



Investor Day

September 10, 2024

INNOVATING TODAY EMPOWERING TOMORROW™



Welcome

Raiford Garrabrant
Head of Investor Relations

Disclaimers

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 21E of the Exchange Act. Such statements include information regarding our current beliefs, plans and expectations, including, without limitation, the matters set forth below. Words such as "believe," "anticipate," "estimate," "expect," "project," "intend," "plan," "forecast," "goal," "could," "would," "should," "if," "may," "might," "future," "target," "trend," "seek to," "will continue," "predict," "likely," "in the event," variations of any such words or similar expressions contained herein are intended to identify such forward-looking statements.

Forward-looking statements are made on the basis of management's current views and assumptions and are not guarantees of future performance. Forward-looking statements in this presentation include but are not limited to our revenue and annual recurring revenue targets, growth prospects and anticipated industry leadership, continued growth of our IP portfolio, anticipated future demand, market and technological development including the development of 6G, the anticipated payment of dividends, and others. Although the forward-looking statements in this presentation reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements concerning our business, results of operations and financial condition are inherently subject to risks and uncertainties. We caution readers that actual results and outcomes could differ materially from those expressed in or anticipated by such forward-looking statements due to a variety of factors, including: (i) unanticipated delays, difficulties or accelerations in the execution of patent license agreements; (ii) the resolution of current legal proceedings, including any awards or judgments relating to such proceedings, additional or related legal proceedings, including appeals, changes in the schedules or costs associated with such proceedings or adverse rulings; (iii) our ability to leverage our strategic relationships and secure new patent license agreements on acceptable terms; (iv) our ability to enter into sales and/or licensing partnering arrangements for certain of our patent assets; (v) our ability to expand our revenue opportunities by entering into licensing arrangements with video streaming and other cloud-based service providers; (vi) our ability to enter into partnerships with leading inventors and research organizations; (vii) our ability to identify and pursue strategic acquisitions of technology and patent portfolios and other strategic growth opportunities; (viii) our ability to commercialize our technologies and enter into customer agreements; (ix) the failure of the markets for our current or new technologies to materialize to the extent or at the rate that we expect; (x) our continued ability to develop new technologies and secure new patents, including the risk of unexpected delays or difficulties related to the development of our technologies; (xi) risks associated with our capital allocation strategies, including risks associated with our planned dividend payments and share repurchases; (xii) changes in our interpretations of, and assumptions and calculations with respect to the impact on us of, the 2017 Tax Cuts and Jobs Act, as well as further guidance that may be issued regarding such act; (xiii) risks related to the potential impact of new accounting standards on our financial position, results of operations or cash flows; (xiv) failure to accurately forecast the impact of our restructuring activities on our financial statements and our business; (xv) the timing and impact of potential regulatory, administrative and legislative matters; (xvi) changes or inaccuracies in market projections; (xvii) our ability to obtain liquidity through debt and equity financings; (xviii) the potential effects that macroeconomic uncertainty could have on our financial position, results of operations and cash flows; (xix) impacts from acts of terrorism, war or political or civil unrest, or any responses thereto, in the United States or elsewhere; (xx) changes in our business strategy; (xxi) changes or inaccuracies in our expectations with respect to royalty payments by our customers and (xxii) risks related to our assumptions and application of relevant accounting standards, including with respect to revenue recognition.

You should carefully consider these factors as well as the risks and uncertainties outlined in greater detail in Part I, Item 1A, of our Form 10-K before making any investment decision with respect to our common stock. These factors, individually or in the aggregate, may cause our actual results to differ materially from our expected and historical results. You should understand that it is not possible to predict or identify all such factors. In addition, you should not place undue reliance on the forward-looking statements contained herein, which are made only as of the date of this presentation. We undertake no obligation to revise or update publicly any forward-looking statement for any reason, except as otherwise required by law.

Industry Data

This presentation contains statistical data, estimates, and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. While we believe the industry and market data included in this presentation are reliable and are based on reasonable assumptions, these data involve many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP measures not based on generally accepted accounting principles. These non-GAAP measures are in addition to, not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. The non-GAAP measures used by us may differ from the non-GAAP measures used by other companies. For more information and for reconciliations between GAAP and these non-GAAP measures, see the appendix to this presentation.

Agenda

Company Overview and Growth Strategy

Liren Chen,
President & CEO

How Innovation Drives IP

Rajesh Pankaj,
Chief Technology Officer

Licensing Capturing Growth Opportunities

Eeva Hakoranta,
Chief Licensing Officer

Financial Overview

Rich Brezski,
Chief Financial Officer

Closing Comments

Liren Chen,
President & CEO

Questions & Answers Discussion



Overview and Growth Strategy

Liren Chen
President & CEO



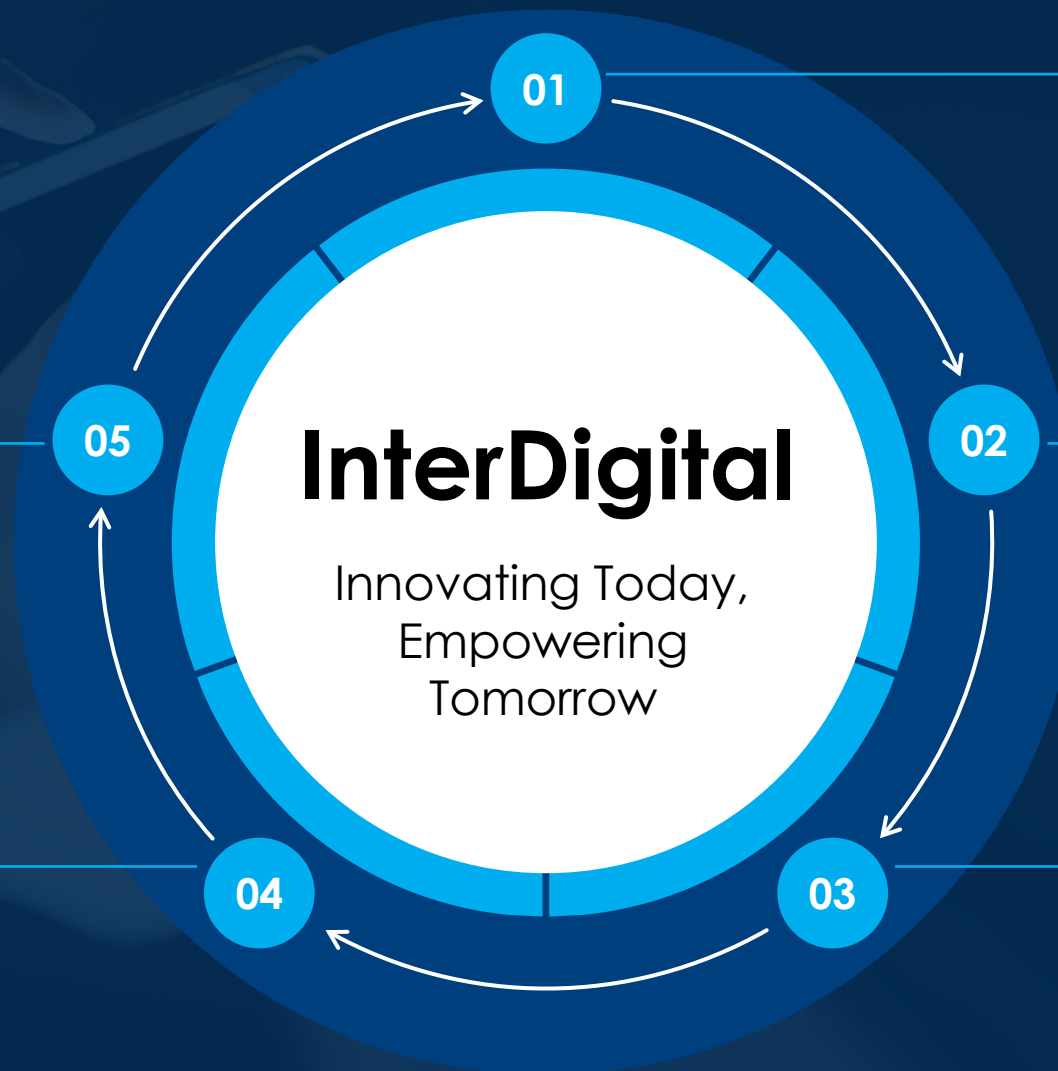
**Company
Introduction**



Premier Team



**Essential Technology
Development**



**Long-term
Growth Strategy**



**Accelerating Business
Momentum**

InterDigital Pioneering Wireless, Video and AI Research

HIGHLIGHTS

World-class team

Led by seasoned industry veterans

Driving foundational research

in wireless, video & AI since 1972

Industry-leading patents

Evergreen patent portfolio of 32,000+ assets

Long-term customers

Subscription-like revenue, \$2.8B in new contracts in the last four years

Enabling ecosystem

Over two billion devices and \$5.7T economic value annually

2023 FINANCIAL RESULTS

\$550M

Revenue

↑ 20% Y/Y Increase

~3/4

Recurring Revenue

Non-GAAP EPS^a

82%

↑ Y/Y Increase

\$1B

Cash

63%

Adj. EBITDA Margin^a

\$379M

Returned to Shareholders

TOP CUSTOMERS:



SAMSUNG



xiaomi

^a Non-GAAP financial measure. Refer to non-GAAP reconciliation in appendix

World-Class Leadership Team

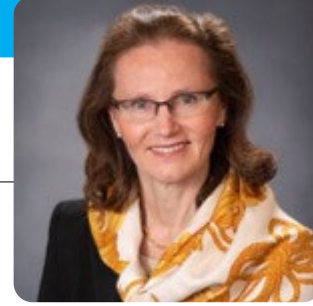
Decades of industry experience. Strong track record. Drive deep collaboration and superb execution



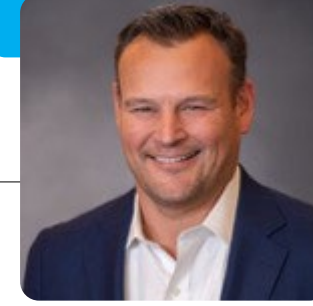
Liren Chen
CEO



Rajesh Pankaj
CTO



Eeva Hakoranta
Chief Licensing
Officer



Rich Brezski
CFO



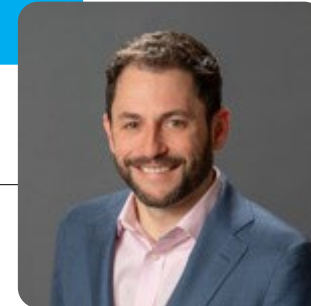
Michael Cortino
Chief Information
Officer



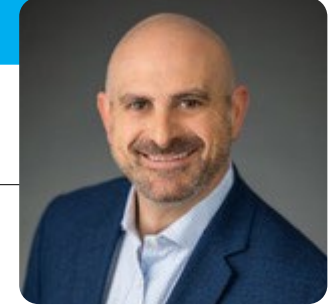
Ken Kaskoun
Chief Growth Officer



Skip Maloney
Chief People Officer



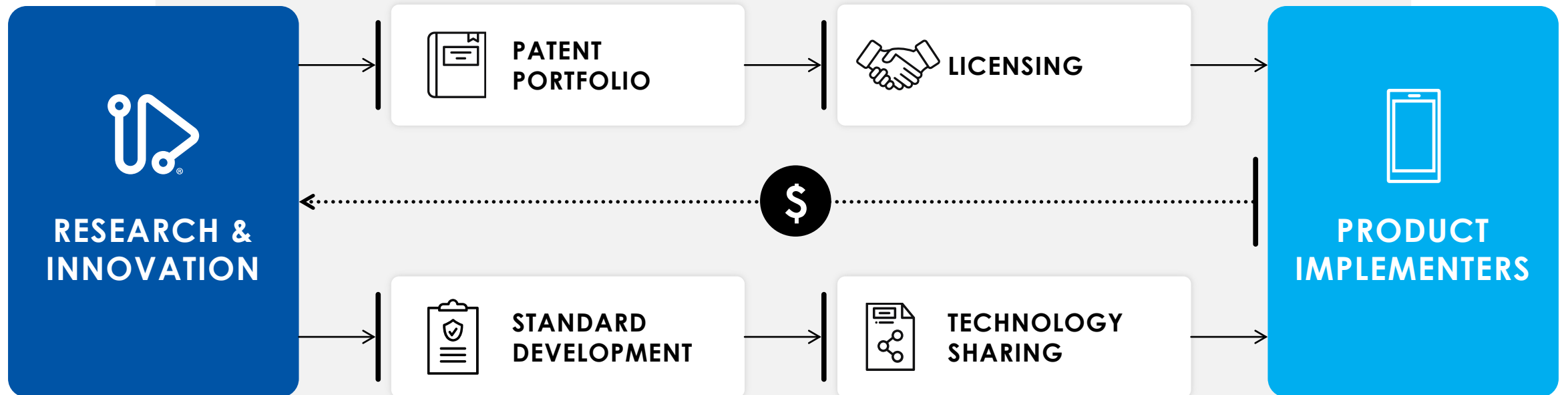
Joshua Schmidt
Chief Legal Officer



Robert S. Stien
Chief Communications
& Public Policy Officer

Business Model: A Virtuous Cycle of Innovation

We are a foundational R&D company. We share our innovation through the standards process and monetize our technology through IP licensing.



We Focus on Foundational Technologies

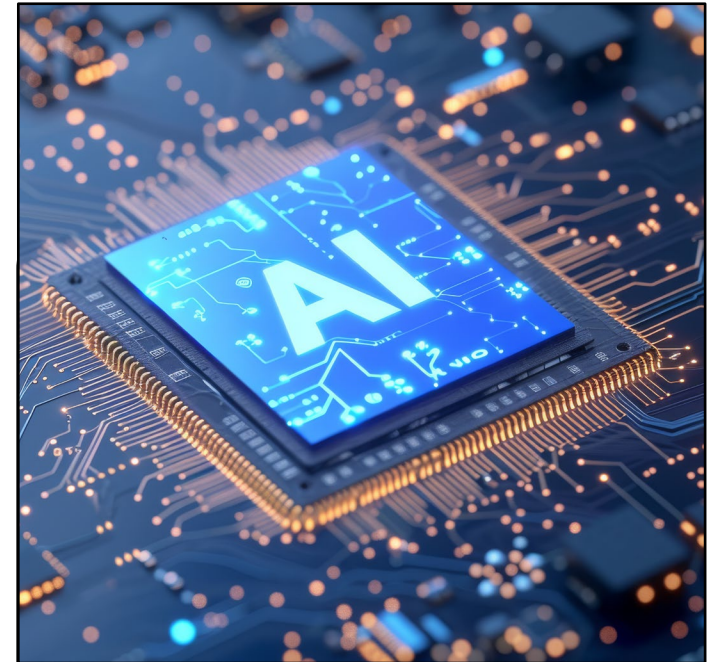
We solve the most complex problems in the system.
The technology we created is broadly applicable to many industries



WIRELESS



VIDEO



AI

Recognized Global Innovation Leader

For the **third year in a row**, LexisNexis recognized InterDigital amongst the **World's 100 Most Innovative Businesses**.

Innovation Momentum 2024: The Global Top 100, **“represents the world’s leading patent owners with the highest innovation momentum.”**

2022:

Innovation Momentum 2022: The Global Top 100
Intellectual Property Report

The 2022 Global Top 100

Patent Owner	HQ	Industry
Huawei	CN	Information Technologies
Hyundai Motor	KR	Automotive
Illumina	US	Biotechnologies
Incyte	US	Pharmaceuticals
Infinion	DE	Semiconductors
Intel	US	Semiconductors
InterDigital	US	Technology R&D
Intuitive Surgical	US	Medical Technologies
Johnson & Johnson	US	Pharmaceuticals
Juul Labs	US	Consumer Goods
KLA	US	Semiconductors
Lam Research	US	Semiconductors
Largan Precision	TW	Engineering
LG Chem	KR	Chemicals and Materials
LG Electronics	KR	Electronics

2023:

Innovation Momentum 2023: The Global Top 100
Intellectual Property Report

The 2023 Global Top 100

The Top 100 in alphabetical order, the headquarter location, and its industry sector.

Patent Owner	HQ	Industry
Incyte	US	Pharmaceuticals
Infinion Technologies	DE	Semiconductors
Intel	US	Semiconductors
InterDigital	US	Technology R&D
Intuitive Surgical	US	Medical Technologies
Japan Tobacco	JP	Consumer Goods
Jazz Pharmaceuticals	IE	Pharmaceuticals
Johnson & Johnson	US	Pharmaceuticals
Johnson Controls	US	Conglomerates
Juul Labs	US	Consumer Goods
Kernel	US	Medical Technologies
Kia	KR	Automotive
Korea Tobacco & Ginseng	KR	Consumer Goods

2024:

Innovation Momentum 2024: The Global Top 100
Intellectual Property Report

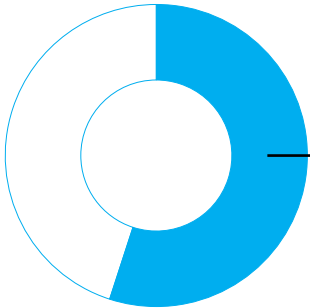
The 2024 Global Top 100

The Top 100 in alphabetical order, the headquarter location and its industry sector.

Patent Owner	HQ	Industry
Intel	US	Semiconductors
Intella Therapeutics*	US	Pharmaceuticals
InterDigital	US	Technology R&D
Intuitive Surgical	US	Medical Technologies
Japan Tobacco	JP	Consumer Goods
Jiangsu Hengrui Pharmaceuticals*	CN	Pharmaceuticals
Johnson & Johnson	US	Pharmaceuticals
Juniper Networks*	US	Information Technologies
Kia	KR	Automotive
KLA*	US	Semiconductors
Korea Tobacco & Ginseng	KR	Consumer Goods
Lam Research	US	Semiconductors
LG Chem	KR	Chemicals and Materials

We are a Company of Inventors

Over half of our employees are engineers and scientists



~90% of our engineers are inventors



Senior Director

- Wireless radio
- Joined IDCC in 2001
- 3700+ patents
- Based in Canada



Senior Director

- Wireless radio
- Joined IDCC in 2011
- 2200+ patents
- Based in New York, originally from South Korea



Senior Director

- Wireless
- Joined IDCC in 1998
- 1400+ patents
- Based in New York



Principal Scientist

- Video compression
- Joined in 2017
- 600+ patents
- Based in France, Originally from Iraq



VP Technology

- Wireless Radio
- Joined IDCC in 2006
- ~1600 patents
- Based in Canada, originally from Albania



Senior Principal Scientist

- Video compression
- Joined in 2013
- ~1400 patents
- Based in France



Senior Principal Scientist

- Video compression, AI, Software architecture
- Joined in 2014
- 1100+ patents
- Based in France



Director of R&I

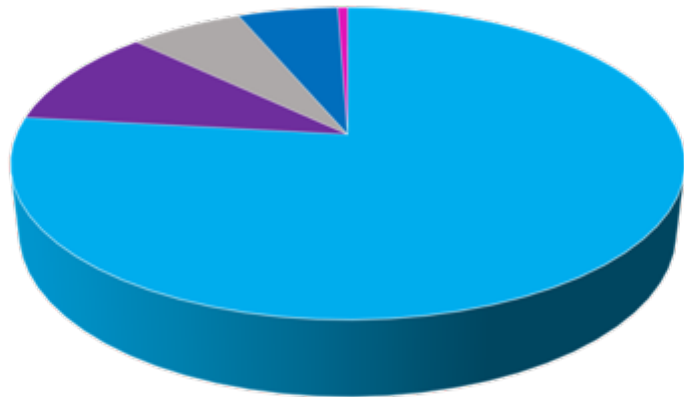
- Wireless core networks, systems and devices
- Joined in 2000
- ~1000 patents
- Based in Pennsylvania

Innovation Engine Fuels Evergreen IP Portfolio

Our patent portfolio **grew almost 70%** between 2017 & 2024 with the **addition of video & DTV** related technologies and continuing growth of wireless assets

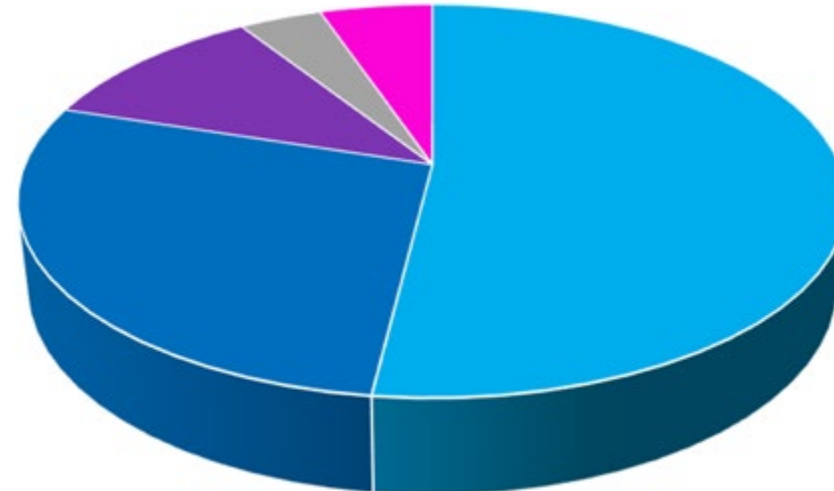
2017:

~19,000 Assets



2024:

>32,000 Assets



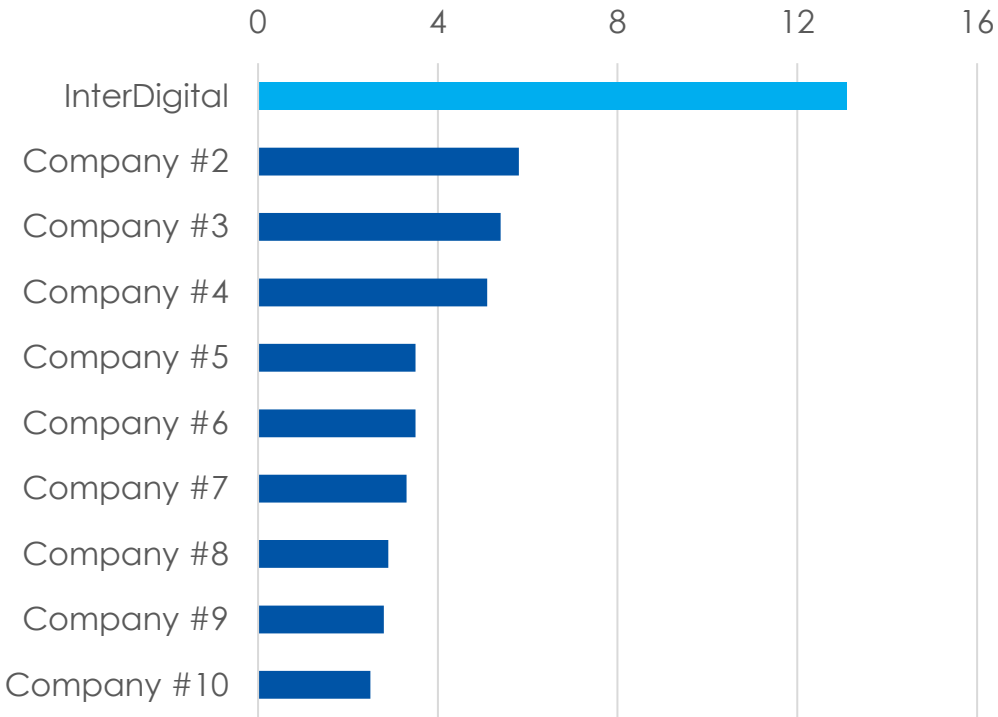
Portfolio is evergreen, growing by ~5 new patents each day

● Wireless ● Video ● Implementation ● DTV ● Broadcast & Home Network

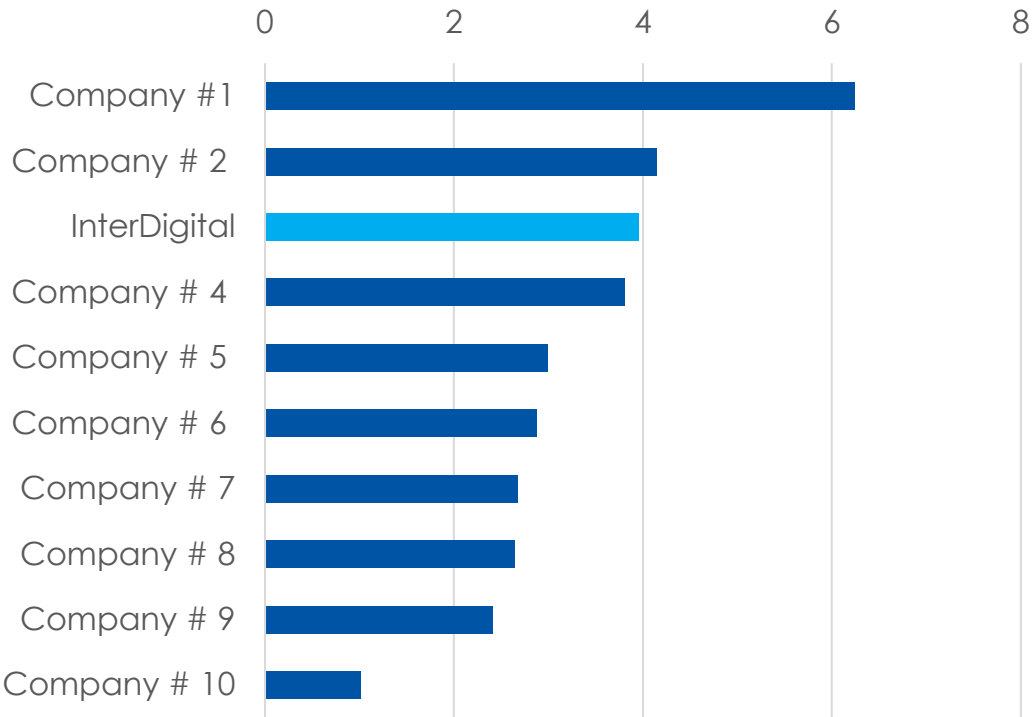
InterDigital Ranks Among the Highest in Patent Quality for 5G and Video Codec Patents



5G Patent Holders



Video Codec Patent Holders



Source: LexisNexis PatentSight Feb 2024, top 10 Patent Asset Index owners

The Power of the Global Standards System



CONSUMERS

A global system of standards helps ensure interoperability



IMPLEMENTERS

Standards like 5G lower barriers to entry for new entrants into a market like smartphones and benefit from economies of scale



OPERATORS AND SERVICE PROVIDERS

Standards increase system capacity and lower the total cost of ownership

InterDigital Drives Standard Development



UNITING PRINCIPLES

Strong belief in global standards

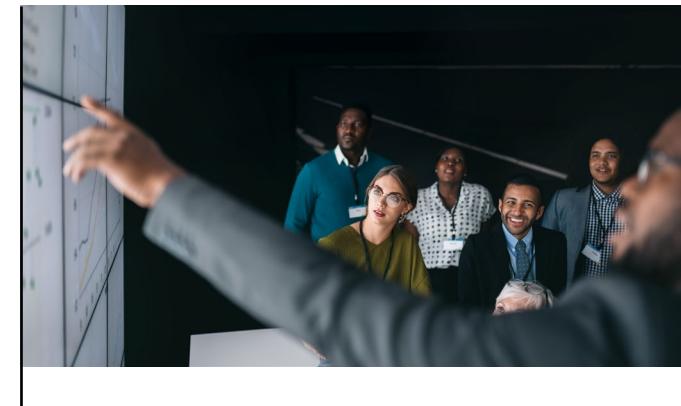
Focus on technology merits and neutral on product implementation decisions



STRONG LEADERSHIP

Participate in 100+ standard development organizations (SDO)

Hold more than 100 leadership positions in these SDOs



BROAD COLLABORATIONS

Collaborate with many industry partners and leading universities

Our technologies benefit the whole eco-system: billions of devices and many cloud-based services each year

Our Technologies Benefit the Economy and the World

5.6 billion people globally subscribed to a mobile service, including 4.7 billion who used the mobile internet

Mobile technologies and services generate **\$5.7 trillion economic value, 5.4% of global GDP**

Enables **35 million jobs** across the wider mobile ecosystem

5G is projected to **add nearly \$1 trillion to the global economy in 2030**

Our Approach to Sustainability

MSCI: A Rating
Sustainalytics: Top 1/3

We focus on the things that matter the most to our industry, our employees and our stakeholders.



Human Capital

Creating a healthy, inclusive and safe work environment where all colleagues feel valued, respected and enabled to achieve their best



Social Impact

Supporting causes that are important to our employees and other stakeholders, with emphasis on creating equitable opportunities within STEM



Environment

Developing solutions that reduce or minimize tech's growing energy footprint in wireless and video



Governance

Adherence to the highest standards of integrity and ethical business conduct

Accelerating Business Momentum

Last four years^a have been highly successful, our company has never been stronger

**World-Class
Leadership Team**

**Revenue
(19% CAGR) ↑ 2X**

**Invention
creation ↑ 3X**

**Non-GAAP EPS^b
(46% CAGR) ↑ 4.5X**

Top 5 Portfolio in both 5G and Video¹ (HEVC & VVC)

40+ New license agreements with \$2.8B+ contract value

^a Comparing 2020 to the mid-point of 2024 guidance

^b Non-GAAP financial measure. Refer to non-GAAP reconciliation in appendix

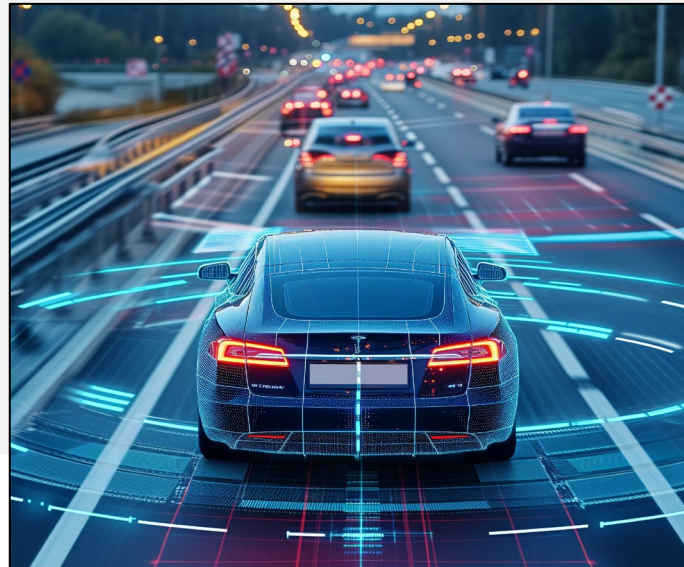
¹ LexisNexis PatentSight Feb 2024, top 10 Patent Asset Index owners

Driving Long-Term Growth



SMARTPHONE

Increase penetration
Enhance valuation
during renewals



CE, IOT/AUTO

Increase penetration
Expand market coverage

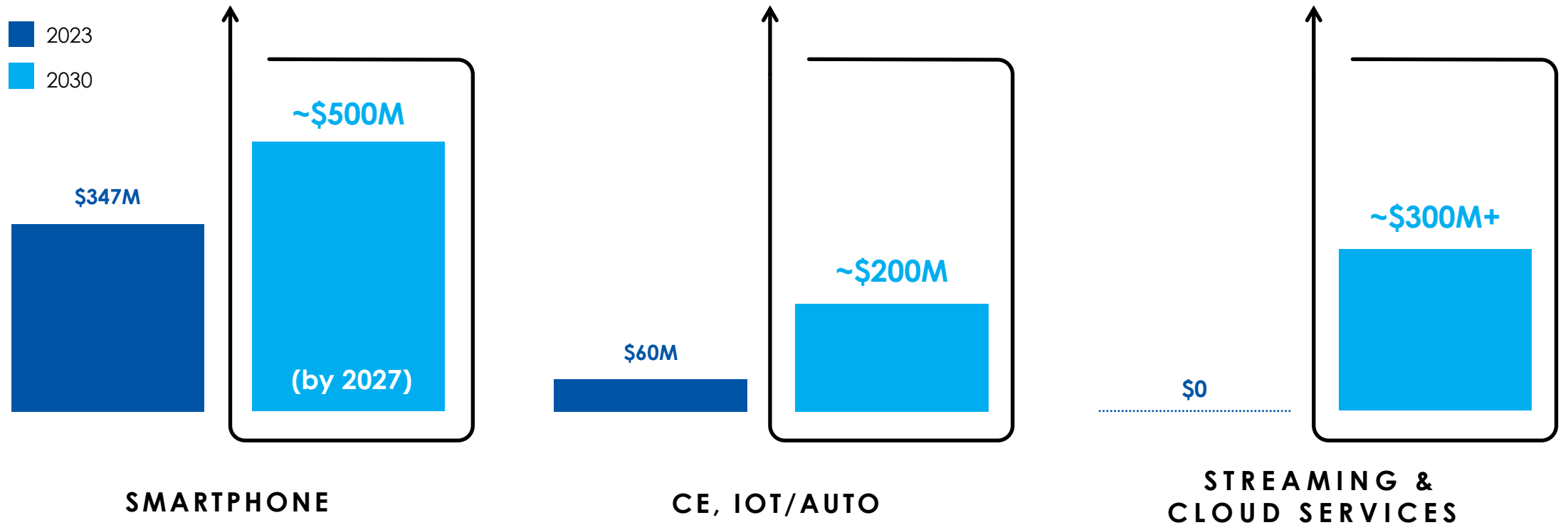


STREAMING & CLOUD SERVICES

Grow video services
licensing program

Clear Pathway to Growth

\$1B+ ARR Target | 2030



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How Innovation Drives IP

Rajesh Pankaj
Chief Technology Officer

Research & Innovation Highlights

01



We are recognized as **leaders in innovation**

02



Solve real-world problems
in wireless, video and AI

03



Fundamental research
leading to standards

04



Robust innovation engine
fueling record-breaking pace of
invention creation and patent filings

Three Areas of Foundational Research



WIRELESS

Cellular wireless - 4G/5G/6G

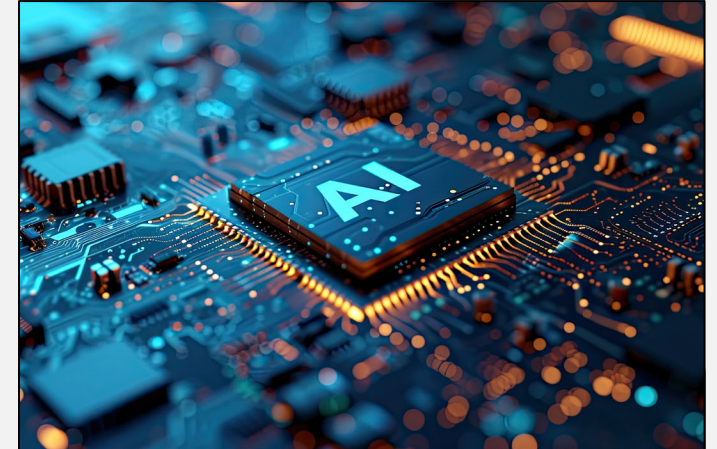
WiFi and wireless local area networks



VIDEO

Video compression, transport and enhancement

Immersive media compression, transport and enhancement



AI

Using AI for wireless and video

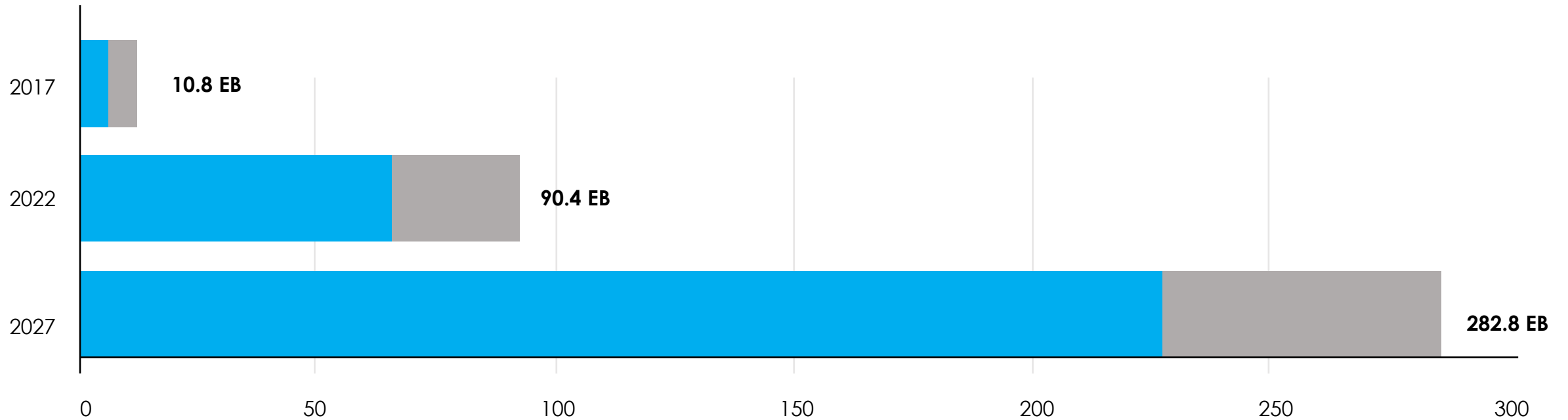
Video coding for use by AI

Our research and patents in these areas underpin our business

Video and Media Over Wireless

Video Drives Surge in Mobile Data Traffic

Estimated global media traffic by application category (in exabytes per month)*



* One exabyte equals one million terabytes. Source: Ericsson Mobility Report

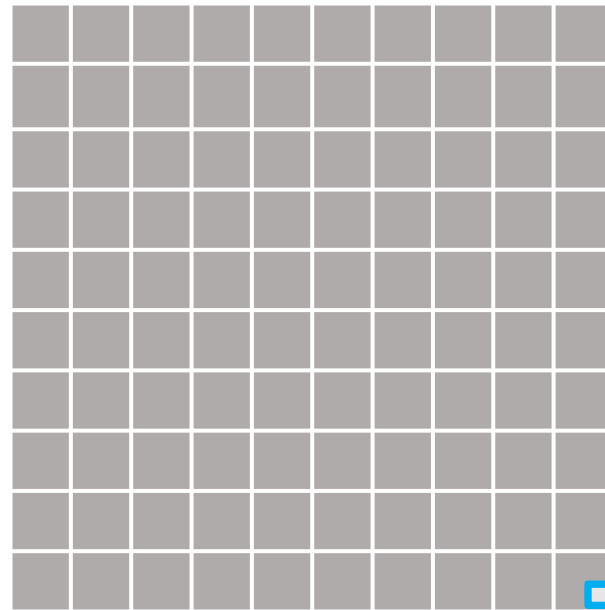
■ Video ■ Other

Video Codec Evolution

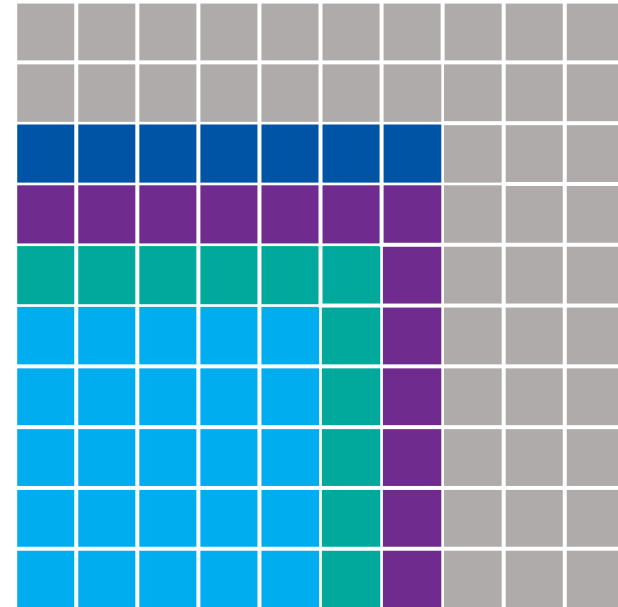


4K Movie
130-Minute Run Time

Uncompressed: 11,600GB



Compressed



- **AVC:** ~24 GB⁽¹⁾
- **VP9:** ~15 GB
- **HEVC:** ~14 GB⁽¹⁾
- **AV1:** ~11 GB
- **VVC:** ~9 GB⁽²⁾

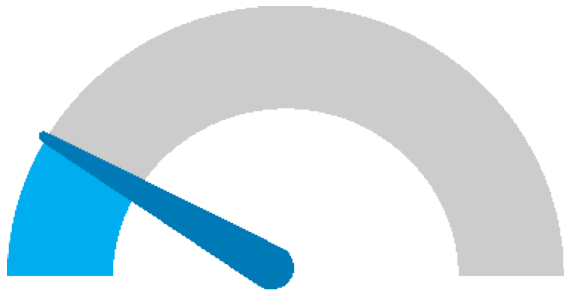
⁽¹⁾ <http://www.iam-media.com/litigation/what-will-tv-cost-you-putting-price-hevc-licences>

⁽²⁾ Approximated based on the result from 3GPP document https://www.3gpp.org/ftp/Specs/archive/26_series/26.955/26955-h00.zip

Source: Counterpoint, WINXDVD

Cellular Wireless Evolution

How long would it take to download a 9GB movie?



3G: ~2 Mbps
~10 hours



4G: ~60 Mbps
~20 minutes

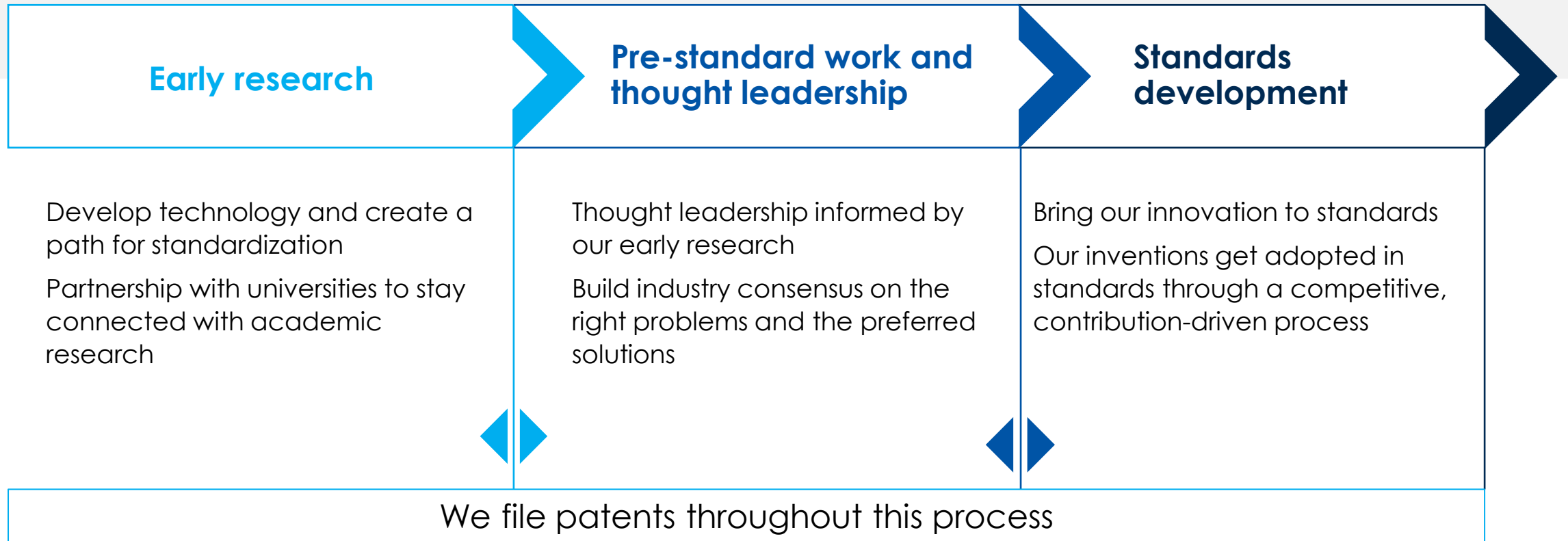


5G: ~500 Mbps
~2 minutes

InterDigital's innovations are part of every G

Innovation and Technology Development Strategy

From early research to standards



Research Collaboration Amplifies Our Impact

University Collaborations


















Industrial Collaborations














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We Lead The Industry

Cellular & WiFi Standards

									
									
RAN2 Chair	SA6 Chair	ETSI Board Member ISAC ISG Chair	RIS ISG Chair	PDL Vice Chair	SAI Vice Chair	Steering Committee Co-Chair	SA Board of Governors Policy & Procedures C/SAB Chair	AIML Standing Committee Chair	Internet WG Vice Chair

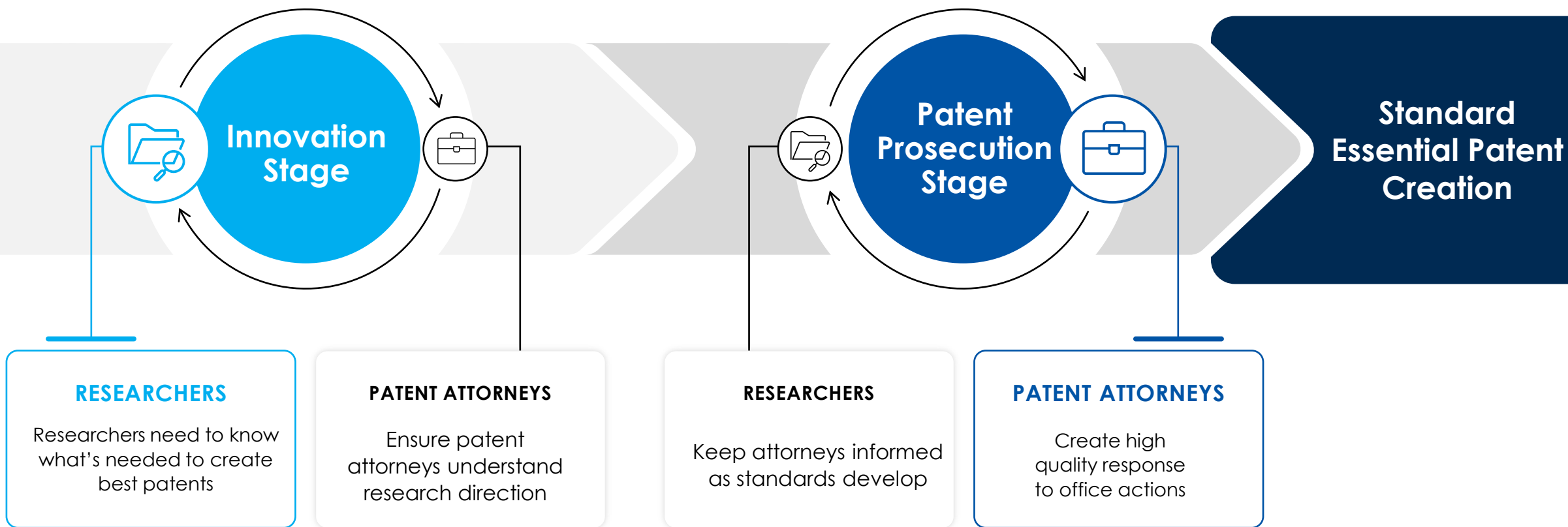
Video Standards

						
						
NNVC Co-Chair & SW Chair	Beyond VVC Co-Chair of Two AHG	Beyond VVC Co-Chair of Two AHG	AI AHG Co-Chair AI-PCC Chair	Haptic AHG Chair	Steering Board Member	TSAG Vice Chair

Sphere of Influence Growing: More than 100 Leadership Positions in Wireless & Video Standards

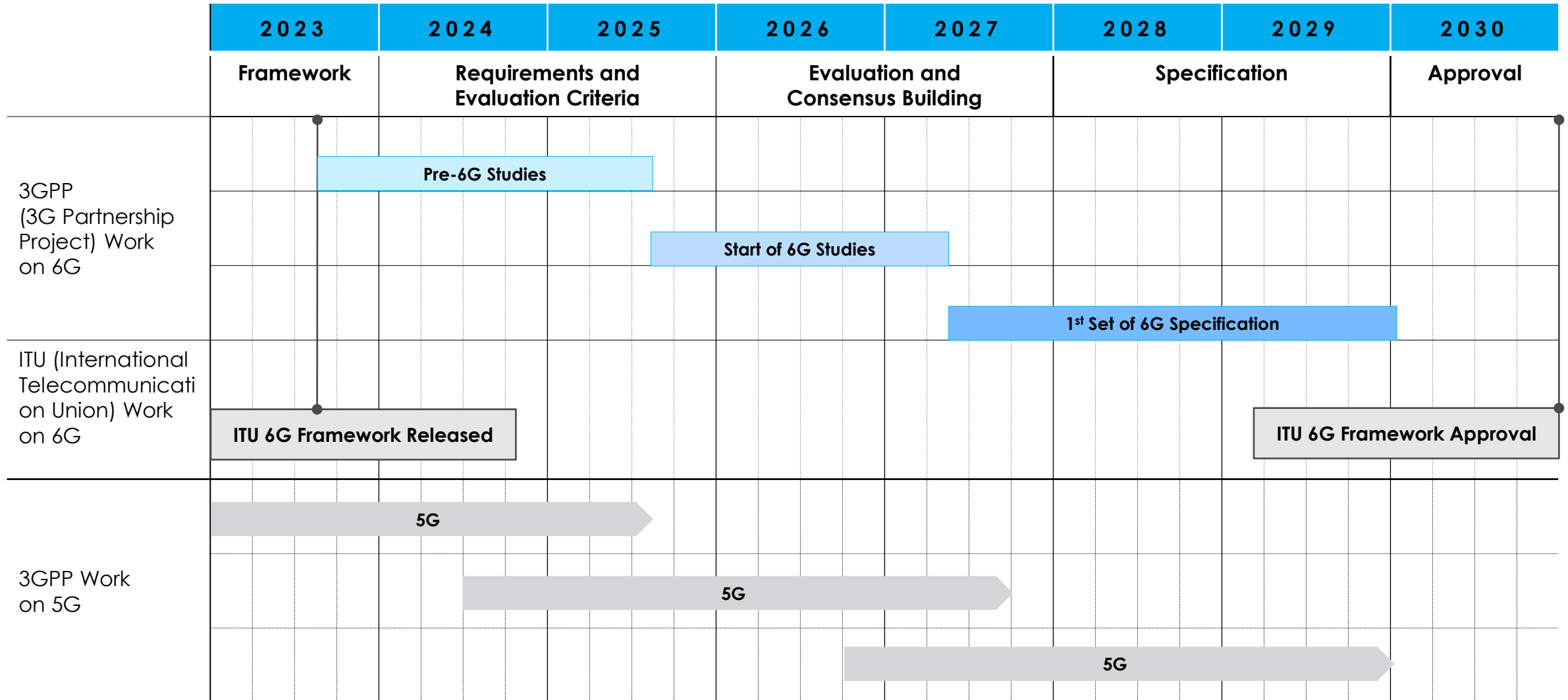
Standard Essential Patents

Researchers and Patent Attorneys Collaborate to Create Them

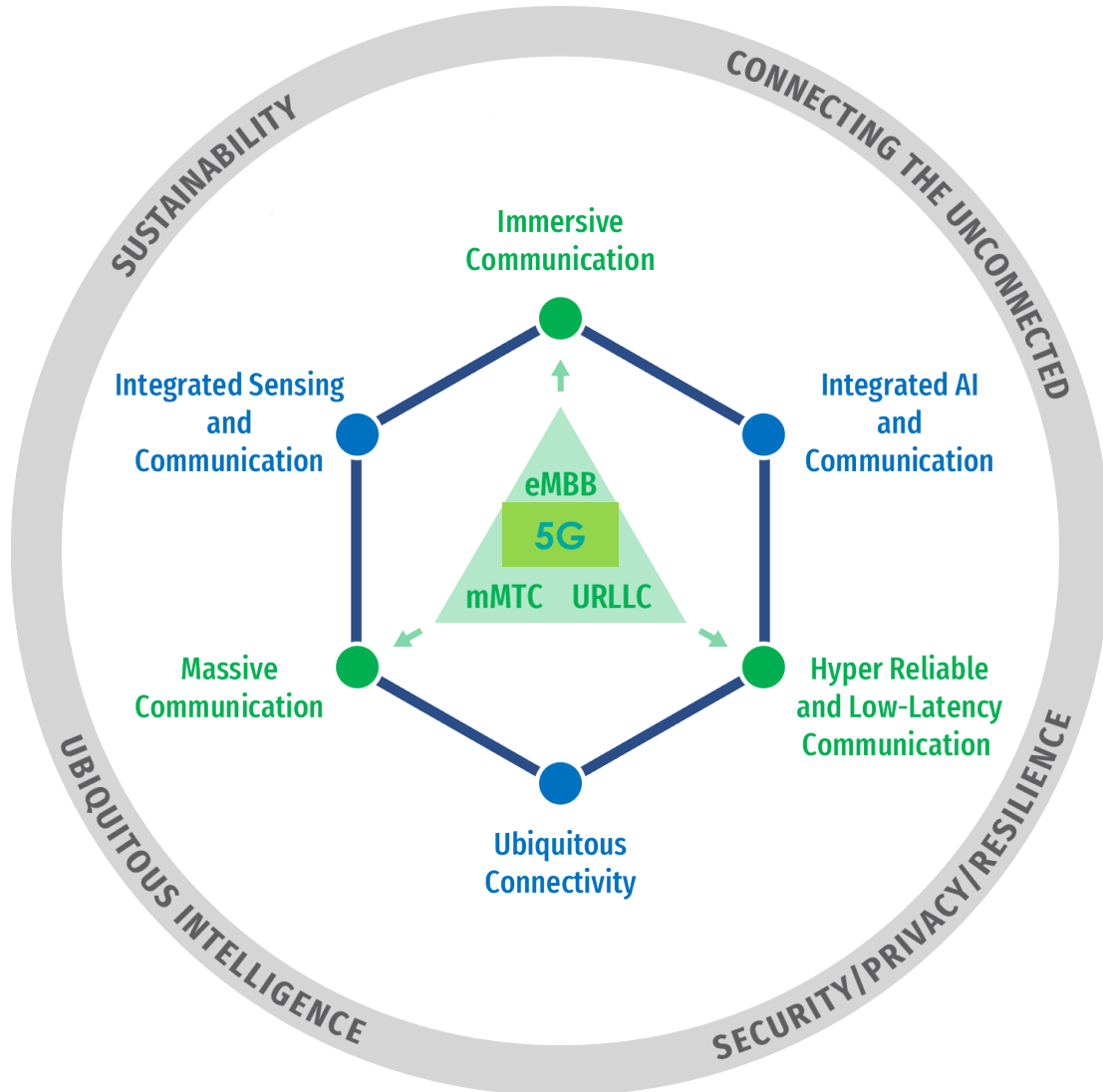


5G and 6G Timelines

Standards Development is a Multi-Year Process



6G Vision and InterDigital



5G capabilities will remain important in 6G and will be enhanced

Our inventions fueling 5G will continue to be important for 6G

Our long history of research in cellular wireless gives us a head start compared to late-comers

Our early research and the resulting inventions will help maintain our leadership position in the new areas of 6G

6G Research to Standard Example



INTEGRATED SENSING AND COMMUNICATION

InterDigital contributed to positioning capabilities of 4G and 5G



6G is extending it to add sensing in cellular networks



InterDigital researchers are leading the pre-standards work



MEDIA OVER 6G

Joint research work between wireless and video team to jointly optimize video and multimedia transport over 6G networks



Our proposal will be part of 6G

Video Research to Standards Example



FILM GRAIN

InterDigital's research is critical to efficiently compressing and recreating film grain in current video standards

—
We are leading the research in using Gen AI techniques to make it better

—
AI based film grain will be part of the next generation video standards



SUSTAINABILITY IN VIDEO

InterDigital's innovation introduced the concept of pixel value reduction

—
Sustainable video standards use this technique to reduce power consumption in video

—
We continue to lead the effort on sustainable video standards in the industry

AI Research to Standards Example



AI IN WIRELESS NETWORKS

Bringing AI and wireless team together
to add AI innovation to wireless

Joint demo with Keysight at MWC 2024

5G already adopting AI based processing
and 6G will accelerate this trend



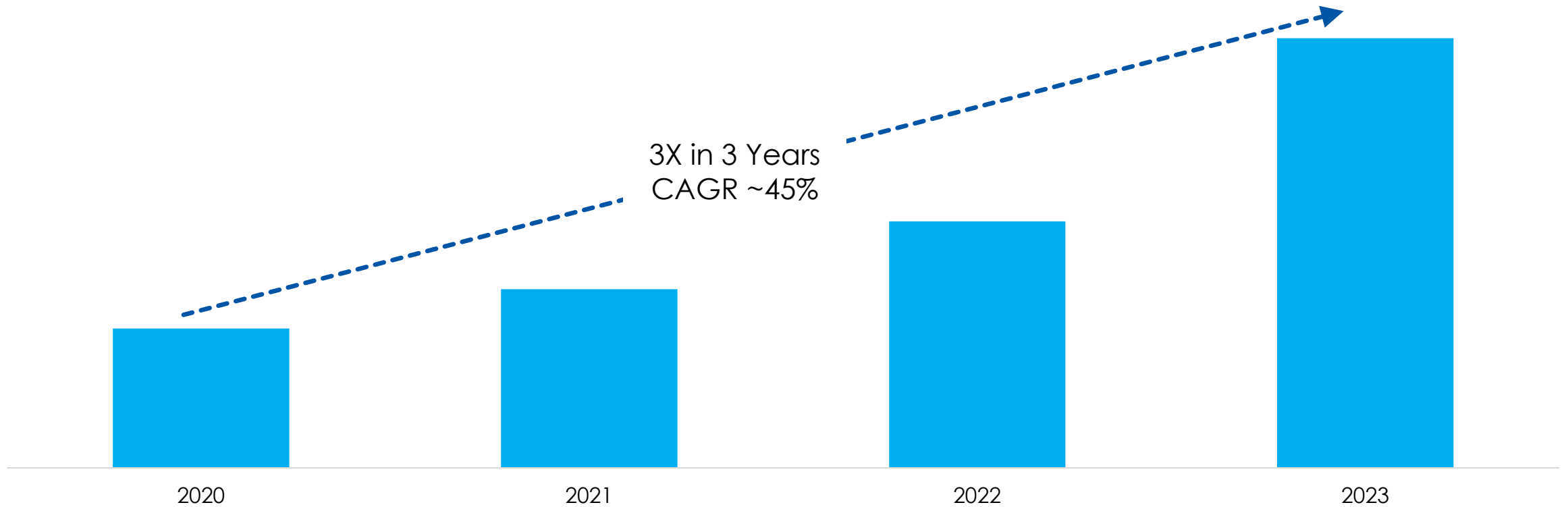
VIDEO CODING FOR AI

Existing video compression algorithms are designed so
that the result is pleasing to humans

We are researching video coding strategies for
when the end user is a machine or an AI algorithm

Innovation Momentum

Annual New Patent Filings



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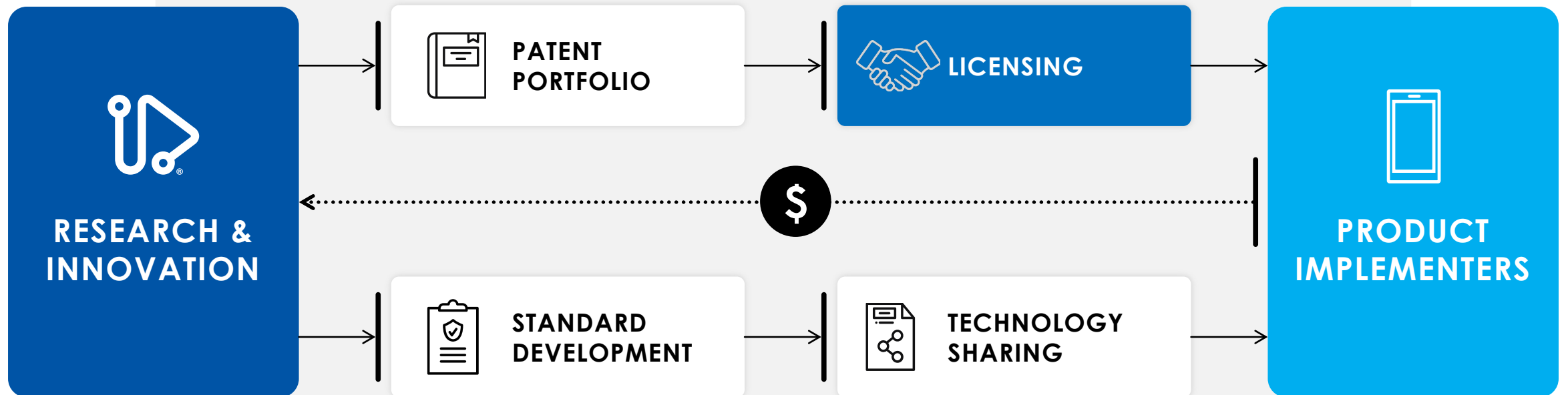


Licensing Capturing Growth Opportunities

Eeva Hakoranta
Chief Licensing Officer

Business Model: A Virtuous Cycle of Innovation

We are a foundational R&D company. We share our innovation through standard process and monetize our technology through IP licensing



Our Licensing Strategy Provides Stability and Growth



EXECUTION

\$2.8B of contracted revenue secured through our expert dealmaking in the last four years

STABILITY

Our subscription like revenue stream is secured by our key long-term agreements

GROWTH

There is plenty of opportunity for growth in licensing with the remaining device makers and an expanding into services

The Elements of Licensing Success: InterDigital Has It All!



Foundational
research
and great IP



World-class
licensing team with
deep market
expertise



Best-in-class
enforcement
capabilities



Large addressable
markets

Driving Strong Execution

Over 40 licenses closed since 2020 driving > \$2.8B of contract value

2021



#1 Chinese Smartphone vendor

VIZIO Top-10 TV vendor

2022



Largest license in company history

amazon Major CE/IoT License



80% of 4G connected car market under license

2023

SAMSUNG mobile Licensee since 1995*

Lenovo HEVC license; Court wins in cellular

2024

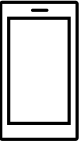
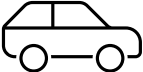
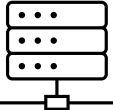
SAMSUNG SMART TV #1 Television vendor

Google Pixel fitbit

SONY Panasonic NEC LG HUMAX SHARP FUNAI SEIKO KYOCERA

* Currently in binding arbitration to set license rate

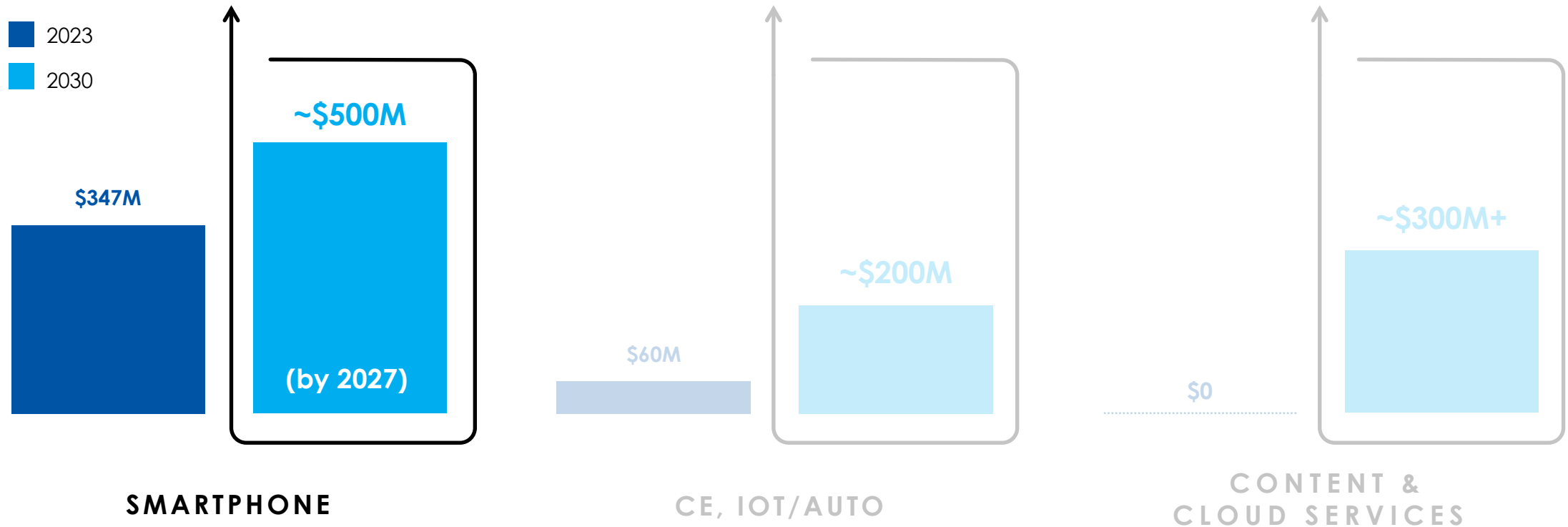
We Address Three Attractive Markets

Market	2024E TAM	'24 – '27E CAGR	Significant Customers	Key Market Dynamic
 SMARTPHONES	~1.2B Units (~\$450B)	~3%	<10	Increasing concentration of top OEMs
 CE, IoT/AUTO	~1.6B Units (~\$340B) ¹	~6%	~100	High shipment growth with fragmentation across segments
 CONTENT & CLOUD SERVICES	~\$380B	~10%	<20	High growth with increasing focus on profitability

Sources: Counterpoint Research, OMDIA
¹ Includes only value for Consumer Electronics and IoT Devices

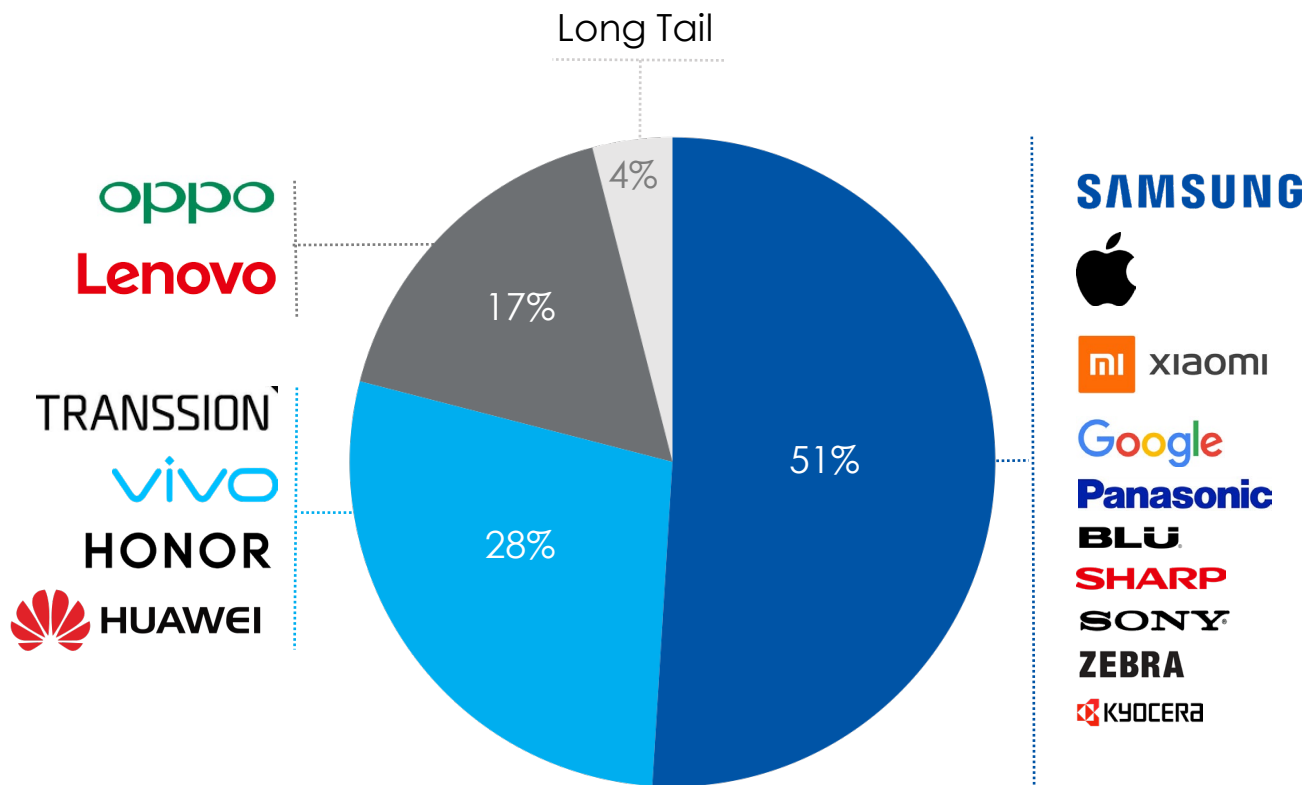
Clear Pathway to Growth

\$1B+ ARR Target | 2030



Strong Runway for Continued Smartphone Growth

SMARTPHONES GLOBAL MARKET 1.2B global device shipments 2024



- Large global market, projected to grow with 3% CAGR 2024-27
- Revenue growth from licensing remaining top OEMs
- Driving higher value from key accounts during renewal

- Licensed¹
- In Negotiation
- Under Enforcement
- Long Tail

1. Samsung in binding renewal arbitration

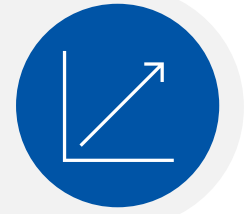
Smartphone Opportunity

Room to Grow

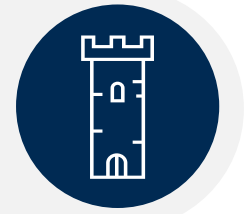
Consolidated market means that we need to close only a handful of accounts to reach very high market coverage



Renewals drive higher value from more advanced technologies, e.g. higher portion of 5G and new video codecs

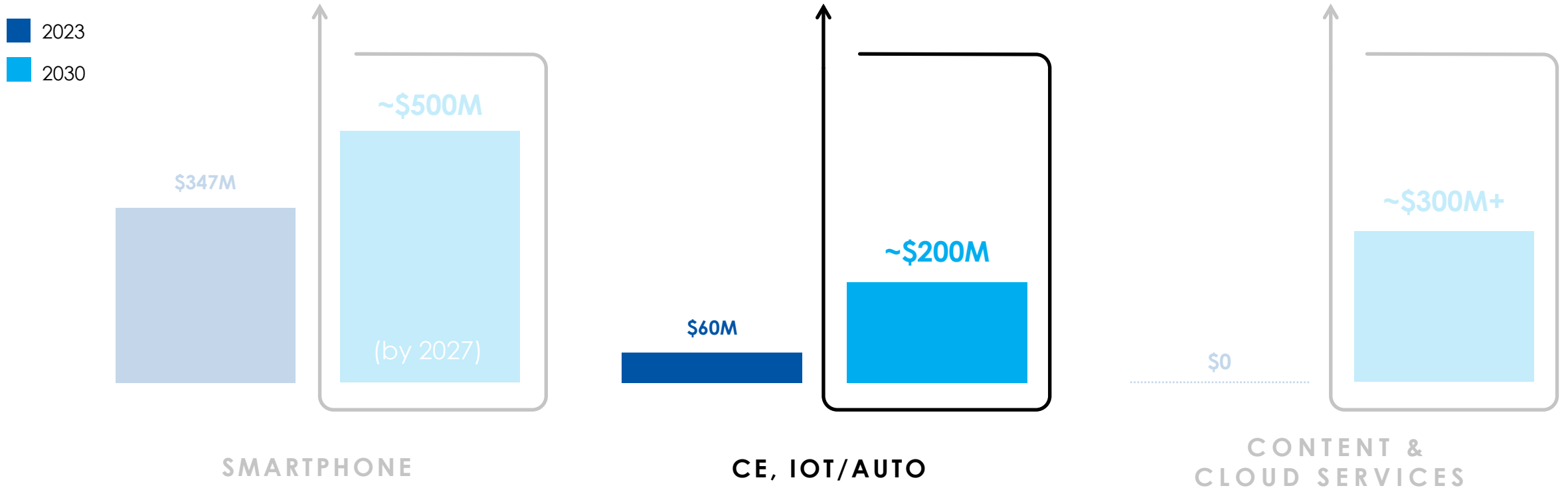


Our key account license agreements are long term, providing stability and security while closing new agreements






Clear Pathway to Growth

\$1B+ ARR Target | 2030



CE, IoT / Auto Markets

Market	2024E Shipments	'24 – '27E CAGR	Significant Customers	Key Market Dynamic
 CONSUMER ELECTRONICS	~1.1B	~2%	20+	Commoditization across categories
 CELLULAR IoT	~0.4B	~20%	40+	High growth , some fragmentation across product segments
 CONNECTED CARS	~60M	~10%	~20	Growth + enhanced value with adoption of 5G, Wi-Fi, and Video

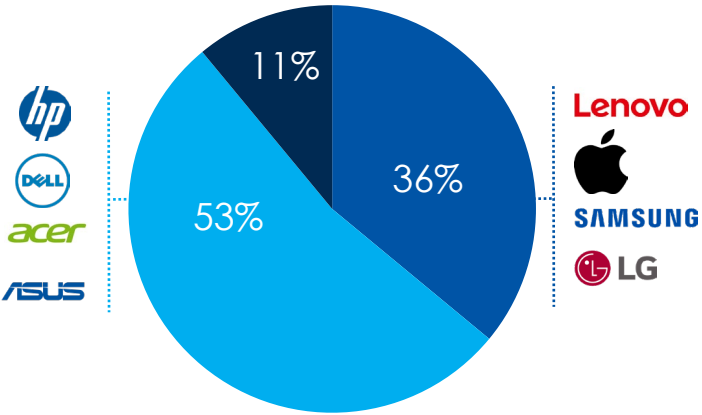
Source: Omdia, Counterpoint Research

Note: Consumer Electronics shipment number 1.1B includes also Set-Top Boxes and Routers/Gateways, in addition to PCs, Tablets and TVs.

Good Momentum in CE - Large Opportunity Remains

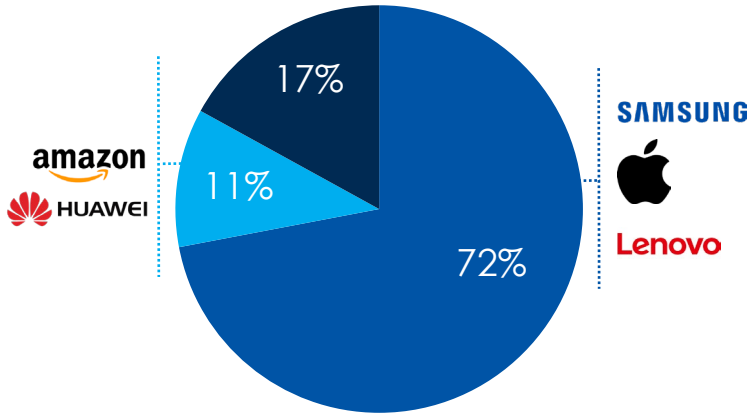
PCs: 284M 2024

% global device shipments



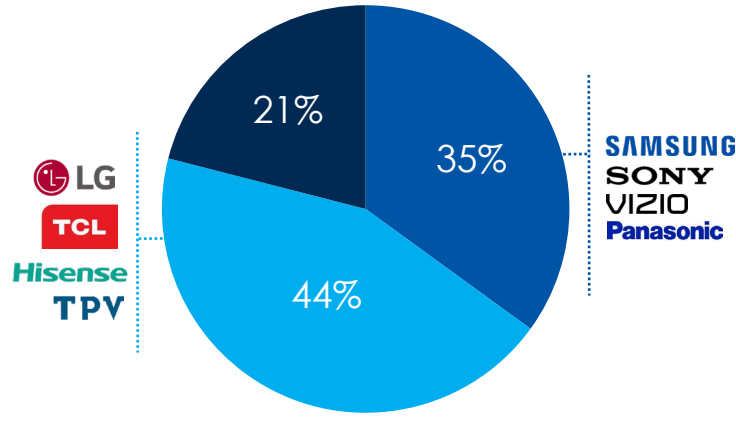
TABLETS: 118M 2024

% global device shipments



TVs: 205M 2024

% current focus area¹ shipments



■ Licensed ■ In Negotiations ■ Remaining

Deals with major OEMs such as Apple, Samsung, Lenovo, Sony, LG

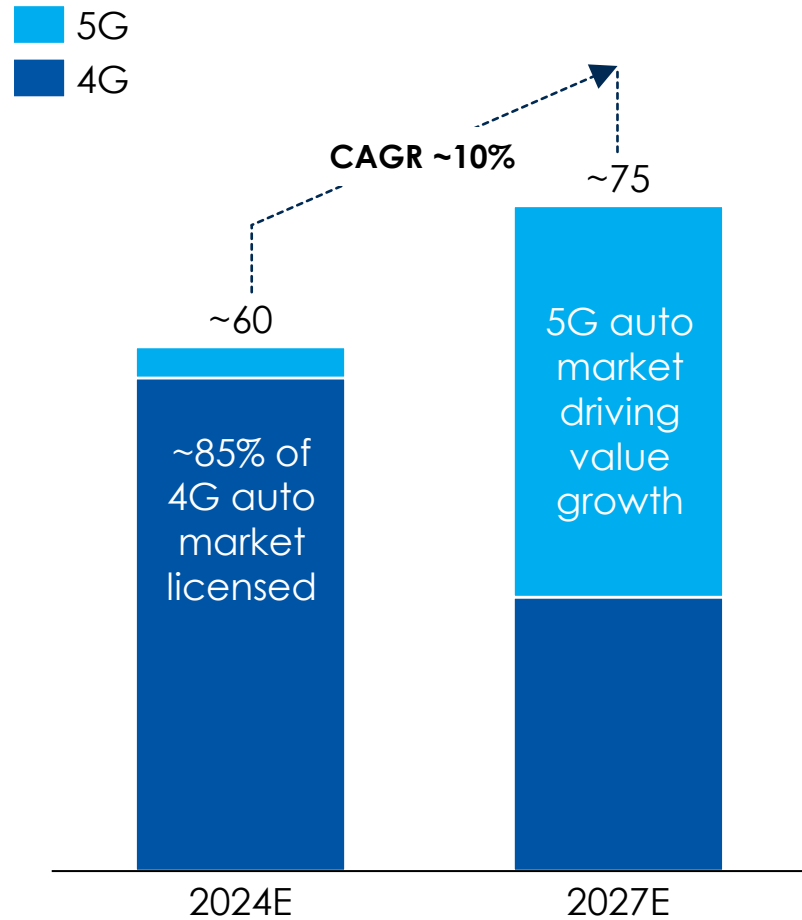
Approx. **40% licensing coverage** across these sectors, aiming to grow

Proof of our robust video coding portfolio, including **HEVC patents that have driven successful outcomes with enforcement**

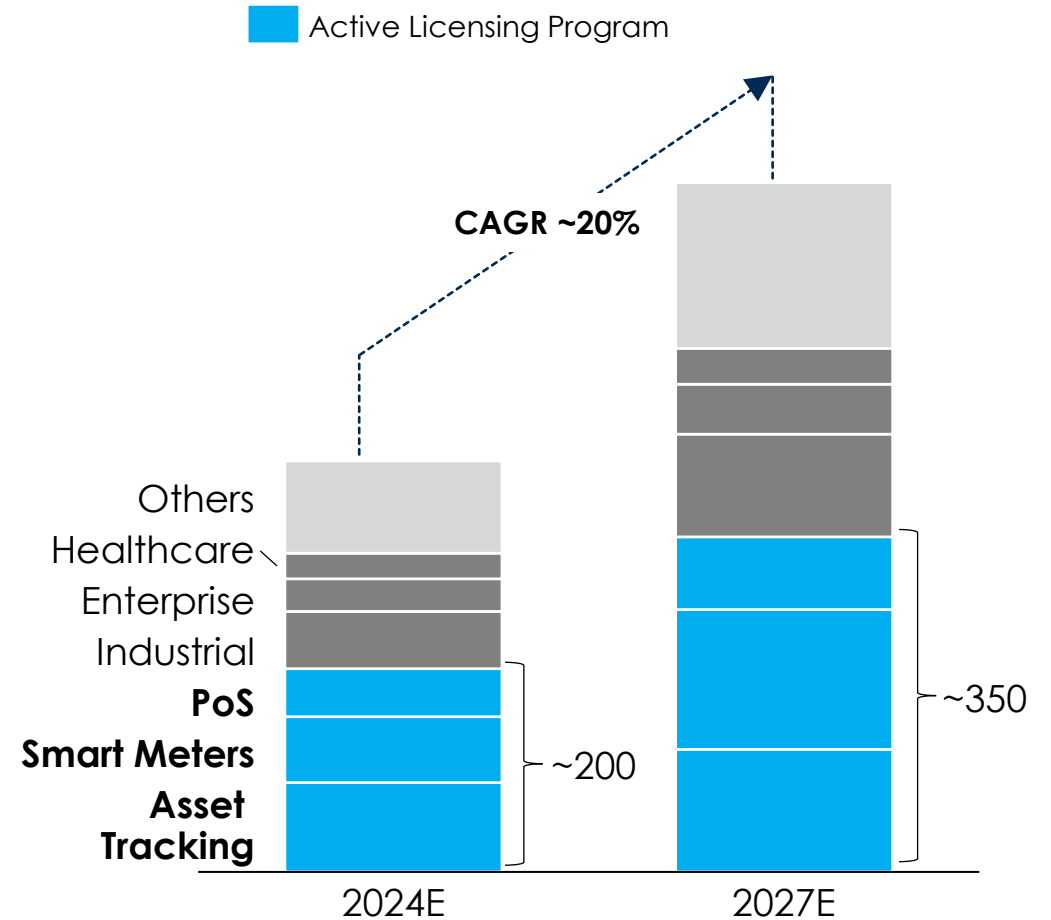
Licensing coverage for PCs and Tablets based on HEVC - e.g. Amazon licensed for WLAN
 Licensing coverage for TVs based on our DTV patents – e.g. LG licensed for HEVC and VVC
¹ Current focus area for Madison Program is North America, Europe, Japan and Korea.
 Source: Omdia

Strong Growth Opportunity in Cellular Automotive and IoT Licensing

PASSENGER VEHICLE SHIPMENTS (M)

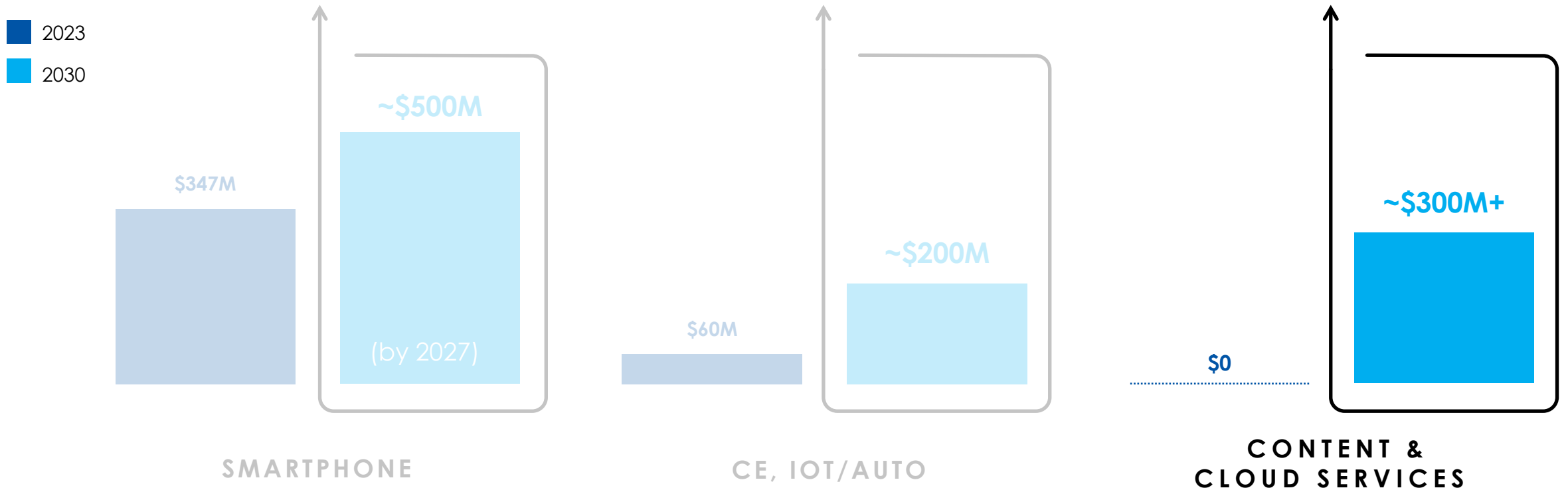


CELLULAR IOT SHIPMENTS (M)



Clear Pathway to Growth

\$1B+ ARR Target | 2030



Our Rich Video Innovation is Fueling the Media Industry



Pioneering Media

Technicolor's 100+ year legacy of media innovations such as first cameras, color TV and digital broadcasting



Ubiquitous Streaming

Innovations enabling HD viewing for consumers, 3D video and many more

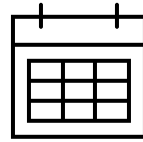


Next Generation

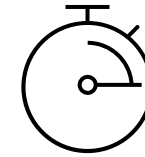
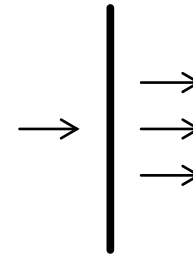
Forefront of future development providing even higher quality streaming and immersive experiences

Our Video Codecs Enable the Content Industry

Compression
Enables Video
Streaming Industry



Uncompressed, it would
take **multiple days**
to download a movie...

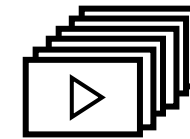
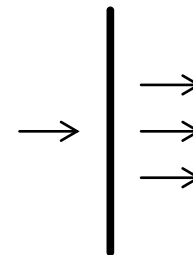


... With video
compression, it takes
minutes

... And Allows
Consumers to
Enjoy Media
Entertainment



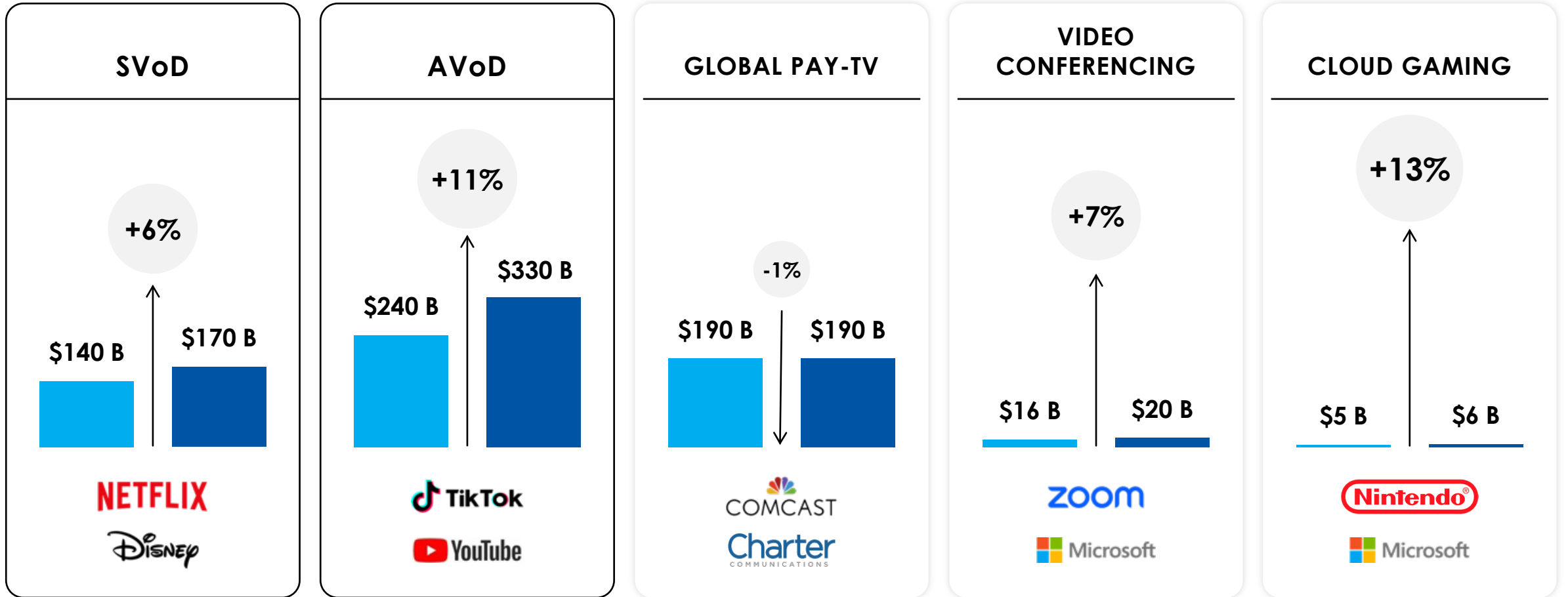
Uncompressed, you could
watch no movies on a
25GB / month mobile plan



... With video
compression, **you can**
watch multiple

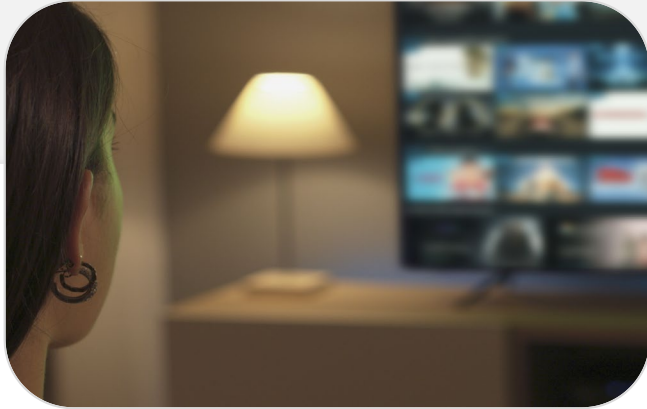
SVoD and AVoD Are Our Focus Verticals

■ 2024 TAM
 ■ 2027 TAM
 ● TAM CAGR



Source: OMDIA

Video Services Nearing the Size of the Smartphone Market

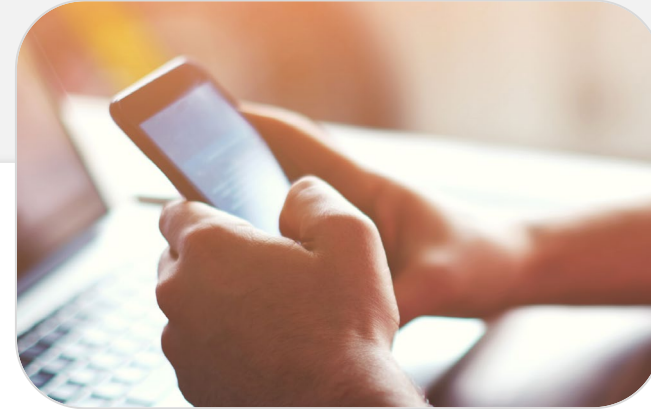


VIDEO SERVICES

~\$500B

2027E Market Value

Revenue Target: \$300M+
~0.1% of Global Market Value



SMARTPHONES

~\$570B

2027E Market Value

Revenue Target: \$500M
~0.1% of Global Market Value

2024 and Beyond



EXECUTION

Close agreements with remaining major smartphone OEMs

ENGAGEMENT

Deepen and broaden engagements in CE, IoT/Auto where the impact of our innovation is growing

EXPANSION

Capitalize on growing blue ocean opportunity in content & cloud services

Agenda

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Liren Chen,
President & CEO

How Innovation Drives IP

Rajesh Pankaj,
Chief Technology Officer

Licensing Capturing Growth Opportunities

Eeva Hakoranta,
Chief Licensing Officer

Financial Overview

Rich Brezski,
Chief Financial Officer

Closing Comments

Liren Chen,
President & CEO

Questions & Answers Discussion



Financial Overview

Rich Brezski
Chief Financial Officer



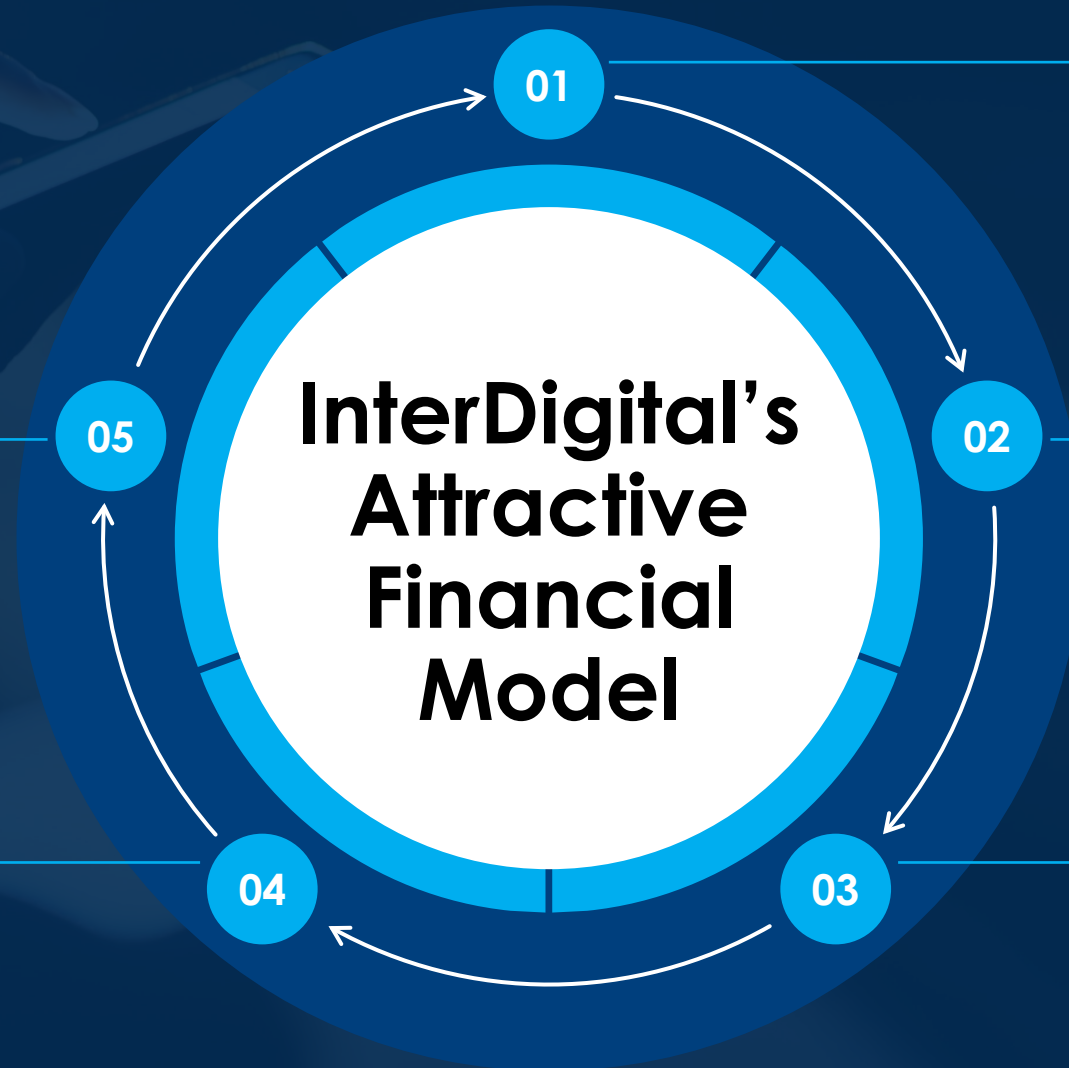
**Innovation
Drives Topline**



**Operational
Efficiency Drives
Leverage**



**Leverage Drives
Cash Flow**



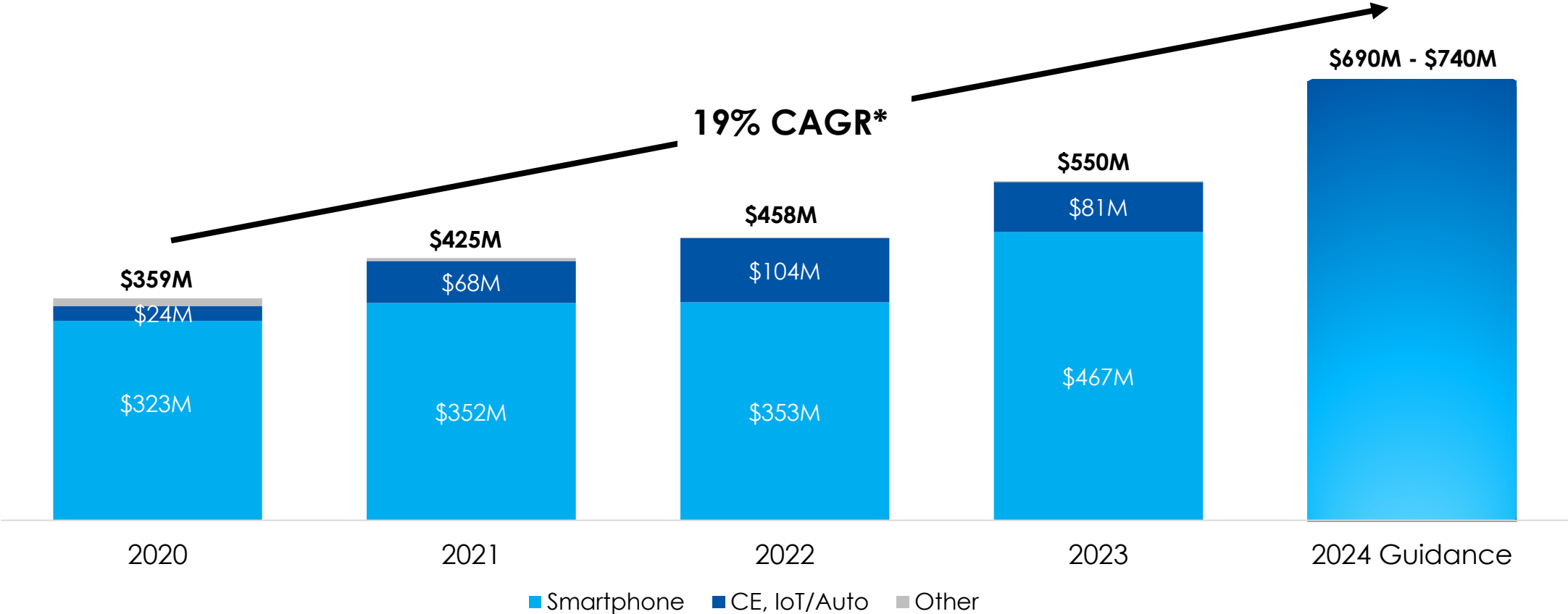
**Continued
Investment Drives
Innovation**



**Cash Flow Drives
Return of Capital**

Innovation Drives Topline

Double-digit CAGR in both Smartphone and CE, IoT/Auto licensing programs

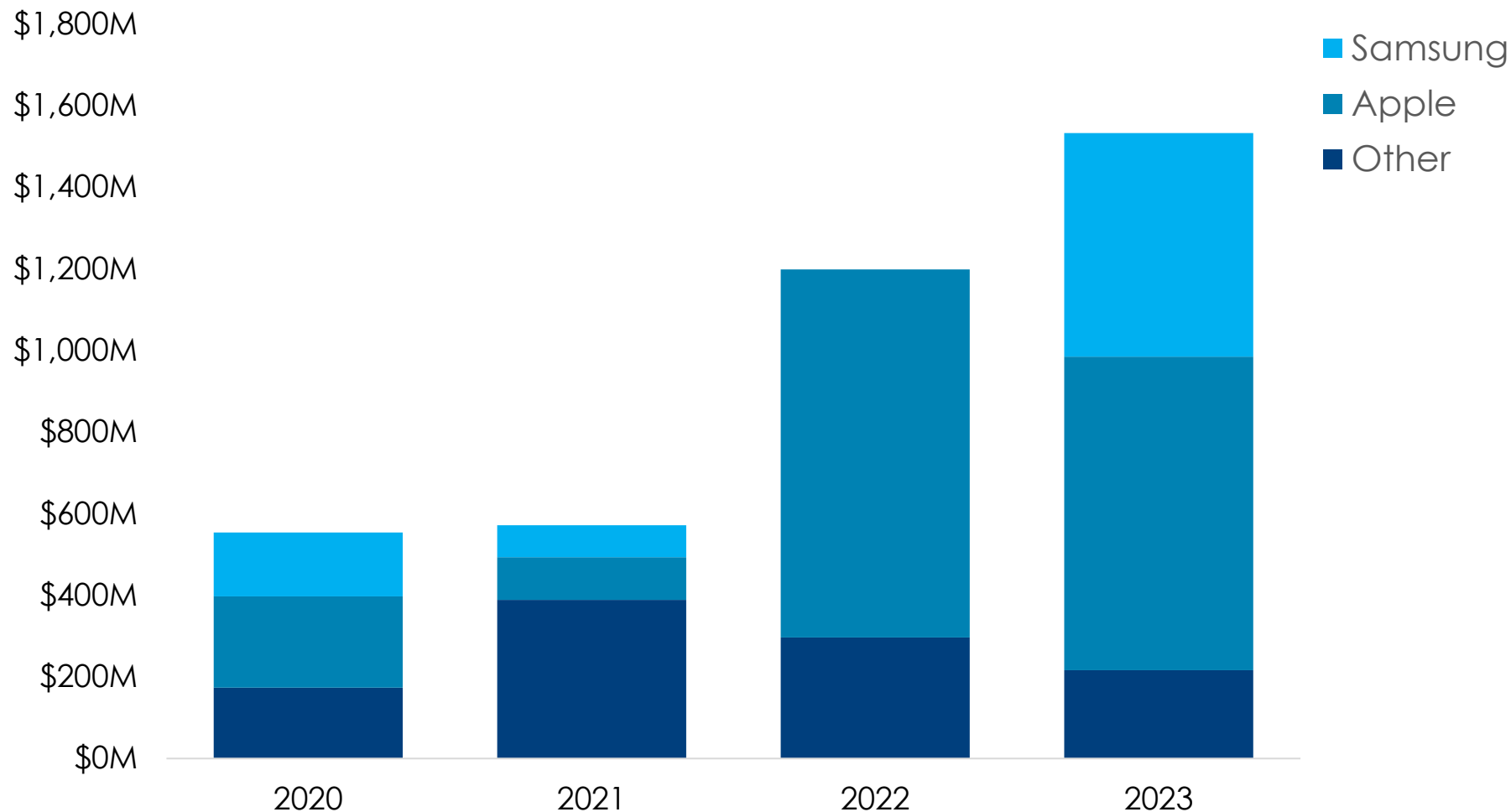


*InterDigital reiterates Q3 and 2024 guidance issued August 1, 2024

Licensing Momentum Has Driven Growth In Backlog

Apple and Samsung Subscriptions Help Secure Long Term Revenue

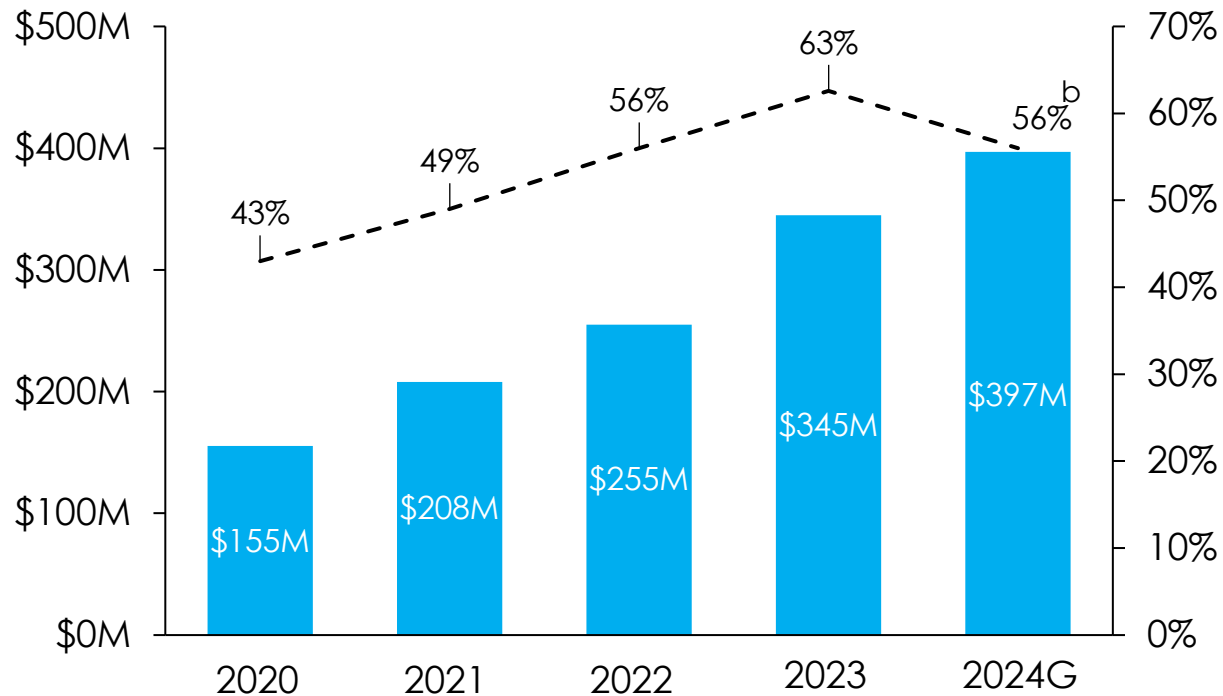
Contracted Future Revenue



This table includes estimated revenue related to our Samsung arbitration in 2023. In accordance with ASC 606, these estimates are limited to the amount of revenue we expect to recognize only to the extent it is probable that a subsequent change in the estimate would not result in a significant revenue reversal.

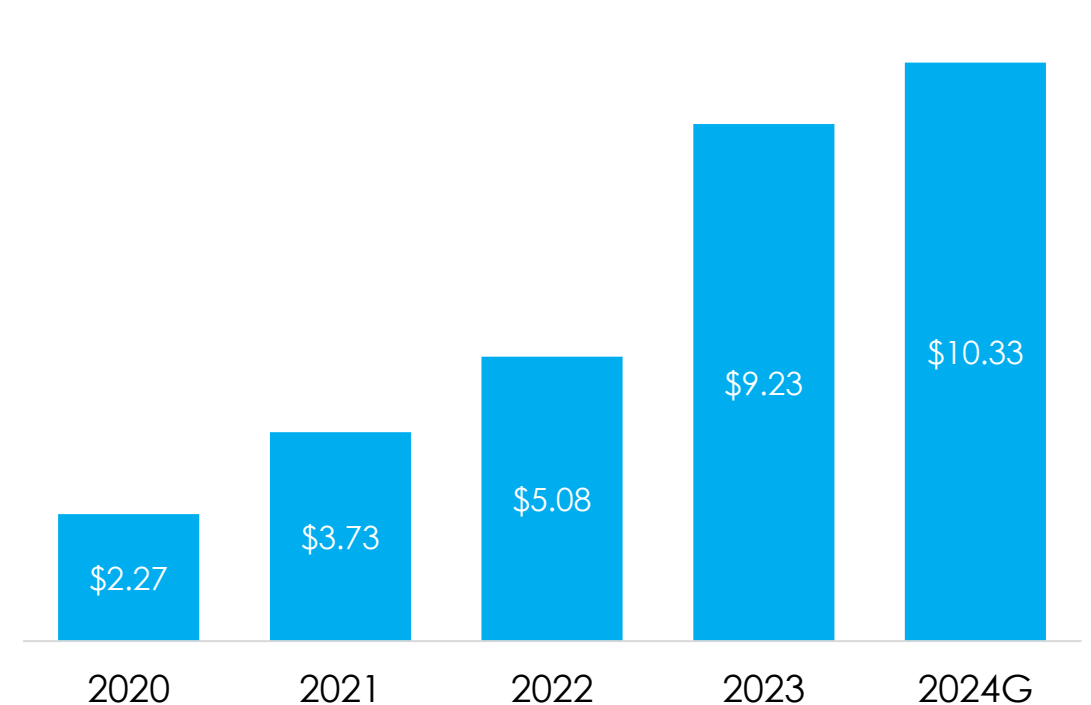
Operational Discipline Drives Leverage

ADJUSTED EBITDA^a: >2.5x Growth



---- Adj EBITDA Margin^b

NON-GAAP EPS^a : >4.5x Growth

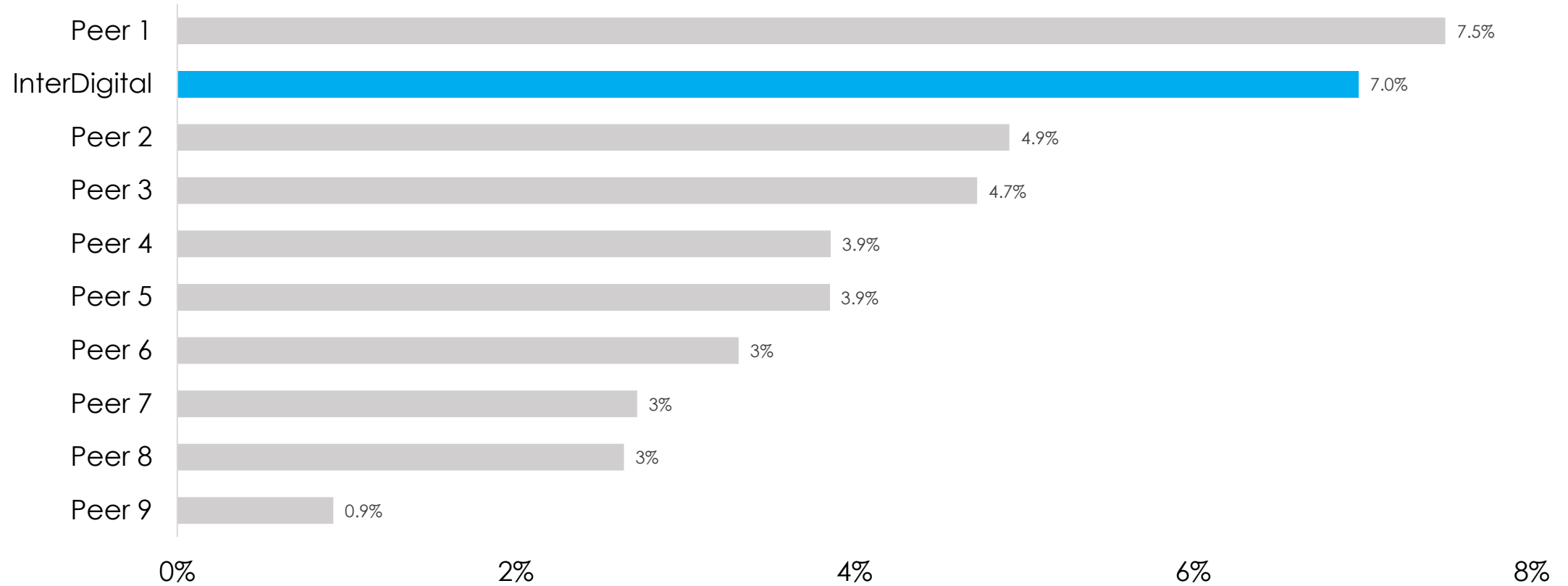


^a Non-GAAP financial measure. Refer to non-GAAP reconciliation in appendix

^b 2024G Adjusted EBITDA driven lower by revenue share related to catch up revenue

Strong Free Cash Flow Yield

FCF YIELD^a: Avg. 2011-2023



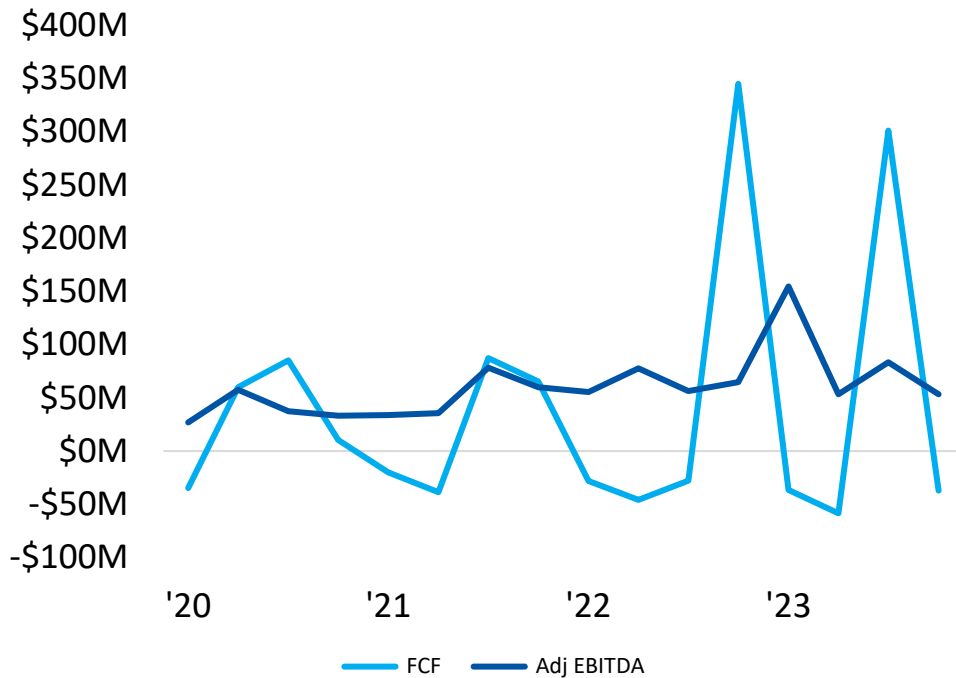
Source = Factset / 2023 compensation peer group with positive FCF Yield / FCF Yield = Free cash flow per share (cash flow from operations minus capex divided by diluted share count) divided by year end share price

^a Non-GAAP financial measure. Refer to non-GAAP reconciliation in appendix

Consistent Adjusted EBITDA Growth

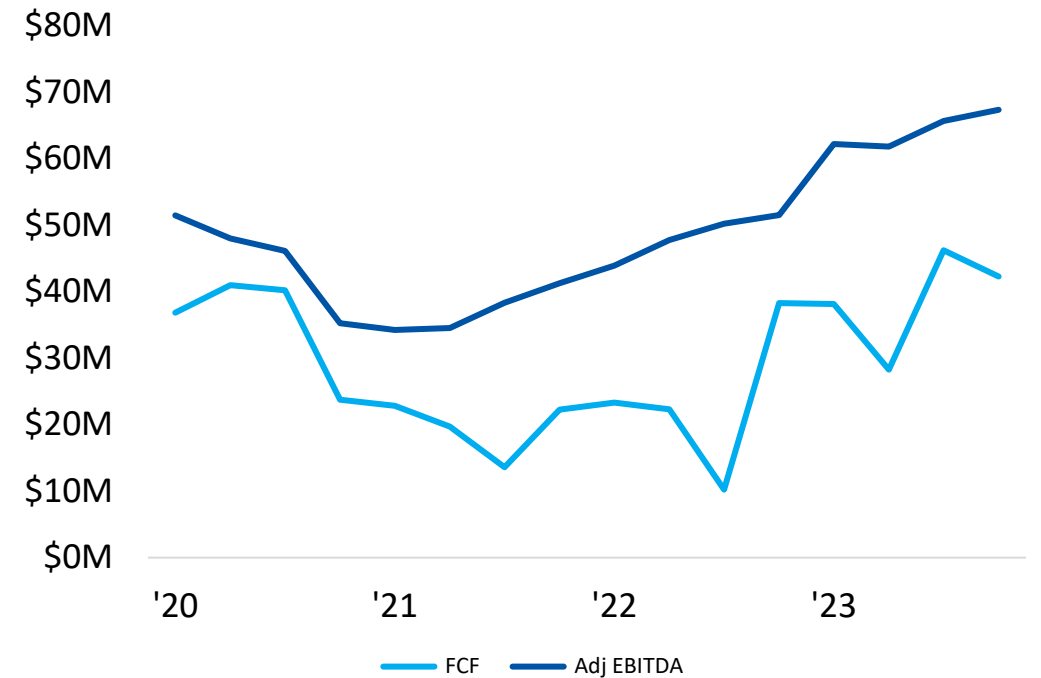
QUARTERLY TREND:

Timing of payments can drive FCF^a up or down in any given quarter



TRAILING 3 YR QUARTERLY AVG:

Adj EBITDA^a is highly correlated to FCF^a over time and removes quarterly variability



^a Non-GAAP financial measure. Refer to non-GAAP reconciliation in appendix

Capital Allocation Priorities

Maintain **fortress balance sheet**

Financial strength is a strategic asset

Organic investment in business

~\$0.2B annual investment in research and IP portfolio

Inorganic investment

Opportunistic and strategic

Return **Excess cash** to shareholders

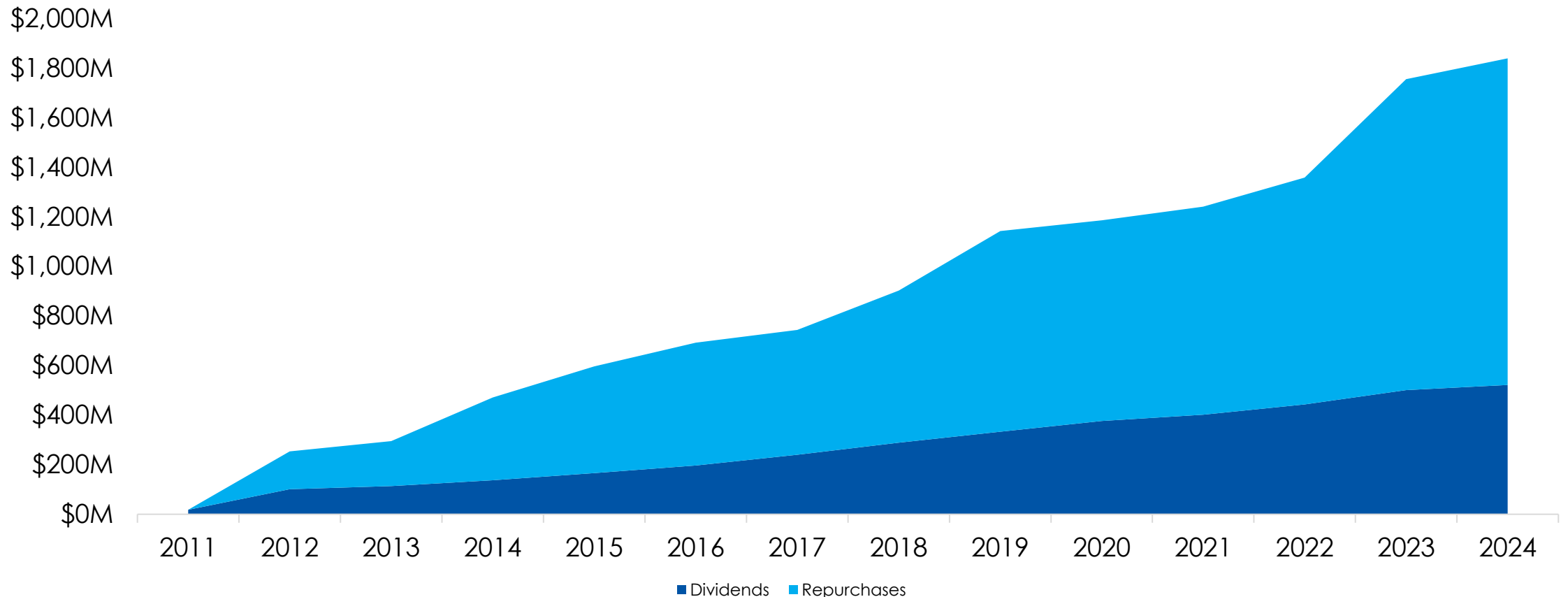
\$1.3B+ in share repurchases since '11

Dividend increased 13%, Sep '24

Strong cash flow maintains balance sheet strength, funds organic investment in research, and enables significant share reduction

Robust Return Of Capital

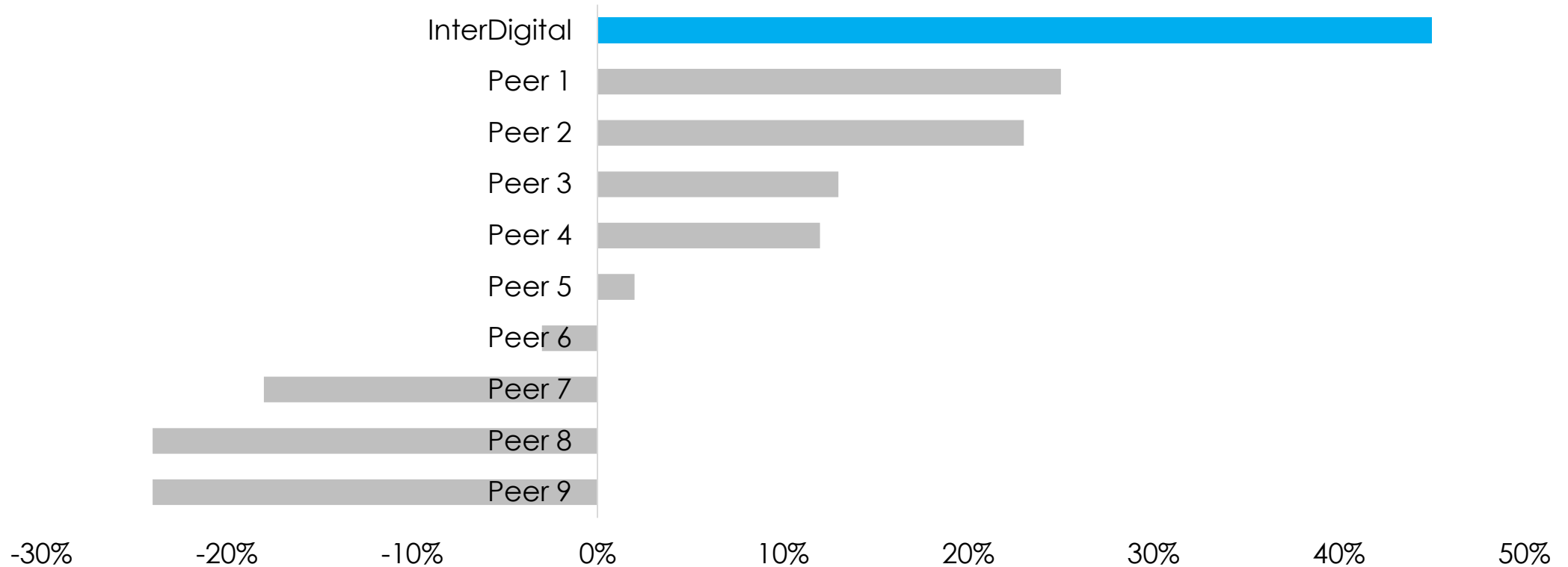
> \$1.8B CUMULATIVE RETURNED SINCE FIRST DIVIDEND IN 2011



Through June 30, 2024

45% Reduction In Share Count Since 2011

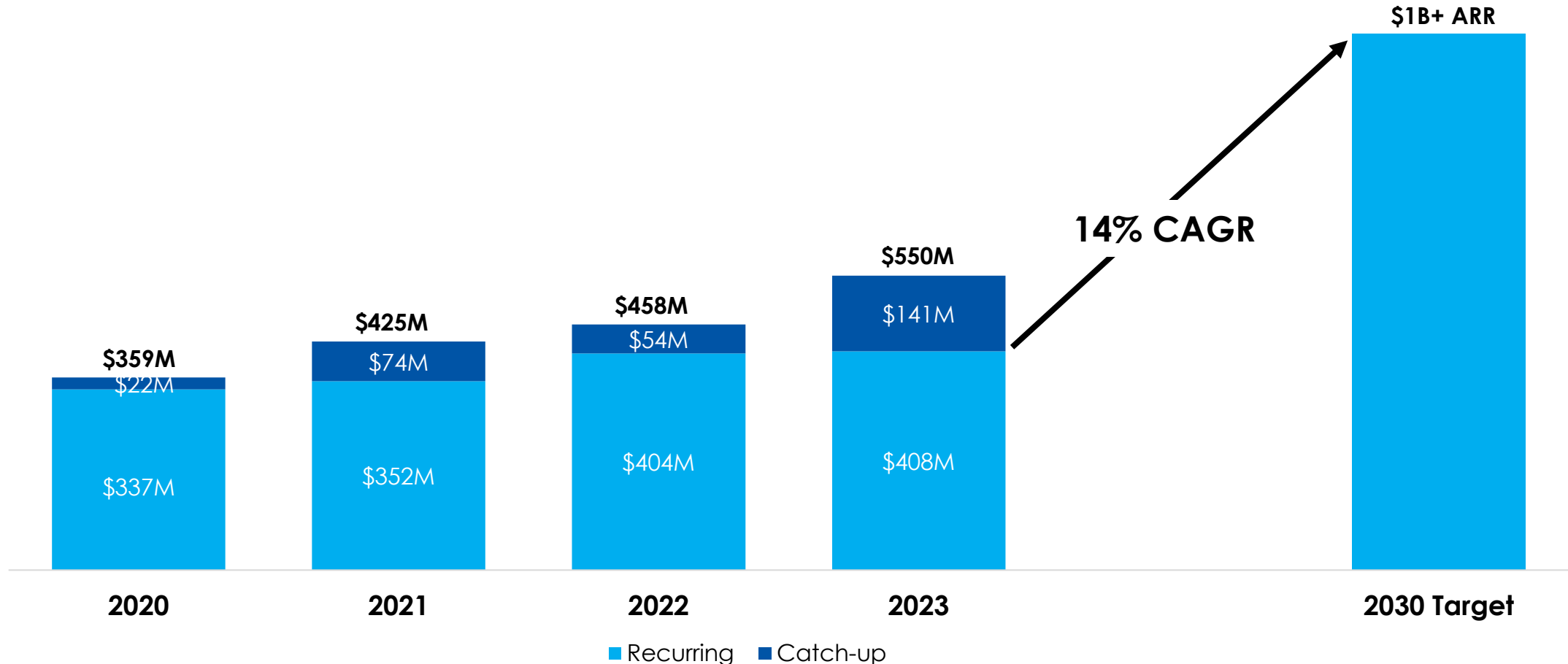
REDUCTION IN TOTAL SHARES OUTSTANDING: Indexed to FY11



Source = Factset / Through June 30, 2024 / Top 9 from 2023 compensation peer group

Significant Growth Potential Lies Ahead

Recurring revenue growth across Smartphone, CE and IoT, and Content and Cloud Services



Growth in Subscription Revenue with High Margins

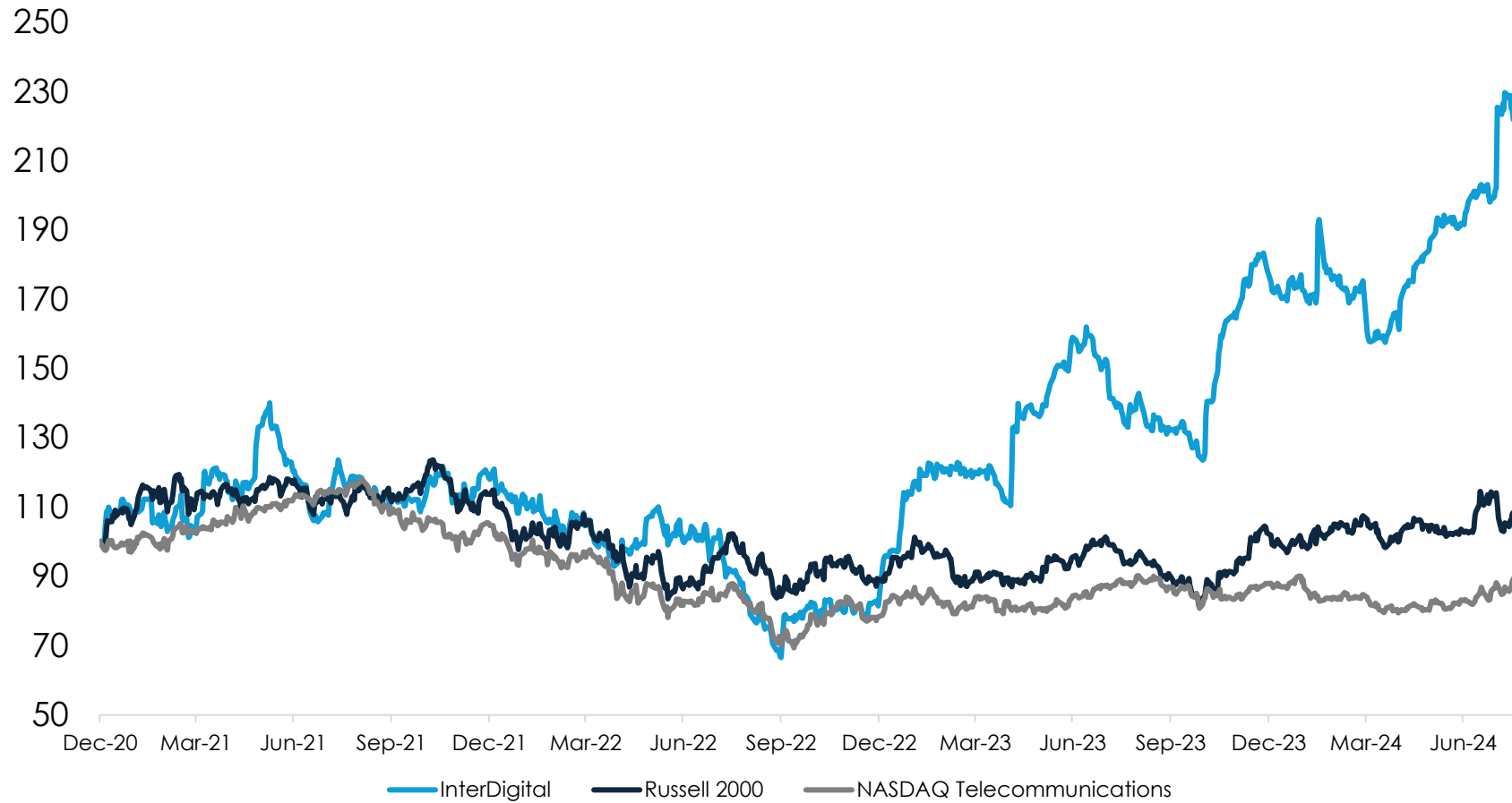
Target well surpasses “Rule of 40”

2030 TARGET		
Revenue	\$1,000M+	14% Recurring Revenue CAGR
Adjusted EBITDA ^a	\$600M+	60% Adj. EBITDA Margin ^a
Rule of 40^b		~74%+

^a Non-GAAP financial measure. Refer to appendix. Calculated based on an assumed 60% Adjusted EBITDA margin.

^b R40 = revenue growth + Adjusted EBITDA margin

IDCC has Outperformed

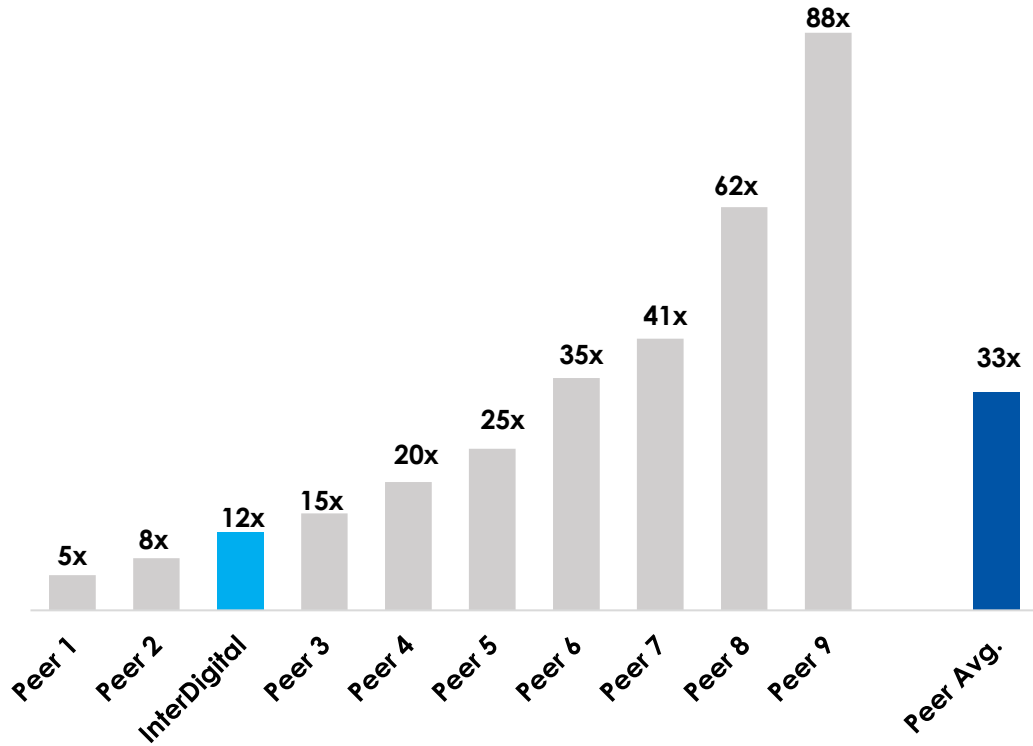


Source: Factset as of Aug 30, 2024 / Indexed to 12/31/2020

Well-Positioned To Drive Value

Value drivers include sustained growth, margin expansion and return of capital

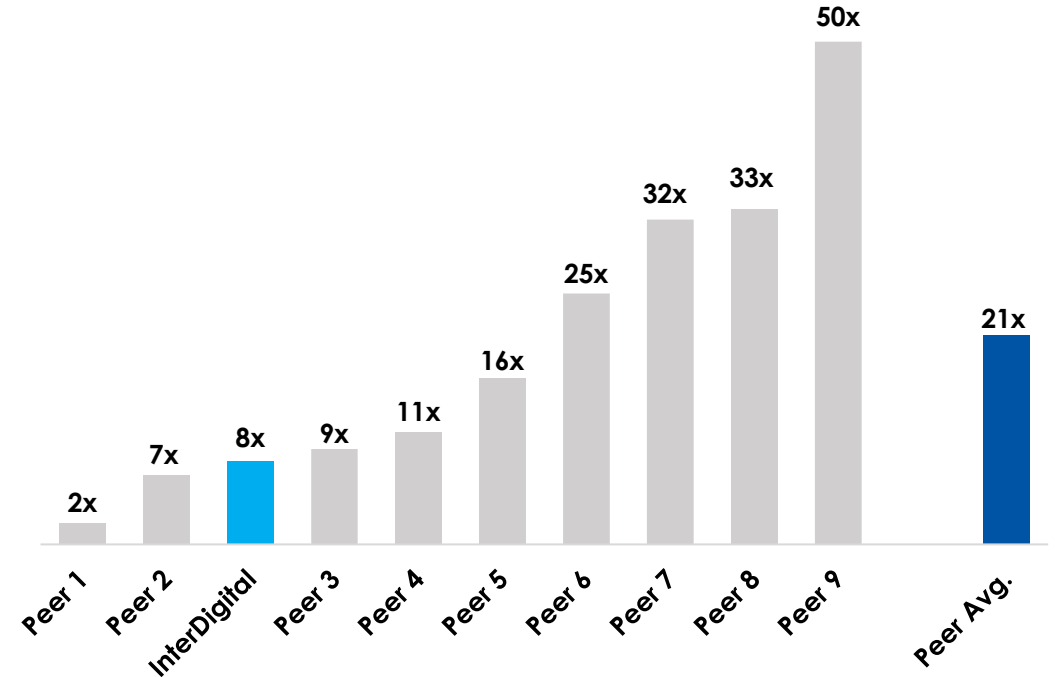
P/E: Non-GAAP^a



*As of Aug 30, 2024 / Source: Factset / Five peers excluded due to lack of positive net income / calculated by dividing Aug 30, 2024 closing share price by LTM Q2'24 Non-GAAP EPS

^a Non-GAAP financial measure. Refer to appendix.

Market Cap to Adjusted EBITDA^a



*As of Aug 30, 2024 / Source: Factset / Five peers excluded due to lack of positive net income / calculated by dividing market capitalization as of Aug. 30, 2024 by LTM Q2'24 Adjusted EBITDA

Key Takeaways

Subscription
Like Revenue

14%+

Annual
Growth
Target

Powerful Operating
Leverage drives

60%+

Adjusted
EBITDA
Margin^a
Target

\$1B 2030 ARR Target
translates into

\$600M+

Adjusted
EBITDA^a
Target

**Well
positioned
to drive
value going
forward**

^a Non-GAAP financial measure. Refer to appendix. Calculated based on an assumed 60% Adjusted EBITDA margin.

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Chief Financial Officer

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Liren Chen,
President & CEO

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Closing Comments

Liren Chen
President & Chief Executive Officer

Closing Comments

Last four years have been highly successful, our company has never been stronger



World-class leadership and functional teams across the board



Accelerating momentum for R&I, standard development, patent portfolio creation and licensing driven by continuing investment and strong execution



Our technologies are critical to devices and services of multiple industries, giving us **large addressable markets**



We have a clear strategy, a world-class team and the operational discipline to drive the **growth of ARR to \$1B+ target by 2030**

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**Please stand by
Q&A will begin soon**

INNOVATING TODAY EMPOWERING TOMORROW™



Q&A

INNOVATING TODAY EMPOWERING TOMORROW™



Thank You!

INNOVATING TODAY EMPOWERING TOMORROW™

Appendix

Non-GAAP Financial Measures

Adjusted EBITDA and Adjusted EBITDA margin are supplemental non-GAAP financial measures that InterDigital believes provide investors with important insight into the Company's ongoing business performance. InterDigital defines Adjusted EBITDA as net income attributable to InterDigital Inc. plus net loss attributable to non-controlling interest, income tax (provision) benefit, other income (expense) & interest expense, depreciation and amortization, share-based compensation, and other items. Other items include restructuring costs, impairment charges and other non-recurring items. Adjusted EBITDA margin is Adjusted EBITDA over total revenues. These non-GAAP financial measures used by the company may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies. The presentation of these financial measures, which are not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. A reconciliation of each of these metrics to its most directly comparable GAAP financial measure is provided above.

Non-GAAP net income, Non-GAAP earnings per share ("EPS"), and Non-GAAP weighted-average dilutive shares are supplemental non-GAAP financial measures that InterDigital believes provides investors with important insight into the Company's ongoing business performance. InterDigital defines Non-GAAP net income as net income attributable to InterDigital, Inc. plus share-based compensation, acquisition related amortization, depreciation and amortization, restructuring costs, impairment charges and one-time adjustments, losses on extinguishments of long-term debt, the related income tax effect of the preceding items, and adjustments to income taxes. Non-GAAP EPS is defined as Non-GAAP net income divided by Non-GAAP weighted average number of common shares outstanding-diluted, which adjusts the weighted average number of common shares outstanding for the dilutive effect of the Company's convertible notes, offset by our hedging arrangements. InterDigital's computation of these non-GAAP financial measures might not be comparable to similarly named measures reported by other companies. The presentation of these financial measures, which are not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. A reconciliation of each of these metrics to its most directly comparable GAAP financial measure is provided above.

Free cash flow is a supplemental non-GAAP financial measure that InterDigital believes is helpful in evaluating the company's ability to invest in its business, make strategic acquisitions and fund share repurchases, among other things. A limitation of the utility of free cash flow as a measure of financial performance is that it does not represent the total increase or decrease in the company's cash balance for the period. InterDigital defines free cash flow as net cash from operating activities less purchases of property and equipment and capitalized patent costs. InterDigital's computation of free cash flow might not be comparable to free cash flow reported by other companies. The presentation of free cash flow, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. A reconciliation of free cash flow to net cash from operating activities, the most directly comparable GAAP financial measure, is provided above.

Non-GAAP Reconciliation

	Full Year				
	2020	2021	2022	2023	2024 Outlook
(In millions)					
Net income attributable to InterDigital, Inc.	\$ 45	\$ 55	\$ 94	\$ 214	\$205 - 238
Net loss attributable to non-controlling interest	(7)	(13)	(2)	(3)	-
Income tax (provision) benefit	(7)	15	26	24	55 - 60
Other income (expense) & interest expense	24	14	33	(13)	7
Depreciation and amortization	81	78	79	78	73
Share-based compensation	10	29	22	36	42
Other operating items	9	30	3	10	(4)
Adjusted EBITDA	\$ 155	\$ 208	\$ 255	\$ 345	\$378 - 416
Adjusted EBITDA Margin	43%	49%	56%	63%	56%
Other Operating Items					
Restructuring	-	28	3	-	-
Other non-cash charges	9	-	-	3	-
Non-Recurring Personnel-Related	-	2	-	-	-
Net Litigation Fee Reimbursement	-	-	-	8	(4)
Transaction related costs	-	-	-	-	-
Total Other Operating Items	\$ 9	\$ 30	\$ 3	\$ 10	\$ (4)

NOTE: Sums may not equal total due to rounding

Non-GAAP Reconciliation

(In millions, except per share data)

Net income attributable to InterDigital, Inc.

Share-based compensation
 Acquisition related amortization
 Other operating items
 Other non-operating items
 Related income tax and noncontrolling interest
 effect of above items
 Adjustments to income taxes

Non-GAAP net income

Weighted average dilutive shares - GAAP

Less: Dilutive impact of the Convertible Notes

Weighted average dilutive shares - Non-GAAP

Non-GAAP EPS

Other Operating Items

Restructuring
 Other non-cash charges
 Non-recurring personnel-related
 Net litigation fee reimbursement
 Transaction related costs

Total Other Operating Items

Other Non-operating Items

Fair value changes
 Loss on extinguishment of debt
 Other non-cash charges

Total Other Non-operating Items

	Full Year				
	2020	2021	2022	2023	2024 Outlook
Net income attributable to InterDigital, Inc.	\$ 45	\$ 55	\$ 94	\$ 214	\$205 - 238
Share-based compensation	10	29	22	36	42
Acquisition related amortization	44	42	42	41	33
Other operating items	9	30	3	10	(4)
Other non-operating items	(4)	(11)	13	(14)	(2)
Related income tax and noncontrolling interest effect of above items	(12)	(26)	(17)	(17)	(14)
Adjustments to income taxes	(21)	(2)	(2)	(16)	(2)
Non-GAAP net income	\$ 70	\$ 117	\$ 155	\$ 254	\$258 - 291
Weighted average dilutive shares - GAAP	31.1	31.3	30.5	28.1	28.6
Less: Dilutive impact of the Convertible Notes	-	-	-	0.5	2.0
Weighted average dilutive shares - Non-GAAP	31.1	31.3	30.5	27.6	26.6
Non-GAAP EPS	\$ 2.27	\$ 3.73	\$ 5.08	\$ 9.23	\$9.70 - 10.95
Other Operating Items					
Restructuring	-	28	3	-	-
Other non-cash charges	9	-	-	3	-
Non-recurring personnel-related	-	2	-	-	-
Net litigation fee reimbursement	-	-	-	8	(4)
Transaction related costs	-	-	-	-	-
Total Other Operating Items	\$ 9	\$ 30	\$ 3	\$ 10	\$ (4)
Other Non-operating Items					
Fair value changes	(4)	(9)	2	(10)	(1)
Loss on extinguishment of debt	-	-	11	-	-
Other non-cash charges	-	(2)	-	(4)	(1)
Total Other Non-operating Items	\$ (4)	\$ (11)	\$ 13	\$ (14)	\$ (2)

NOTE: Sums may not equal total due to rounding

Non-GAAP Reconciliation

(In millions, except per share data)

Net cash provided by (used in) operating activities
Purchases of property & equipment
Capitalized patent costs
Free cash flow

	Full Year												
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net cash provided by (used in) operating activities	\$ (34)	\$ 178	\$ 218	\$ 242	\$ 124	\$ 434	\$ 316	\$ 147	\$ 89	\$ 163	\$ 130	\$ 286	\$ 214
Purchases of property & equipment	(4)	(4)	(5)	(7)	(4)	(6)	(2)	(3)	(5)	(12)	(3)	(3)	(4)
Capitalized patent costs	(27)	(28)	(34)	(32)	(30)	(33)	(35)	(32)	(33)	(31)	(33)	(40)	(40)
Free cash flow	\$ (65)	\$ 146	\$ 180	\$ 203	\$ 91	\$ 396	\$ 279	\$ 112	\$ 51	\$ 121	\$ 94	\$ 243	\$ 169
Weighted average dilutive shares - GAAP	46.0	43.4	41.4	39.9	36.5	35.2	35.8	35.3	31.8	31.1	31.3	30.5	28.1
Less: Dilutive impact of the Convertible Notes	-	-	-	-	-	-	-	-	-	-	-	-	0.5
Weighted average dilutive shares - Non-GAAP	46.0	43.4	41.4	39.9	36.5	35.2	35.8	35.3	31.8	31.1	31.3	30.5	27.6

NOTE: Sums may not equal total due to rounding

Non-GAAP Reconciliation

	2023		2024		LTM
	Q3	Q4	Q1	Q2	Q2'24
(In millions, except per share data)					
Net income attributable to InterDigital, Inc.	\$ 48	\$ 39	\$ 82	\$ 110	\$ 278
Share-based compensation	10	9	9	10	38
Acquisition related amortization	10	10	8	8	37
Other operating items	-	-	-	(3)	(3)
Other non-operating items	(6)	(5)	1	(2)	(12)
Related income tax and noncontrolling interest effect of above items	(3)	(3)	(4)	(3)	(13)
Adjustments to income taxes	(2)	(13)	(2)	(1)	(17)
Non-GAAP net income	\$ 58	\$ 37	\$ 95	\$ 119	\$ 309
Weighted average dilutive shares - GAAP	27.8	27.6	28.3	27.9	27.9
Less: Dilutive impact of the Convertible Notes	0.7	1.2	1.9	1.9	1.4
Weighted average dilutive shares - Non-GAAP	27.1	26.5	26.4	26.0	26.5
Non-GAAP EPS	\$ 2.13	\$ 1.41	\$ 3.58	\$ 4.57	\$ 11.65
Other Operating Items					
Net litigation fee reimbursement	-	-	-	(3)	(3)
Total Other Operating Items	\$ -	\$ -	\$ -	\$ (3)	\$ (3)
Other Non-operating Items					
Fair value changes	(6)	(1)	1	(2)	(8)
Other non-cash charges	-	(4)	-	-	(4)
Total Other Non-operating Items	\$ (6)	\$ (5)	\$ 1	\$ (2)	\$ (12)

NOTE: Sums may not equal total due to rounding

Non-GAAP Reconciliation

(In millions, except per share data)

Net income attributable to InterDigital, Inc.

Net loss attributable to non-controlling interest
 Income tax (provision) benefit
 Other income (expense) & interest expense
 Depreciation and amortization
 Share-based compensation
 Other operating items

Adjusted EBITDA

Other Operating Items

Net Litigation Fee Reimbursement

Total Other Operating Items

NOTE: Sums may not equal total due to rounding

	2023		2024		LTM
	Q3	Q4	Q1	Q2	Q2'24
Net income attributable to InterDigital, Inc.	\$ 48	\$ 39	\$ 82	\$ 110	\$ 278
Net loss attributable to non-controlling interest	(1)	-	-	-	(1)
Income tax (provision) benefit	9	(6)	19	24	46
Other income (expense) & interest expense	(2)	(8)	3	(0)	(7)
Depreciation and amortization	20	19	17	17	73
Share-based compensation	10	9	9	10	38
Other operating items	-	-	-	(3)	(3)
Adjusted EBITDA	\$ 84	\$ 53	\$ 130	\$ 158	\$ 425
Other Operating Items	-	-	-	(3)	(3)
Net Litigation Fee Reimbursement	-	-	-	(3)	(3)
Total Other Operating Items	\$ -	\$ -	\$ -	\$ (3)	\$ (3)