

## ALPHAWAVE SEMI

**LONDON, United Kingdom and TORONTO, Ontario, Canada 19 May 2023** - Alphawave IP Group plc (LSE: AWE, the “Company” or “Alphawave Semi”) has published today its audited results for the year ended 31 December 2022. The Company notes the following changes to its FY 2022 preliminary results published on 28 April 2023:

US\$000's	Unaudited Preliminary FY 2022	Audited FY 2022	Change
<b>Consolidated Statement of Comprehensive Income</b>			
Revenue	192,410	185,406	(7,004)
R&D/Engineering expenses	(68,968)	(69,358)	(390)
Income tax expense	(18,153)	(18,328)	(175)
<b>Consolidated Statement of Financial Position</b>			
<b>Total assets</b>			
<b>Current assets</b>			
Trade and other receivables	105,571	104,634	(937)
Taxes receivable	7,225	2,922	(4,303)
<b>Non-current assets</b>			
Intangible assets	161,796	161,406	(390)
Goodwill	332,370	331,886	(484)
Deferred income taxes	-	2,680	2,680
<b>Total liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	80,261	83,055	2,794
Deferred revenue	85,213	91,733	6,520
Income tax payable	130	-	(130)
<b>Non-current liabilities</b>			
Deferred income taxes	30,968	29,650	(1,318)
Trade and other payables	14,286	10,555	(3,731)
<b>Total equity</b>			
Retained earnings	1,337,050	1,329,481	(7,569)
<b>Financial Summary and APMs</b>			
Operating profit	45,021	37,627	(7,394)
<i>Operating margin</i>	23%	20%	-3pp
EBITDA	56,298	49,294	(7,004)
<i>EBITDA margin</i>	29%	27%	-2pp
Profit after tax	6,483	(1,086)	(7,569)
Adjusted EBITDA	53,831	46,827	(7,004)
<i>Adjusted EBITDA margin</i>	28%	25%	-3pp
Adjusted profit after tax	9,145	6,674	(2,471)

The revenue adjustment, and associated balance sheet entries, reflect the reversal of 86% of the adjustment to the fair value of the deferred revenue acquired with OpenFive. The adjustment to Goodwill reflects the change in the assumption of the fair value adjustment to the deferred revenue acquired with OpenFive. The change in R&D/Engineering expenses corresponds to the amortisation charge of Precise-ITC intangibles, amortised over four years instead of five.

In addition, there were four reclassifications. A reclassification of trade and other payables between non-current and current liabilities for an amount of US\$8.2m and a reversal of a prepayment in trade and other receivables of US\$0.9m. There was a reclassification between taxes receivable of US\$4.4m resulting in the creation of a deferred income tax asset of US\$2.7m and a reduction in the deferred income tax liability of US\$1.7m. The final item was a reclassification of US\$4.4m between current and non-current trade and other payables associated with the deferred compensation related to the acquisition of Banias Labs.

The changes listed above, including the recalculated income tax expense, have resulted in US\$7.6m less profit for the year. Adjusted EBITDA has changed from US\$53.8m (or 28% margin) to US\$46.8m (or 25% margin).

All the changes above are non-cash items. Therefore, operating cash flow before tax remains unchanged at US\$7.8m.

Alphawave Semi reiterates its FY 2023, mid-term and long-term outlook communicated at the Capital Markets Day on 13 January 2023. The Company expects 2023 revenue of US\$340m to US\$360m and adjusted EBITDA of approximately US\$87m (or approximately 25% of revenue), which is at the mid-point of the revenue guidance range.

The Audited FY 2022 RNS is available on our website at <https://awavesemi.com/wp-content/uploads/2023/05/FY-2022-Results.pdf>. An updated version of the FY 2022 Results presentation is also available at <https://awavesemi.com/investors/results-reports-presentations/>

The Company is hosting a webcast for analysts and investors today at 09:00 am BST. The webcast will be accessible via:

[https://awavesemi.zoom.us/webinar/register/WN\\_kLpAZHhvS6WjSBYpjkWOpw](https://awavesemi.zoom.us/webinar/register/WN_kLpAZHhvS6WjSBYpjkWOpw)

Or by phone:

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United States: +1 669 900 9128 / +1 689 278 1000 / +1 719 359 4580 or +1 253 205 0468

Webinar ID: 839 2021 2221

Passcode: 097521

International numbers available: <https://awavesemi.zoom.us/j/83920212221>

### **About Alphawave Semi (LSE: AWE)**

Alphawave Semi is a global leader in high-speed connectivity for the World's technology infrastructure. Faced with the exponential growth of data, Alphawave Semi's technology services a critical need: enabling data to travel faster, more reliably and with higher performance at lower power. We are a vertically integrated semiconductor company, and our IP, custom silicon, and connectivity products are deployed by global tier-one customers in data centres, compute, networking, AI, 5G, autonomous vehicles, and storage. Founded in 2017 by an expert technical team with a proven track record in licensing semiconductor IP, our mission is to accelerate the critical data infrastructure at the heart of our digital world. To find out more about Alphawave Semi, visit: [awavesemi.com](http://awavesemi.com).

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This document may contain forward-looking statements which are made in good faith and are based on current expectations or beliefs, as well as assumptions about future events. You can sometimes, but not always, identify these statements by the use of a date in the future or such words as "will", "anticipate", "estimate", "expect", "project", "intend", "plan", "should", "may", "assume" and other similar words. By their nature, forward-looking statements are inherently predictive and speculative and involve risk and uncertainty because they relate to events and depend on circumstances that

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