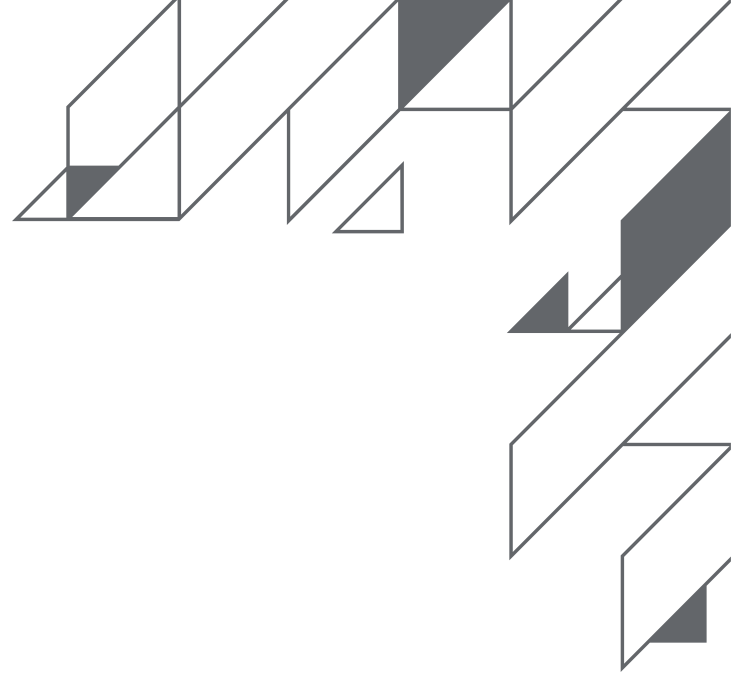




# Q1'FY24 Financial and Business Highlights

May 25<sup>th</sup>, 2023



# Forward-looking statements

Except for statements of historical fact, this presentation contains forward-looking statements (within the meaning of the federal securities laws) including statements related to future revenue, future earnings, and the success of our product releases that involve risks and uncertainties. Words such as “anticipates,” “expects,” “intends,” “plans,” “projects,” “believes,” “seeks,” “estimates,” “can,” “may,” “will,” “would” and similar expressions identify such forward-looking statements. These statements are not guarantees of results and should not be considered as an indication of future activity or future performance. Actual events or results may differ materially from those described in this presentation due to a number of risks and uncertainties.

For other factors that could cause Marvell’s results to vary from expectations, please see the risk factors identified in Marvell’s Annual Report on Form 10-K for the fiscal year ended January 28, 2023 as filed with the SEC on March 9, 2023 and other factors detailed from time to time in Marvell’s filings with the SEC. Marvell undertakes no obligation to revise or update publicly any forward-looking statements.

# Non-GAAP financial measures

In this presentation, we may refer to certain financial measures on a U.S. non-GAAP basis.

We believe that the presentation of non-GAAP financial measures provides important supplemental information to management and investors regarding financial and business trends relating to our financial condition and results of operations.

While we use non-GAAP financial measures as a tool to enhance our understanding of certain aspects of our financial performance, we do not consider these measures to be a substitute for, or superior to, the information provided by GAAP financial measures.

A reconciliation for the non-GAAP financial measures used in these slides is available in the [appendix](#) to this presentation.

# Marvell Q1 earnings executive summary

**1**

Delivered Q1 revenue of \$1,321.7M, exceeding midpoint guidance.

**2**

Guided Q2 revenue to \$1,330M at midpoint, expect growth to accelerate in 2H.

**3**

Expect Q2 double-digit cloud growth QoQ, offsetting on-prem data center.

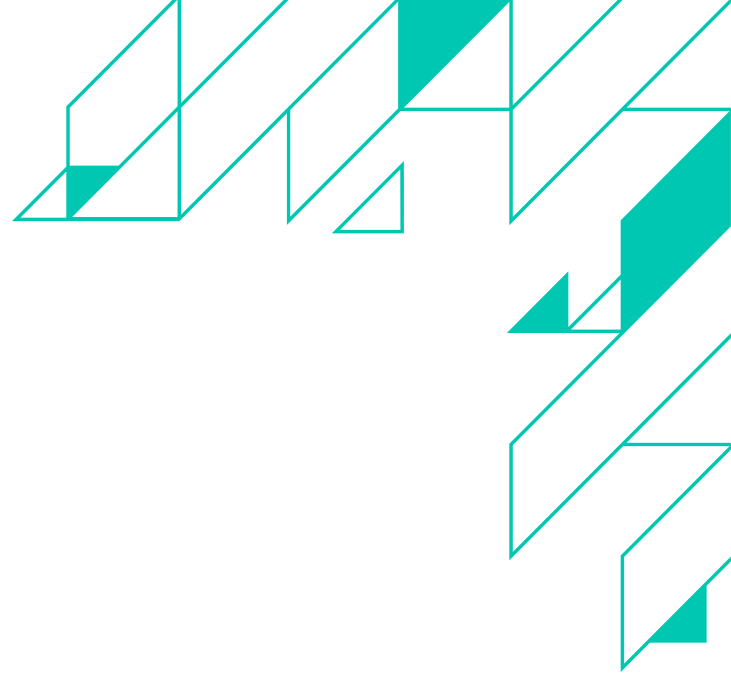
**4**

Forecast non-GAAP GM to return to low end of 64% to 66% target range in Q4.

**5**

AI revenue to at least double in FY24 from ~\$200M in FY23, double again in FY25.

# Results Summary



# Q1'FY24 financial results highlights

**1**

Q1 revenue of \$1,321.7M declined 9% YoY and declined 7% QoQ.

**2**

Non-GAAP earnings per share (EPS) of \$0.31 declined 40% YoY & 33% QoQ.

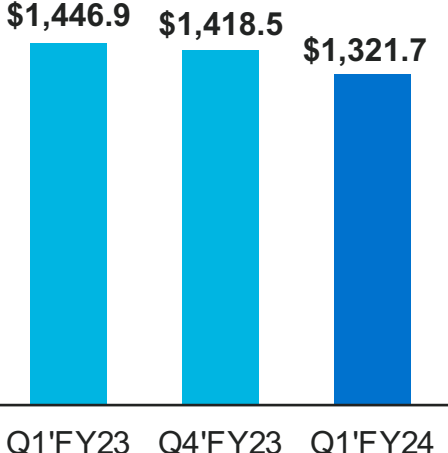
**3**

Non-GAAP operating margin of 25.2% declined 1020 bps YoY & 790 bps QoQ.

# Q1'FY24 performance: Non-GAAP results

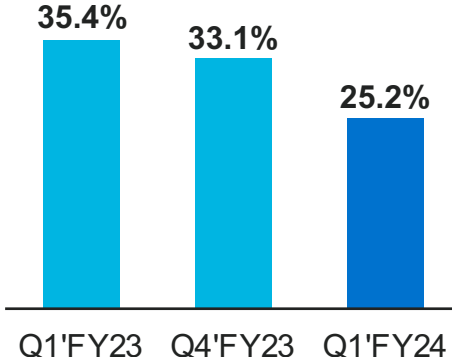
**-9% YoY**

Revenue (\$M)



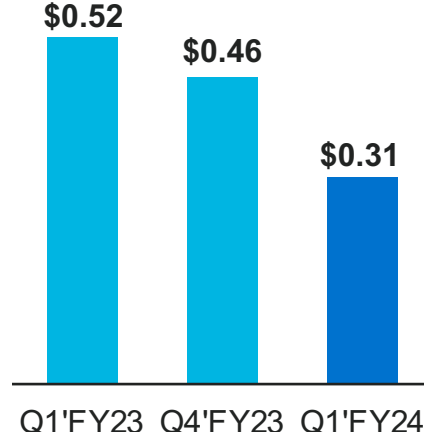
**-1020 bps YoY**

Operating margin (%)



**-40% YoY**

EPS (\$)



# Q1 results and Q2 outlook

	Q4'23 Actual	Q1'24 Guidance	Q1'24 Actual	Q2'24 Outlook
<b>Revenue (\$M)</b>	<b>\$1,418.5</b>	<b>\$1,300 +/-5%</b>	<b>\$1,321.7</b>	<b>\$1,330 +/-5%</b>
<b>Non-GAAP EPS</b>	<b>\$0.46</b>	<b>\$0.29 +/- \$0.05</b>	<b>\$0.31</b>	<b>\$0.32 +/--\$0.05</b>

**Q2 revenue at guidance midpoint: decline 12% YoY, increase 1% QoQ**



# Q1'FY24 market segment revenue highlights

1

Data infrastructure\* revenue represented 89 percent of total revenue.

2

Data center revenue declined 32% YoY, due to inventory corrections.

3

Enterprise networking revenue grew 27% YoY, led by custom ASIC ramp.

4

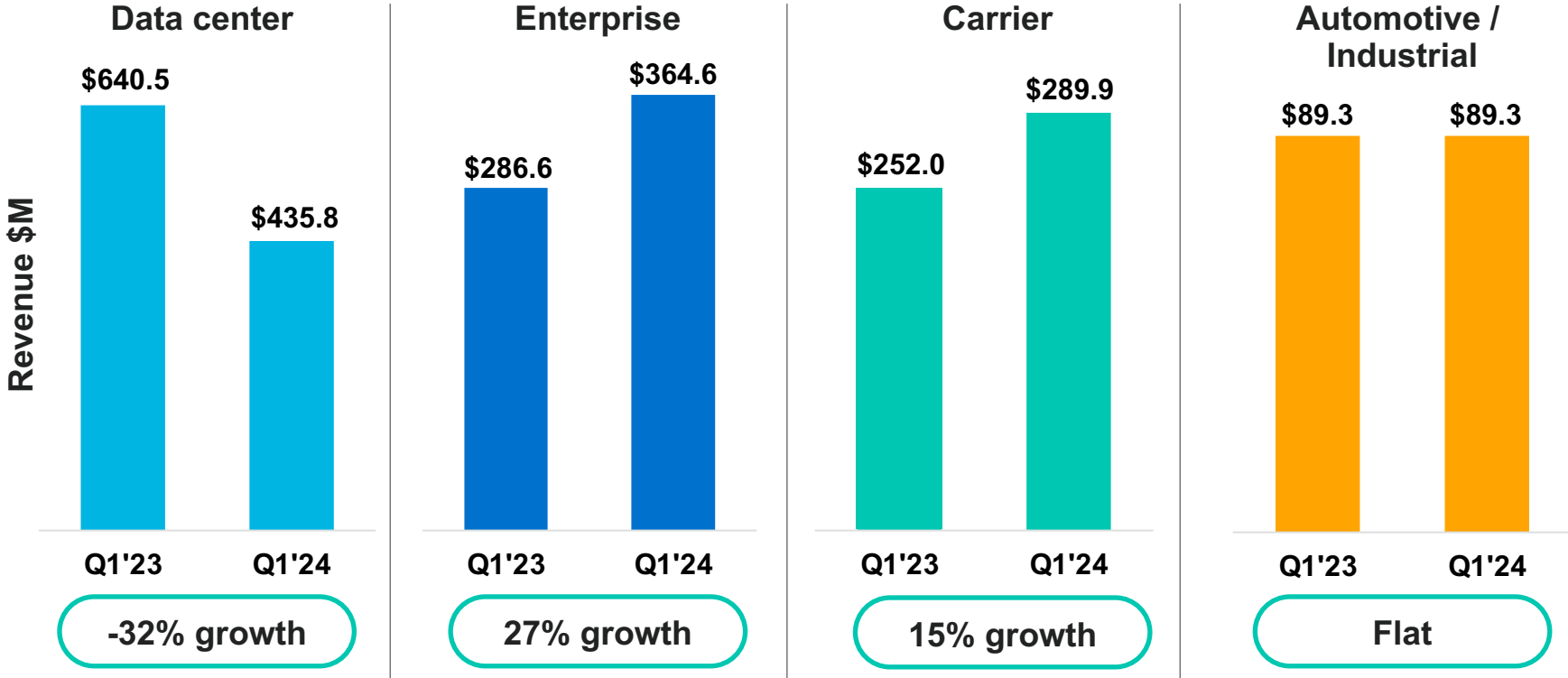
Carrier infra revenue grew 15% YoY, driven by 5G adoption in new geo regions.

5

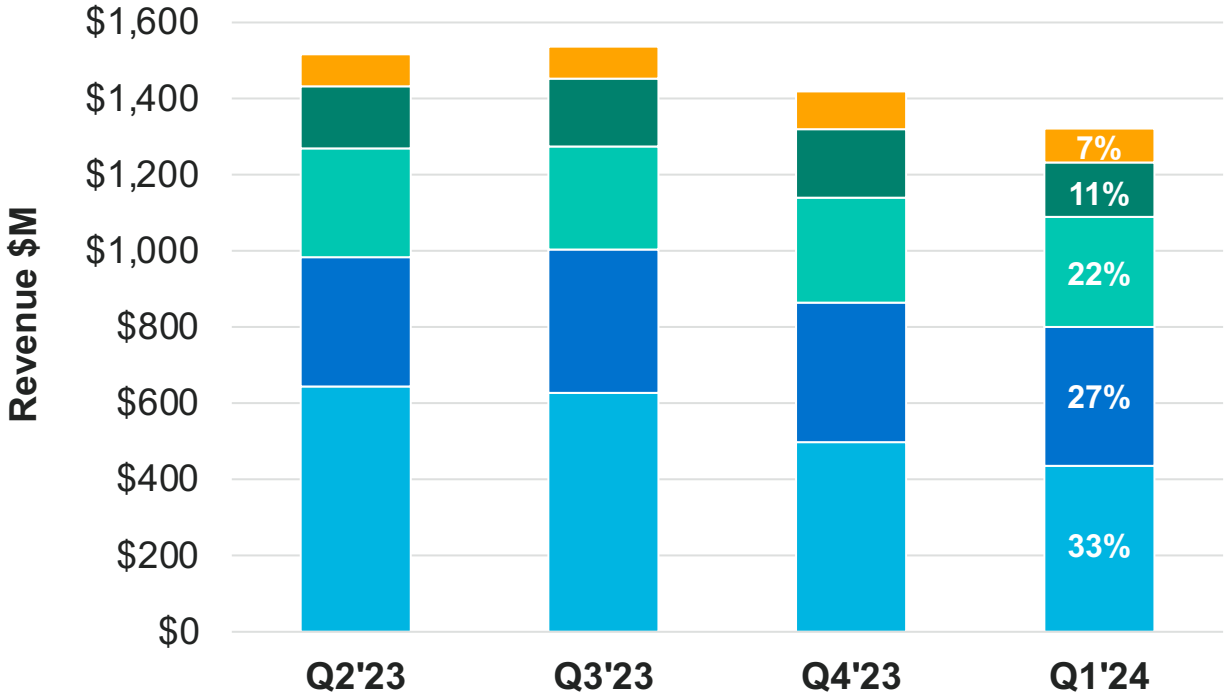
Automotive/industrial revenue was flat YoY; automotive continued strong growth.

\* Data infrastructure revenue consists of the sum of the revenue from our data center, carrier infrastructure, enterprise networking and auto/industrial end markets.

# Q1'FY24 YoY revenue for focus end markets



# Quarterly revenue by end market



## Q1'FY24 revenue metrics

- **Automotive/industrial**  
(Flat YoY & -10% QoQ)
- **Consumer**  
(-20% YoY & -21% QoQ)
- **Carrier infrastructure**  
(+15% YoY & +5% QoQ)
- **Enterprise networking**  
(+27% YoY & flat QoQ)
- **Data center**  
(-32% YoY & -12% QoQ)

# Q1'FY24 business highlights

**1** Growing AI deployments drove higher optical interconnect product demand.

**2** Demonstrated industry's first 3nm data infrastructure silicon.

**3** AI accelerated compute now leading growth driver for cloud-optimized silicon.

**4** 5G expansion in new geos spurred robust OCTEON™ product demand.

**5** Enterprise modernization drove strong Marvell custom ASIC ramp.

# Award highlights

## **2023 Great Place to Work®**

Marvell Earns Great Place to Work Certification™

---

## **2023 Lightwave Innovation Reviews Honorees**

Data Center Interconnect Platforms Category

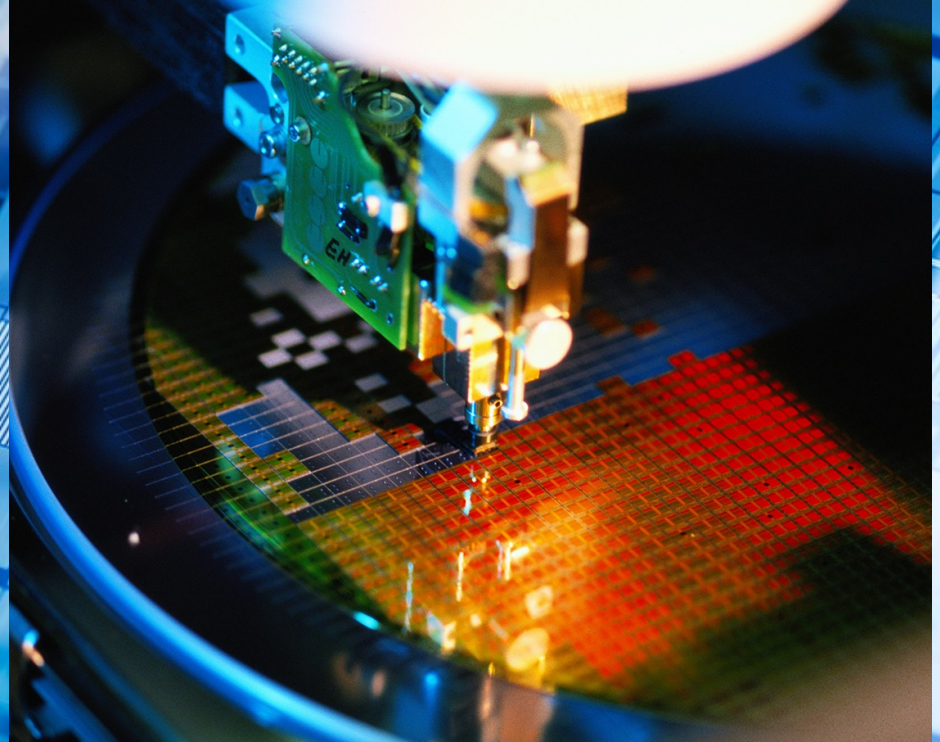
Marvell® Alaska® A PAM4 DSP Family for Active Electrical Cables (AECs)

Marvell® Spica™ Gen 2 800G PAM4 Electro-Optics Platform

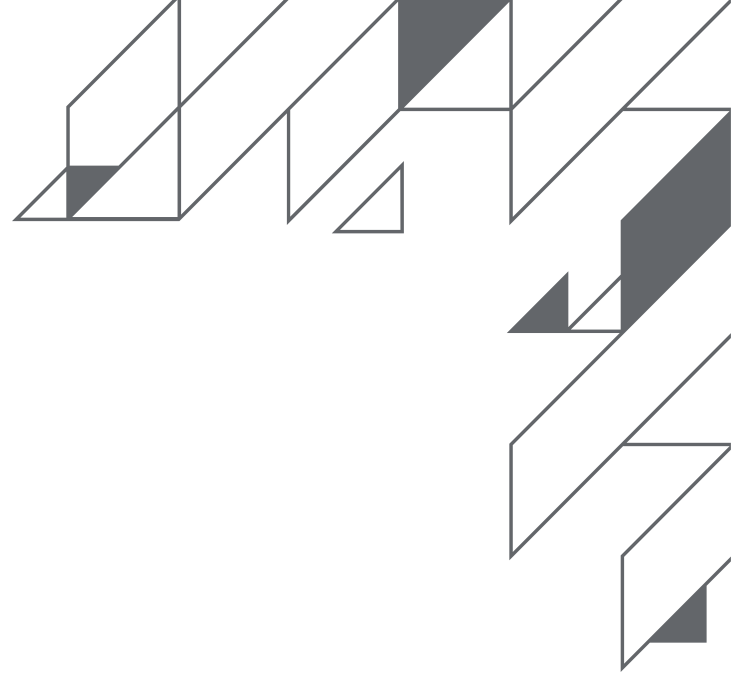
---

April 19, 2023

# Marvell Demonstrates Industry's First 3nm Data Infrastructure Silicon



# Appendix



# Discussion of Non-GAAP Financial Measures

Non-GAAP financial measures exclude the effect of stock-based compensation expense, amortization of the inventory fair value adjustment associated with acquisitions, amortization of acquired intangible assets, acquisition and divestiture-related costs, restructuring and other related charges (including, but not limited to, asset impairment charges, employee severance costs, and facilities related charges), resolution of legal matters, and certain expenses and benefits that are driven primarily by discrete events that management does not consider to be directly related to Marvell's core business. Although Marvell excludes the amortization of all acquired intangible assets from these non-GAAP financial measures, management believes that it is important for investors to understand that such intangible assets were recorded as part of purchase price accounting arising from acquisitions, and that such amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Investors should note that the use of intangible assets contributed to Marvell's revenues earned during the periods presented and are expected to contribute to Marvell's future period revenues as well.

Marvell uses a non-GAAP tax rate to compute the non-GAAP tax provision. This non-GAAP tax rate is based on Marvell's estimated annual GAAP income tax forecast, adjusted to account for items excluded from Marvell's non-GAAP income, as well as the effects of significant non-recurring and period specific tax items which vary in size and frequency, and excludes tax deductions and benefits from acquired tax loss and credit carryforwards and changes in valuation allowance on acquired deferred tax assets. Marvell's non-GAAP tax rate is determined on an annual basis and may be adjusted during the year to take into account events that may materially affect the non-GAAP tax rate such as tax law changes; acquisitions; significant changes in Marvell's geographic mix of revenue and expenses; or changes to Marvell's corporate structure. For the first quarter of fiscal 2024, a non-GAAP tax rate of 7.0% has been applied to the non-GAAP financial results.

Marvell believes that the presentation of non-GAAP financial measures provides important supplemental information to management and investors regarding financial and business trends relating to Marvell's financial condition and results of operations. While Marvell uses non-GAAP financial measures as a tool to enhance its understanding of certain aspects of its financial performance, Marvell does not consider these measures to be a substitute for, or superior to, financial measures calculated in accordance with GAAP. Consistent with this approach, Marvell believes that disclosing non-GAAP financial measures to the readers of its financial statements provides such readers with useful supplemental data that, while not a substitute for GAAP financial measures, allows for greater transparency in the review of its financial and operational performance.

Externally, management believes that investors may find Marvell's non-GAAP financial measures useful in their assessment of Marvell's operating performance and the valuation of Marvell. Internally, Marvell's non-GAAP financial measures are used in the following areas:

- Management's evaluation of Marvell's operating performance;
- Management's establishment of internal operating budgets;
- Management's performance comparisons with internal forecasts and targeted business models; and
- Management's determination of the achievement and measurement of certain performance-based equity awards (adjustments may vary from award to award).

Non-GAAP financial measures have limitations in that they do not reflect all of the costs associated with the operations of Marvell's business as determined in accordance with GAAP. As a result, you should not consider these measures in isolation or as a substitute for analysis of Marvell's results as reported under GAAP. The exclusion of the above items from our GAAP financial metrics does not necessarily mean that these costs are unusual or infrequent.



# Reconciliations from GAAP to Non-GAAP (unaudited) (page 1 of 4) (In millions, except for per share amounts)

	Three months ended		
	Apr 29, 2023	Jan 28, 2023	Apr 30, 2022
GAAP gross profit:	\$ 557.2	\$ 673.3	\$ 750.9
<b>Special items:</b>			
Stock-based compensation	12.0	9.5	12.4
Amortization of acquired intangible assets	183.7	185.4	174.4
Other cost of goods sold (a)	39.6	32.4	9.3
<b>Total special items</b>	<b>235.3</b>	<b>227.3</b>	<b>196.1</b>
Non-GAAP gross profit	\$ 792.5	\$ 900.6	\$ 947.0
GAAP gross margin	42.2%	47.5%	51.9%
Non-GAAP gross margin	60.0%	63.5%	65.5%

	Three months ended		
	Apr 29, 2023	Jan 28, 2023	Apr 30, 2022
Total GAAP operating expenses	\$ 739.6	\$ 650.0	\$ 681.1
<b>Special items:</b>			
Stock-based compensation	(131.2)	(121.2)	(118.7)
Restructuring related charges (b)	(59.9)	(3.5)	(1.3)
Amortization of acquired intangible assets	(86.3)	(87.8)	(98.1)
Other (c)	(3.6)	(6.8)	(27.7)
<b>Total special items</b>	<b>(281.0)</b>	<b>(219.3)</b>	<b>(245.8)</b>
<b>Total non-GAAP operating expenses</b>	<b>\$ 458.6</b>	<b>\$ 430.7</b>	<b>\$ 435.3</b>

# Reconciliations from GAAP to Non-GAAP (unaudited) (page 2 of 4) (In millions, except for per share amounts)

## Three months ended

	Apr 29, 2023	Jan 28, 2023	Apr 30, 2022
GAAP operating margin	(13.8)%	1.6%	4.8%
Other cost of goods sold (a)	3.0%	2.3%	0.6%
Stock-based compensation	10.8%	9.2%	9.1%
Restructuring related charges (b)	4.5%	0.2%	0.1%
Amortization of acquired intangible assets	20.4%	19.3%	18.8%
Other (c)	0.3%	0.5%	2.0%
<b>Non-GAAP operating margin</b>	<b>25.2%</b>	<b>33.1%</b>	<b>35.4%</b>
GAAP interest and other income (loss), net	\$ (49.9)	\$ (46.5)	\$ (30.6)
<b>Special items:</b>			
Other (c)	0.1	(1.8)	(4.1)
<b>Total special items</b>	<b>0.1</b>	<b>(1.8)</b>	<b>(4.1)</b>
<b>Total non-GAAP interest and other income (loss), net</b>	<b>\$ (49.8)</b>	<b>\$ (48.3)</b>	<b>\$ (34.7)</b>

## Three months ended

	Apr 29, 2023	Jan 28, 2023	Apr 30, 2022
GAAP net loss	\$ (168.9)	\$ (15.4)	\$ (165.7)
<b>Special Items:</b>			
Other cost of goods sold (a)	39.6	32.4	9.3
Stock-based compensation	143.2	130.7	131.1
Restructuring related charges (b)	59.9	3.5	1.3
Amortization of acquired intangible assets	270.0	273.2	272.5
Other (c)	3.7	5.0	23.6
<b>Pre-tax total special items</b>	<b>516.4</b>	<b>444.8</b>	<b>437.8</b>
Other income tax effects and adjustments (d)	(83.3)	(33.1)	(176.3)
<b>Non-GAAP net income</b>	<b>\$ 264.2</b>	<b>\$ 396.3</b>	<b>\$ 448.4</b>

# Reconciliations from GAAP to Non-GAAP (unaudited) (page 3 of 4) (In millions, except for per share amounts)

## Three months ended

	Apr 29, 2023	Jan 28, 2023	Apr 30, 2022
GAAP weighted average shares – basic	856.7	854.1	848.0
GAAP weighted average shares – diluted	856.7	854.1	848.0
Non-GAAP weighted average shares – diluted (e)	861.2	859.0	861.4
GAAP diluted net loss per share	\$ (0.20)	\$ (0.02)	\$ (0.20)
Non-GAAP diluted net income per share	\$ 0.31	\$ 0.46	\$ 0.52

- (a) Other cost of goods sold includes amortization of acquired inventory fair value adjustments, acquisition integration related inventory costs, and charges for an intellectual property licensing matter.
- (b) Restructuring and other related items include employee severance costs, asset impairment charges, facilities related charges, and other.
- (c) Other includes acquisition related costs and charges related to settlement of a contractual dispute.
- (d) Other income tax effects and adjustments are based on a non-GAAP income tax rate of 7.0% for the three months ended April 29, 2023 and 6.0% for the three months ended January 28, 2023 and April 30, 2022. In the three months ended January 28, 2023, \$18.3 million of non-recurring income tax expense is excluded and relates to the claw back of incentive benefits that resulted from the election of a preferential temporary tax provision in Israel. Additionally, during the three months ended April 30, 2022, \$213.6 million of non-recurring income tax expense associated with the extension of a tax incentive in Singapore was excluded from non-GAAP income tax expense.
- (e) Non-GAAP diluted weighted average shares differs from GAAP diluted weighted average shares due to the non-GAAP net income reported.

# Reconciliations from GAAP to Non-GAAP (unaudited) (page 4 of 4) (In millions, except for per share amounts)

Three months ended

	July 29, 2023
GAAP net revenue	\$ 1,330 +/- 5%
Special items:	—
<b>Non-GAAP net revenue</b>	<b>\$ 1,330 +/- 5%</b>
GAAP gross margin	44.3% - 46.8%
Special items:	
Stock-based compensation	0.8%
Amortization of acquired intangible assets	14.1%
<b>Non-GAAP gross margin</b>	<b>60% - 61%</b>

Three months ended

	July 29, 2023
Total GAAP operating expenses	~ \$ 694
Special items:	
Stock-based compensation	148
Amortization of acquired intangible assets	86
Restructuring related charges	3
Other operating expenses	2
<b>Total non-GAAP operating expenses</b>	<b>~ \$ 455</b>
GAAP diluted net loss per share	\$ (0.16) +/- \$ 0.05
Special items:	
Stock-based compensation	0.18
Amortization of acquired intangible assets	0.31
Restructuring related charges and other	0.01
Other income tax effects and adjustments	(0.02)
<b>Non-GAAP diluted net income per share</b>	<b>\$ 0.32 +/- \$ 0.05</b>



Thank You



Essential technology, done right™