



Arteris

2Q 2024 Earnings Presentation

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ARTERIS 

2Q Business Highlights (1 of 2)

- Delivered another positive free cash flow quarter, and met or exceeded all guided metrics
- Added 7 new customers in the quarter
- 4 license deals with top 30 technology companies
- Automotive and AI-enabled autonomous driving licensing momentum:
 - 1 new top 5 global OEM—one of the world's highest-volume EV OEMs
 - Automotive design starts include 1 major robo-taxi company and 1 market-leading ADAS company
 - 9 direct deals with automotive OEMs to date
- Strong momentum in AI enterprise computing
 - Highest number of licenses were in datacenter applications
 - AI/ML enterprise computing solutions require high-performance, low energy consumption—all addressed by Arteris products

2Q Business Highlights (2 of 2)



Arteris and Andes are partnering to support the growing adoption of RISC-V SoCs by mutual customers, focusing on high-performance/low-power designs across a wide range of markets



Esperanto Technologies has chosen Arteris' CSRCompiler software to integrate RISC-V processors for high-performance AI/ML solutions

Arteris Joins Russell 2000 Index



Arteris included in the Russell 2000® Index in June 2024

2Q 2024 Results

Revenue, ACV + Royalties, RPO, Gross Profit

| | 2Q 2023 | 1Q 2024 | 2Q 2024 Guidance | 2Q 2024 |
|------------------------|--|--|-------------------|--|
| Revenue | \$14.7M | \$12.9M | \$13.2M - \$14.2M | \$14.6M (-1% Y/Y) ¹ |
| ACV + Royalties | \$58.2M | \$58.2M | \$58M - \$62M | \$60.1M (+3% Y/Y) |
| RPO | \$65.1M | \$74.7M | N/A | \$77.5M (+19% Y/Y) |
| Gross Profit | GAAP: \$13.5M (92%) Non-GAAP: \$13.7M (93%) | GAAP: \$11.5M (89%) Non-GAAP: \$11.7M (91%) | N/A | GAAP: \$13.1M (90%) Non-GAAP: \$13.4M (92%) |

¹. +19% Y/Y when discounting ratability impact

2Q 2024 Results

Operating Expenses, Operating Income

| | 2Q 2023 | 1Q 2024 | 2Q 2024 Guidance | 2Q 2024 |
|--------------------|--------------------------------------|--------------------------------------|----------------------------------|--|
| Operating Expenses | GAAP: \$22.2M Non-GAAP: \$17.9M | GAAP: \$20.6M Non-GAAP: \$17.0M | N/A | GAAP: \$20.6M Non-GAAP: \$16.8M (-6% Y/Y) |
| Operating Income | GAAP: (\$8.7M) Non-GAAP: (\$4.2M) | GAAP: (\$9.1M) Non-GAAP: (\$5.3M) | Non-GAAP: (\$6.5M) – (\$4.5M) | GAAP: (\$7.4M) Non-GAAP: (\$3.5M) (+17% Y/Y) |

2Q 2024 Results

Free Cash Flow, Cash

| | 2Q 2023 | 1Q 2024 | 2Q 2024 Guidance | 2Q 2024 |
|--------------------------------------|----------|---------|-------------------|--------------------------------|
| Free Cash Flow | (\$2.2M) | \$0.3M | (\$1.4M) – \$1.6M | \$0.3M (+\$2.5M Y/Y) |
| Cash, Cash Equivalents & Investments | \$60.8M | \$53.4M | N/A | \$53.9M |

Guidance

3Q 2024 Guidance

ACV + Royalties

\$58.5M - \$62.5M

Revenue

\$14.2M - \$15.2M

Non-GAAP Op. Income

(\$5.5M) – (\$3.5M)

Free Cash Flow

(\$1.4M) – \$1.6M

FY 2024 Guidance

ACV + Royalties

\$62M - \$68M

Revenue

\$56M - \$58M
(+\$1M)¹

Non-GAAP Op. Income

(\$22M) – (\$18M)
(+\$1.4M)¹

Free Cash Flow

(\$2.4M) – \$2.6M

¹. Compared to 1Q2024 guidance