



MaxLinear Investor Presentation

January 2024

Disclaimer

Cautionary Note Concerning Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Unless otherwise indicated, all forward looking statements are based on estimates, projections, and assumptions of MaxLinear as of the date of this presentation. These forward-looking statements include, among others, statements concerning: MaxLinear's growth plan and strategies, including its financial strategy; estimates of total addressable market and serviceable addressable market; anticipated market trends, including growth trends; the potential of MaxLinear's technology; our financial performance; and our long-term target model, including metrics related to such model. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause actual results to be materially different from any future results expressed or implied by the forward-looking statements. Forward-looking statements are based on management's current, preliminary expectations and are subject to various risks and uncertainties. In particular, our future operating results are substantially dependent on our assumptions about market trends and conditions. Additional risks and uncertainties affecting our business, future operating results and financial condition include, without limitation, risks relating to our proposed merger with Silicon Motion and the risks related to increased indebtedness; the effect of intense and increasing competition; impacts of a global economic downturn and high inflation; the cyclical nature of the semiconductor industry; the political and economic conditions of the countries in which we conduct business and other factors related to our international operations; increased tariffs or imposition of other trade barriers; our ability to obtain or retain government authorization to export certain of our products or technology; risks related to international geopolitical conflicts; risks related to the loss of, or a significant reduction in orders from major customers; a decrease in the average selling prices of our products; failure to penetrate new applications and markets; development delays and consolidation trends in our industry; inability to make substantial research and development investments; a significant variance in our operating results could lead to substantial volatility in our stock price; our ability to sustain our current level of revenue and/or manage future growth effectively, which is currently exacerbated by the impact of excess inventory in the channel on our customers' expected demand for certain of our products; claims of intellectual property infringement; our ability to protect our intellectual property; and a failure to manage our relationships with, or negative impacts from, third parties. In addition to these risks and uncertainties, investors should review the risks and uncertainties contained in our filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on February 1, 2023, and our Current Reports on Form 8-K, as well as the information set forth under the caption "Risk Factors" in MaxLinear's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023. All forward-looking statements are based on the estimates, projections and assumptions of management as of the date of this presentation, and MaxLinear is under no obligation (and expressly disclaims any such obligation) to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

Market Information

This presentation and the accompanying oral presentation also contain statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to such information. We have not independently verified the accuracy or completeness of the information contained in the industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that information nor do we undertake to update such information after the date of this presentation.

Non-GAAP Financial Measures

This communication may contain certain non-GAAP financial measures, which MaxLinear management believes are useful to investors and reflect how management measures MaxLinear's business. Among other uses, our management uses non-GAAP measures to compare our performance relative to forecasts and strategic plans and to benchmark our performance externally against competitors. In addition, management's incentive compensation will be determined in part using these non-GAAP measures because we believe non-GAAP measures better reflect our core operating performance. The company's guidance for non-GAAP financial measures excludes the effects of (i) stock-based compensation expense, (ii) performance-based bonuses, which we settle in shares of our common stock, (iii) amortization of purchased intangible assets, (iv) research and development funded by others, (v) acquisition and integration costs, (vi) impairment losses, and (viii) severance and other restructuring charges; the amount of such exclusions could be significant. Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for the comparable GAAP financial measures. Non-GAAP financial measures are subject to limitations and should be read only in conjunction with the company's consolidated financial statements prepared in accordance with GAAP. Non-GAAP financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similarly titled measures presented by other companies. A description of these non-GAAP financial measures and a reconciliation of the company's non-GAAP financial measures to their most directly comparable GAAP measures have been provided in the Appendix and investors are encouraged to review the reconciliation. Further detail and reconciliations between the non-GAAP financial measures and the GAAP financial measures are available in the Appendix to this presentation and on the Investor Relations section of MaxLinear's website as part of its published financial results press release. Because of the inherent uncertainty associated with our ability to project future charges, particularly those related to stock-based compensation and its related tax effects as well as potential impairments, we do not provide reconciliations to forward-looking non-GAAP financial information.



MaxLinear Snapshot

Leading Semiconductor Supplier in Broadband, Connectivity, and Infrastructure

FOUNDED IN
2003
IPO IN 2010

EMPLOYEES
1,300+
WORLDWIDE

IP PORTFOLIO
1,700+
PATENTS

REVENUE
\$693.3M
FY23A

Non-GAAP EPS*
\$1.10
FY23A



Global Footprint



Engineering Centric



Competitive Advantage



Multiple Revenue Drivers



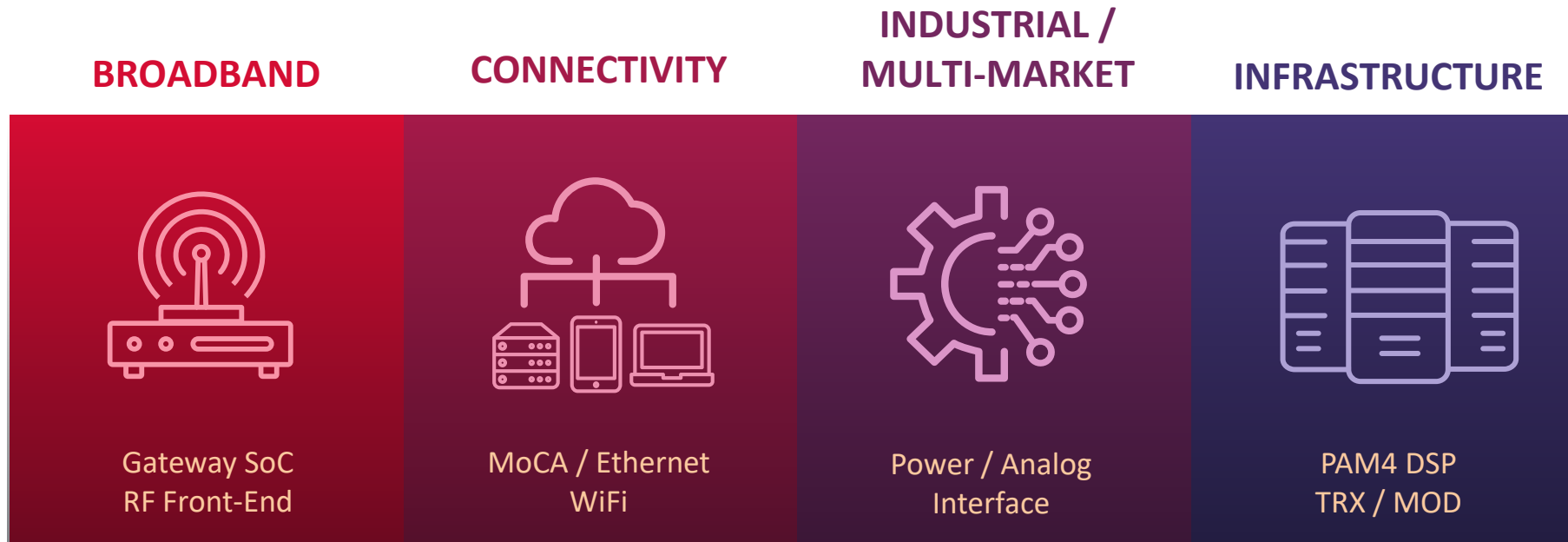
EBITA Margin 20%*

*Amounts are non-GAAP; refer to reconciliation between non-GAAP and GAAP in the Appendix.



Diversified End-Market Portfolio

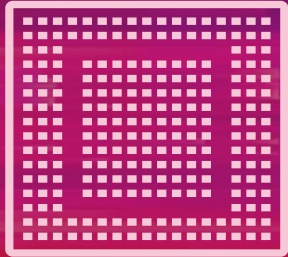
Across the Board Secular and MXL Specific Growth Opportunities



Execute Plan to Deliver Profitable Growth

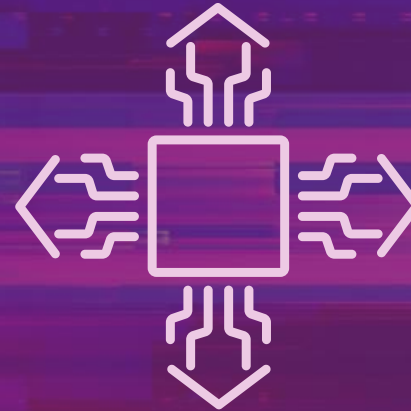
Utilize superior technology to outperform our growing end-markets and deliver strong returns

ADDRESS GROWING MARKETS



Market Strategy

INCREASE SHARE & CONTENT



Growth Strategy

DRIVE OPERATING LEVERAGE



Financial Strategy

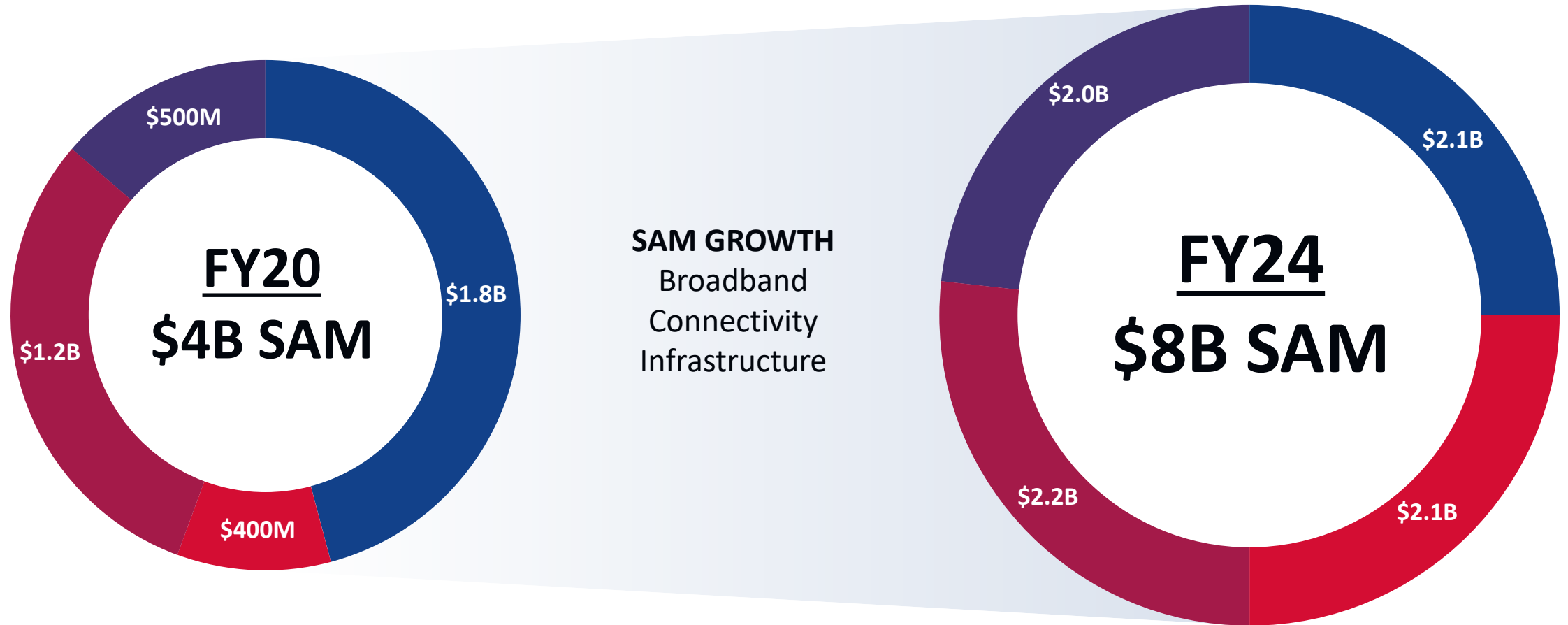


Market Strategy

Target and Address Dynamic Growth Markets

Target Large and Growing End-Markets

SAM expansion driven by organic growth and strategic acquisitions

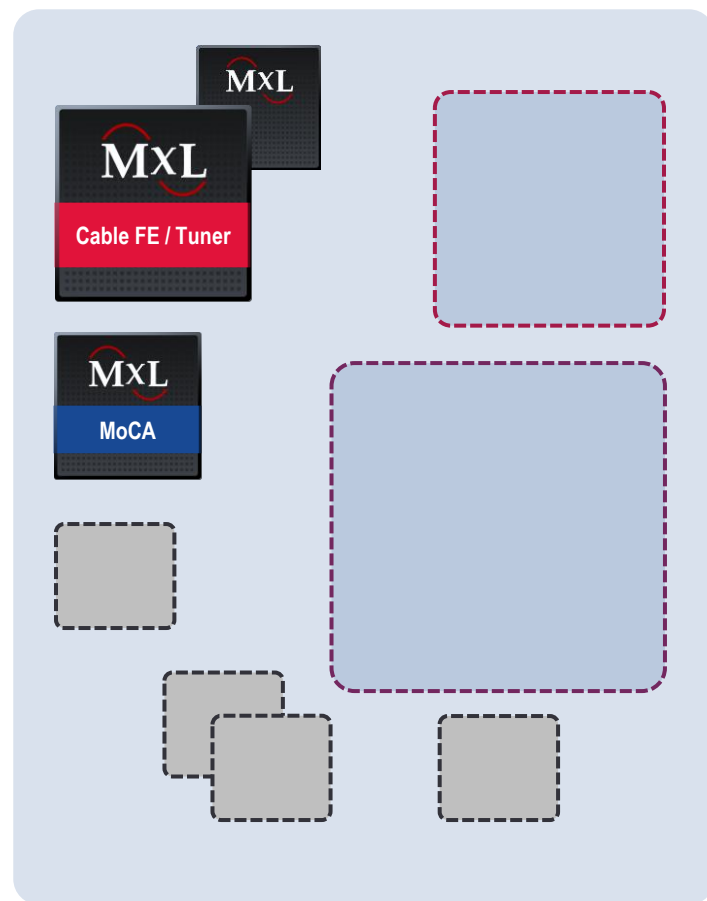


*All data based on a combination of industry research reports and management estimates

● Industrial / MM ● Broadband ● Infrastructure ● Connectivity

Platform Approach Expands Our SAM

Transformation to broadband platform provider is driving higher content opportunity



FY19 – Cable Gateway

Gateway content
opportunity
increasing by >3x



FY22 – Cable Gateway

Product Cycles Drive Opportunity

Well positioned to benefit from dynamically changing technology transition



Product cycles across our end markets create opportunity for share gains and higher ASPs

Secular Trends

Strong macro drivers across all support long-term growth

BROADBAND



Fiber gateway market growing at 7% CAGR through 2030

CONNECTIVITY



WiFi access point growth to accelerate above 10% driven by WiFi6

OPTICAL



Hyperscale data center traffic increasing by 70% annually

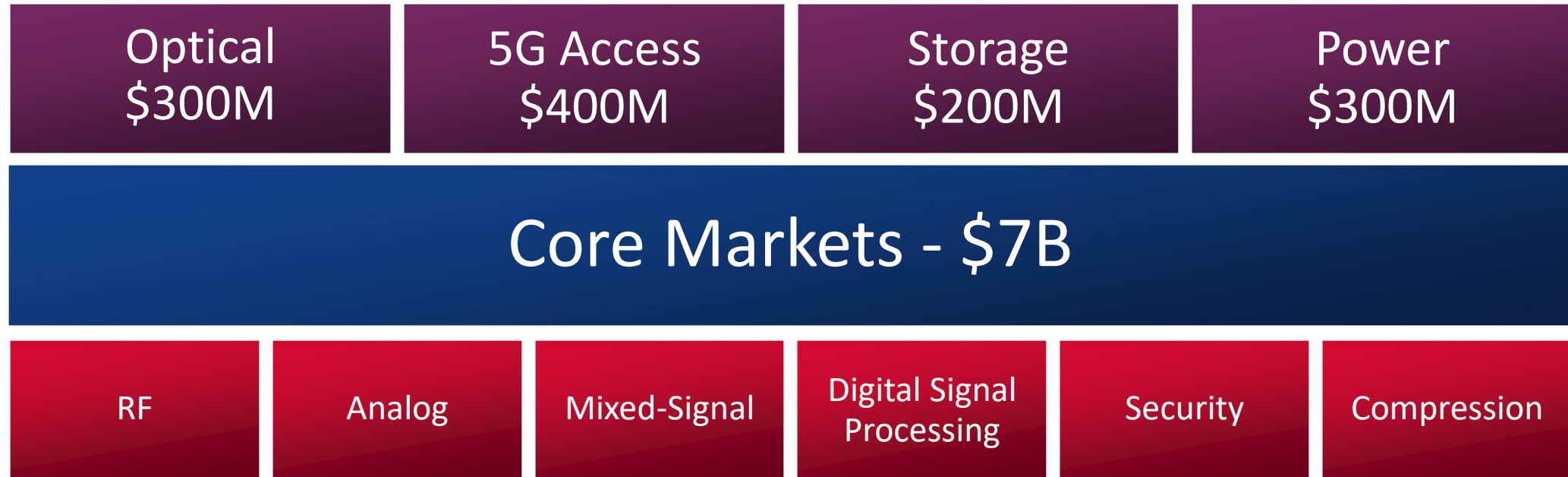
WIRELESS ACCESS



5G transition quadruples the addressable market for RRH transceivers

Expanding into New Markets

Leverage existing technologies to ramp new products in new and growing markets



New product introductions have unlocked an incremental \$1B of Served Addressable Market opportunity



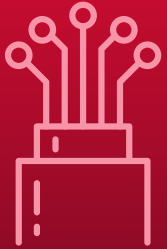
Growth Strategy

Increase Market Share and Content Per Platform

Long-Term Growth Drivers

Product Innovation Drives Opportunity to Grow Content and Market Share

FIBER GATEWAY



WIFI



**WIRELESS
INFRASTRUCTURE**



OPTICAL

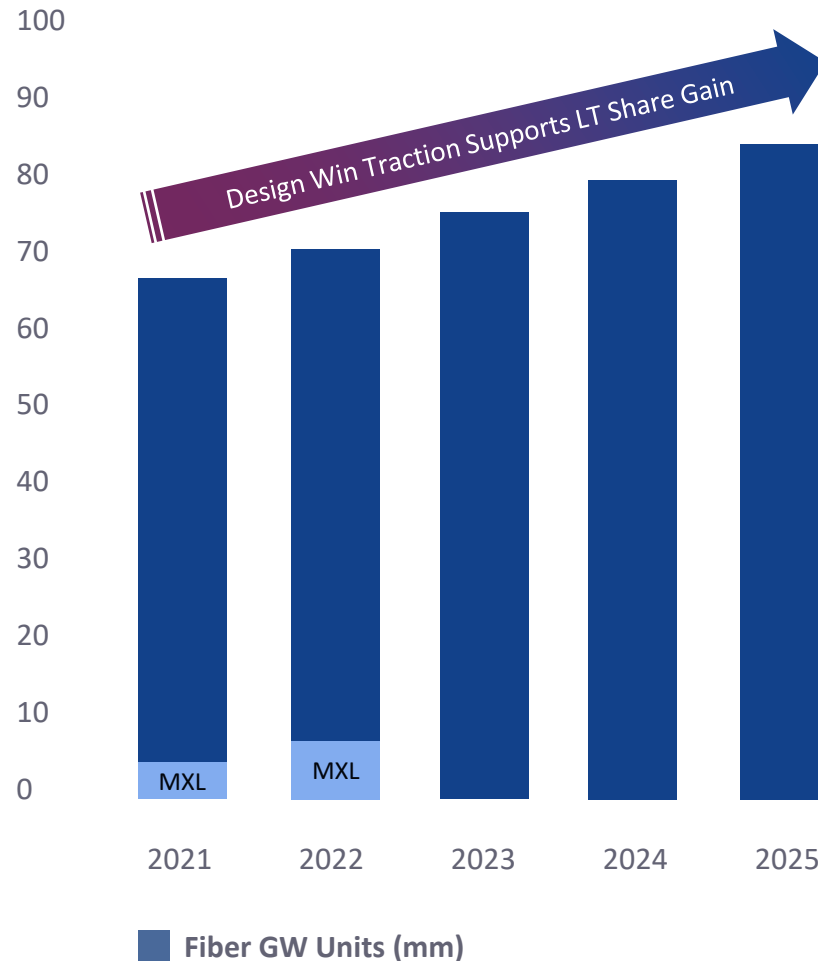


STORAGE



Fiber Gateway

Capturing new fiber gateway design wins



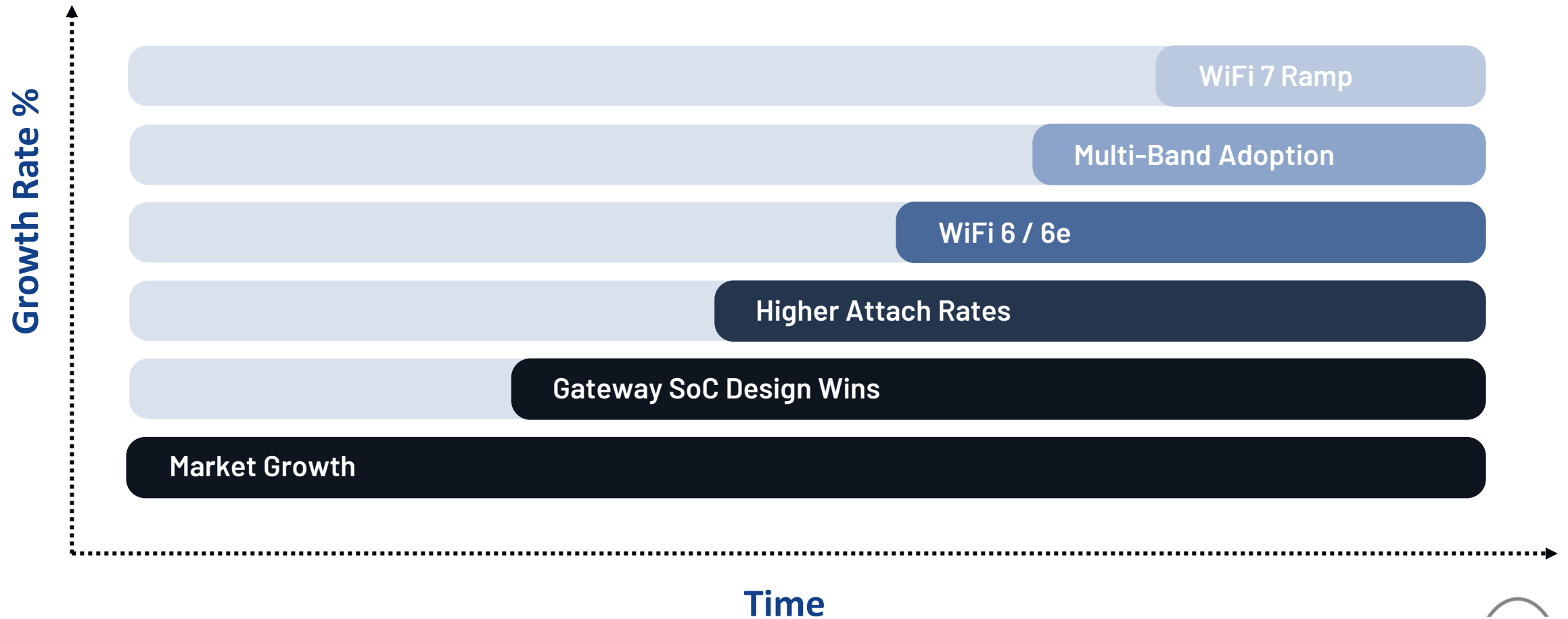
Fiber gateway wins in North America to drive initial share gain

Current fiber gateway design win pipeline of \$300M+ in play

Gateway SoC share gains pull through ~\$20 of additional silicon content

WiFi

Attach rates, share gain, and product cycles will accelerate growth over time

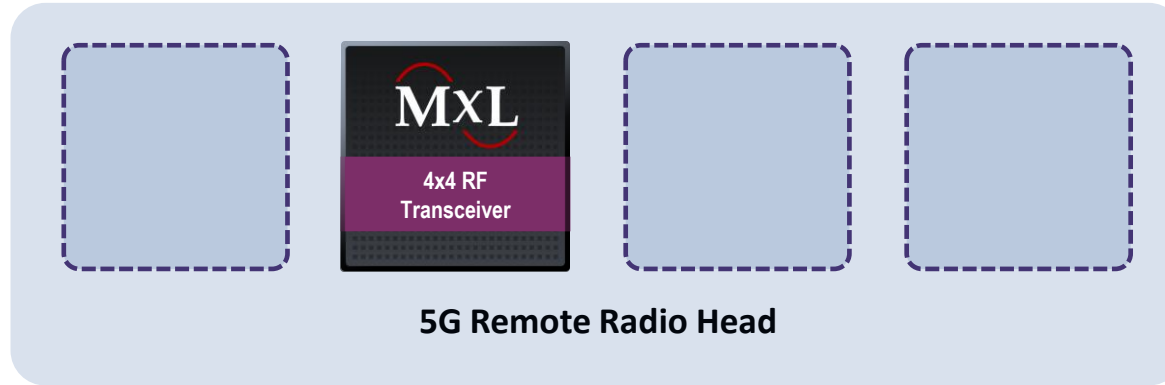


Wireless Infrastructure

Scaling product offerings across existing applications

Wireless Access

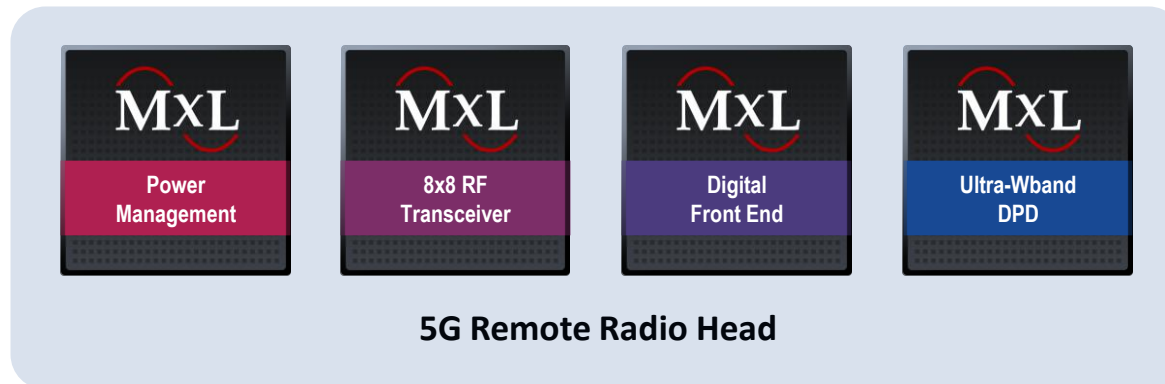
FY19



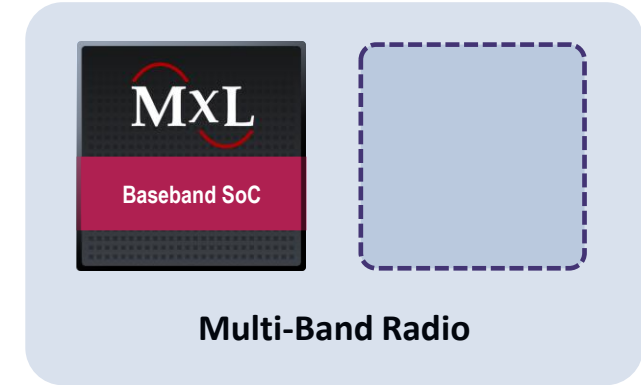
Content opportunity
up by >4x



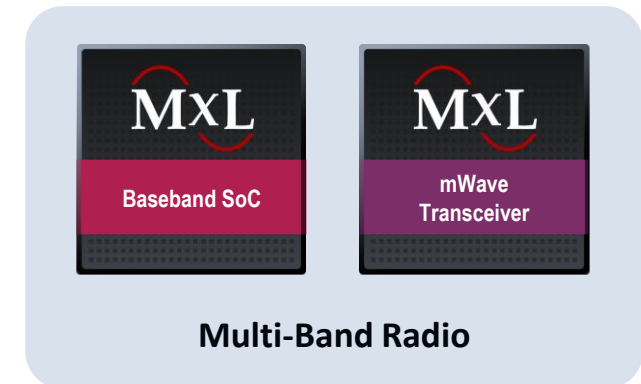
FY22



Wireless Backhaul

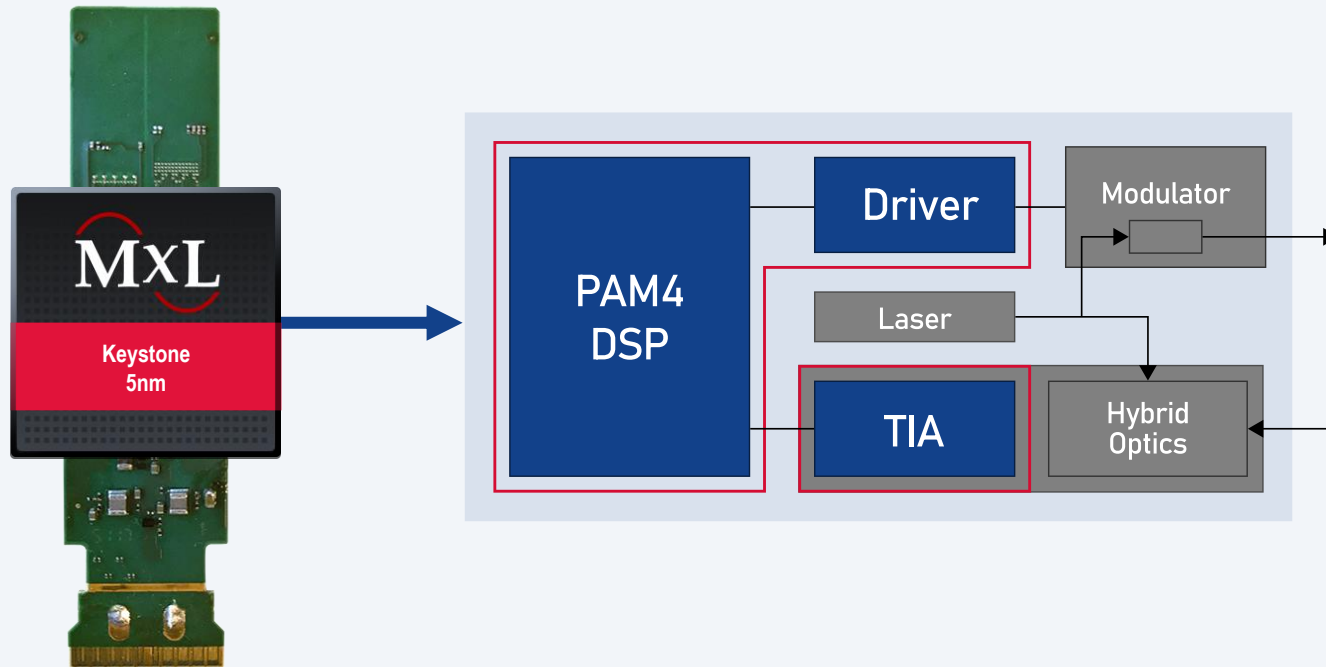


Content opportunity
up by >3x



Optical

Best-in-class technology poised to disrupt hyperscale DC interconnect



Keystone is the industry's first 5nm 800G PAM4 DSP with integrated EML driver

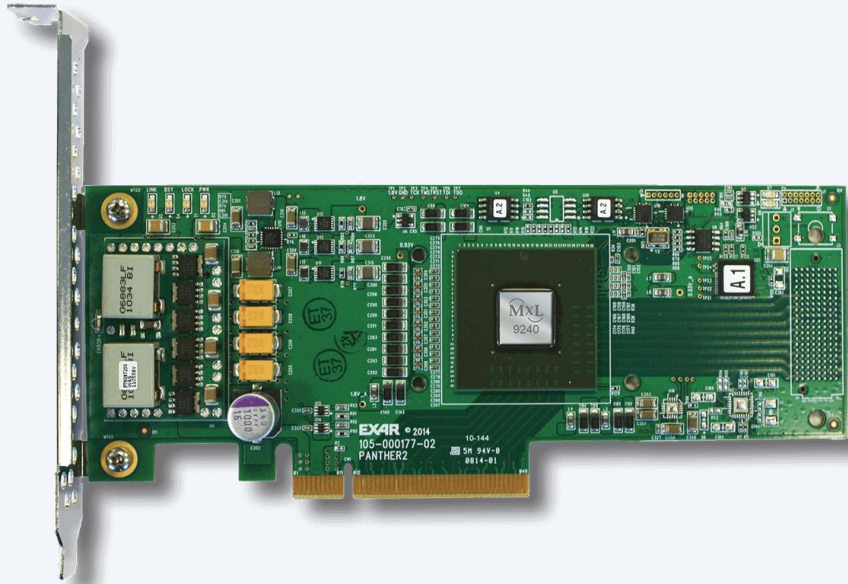
Best-in-class power consumption with 12mm² package to enable next-gen optical module form factors

New PAM4 DSP offering expands presence across all major markets by line speed and increases SAM

Sampling currently with shipments poised to intercept data center 400G/800G upgrade cycles

Storage

New product introductions drive share in growing infrastructure space



**9240 Processor &
DX2040 PCIe Card**

40Gbps to 640Gbps
solutions optimized for
storage, IPsec and SSL

Delivers deflate level 4
compression ratios with
10x lower latency

Plug-and-play hardware
acceleration solutions

AlterHD
Compression
for Hadoop

AlterStor
Compression for
Storage

Zlib

OpenSSL

CryptoAPI

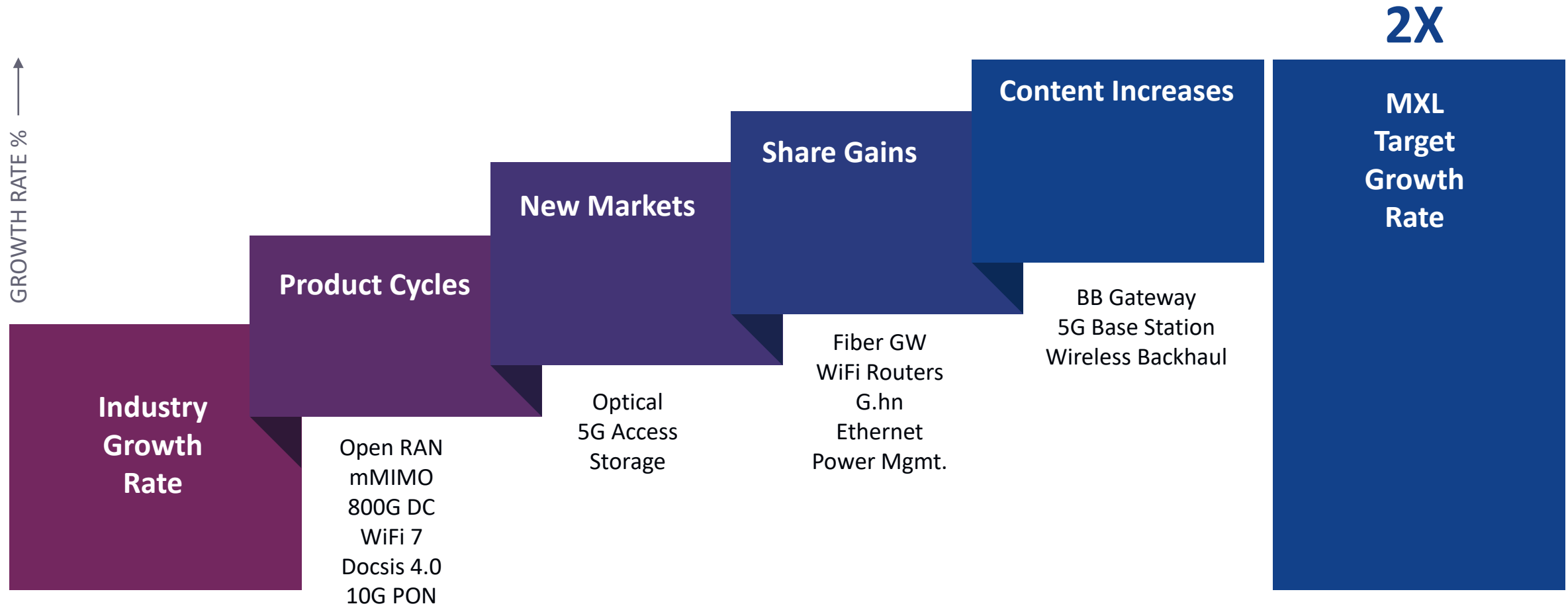


Financial Strategy

Drive operating leverage and shareholder returns

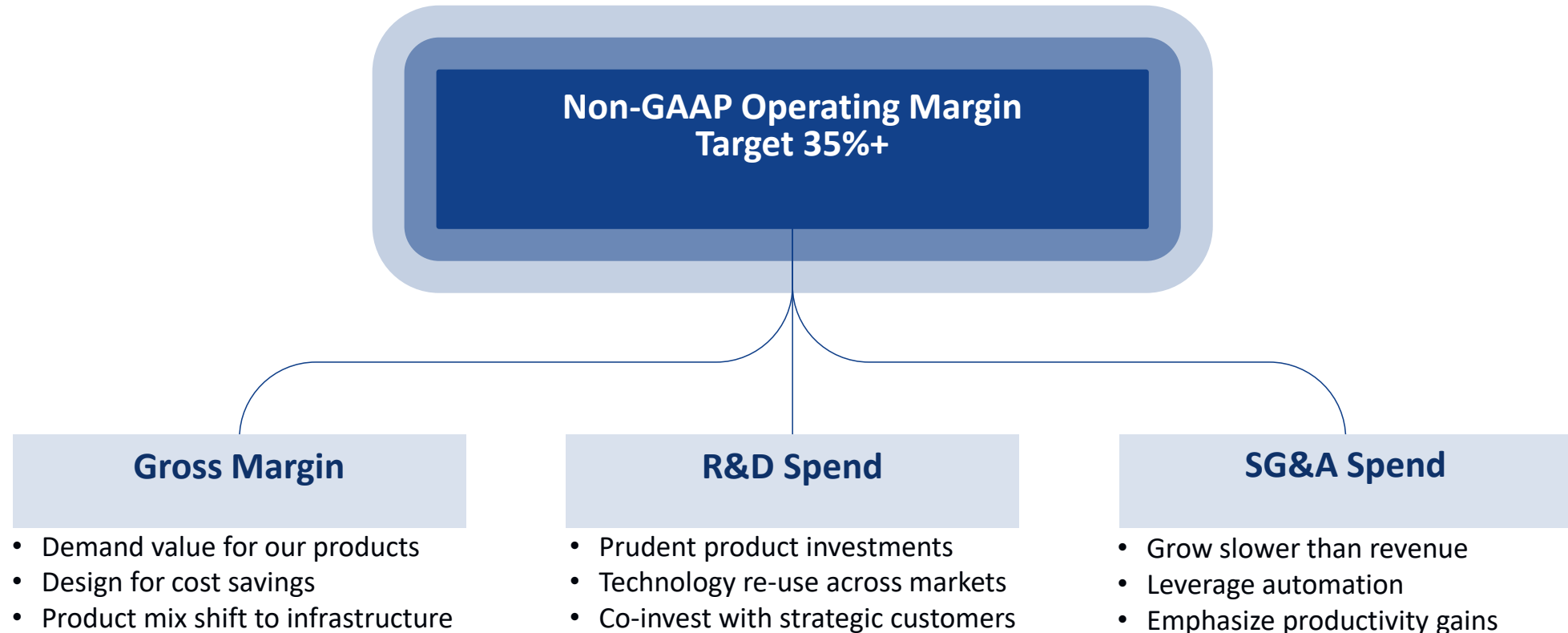
Revenue Growth

Drive sales expansion by at least 2x the semiconductor industry growth rate



Margin Expansion

Drive operating leverage with higher gross margin and increasing productivity



Long-Term Non-GAAP Target Model

Target model achieves significant operating leverage over time

Revenue Growth Rate	2x Market	Share/content growth + product cycles
Gross Margin	65%	Lower product costs + richer mix
Operating Expenses	50% of Sales Growth	Drive new project ROI + customer NRE
Operating Margin	35%+	Revenue scale + prudent opex deployment
FCF Margin	30%+	Optimize cash conversion cycles

* Free Cash Flow (FCF) = Cash Flow from Operations less Capital Expenditures



Appendix

2023 GAAP to Non-GAAP Reconciliation

UNAUDITED RECONCILIATION OF NON-GAAP ADJUSTMENTS (in thousands, except per share data)

	Year Ended	
	December 31, 2023	December 31, 2022
GAAP gross profit	\$ 385,663	\$ 649,769
Stock-based compensation	763	735
Performance based equity	111	569
Amortization of purchased intangible assets	35,102	39,288
Non-GAAP gross profit	421,639	690,361
GAAP R&D expenses	269,504	296,442
Stock based compensation	(44,189)	(40,635)
Performance based equity	(7,568)	(28,463)
Acquisition and integration costs	(9,500)	(2,200)
Non-GAAP R&D expenses	208,247	225,144
GAAP SG&A expenses	132,156	168,008
Stock based compensation	(10,224)	(40,335)
Performance based equity	(3,874)	(11,610)
Amortization of purchased intangible assets	(2,881)	(11,955)
Acquisition and integration costs	(9,286)	(8,711)
Non-GAAP SG&A expenses	105,891	95,397

2023 GAAP to Non-GAAP Reconciliation

UNAUDITED RECONCILIATION OF NON-GAAP ADJUSTMENTS (in thousands, except per share data)

	Year Ended	
	December 31, 2023	December 31, 2022
GAAP impairment losses	2,438	2,811
Impairment losses	(2,438)	(2,811)
Non-GAAP impairment losses	—	—
GAAP restructuring expenses	19,786	2,265
Restructuring charges	(19,786)	(2,265)
Non-GAAP restructuring expenses	—	—
GAAP income (loss) from operations	(38,221)	180,243
Total non-GAAP adjustments	145,722	189,577
Non-GAAP income from operations	107,501	369,820
GAAP interest and other income (expense), net	(25,589)	(6,045)
Non-recurring interest and other income (expense), net	18,628	241
Non-GAAP interest and other income (expense), net	(6,961)	(5,804)

2023 GAAP to Non-GAAP Reconciliation

UNAUDITED RECONCILIATION OF NON-GAAP ADJUSTMENTS (in thousands, except per share data)

	Year Ended	
	December 31, 2023	December 31, 2022
GAAP income (loss) before income taxes	\$ (63,810)	\$ 174,198
Total non-GAAP adjustments before income taxes	164,350	189,818
Non-GAAP income before income taxes	100,540	364,016
GAAP income tax provision	9,337	49,158
Adjustment for non-cash tax benefits/expenses	717	(27,317)
Non-GAAP income tax provision	10,054	21,841
GAAP net income (loss)	(73,147)	125,040
Total non-GAAP adjustments before income taxes	164,350	189,818
Total tax adjustments	717	(27,317)
Non-GAAP net income	\$ 90,486	\$ 342,175
Shares used in computing non-GAAP basic net income per share	80,719	78,039
Shares used in computing non-GAAP diluted net income per share	81,929	80,852
Non-GAAP basic net income per share	\$ 1.12	\$ 4.38
Non-GAAP diluted net income per share	\$ 1.10	\$ 4.23

2023 GAAP to Non-GAAP Reconciliation

UNAUDITED RECONCILIATION OF NON-GAAP ADJUSTMENTS (in thousands, except per share data)

	Year Ended	
	December 31, 2023	December 31, 2022
GAAP gross margin	55.6 %	58.0 %
Stock-based compensation	0.1 %	0.1 %
Performance based equity	— %	0.1 %
Amortization of purchased intangible assets	5.1 %	3.5 %
Non-GAAP gross margin	60.8 %	61.6 %
GAAP operating margin	(5.5)%	16.1 %
Total non-GAAP adjustments	21.0 %	16.9 %
Non-GAAP operating margin	15.5 %	33.0 %



Thank you