

The background features a vertical split. The left side shows a view of Earth from space, with the planet's curvature and city lights visible against the dark void of space. The right side transitions into a vibrant digital visualization of data, consisting of concentric, glowing rings and lines in shades of blue and purple, resembling a complex network or data flow. A white crosshair is centered at the intersection of the two halves.

arm

Arm Holdings plc SoftBank Investor Briefing

Jason Child,
Executive Vice President and Chief Financial Officer

May 2024

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Nomenclature difference between Arm and SoftBank Group



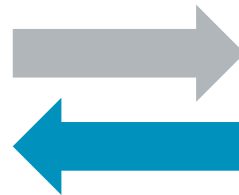
Fiscal year ending March 31, 2024

FY2023

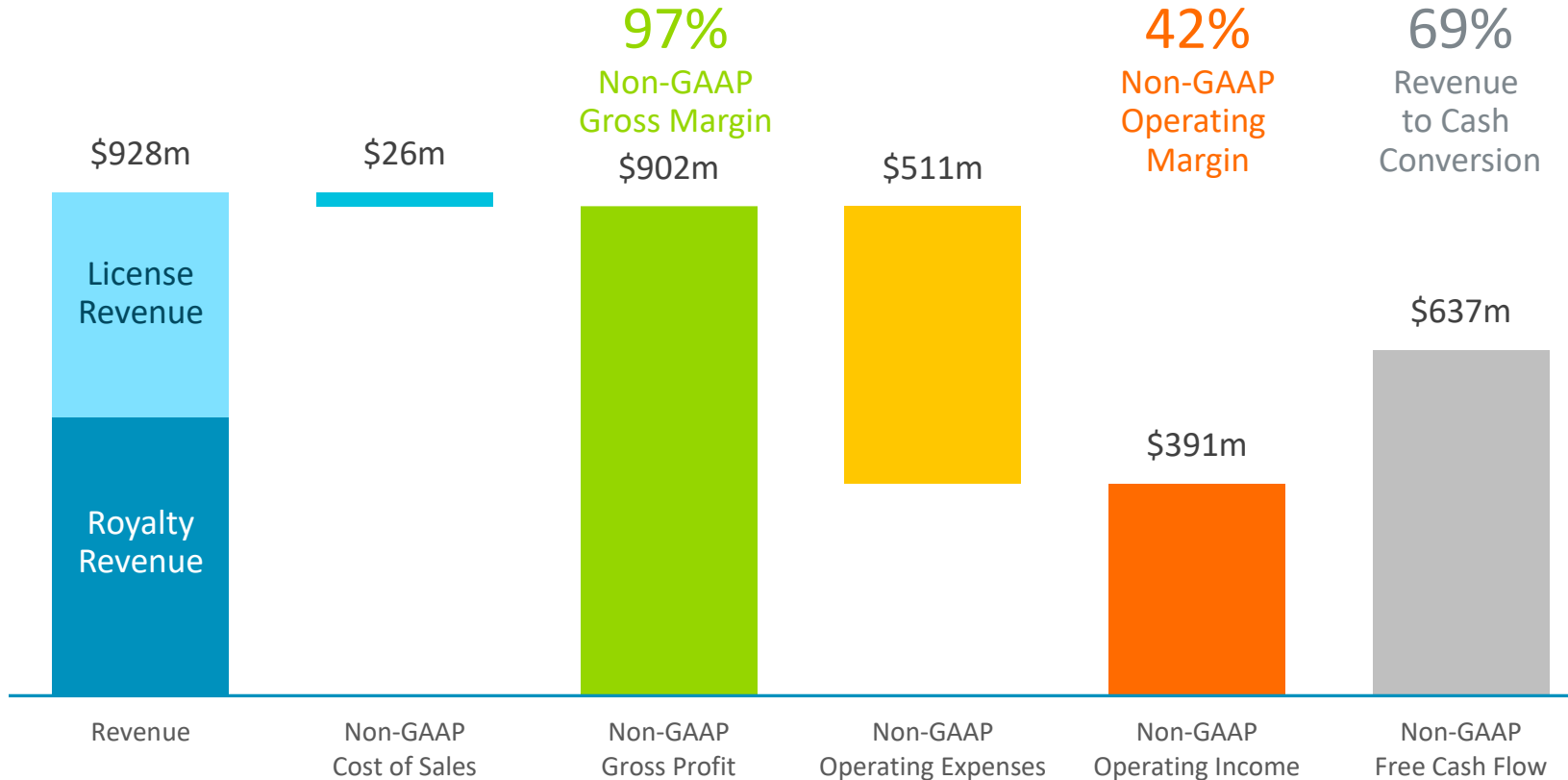


Fiscal year ending March 31, 2024

FYE24



Q4 FYE24: From Revenues to Profits to Cash

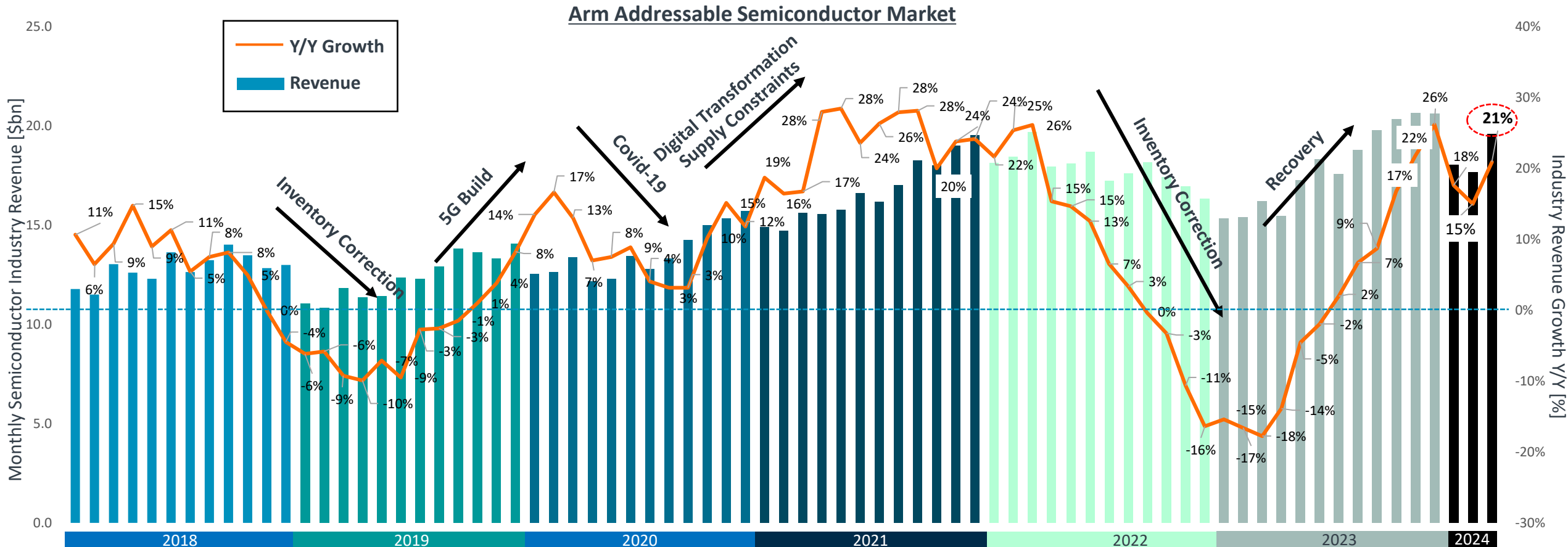


Notes:

1. Depreciation and amortisation for Q4 FYE24 was \$38m
2. 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
3. Free Cash Flow includes \$573m change in working capital benefit that is primarily related to cash held for payroll taxes expected to be paid in Q1 FYE25.

Semiconductor industry recovered after inventory correction

- + Semiconductor industry has recovered from the 2022 inventory correction, now seeing normal seasonality
- + Industry demand driven by AI and consumer. Automotive and industrial electronics seeing some weakness.
- + Q4 smartphone sales up 7.8% year on year



All major hyperscalers and NVIDIA have built Arm-based chips



Alibaba Yitian 710

128 Neoverse-N2 cores
Armv9 based



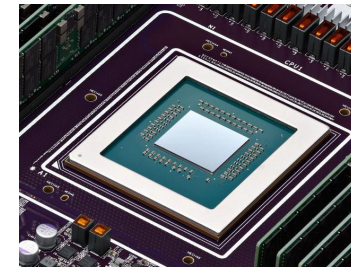
Amazon Graviton4

96 Neoverse-V2 cores
Armv9 based



Google Axion

Neoverse-V2 cores
Armv9 based



Microsoft Cobalt 100

128 Neoverse-N2 cores
Armv9 & CSS based



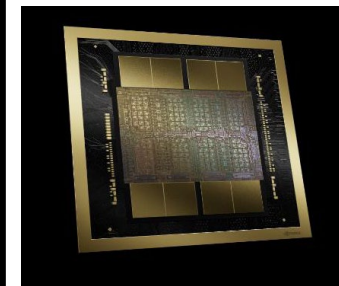
Ampere Altra One

192 Neoverse-N1 cores
Armv8 based



NVIDIA Grace Blackwell

72 Neoverse-V2 cores
Armv9 based



All major hyperscalers and NVIDIA have built Arm-based chips



Alibaba Yitian 710

50%

less energy



Amazon Graviton4

60%

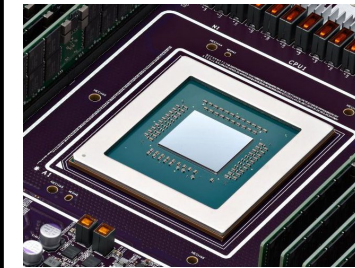
less energy



Google Axion

60%

less energy



Microsoft Cobalt 100

40%

more performance



Ampere Altra One

60%

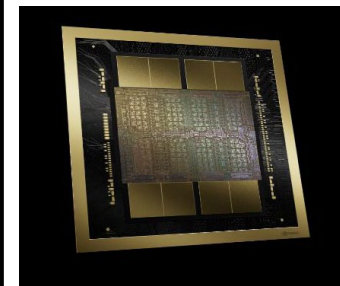
less energy



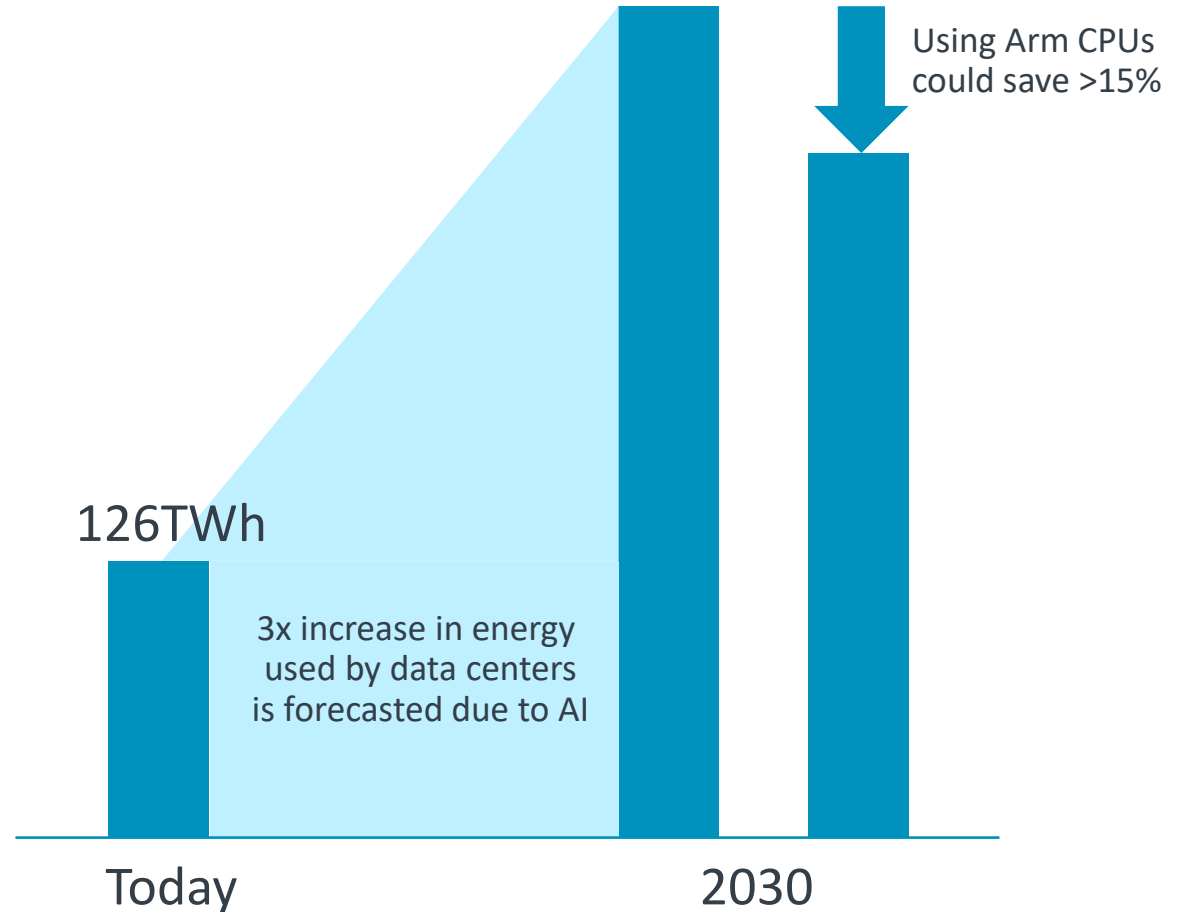
NVIDIA Grace Blackwell

95%

less energy



Energy efficiency is a requirement if AI is to become reality



Guidance

- + Arm has good visibility of its licensing pipeline although timing, deal size, etc. can change
- + Royalty revenue can be influenced by industry wide trends, inventory corrections, changes in market share, changes in chip ASPs, and changes to Arm's royalty rate.

	Q1 FYE 25	FYE 25
Revenue	\$875m - \$925m	\$3,800m - \$4,100m
Non-GAAP Operating Expense	~\$475m	~\$2,050m
Non-GAAP fully diluted earnings per share	\$0.32 - \$0.36	\$1.45 - \$1.65

The background is a dark, blue-toned digital space filled with numerous floating cubes of various sizes and orientations. Each cube displays a different futuristic or technological image. Some cubes show wireframe models of cars, others show glowing green eyes, a person wearing VR goggles, a server room with glowing lights, a network graph, a car's interior, a person's face, and various abstract patterns and textures. The overall aesthetic is high-tech and futuristic.

The Future is Built on **arm**