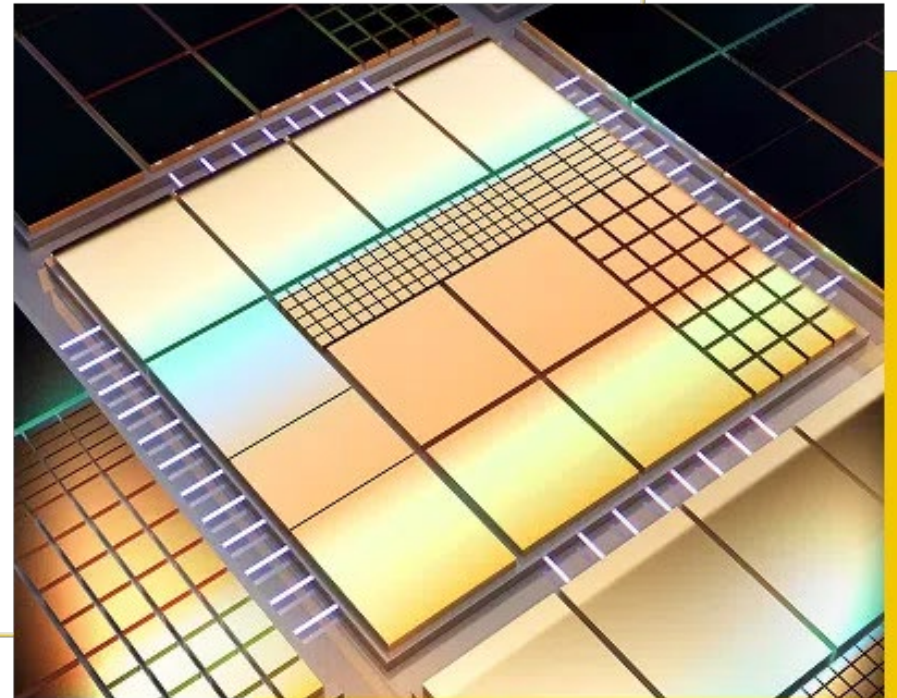


More logic integrated into much more complex SoCs, with Chiplets

Each contains dozen(s) of Network-on-Chips (NoC) to move data

# Arteris Expanding Multi-Die Solution to Meet Demand for Chiplets

- **Challenge:** With the rise of AI, computational power requirements are exceeding what is possible through traditional monolithic die designs.
- **Solution:** Arteris Multi-Die Solution delivers foundational technology for rapid chiplet-based innovation across all markets.
- **Ecosystem:** Collaboration for Multi-Die Physical Integration and Interoperability



# Key Arteris Q2 Customer Highlights



## Market Need

- The market is being shaped by a global need to move increasing volumes of data, especially as AI demands permeate many electronic market verticals.
- Chiplets are being used to deliver computing technologies to advance industries ranging from AI to data centers and client devices.

## Arteris Solution

- AMD licensed multiple device instances of FlexGen smart network-on-chip IP to deploy in AMD AI-powered chiplets across the company's broad portfolio which spans from data centers to edge and end devices.
- Arteris' revolutionary FlexGen IP will be used in combination with AMD Infinity Fabric interconnect, underscores the increasing complexity of modern SoCs and chiplet-based architectures, which now require multiple highly specialized interconnects or NoCs.



## Market Need

- Many modern chips are limited by memory access and require advanced system-level solutions that advance memory computing.
- As AI pushes the limits of performance and power efficiency, monolithic SoCs with chiplet capabilities have become essential in delivering the integration and scalability that traditional SoC designs can't match.

## Arteris Solution

- Renesas is leveraging Arteris multi-die technology in its R-Car Gen 5 SoC platform for advanced driver-assistance systems (ADAS) that integrate CPUs, AI-enabled NPU, IVI-enabled GPUs, and provides the ability to further boost AI throughput via chiplet extensions.
- Arteris technology plays a key role in realizing this vision by providing the underlying connectivity in our 5th generation R-Car automotive silicon.

# FlexGen Smart NoC IP Momentum Since Q1`25 Introduction

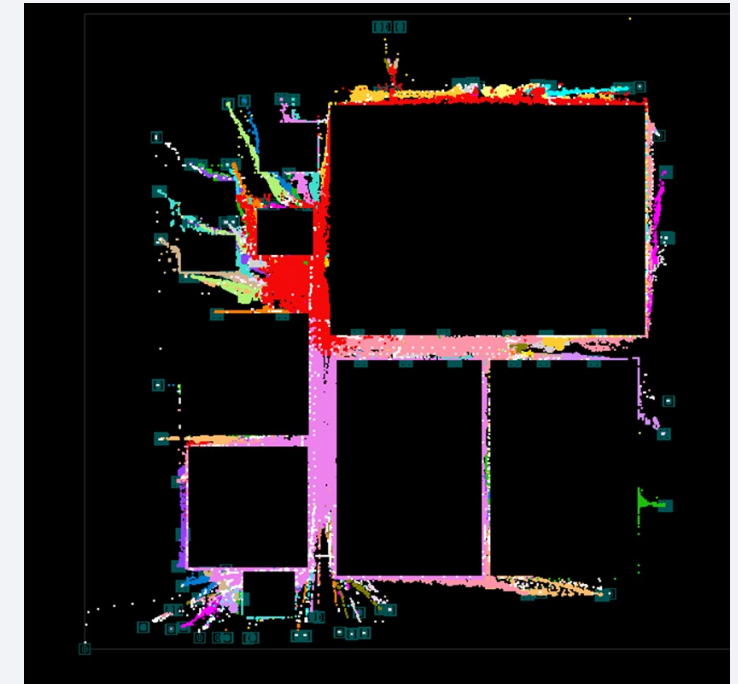
**Challenge:** SoC design complexity has surpassed manual human capabilities, requiring smart NoC automation. Modern SoCs have 5 to 20+ unique NoC instances and each instance can require 5-10 iterations.

**Solution:** Automated NoC IP generation based on advanced algorithms, Incremental features and manual editing capability.

**Benefits:** to 10x better NoC IP productivity, to 30% shorter wire length, to 5% lower overall latency, lower power & competitive area vs manual NoCs.

## Momentum in 1H`25:

- 2 dozen+ customer installations
- Multi-unit FlexGen order from AMD
- First silicon projects underway



# Arteris' Business is 50%+ for AI Applications in 2025 → AI Everywhere

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

|                              | Number of Customers – Jun 25 | Arteris Customers → 260 AI SoC design wins   |
|------------------------------|------------------------------|--|
| <b>Data center Training</b>  | 5+                           | <p>Major US 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</p> <p>Major US Hyperscaler #2 Major US Hyperscaler #3 Hyperscaler #4</p> <p> Achronix Data Acceleration  百度 Baidu  BITMAIN  DEEPX  ESWIN  INNOSILICON  Lynxi 灵汐科技  METAX 沐曦集成电路</p> <p> MONTAGE Technology  neubla  RAIN  rebellions_  RECOGNI REALTIME OBJECT RECOGNITION</p>  |
| <b>Data center Inference</b> | 30+                          | <p> NEUREALITY  tenstorrent  清微智能 TSING MICRO  瀚博半导体 Vastai Technologies  VeriSilicon</p> <p>Hyperscaler #1 Hyperscaler #2 Hyperscaler #3 Hyperscaler #4 Hyperscaler #5</p>   |
| <b>Edge Inference</b>        | 60+                          | <p> ANALOG INFERENCE  AXELERA  bos  Canaan  EDGE Q  Horizon Robotics  INUITIVE</p> <p> mobilint  Movidius an Intel company  眸芯科技(上海)有限公司 Molchip Technology (Shanghai) Co., Ltd.  NXP  RECOGNI REALTIME OBJECT RECOGNITION  RENESAS  SOPHGO 舜能</p> <p> alchip  BOSCH  BLACK SESAME TECHNOLOGIES  DREAM CHIP  FURIOSA  HALLO  后摩智能 HOUMDAI</p> <p> 天数智芯 iluvatar CoreX  mobileye  nextchip  NXP  siengine 芯擎科技  SAMSUNG</p> <p> 芯驰 SemiDrive  sacionext  life.augmented  Telechips  SiMa  BMW  Toshiba</p> <p>Automotive EV OEM #1 Automotive EV OEM #2 Automotive EV OEM #3 Automotive EV OEM #4 Automotive EV OEM #5</p> <p>Automotive EV OEM #6 Automotive EV OEM #7 Automotive EV OEM #8 Automotive EV OEM #8 Major Robotaxi #1 Major Robotaxi #2</p> |

# Building a Leader in SoC Data Movement IP and Software

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

- Silicon-proven IP used in **over 3.85 billion+** units shipped to date<sup>1</sup>
- **880+ 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>
- 108 patents and 137 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 June 30,2025

<sup>3</sup> As of June 30, 2025

<sup>2</sup> Management estimates

## Diversified Customer Base

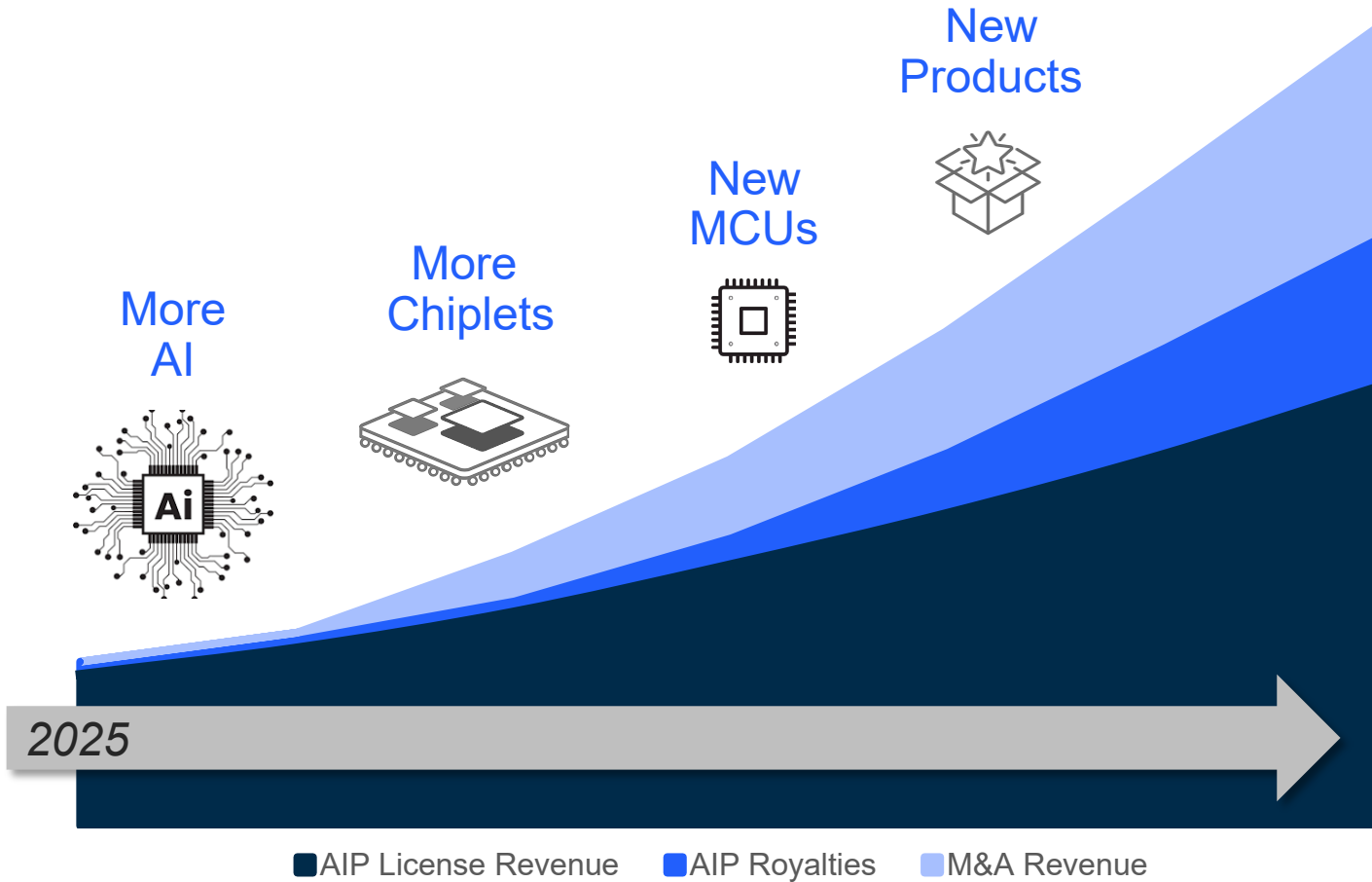
Subset of Publicly Disclosed Customers



# Strategies for Arteris' Multi-year Growth



# Arteris Revenue Growth Story



- Organic AIP license revenue of high teens/low 20s % CAGR driven by:
  - AI from data center to smart edge
  - Growth in Multi-Die designs
  - Microcontroller (MCU) support
  - FlexGen Smart NoC IP deployments
  - IP and SW new product releases
- Royalty revenue est. of 30+ % CAGR
- M&A targeted every 1-2 years:
  - Focus on revenue / cash accretive, profitable opportunities
  - Synergies with existing product lines and SoC markets



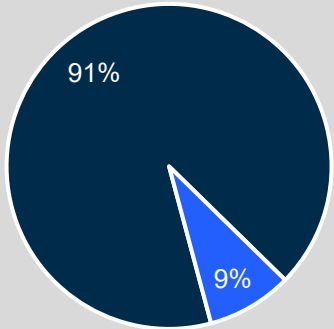
# Financial Overview

Nick Hawkins

# Key Financial Parameters

## Revenue

Derived from 2 Main Sources



### License & Support

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

### Royalties

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

## Operating Expense

- Ongoing scale up R&D / Channel investment
- Operating leverage from G&A

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

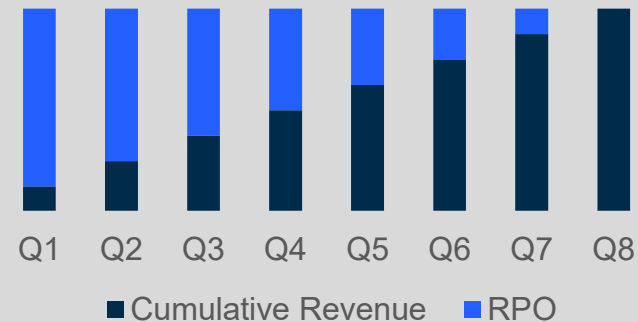
## Free Cash Flow

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

FCF Leads  
NGOI

## Remaining Performance Obligations (RPO)

Essentially deferred revenue on BS

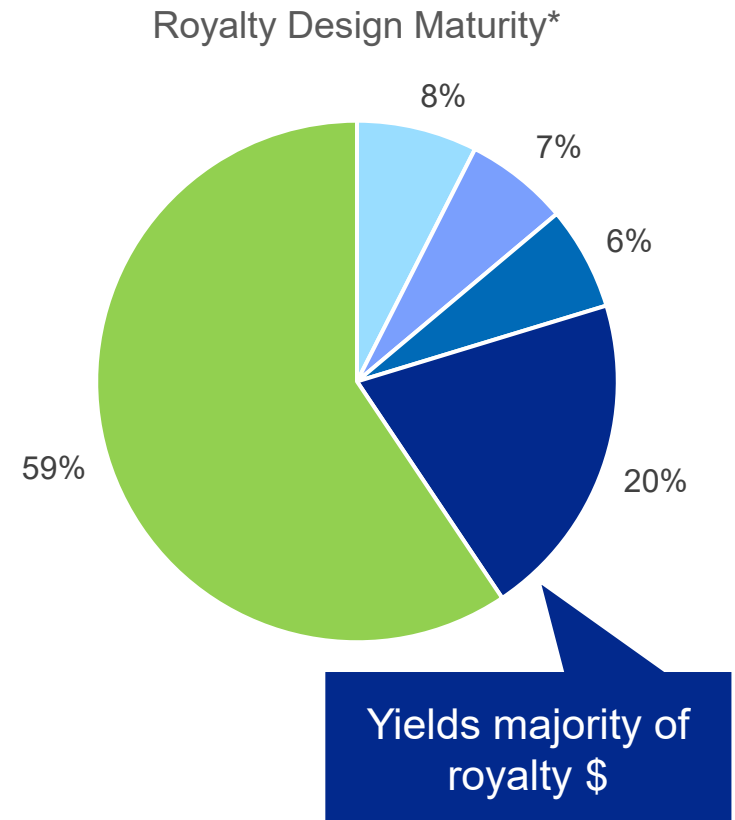
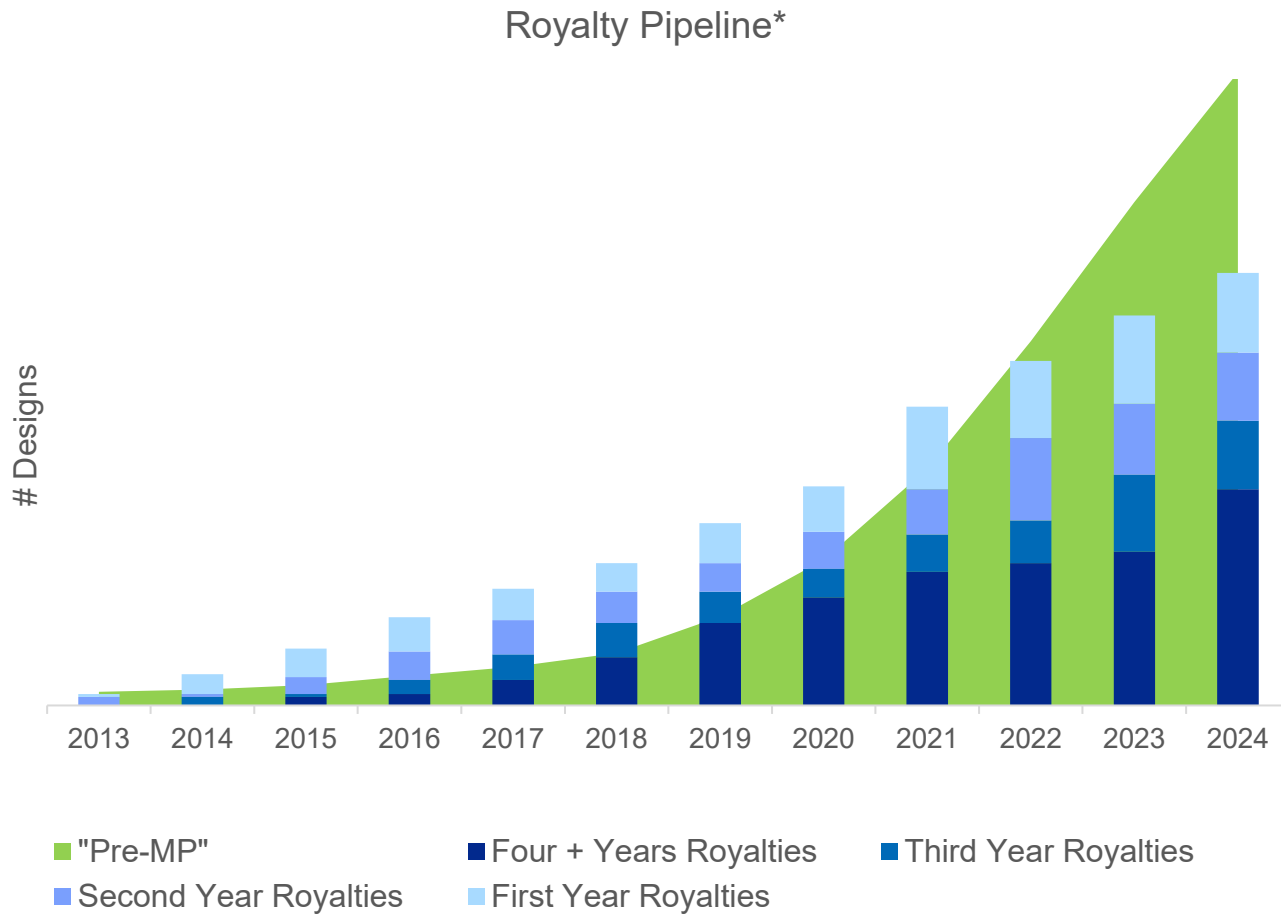


RPO  
+28%  
Y/Y

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

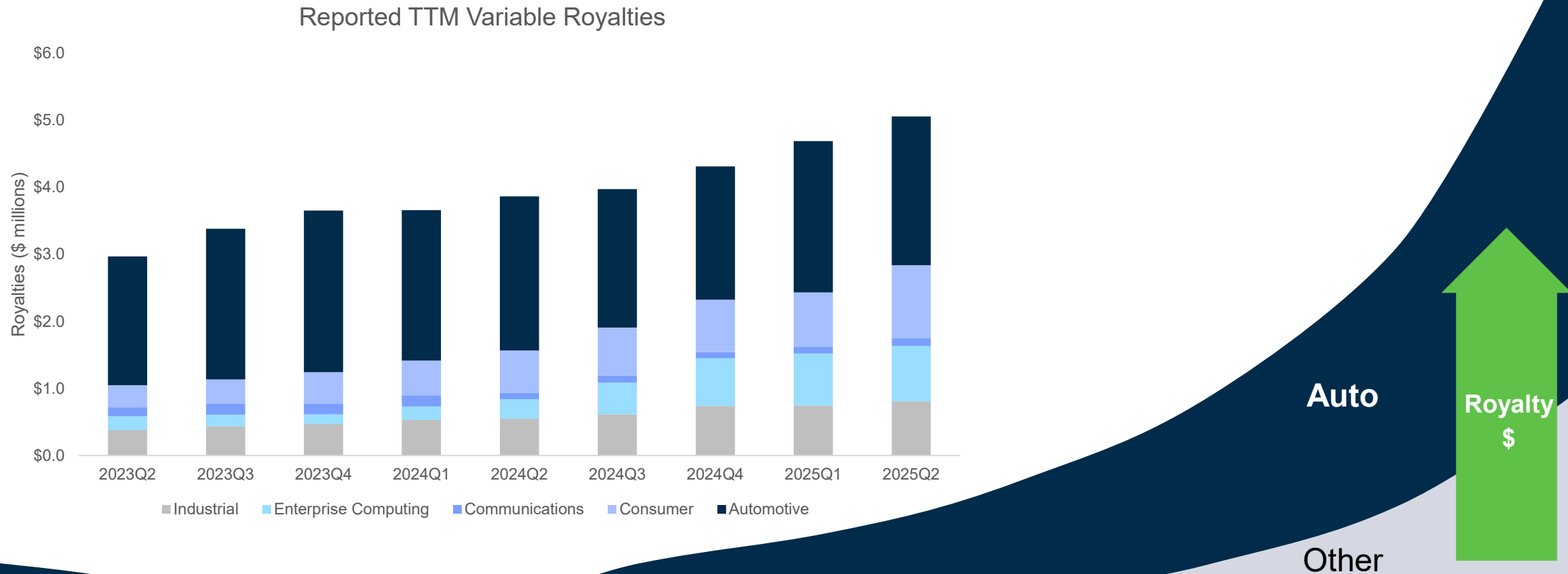
# Future Royalty Engine

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



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

# Design Wins Result in Future Royalty Expansion



## 2Q 2025 Actuals vs Guidance

| In \$ millions                    | 2Q 2025 Guidance | 2Q 2025 Results |                                  |
|-----------------------------------|------------------|-----------------|----------------------------------|
| Revenue                           | 16.1 – 16.5      | 16.5            | At top-end of guidance range     |
| ACV + Royalties                   | 66 – 70          | 69.1            | At top-end of guidance range     |
| Non-GAAP Operating Income (Loss)* | (4.0) – (3.0)    | (3.5)           | At mid-point of guidance range   |
| Free Cash Flow*                   | (5.0) – 0        | (2.8)           | Near mid-point of guidance range |

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

# 2Q 2025 Business Highlights

|                        | 2Q'24 | 1Q'25 | 2Q'25        | Y/Y     |
|------------------------|-------|-------|--------------|---------|
| <b>Revenue</b>         | 14.6  | 16.5  | <b>16.5</b>  | ▲13%    |
| <b>ACV + Royalties</b> | 60.1  | 66.8  | <b>69.1</b>  | ▲15%    |
| <b>NG OpEx*</b>        | 16.8  | 18.4  | <b>18.6</b>  | ▲10%    |
| <b>NGOI*</b>           | (3.5) | (3.2) | <b>(3.5)</b> | 0%      |
| <b>FCF*</b>            | 0.3   | 2.7   | <b>(2.8)</b> | ▼\$3.1M |
| <b>RPO</b>             | 77.5  | 88.9  | <b>99.3</b>  | ▲28%    |

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

- Record high RPO in the quarter at **\$99.3M**, +28% Y/Y
- Strong licensing quarter driven by expansion of Arteris usage with major existing customers led to revenue of **(\$16.5M)** and ACV+R (**\$69.1M**), growing 13% and 15% Y/Y, respectively
- Non-GAAP operating expense was \$18.6M, up 10% Y/Y due to weakening USD increasing the cost of overseas operations, and investments in R&D and field application engineering teams
- Non-GAAP operating income (loss) was flat Y/Y at (\$3.5M)
- Free cash flow in 1Q/2Q offset driven by short-term working capital shift ~breakeven FCF 1H'25

# Guidance

## 3Q 2025 Guidance

## FY 2025 Guidance

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

\$69.5M - \$72.5M

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

\$16.8M - \$17.2M

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

\$72M - \$78M

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

\$66M - \$70M

**Non-GAAP Op.  
Income**

(\$4M) – (\$3M)

**Free Cash Flow**

\$0.5M – \$3.5M

**Non-GAAP Op.  
Income**

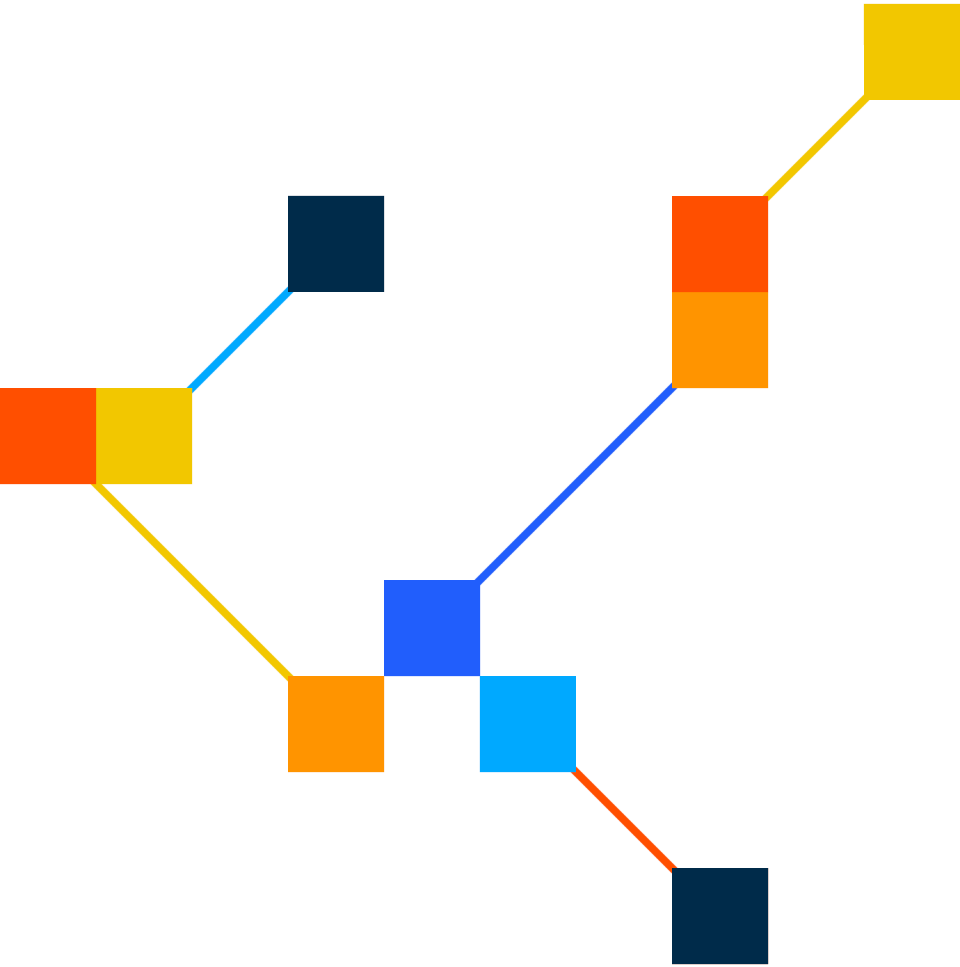
(\$15.5M) – (\$10.5M)

**Free Cash Flow**

\$1M – \$7M

<sup>1</sup> 71M at the midpoint, +\$10.5M Y/Y (+17%)    <sup>3</sup> 75M at the midpoint, +\$9.9M Y/Y (+15%)  
<sup>2</sup> 17M at the midpoint, +\$2.3M Y/Y (+16%)    <sup>4</sup> 68M at the midpoint, +\$10.3M Y/Y (+18%)

Arteris has not provided a quantitative reconciliation of its Q3 2025 or FY 2025 guidance for non-GAAP operating income or free cash flow, in either case, to the closest GAAP measure, within this press release because the Company is unable, without making unreasonable efforts, to calculate certain reconciling items with confidence. These items include, but are not limited to, inventory valuation adjustment and equity securities fair value adjustment. These items, which could materially affect the computation of forward-looking GAAP measures, are inherently uncertain and depend on various factors, some of which are outside of the Company's control.



**ARTERIS** IP

Thank you

Arteris, Inc. All rights reserved worldwide. Arteris, Arteris IP, the Arteris IP logo, and the other Arteris marks found at <https://www.arteris.com/trademarks> are trademarks or registered trademarks of Arteris, Inc. or its subsidiaries. All other trademarks are the property of their respective owners.

© 2025 Arteris, Inc.

# 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 in isolation, as 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: |                   |                  |
|--|----------------------|-------------------|------------------|
|  | June 30,<br>2024     | March 31,<br>2025 | June 30,<br>2025 |
| Operating expenses                         | 20,558               | 22,714            | 23,008           |
| Less:                                      |                      |                   |                  |
| Stock-based compensation expense           | 3,574                | 4,108             | 4,265            |
| Amortization of acquired intangible assets | 142                  | 167               | 167              |
| Non-GAAP operating expenses                | 16,842               | 18,439            | 18,576           |

# Appendix - GAAP To Non-GAAP Reconciliation

## Operating income (loss)

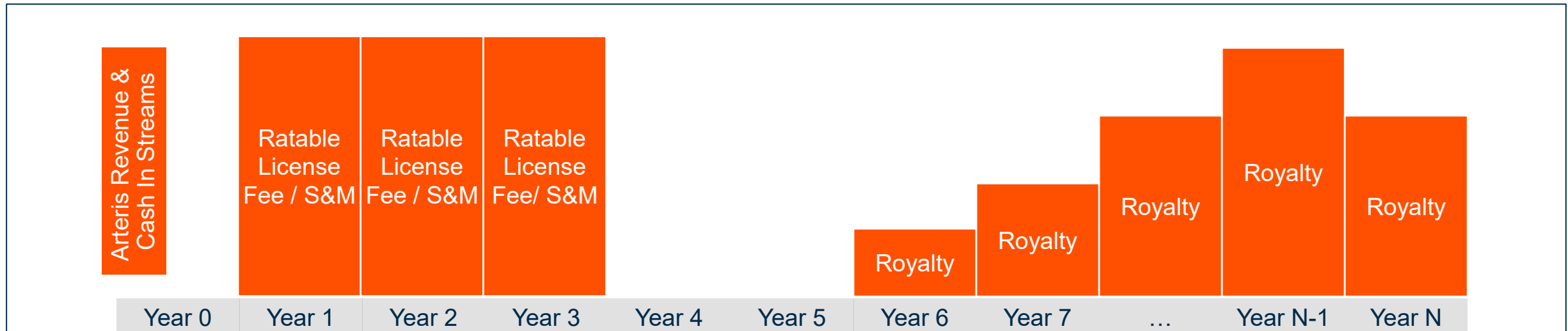
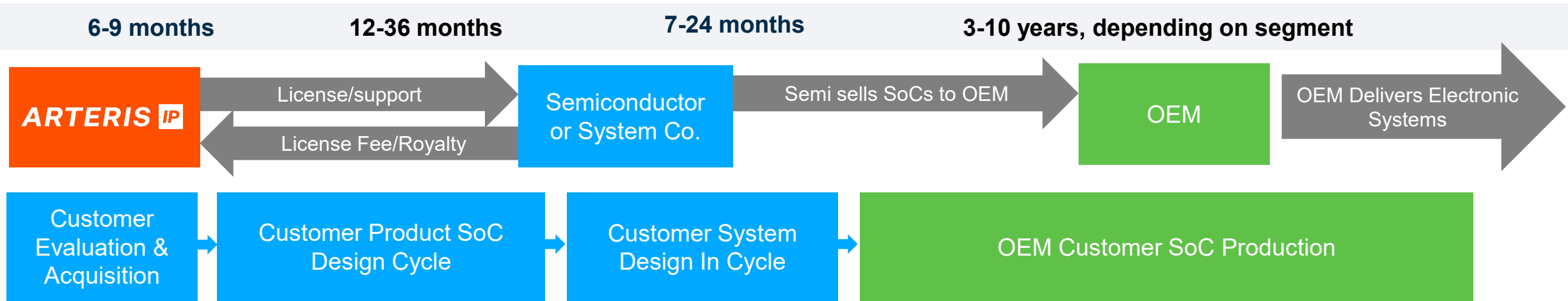
| In \$ thousands                            | Three Months Ending: |                   |                  |
|--|----------------------|-------------------|------------------|
|  | June 30,<br>2024     | March 31,<br>2025 | June 30,<br>2025 |
| Operating Income (Loss)                    | (7,441)              | (7,708)           | (8,248)          |
| Add:                                       |                      |                   |                  |
| Stock-based compensation expense           | 3,760                | 4,313             | 4,497            |
| Amortization of acquired intangible assets | 192                  | 217               | 217              |
| Non-GAAP Operating Income (Loss)           | (3,489)              | (3,178)           | (3,534)          |

# Appendix –Free Cash Flow

| In \$ thousands                                     | Three Months Ending: |                   |                  |
|---|----------------------|-------------------|------------------|
|   | June 30,<br>2024     | March 31,<br>2025 | June 30,<br>2025 |
| Net cash provided by (used in) operating activities | 311                  | 2,860             | (2,485)          |
| Less:   |                      |                   |                  |
| Purchase of property and equipment                  | 47                   | 183               | 355              |
| Free cash flow                                      | 264                  | 2,677             | (2,840)          |

# Appendix - Arteris Business Model

Arteris customers have delivered 3.85 Billion units based on over 880 SoC projects



# Appendix - License Revenue / ACV / RPO Model

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

