



Arm Holdings plc SoftBank Investor Briefing

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Ver1.2

Nomenclature difference between Arm and SoftBank Group



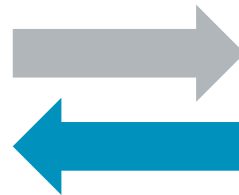
Fiscal year ending March 31, 2024

FY2023

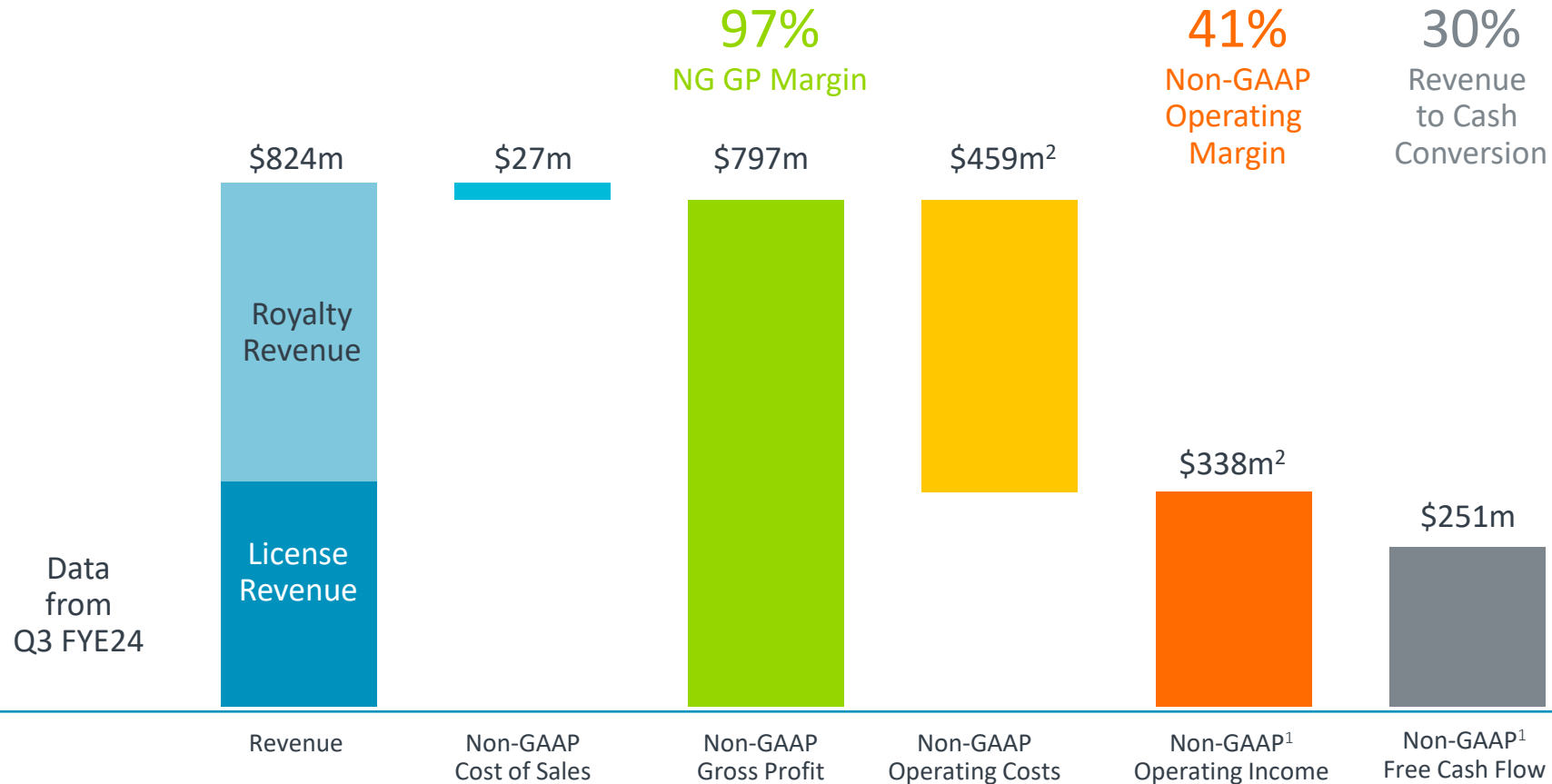


Fiscal year ending March 31, 2024

FYE24



Q3 FYE24 – From Revenues to Profits to Cash



Note: Depreciation and amortisation for Q3 FYE24 totals \$42m

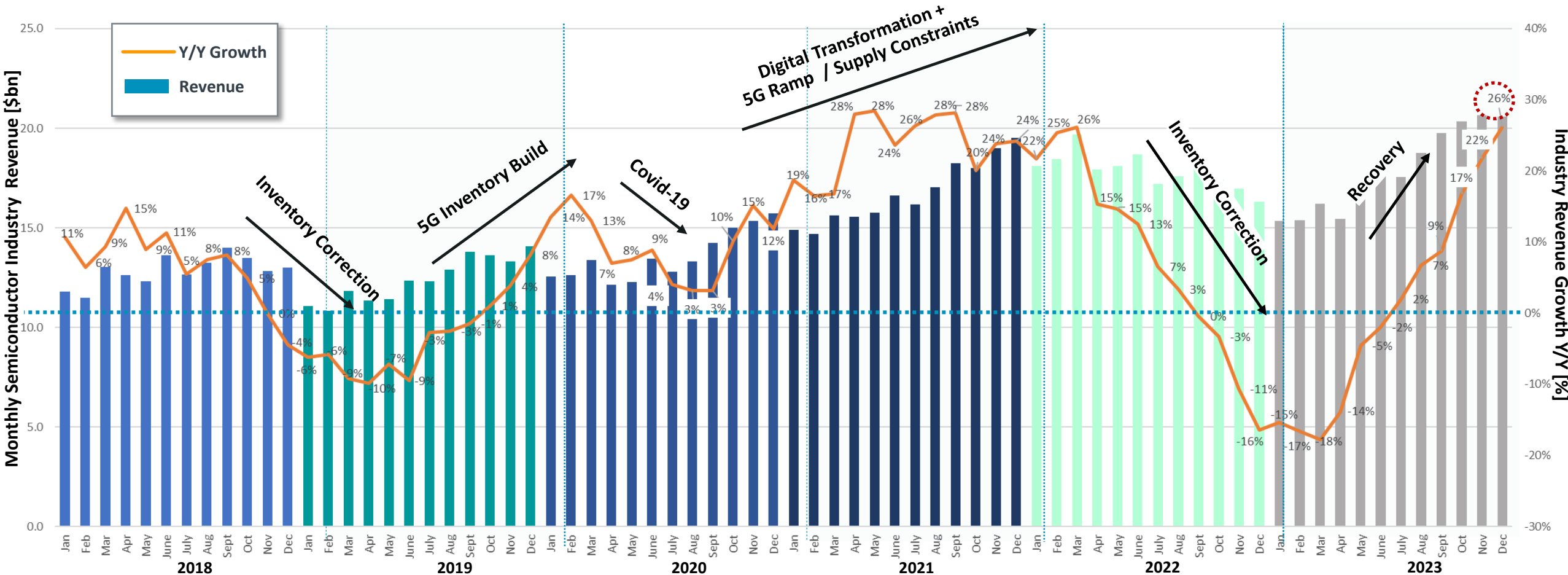
1. Non-GAAP Operating Income and Free Cash Flow are non-GAAP metrics. Please see the end of this presentation for a reconciliation of each to the most directly comparable GAAP metric

2. Non-GAAP operating costs includes \$23m of employer taxes related to equity-classified awards vesting within the quarter, net of the research and development tax credit associated with these taxes. These taxes will be excluded from non-GAAP presentations from next quarter. Had they been excluded from Q3 then operating margin would have been 44%.

World Semiconductor Trade Statistics (WSTS) Semi Revenue

Arm Addressable Semiconductor Revenue up +26% Y/Y in December, up +21% for December Quarter

Arm Addressable Semiconductor Market \$ (Bs)

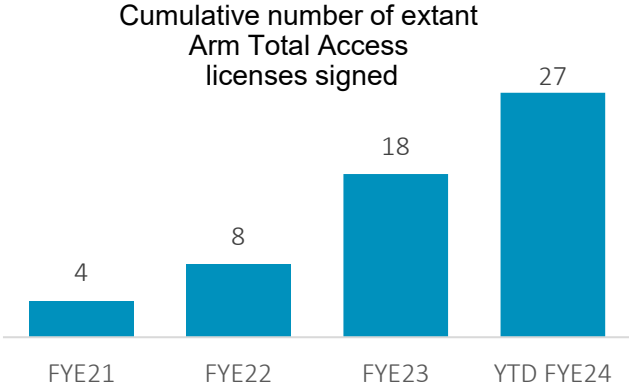
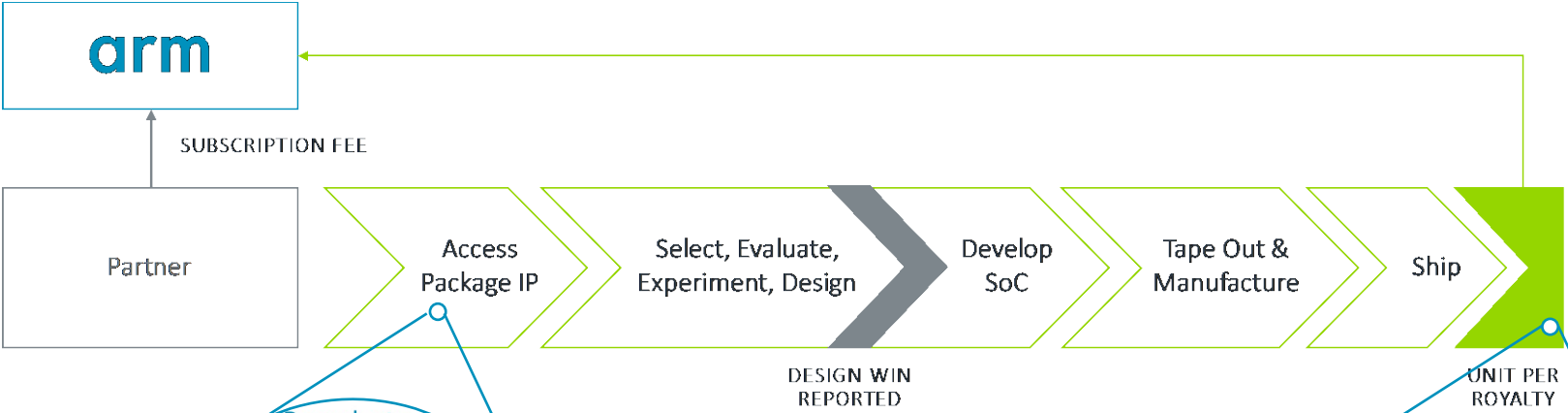


Arm addressable semiconductor market for December up +26% Y/Y and Flat M/M. MPU market value was up 34% Y/Y, reflecting inventory drawdown near-completion. ASIC/ASSP market value continues to be up YoY with December 2023 up +31% Y/Y. For the December quarter, Arm addressable market was up +21% Y/Y.

Arm's new business model is driving more business

Arm Total Access

Long term subscription-based access to an extensive portfolio of more than 300 CPUs, GPUs and other IP including Arm's latest products



IP products

Category	Regular (Max. 24 months after EAC)
Neoverse	<ul style="list-style-type: none"> Neoverse N1 Neoverse N2 Neoverse V1 Neoverse V2
Cortex-A	<ul style="list-style-type: none"> Cortex-A73 Cortex-A75 [SP] Cortex-A76 [SP] Cortex-A78AE [SP] Cortex-A77 CMN 650 [Max] CMN-700 [Max] Cortex-A78 [SP] Cortex-A78C [SP] Cortex-A78AE [SP] Cortex-A710 Cortex-A715 Poseidon Poseidon VN [AI] [S]
GPU	<ul style="list-style-type: none"> Mali-G78AE [SP] Mali-G710 Mali-G715 Mali-G720 Mali-G720 DDKs
Artisan Physical IP	<ul style="list-style-type: none"> Neoverse N1 FCIs for TSMC 7nm FF Neoverse N1 SC1100MC RRM for TSMC 7nm FF Neoverse N2 FCIs for TSMC 5nm FF Neoverse N2 SC1080 S/CPP RRM for TSMC 5nm FF Cortex-A78 FCIs for TSMC 7nm FF Cortex-A75 FCIs for TSMC 7nm FF Cortex-A75 SC1100MC RRM for TSMC 7nm FF Neoverse V1 FCIs for TSMC 5nm FF Neoverse V1 SC1080 S/CPP RRM for TSMC 5nm FF Neoverse N1 FCIs for TSMC 5nm FF Neoverse N1 SC1080 S/CPP RRM for TSMC 5nm FF

Legend: ● Development, ▲ Notice of Removal, ▽ Substantiated

Arm Total Access expected to lead to more Arm IP per chip resulting in higher royalty rate per chip



Arm's Long-term growth drivers



Royalty revenue will drive growth as

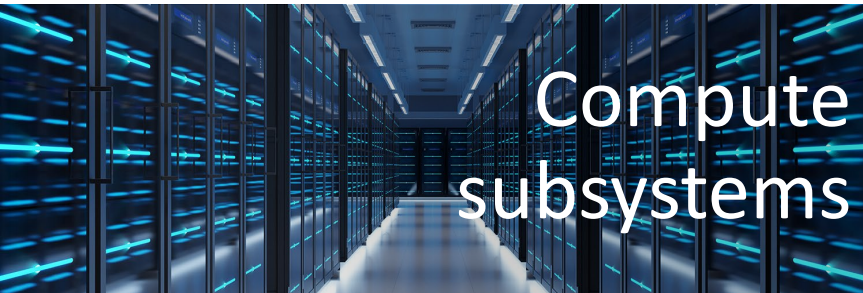
- Semiconductor industry grows,
- Arm gains share in servers and automotive
- Arm receives a higher royalty rate for its latest technology such as Armv9



Generative AI and LLMs need:

- High performance compute for low latency response time
- Energy efficient to remain within power and thermal budgets

MediaTek, Qualcomm and Samsung using Arm Cortex-X4 for AI smartphones



Compute subsystems provide a better starting point for chip designs

- Integrated and verified subsystems designed for specific end markets
- Reducing time to market and providing large cost savings

Microsoft's first server chip is based on Arm Neoverse Compute Subsystem



Arm has the world's largest software and chip design ecosystem

- Arm is investing in creating the ecosystem needed for AI everywhere
- Arm's AI engine for consumer electronic devices, ArmNN, has been downloaded 700m times

Guidance

	Q4 FYE 24	FYE 24
Revenue (\$m)	\$850m - \$900m	\$3,155m - \$3,205m
Non-GAAP Operating Expense (\$m) ¹	~\$490m	~\$1,700m
Non-GAAP fully diluted earnings per share (\$)¹	\$0.28 - \$0.33	\$1.20 - \$1.24

Note 1: Excludes employer taxes related to equity-classified awards vesting within the quarter, net of the research and development tax credit associated with these taxes.