

c.700 Employees



20% Female



R&D centers in Canada, US, Israel and India

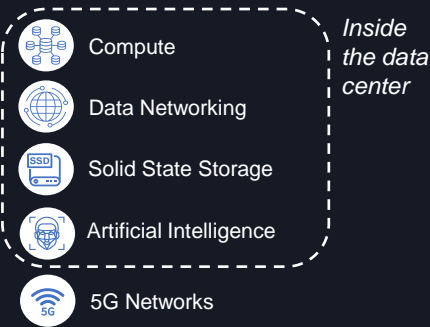
Alphawave Semi (LN:AWE) designs industry-leading, high-speed connectivity solutions for customers in high-growth infrastructure end markets. Our leading-edge technology advances push the boundaries of wired connectivity capabilities, enabling data to travel faster, more reliably, and using lower power.

Our business is driven by the exponential growth of data caused by the digitalisation of the economy and society, increasing requirements for higher speeds and data bandwidth, as well as sustainable data centers.

We monetise our high-performance IP through silicon and IP licences. A high-growth business combined with product cycles of over 7 years, results in high margins and strong cash flows.

\$18bn Addressable Market by 2026¹

End Markets: Digital Infrastructure



Customers Include

- More than half of top 20 semiconductor device companies²
- Hyperscalers
- Leading technology companies

Key Partnerships

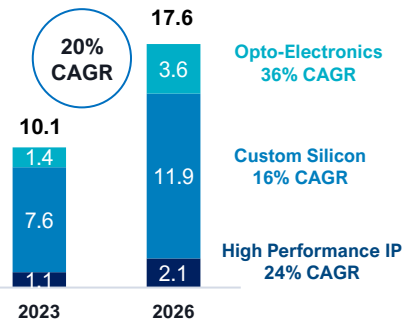
TSMC
2020-2022 OIP Partner Award
High-Speed SerDes IP Innovations

Samsung Foundry Partner for leading edge connectivity

Intel Foundry Service Accelerator – IP Alliance Leading Edge Connectivity

² By market capitalisation as of 19.04.23

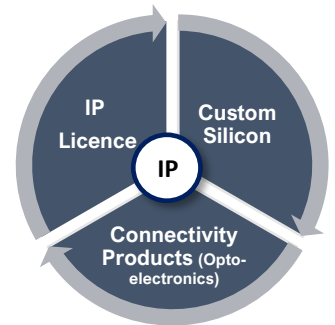
A Growing Addressable Market¹



Market Drivers

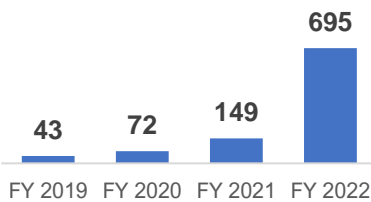
- Digitalisation drives exponential growth in data
- Data bandwidth doubles every 2-3 years driving a technology refresh of switches and transceivers
- High-speed and power-efficient connectivity technology is a key enabler
- Hyperscalers investing through the economic cycle

Vertically Integrated Business Model

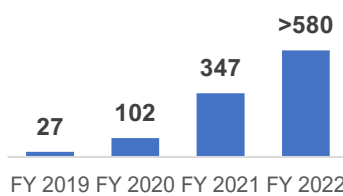


¹ Semico Research Corporation, December 2022, IPNest and Lightcounting

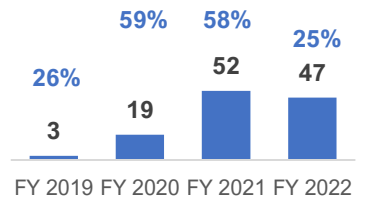
Employees (closing)



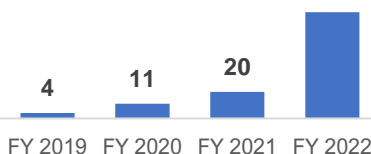
Cumulative Bookings (US\$m)



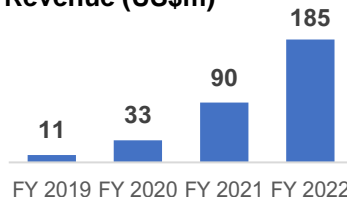
Adjusted EBITDA (US\$m) and %



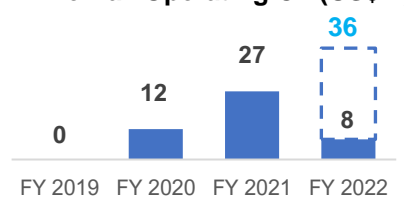
Revenue Generating End Customers



Revenue (US\$m)



Pre-Tax Operating CF (US\$m)



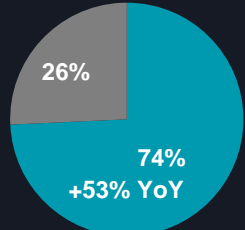
US\$36m, excluding US\$28m deferred compensation payments related to acquisitions



FY 2022 Results

Press release, presentation and recording of the call are available at [Results, Reports, and Presentations - Alphawave Semi](#)

Enquiries: Alphawave Semi Investor Relations
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US\$	Actual FY 2020	Actual FY 2021	Actual FY 2022	
Revenues	\$33m	\$90m	\$185m	FY 2022 Revenue +106% YoY
Gross margin	95%	94%	67%	
Opex exc. other expenses	\$13m	\$36m	\$91m	
Adj. EBITDA ²	\$19m	\$52m	\$47m	■ License and NRE
Adj. EBITDA %	59%	58%	25%	■ Silicon and Royalties
Capex (% revenue) of which	2%	2%	8%	
Capitalised R&D	-	-	4%	

Income Statement	FY 2022	FY 2021	FY 2020
US\$(000's)			
Revenue	185,406	89,931	32,946
COS	(60,777)	(5,199)	(1,547)
Gross profit	124,629	84,732	31,399
Gross margin	67%	94%	95%
R&D	(69,358)	(29,444)	(8,816)
S&M	(4,647)	(1,275)	(766)
G&A	(17,167)	(5,364)	(3,428)
Other expenses	4,170	(12,614)	(1,547)
EBIT	37,627	36,035	16,842
EBIT margin	20%	40%	51%
Finance income	1,684	312	198
Fin expense	(3,588)	(320)	(195)
Share of post tax JV	(18,481)	(12,939)	-
Profit before tax	17,242	23,088	16,845
Tax	(18,328)	(13,657)	(4,640)
Profit for the year	(1,086)	9,431	12,205
Net margin	-0.6%	10%	37%

US\$(000's)	FY 2022	FY 2021	FY 2020
EBIT	37,627	36,035	16,842
EBIT %	20%	40%	51%
D&A	(11,667)	(3,127)	(912)
EBITDA	49,294	39,162	17,754
EBITDA %	27%	44%	54%
Adjusted EBITDA	46,827	51,776	19,301
Adjusted EBITDA %	25%	58%	59%

Weighted number of shares	FY 2022	FY 2021	FY 2020
Basic	679,849,437	625,584,760	537,997,547
Fully diluted	679,849,437	702,489,831	629,829,466

Other expenses	FY 2022	FY 2021	FY 2020
US\$(000's)			
IPO	-	(9,961)	-
M&A	(16,973)	(533)	-
SBP	(15,695)	(6,143)	(565)
Exchange gain	36,838	4,023	(982)
Total	4,170	(12,614)	(1,547)

US\$(000's)	FY 2022	FY 2021	FY 2020	YoY % Change	FY 2022	FY 2021
Licence & NREs	137,600	89,931	32,946	Licence & NREs	53%	173%
Royalties & Silicon	47,806	-	-	Royalties & Silicon	nm	-
Total revenue	185,406	89,931	32,946	Total revenue	106%	173%
% of total (mix)	FY 2022	FY 2021	FY 2020			
Licence & NREs	74%	100%	100%			
Royalties & Silicon	26%	-	-			

In FY 2022 we acquired Precise ITC, OpenFive and Banias Labs. FY 2022 Opex includes associated costs from Precise ITC (from Jan), OpenFive (from 1 Sept) and Banias Labs (from 13 Oct). In FY 2022 we capitalised R&D costs related to our new range of connectivity products. It is expected that these new products will start generating revenue in FY 2024.

Adjusted basic loss per share in 2022 and adjusted diluted loss per share in 2022 are the same because the share options and RSUs are anti-dilutive. Therefore, they have been excluded from the calculation of diluted weighted average number of ordinary shares.

Balance sheet and cash flow items

US\$(000's)	FY 2022	FY 2021	FY 2020
Cash and cash equivalents	186,231	500,964	14,039
Loans and borrowings	210,201	-	54
Net (debt) / cash	(23,970)	500,964	13,985
Cash flow from operating activities before working capital	51,049	42,154	16,547
Changes in working capital	(43,231)	(15,647)	(4,717)
Cash flow from operating activities before tax	7,818	26,507	11,830
Purchase of property and equipment	(4,209)	(1,129)	(368)
Purchase of intangible assets	(11,333)	(1,038)	(133)
of which Capitalised R&D	(7,202)	-	-
Purchase of businesses, net of acquired cash	(410,415)	-	-
Investment in joint venture	(9,060)	(22,360)	-
Capitalised R&D as % of revenue	4%	-	-
Capex as % of revenue	8%	2%	2%
Working capital outflow (FY 2022 exc. \$28.2m of deferred compensation)	(15,031)	(15,647)	(4,717)
Working capital outflow as % of revenue	-8%	-17%	-14%



Why invest in Alphawave?

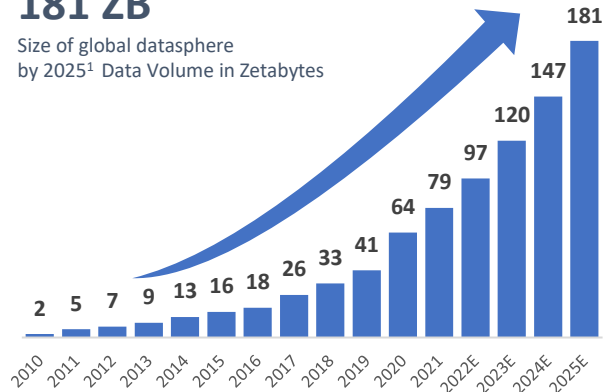
Our business benefits from exposure to the exponential growth of data and the required investment in a more efficient and reliable digital infrastructure, such as data centers.

We support our customers with leading high-performance and power-efficient wired connectivity technology

We monetise our IP through a vertically integrated business model (licence IP and silicon) , delivering high revenue growth and strong cash flow generation, which supports further investment in growth

181 ZB

Size of global datasphere by 2025¹ Data Volume in Zetabytes



IP Licence Business



US\$300m multi-year agreement with leading North American hyperscaler



Vertically Integrated – IP Licence and Silicon



Illustrative Revenue Mix

Connectivity Products

Custom Silicon

IP Licensing & Royalties

2017

2021

2022

2023

2024

2025

Pre-IPO

Capital Deployment

Consolidation

Ramp and Scale

Our Strategy

- Maintain the pace of innovation and technology leadership by attracting and retaining talent
- Land & Expand – broader and deeper customer base in our target end markets
- Leverage our IP to expand our product portfolio and grow our custom silicon business

Medium-Term Operating Model

US\$	FY 2023	FY 2025
Revenues	\$340m - \$360m	c.\$500m
Gross margin		c.60%
Opex		c.30%
Adj. EBITDA ²	Approx. \$87m	Approx. \$150m
Adj. EBITDA %	c.25%	c.30%
Capex (% revenue) exc. capitalised R&D	c.12%	c.10%

² 2023 assumes mid-point of guidance range and 25% adjusted EBITDA margin. 2025 assume \$500m revenue and 30% adjusted EBITDA margin. For definitions see note 4 of FY 2022 report.



What is happening in data centers?

- **Disaggregated computing:** sharing memory and storage in centralised pools allows it to be used more efficiently
- **Increased used of optical fibre** for shorter distances
- **Increasing use of coherent** optical communication inside data centers
- **Advances in semiconductor manufacturing** technology (CMOS)
- **Chiplets** enabled by high-speed die-to-die connectivity



How does Alphawave technology fit into it?

- Specialised low latency solutions to **enable disaggregation**
- Technology for both **optical and electrical** cables
- Invested in **coherent optical technology** with the acquisition of Banias Labs
- Alphawave has extended its technology leadership into **3nm manufacturing technology**
- Chiplet relies on a **dense fabric of high-speed data interconnect**

¹ The Data Center Journey, From Central Utility To Center Of The Universe (semiengineering.com). Source Statista