



# INVESTOR DAY 2021

October 6 • Virtual Event

# Introduction

**Ashish Saran**

Vice President, Investor Relations

October 6, 2021



# Agenda



Topic	Presenter
Accelerating the cloud disruption	Matt Murphy President and CEO
Delivering cloud-optimized silicon	Raghib Hussain President, Products & Technologies
Leading the electro-optics revolution	Loi Nguyen EVP, Optical & Copper Connectivity
Marvell's storage transformation	Dan Christman EVP, Storage Business Group
Gaining share in networking	Nariman Yousefi EVP, Automotive, Coherent DSP & Switching
Driving compute disruption	Raghib Hussain President, Products & Technologies
Driving sustainable growth at scale	Jean Hu Chief Financial Officer
Q&A session	All

# Forward-looking statements

- Except for statements of historical fact, this presentation contains forward-looking statements (within the meaning of the federal securities laws) including, but not limited to, statements related to market trends and to the company's business and operations, business opportunities, growth strategy and expectations, and financial targets and plans, 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 factors that could cause Marvell's results to vary from expectations, please see the risk factors identified in Marvell's Quarterly Report on Form 10-Q for the fiscal quarter ended July 31, 2021 as filed with the SEC on August 27, 2021 and other factors detailed from time to time in Marvell's filings with the SEC. The forward-looking statements in this presentation speak only as of the date of this presentation and Marvell undertakes no obligation to revise or update publicly any forward-looking statements.

# Non-GAAP financial measures

- During 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 in accordance with SEC Regulation G for the non-GAAP financial measures used in these slides is available in the financial statements section of this presentation and/or in the Investor Relations section of our website at <https://www.marvell.com>.

# Basis of presentation

## Fiscal Year vs Calendar Year

- Financial measures in this presentation correspond to Marvell's fiscal calendar
- Marvell's fiscal year is the 52- or 53-week period ending on the Saturday closest to January 31
- As an example, FY2021 refers to the period February 2, 2020, through January 30, 2021
- We will be referring to calendar years in presenting external market data

# Accelerating the cloud disruption

**Matt Murphy**

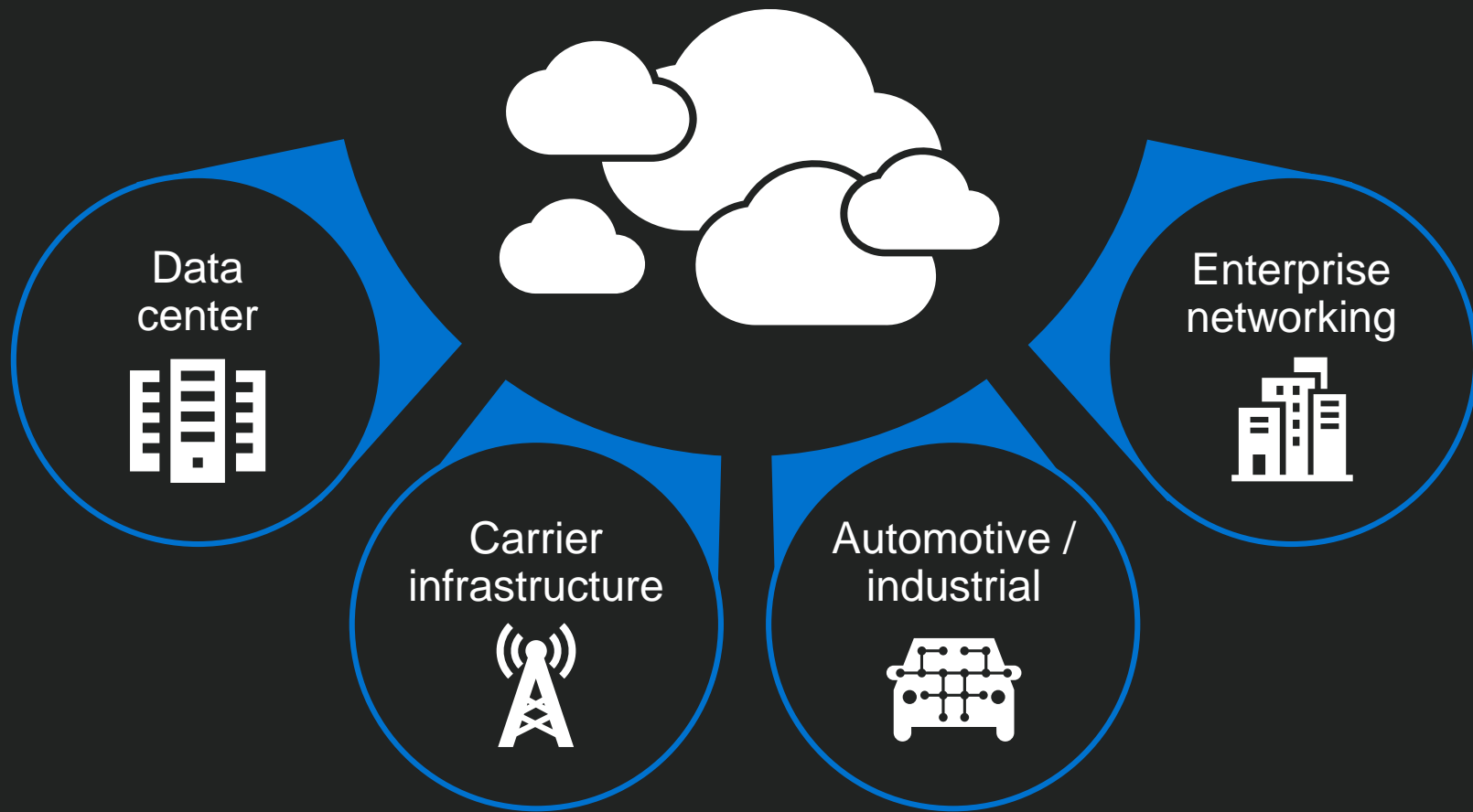
President & Chief Executive Officer

October 6, 2021



# Cloud-optimized silicon





# The era of cloud-optimized silicon

Software on x86  
for everything

Heterogeneous  
computing

Cloud-optimized  
silicon

CPU

CPU

GPU

FPGA

Custom  
CPU

Custom  
ML

Custom  
DPU

Custom  
CPU

Custom  
ML

Custom  
DPU

# The era of cloud-optimized silicon

Software on x86  
for everything

Heterogeneous  
computing

Cloud-optimized  
silicon

CPU

CPU

GPU

FPGA

Compute

Storage

Networking

Security

Electro-optics

# Every cloud is unique

Search

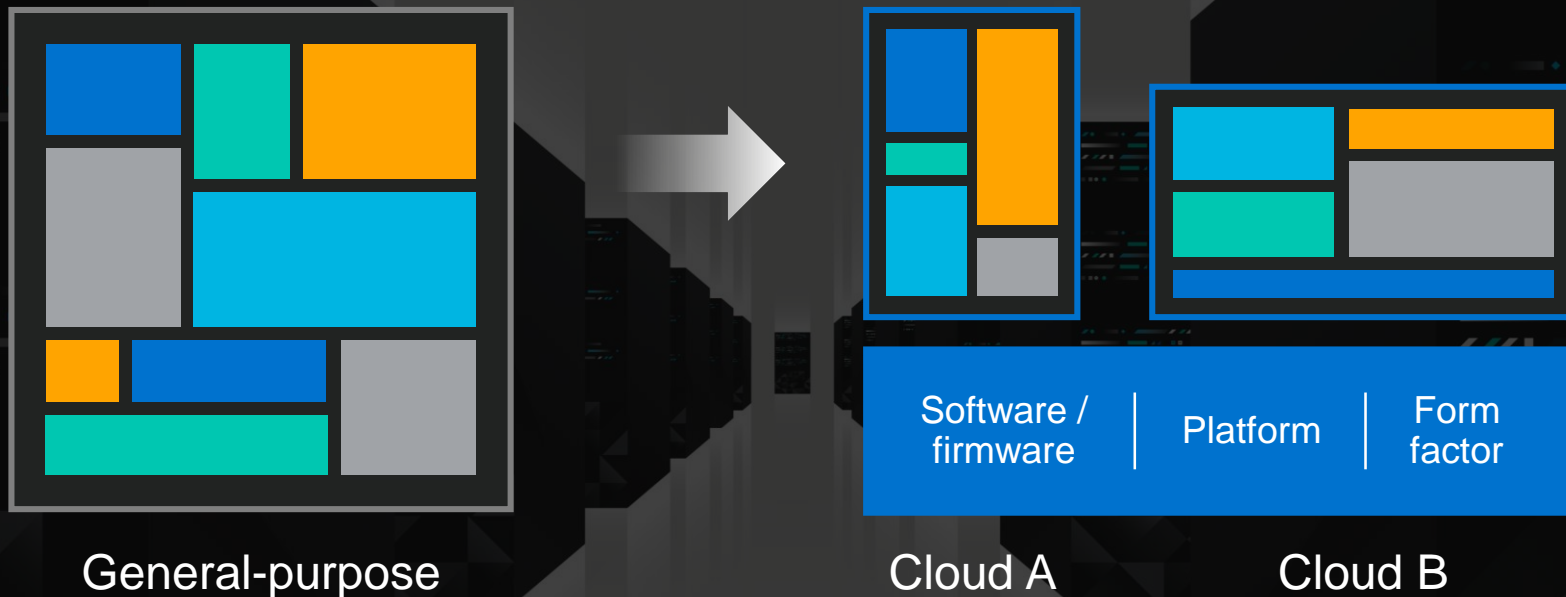
eCommerce

Enterprise  
applications

IaaS

Social  
media

# What is cloud-optimized silicon?



# Cloud-optimized silicon goes mainstream



Facebook is developing in-house AI chips for video transcoding, recommendations

**techradar**pro IT INSIGHTS FOR BUSINESS

Google has designed a new chip to help load YouTube videos faster

**Bloomberg**  
Microsoft Designing Its Own Chips for Servers, Surface PCs



Amazon's cloud unit taps own chips for new supercomputing offering

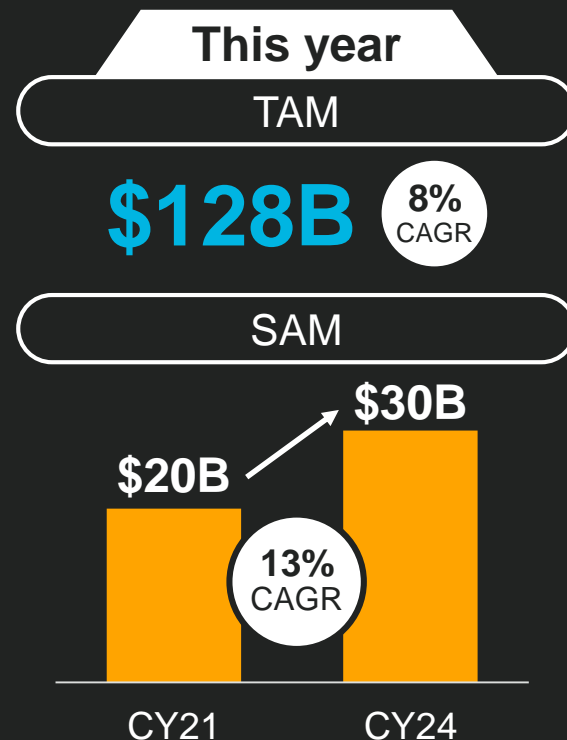
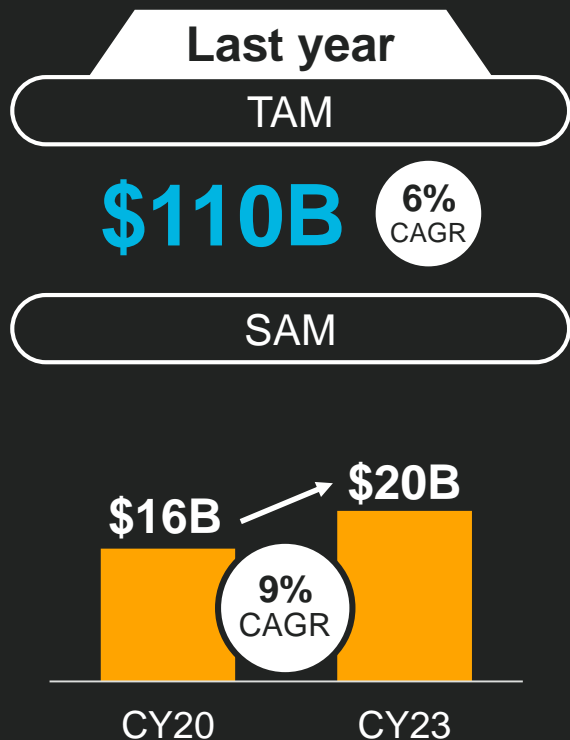


Baidu creates Kunlun silicon for AI

**VB**  
What Google's AI-designed chip tells us about the nature of intelligence

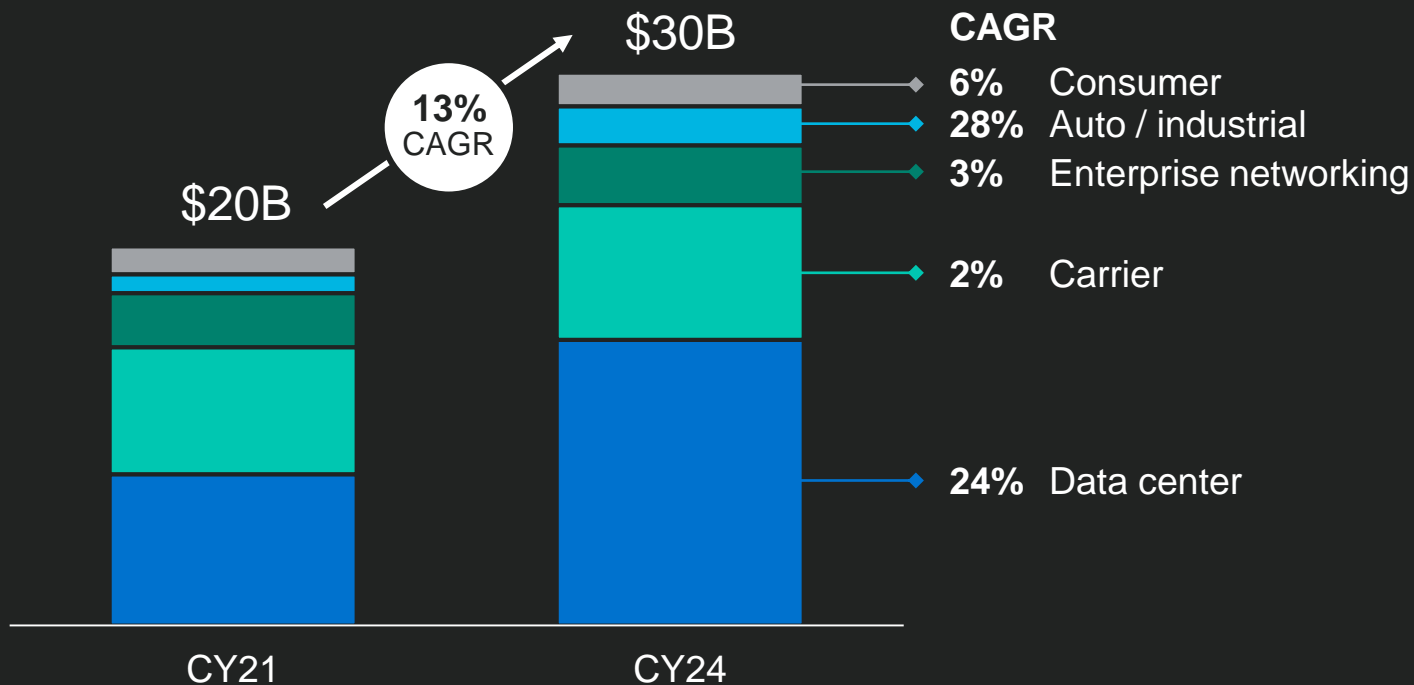
**We are the essential silicon partner to the cloud**

# Expanding our market opportunity



Source: 650 Group, Cignal AI, Crehan, Dell'Oro, Forward Insights, Gartner, LightCounting, Linley Group, Omdia, Strategy Analytics, Trend Focus and Marvell estimates

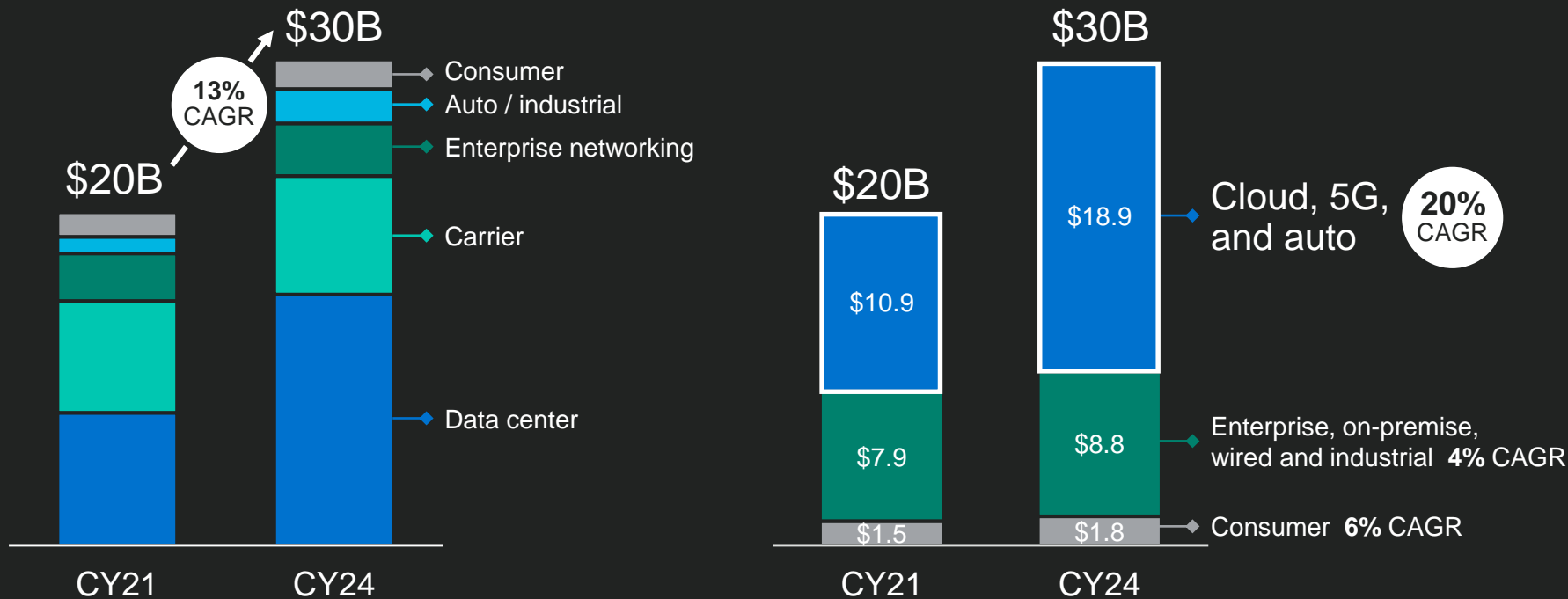
# Our opportunity by end market



Source: 650 Group, Cignal AI, Crehan, Dell'Oro, Forward Insights, Gartner, LightCounting, Linley Group, Omdia, Strategy Analytics, Trend Focus and Marvell estimates

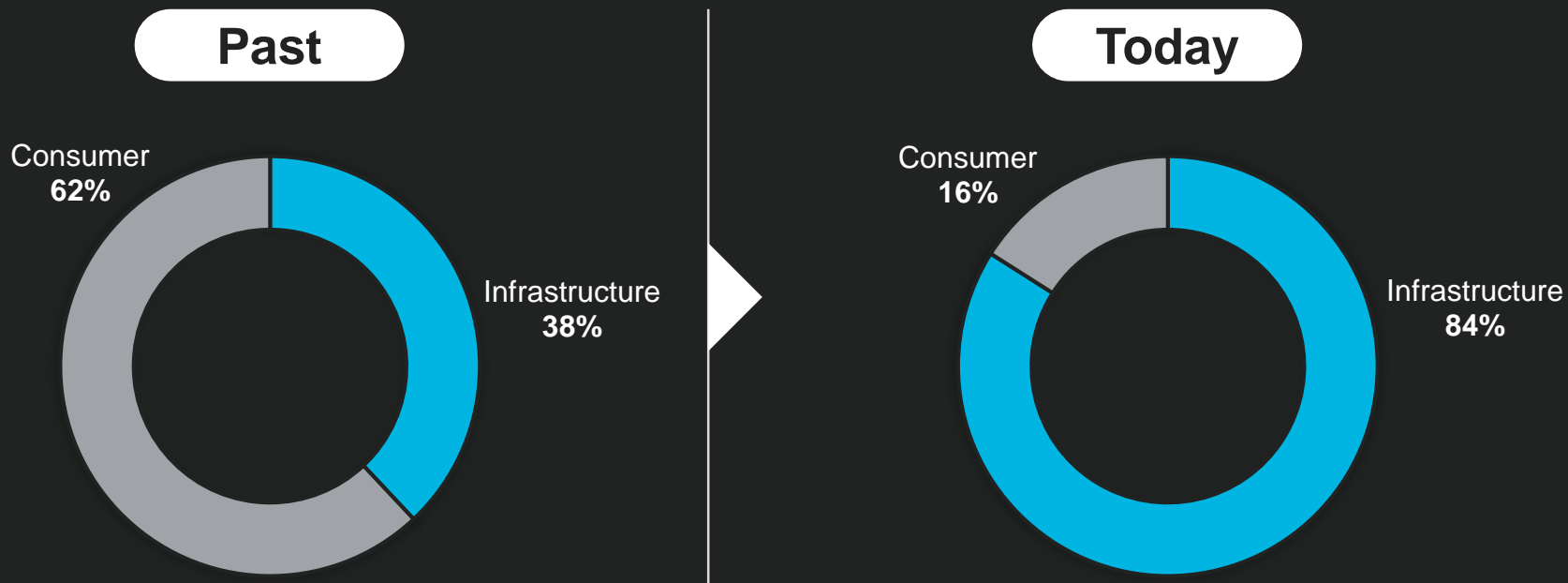


# Our opportunity by end market



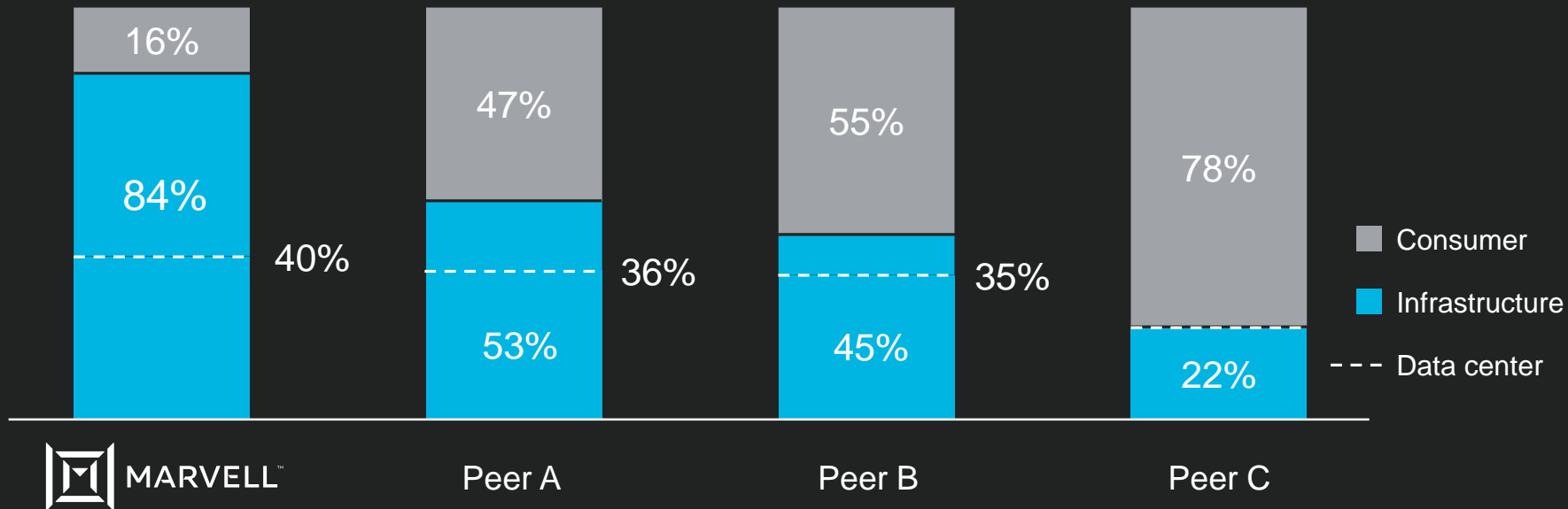
Source: 650 Group, Cignal AI, Crehan, Dell'Oro, Forward Insights, Gartner, LightCounting, Linley Group, Omdia, Strategy Analytics, Trend Focus and Marvell estimates

# Revenue transformation to data infrastructure



\*Past: FY2017 | Today: Q2FY22

# Revenue mix relative to peers



**Marvell is industry's pure play infrastructure company**

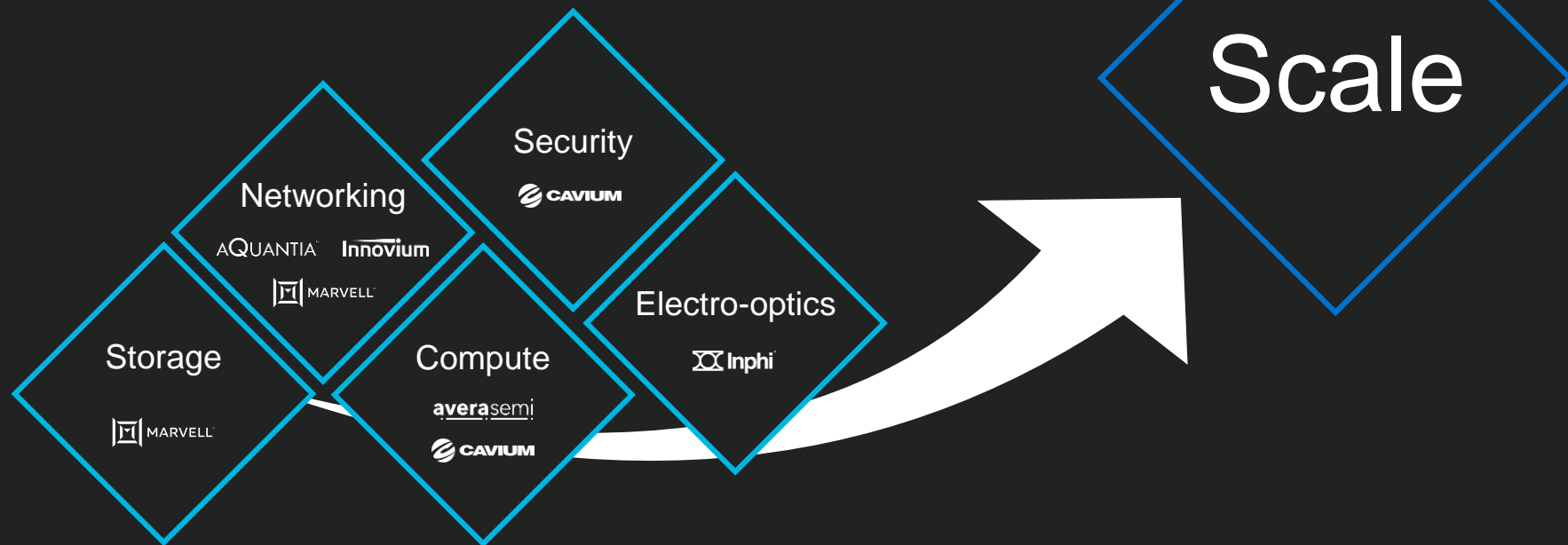
Source: FactSet and Marvell estimates

© 2021 Marvell. All rights reserved.

MARVELL INVESTOR DAY 2021

19

# Whole is greater than the sum of the parts



**Complete platform – we have all the pieces**

# Scaling for growth



Products and  
technology



Customer-centric  
approach



Operational  
scale



People  
and culture



Products and  
technology



Customer-centric  
approach

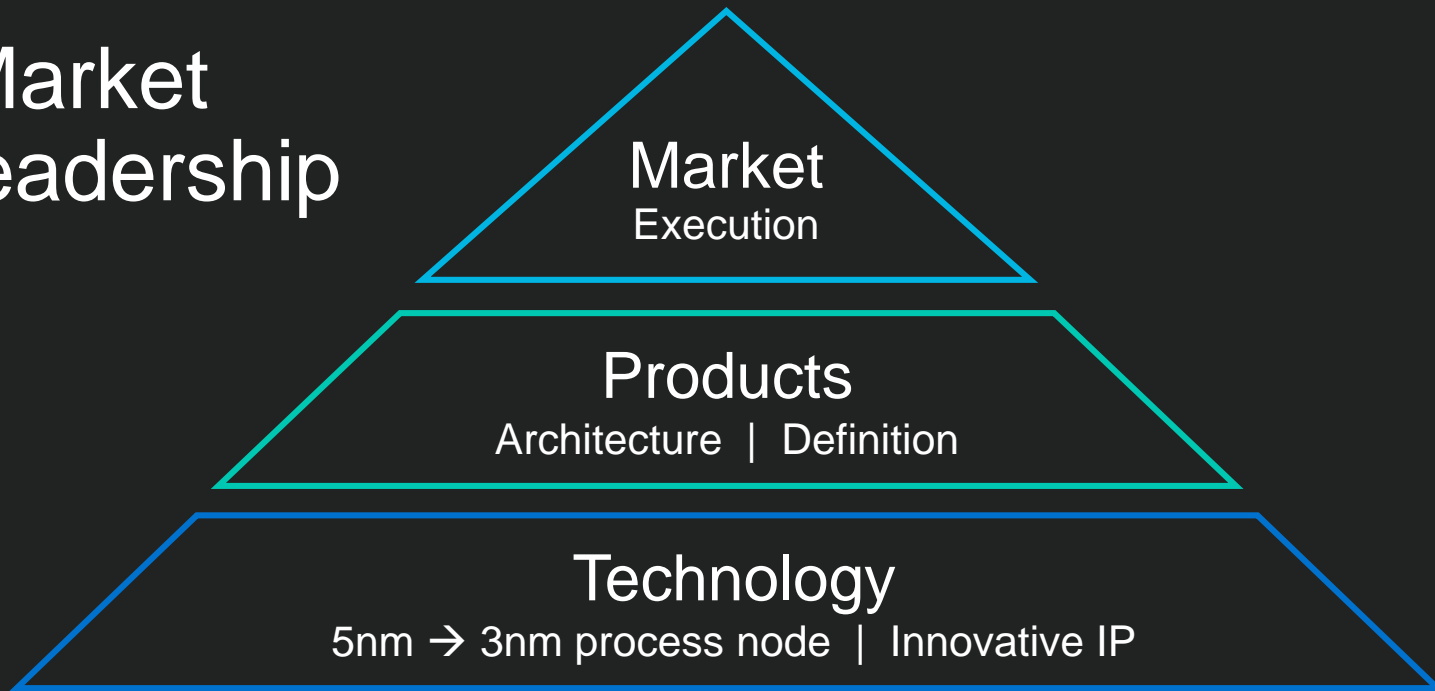


Operational  
scale



People  
and culture

# Market leadership





Products and  
technology



Customer-centric  
approach



Operational  
scale



People  
and culture

# Partnering with leading customers

**\$100M+**  
customers growing  
13 → 17 → 19

Partnering and  
**co-investing**  
with customers

**Extension of our customers' engineering teams**



Products and  
technology



Customer-centric  
approach

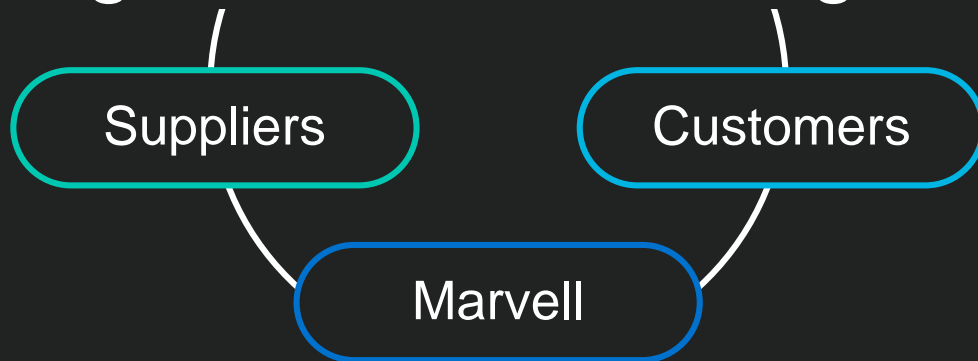


Operational  
scale



People  
and culture

# Scaling operations to support our growth over the long-term



## Securing capacity for growth





Products and  
technology



Customer-centric  
approach



Operational  
scale



People  
and culture

# Destination for diverse talent





Products and  
technology



Customer-centric  
approach



Operational  
scale



People  
and culture



Marvell Wins  
GSA's Most  
Respected Public  
Semiconductor  
Company Award



**BEST PLACES TO WORK 2021**

SAN FRANCISCO  
BUSINESS TIMES

SILICON VALLEY  
BUSINESS JOURNAL

NORTH AMERICA

**IW**  
**INSPIRING**  
**WORKPLACES**  
AWARDS 2021

**GOLD AWARD WINNER**

**SIA** SUMMIT  
INTERNATIONAL  
AWARDS



**Marvell places in four categories  
in the 2021 All-America  
Executive Team Rankings**



**Institutional  
Investor**

**Marvell recognized for  
generosity and giving**

Marvell named San Francisco  
Business Times' Top 100 Bay  
Area Corporate Philanthropists



Essential technology.  
done right.





Products and  
technology



Customer-centric  
approach



Operational  
scale



People  
and culture

# Supporting our environment

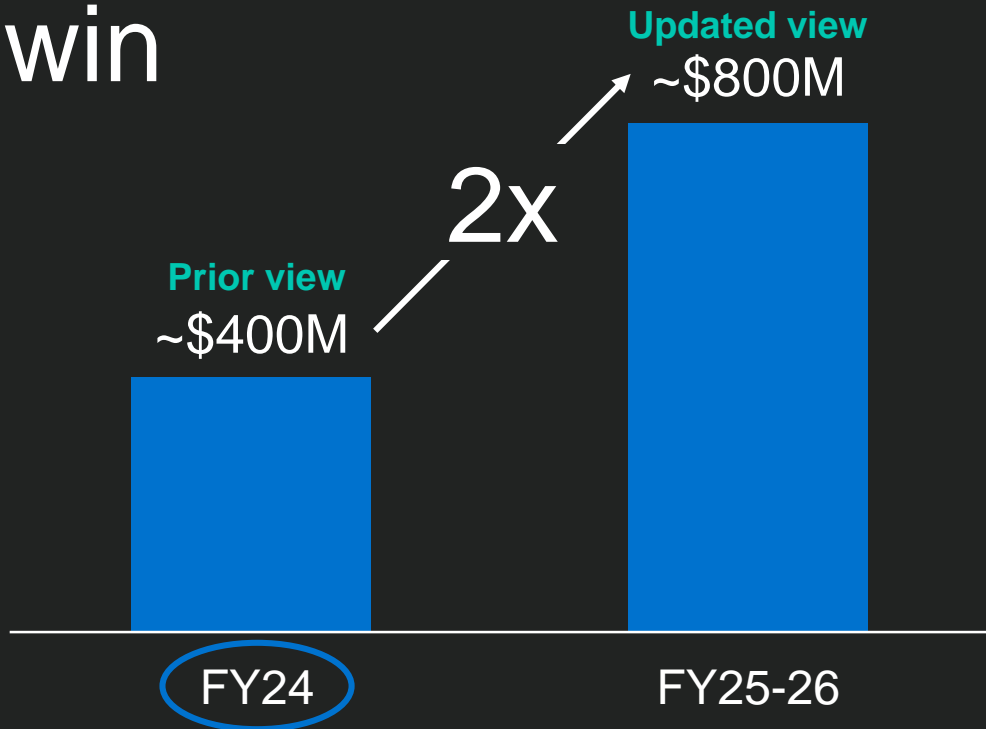
- Net zero emissions
- Science-based target of 1.5°C
- Increased public reporting

Poised to  
**capitalize**  
on cloud-optimized  
silicon disruption

We have  
all the pieces  
**to win**

**Scaling**  
to best opportunity  
in semiconductors

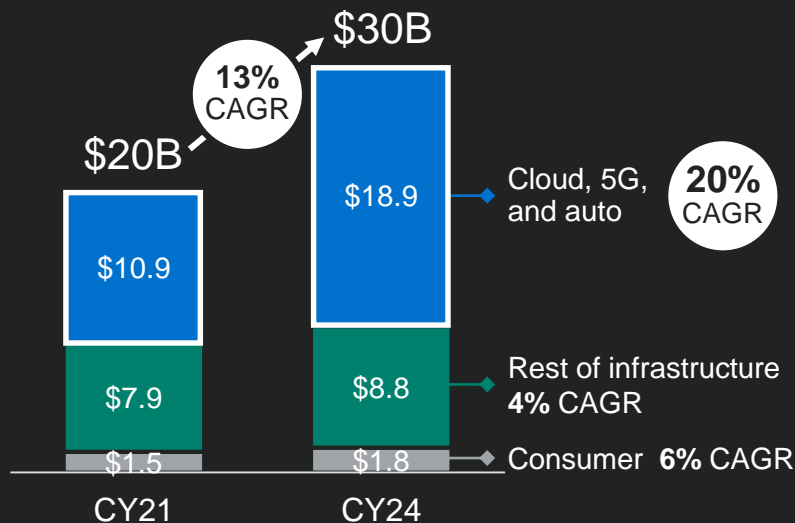
# Cloud design win momentum



**Incremental revenue significantly larger ... and sooner**

# Delivering accelerated revenue growth

## Market segment SAM



End-market	Revenue*	Growth expectations
Cloud, 5G and auto	~ \$1.5B	2x of market
Rest of infrastructure	~ \$2.2B	Above market
Consumer	~ \$0.6B	Below market
<b>Long-term target 15-20%</b>		

\*Annualized revenue based on Q2-FY22 for Marvell including Inphi

Source: 650 Group, Cignal AI, Crehan, Dell'Oro, Forward Insights, Gartner, LightCounting, Linley Group, Omdia, Strategy Analytics, Trend Focus and Marvell estimates

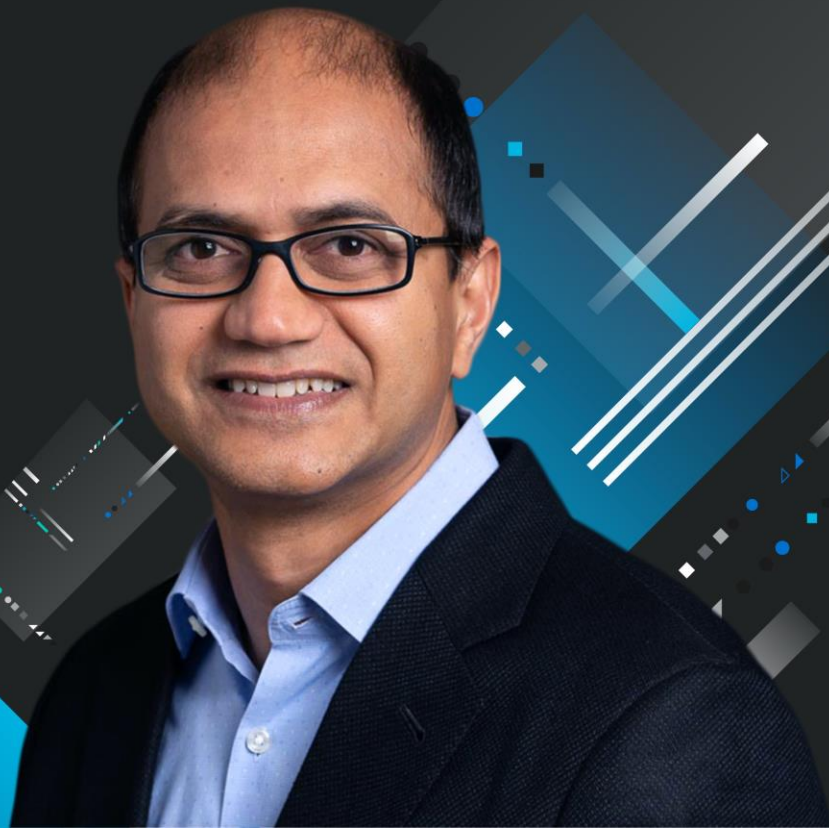


# Delivering cloud-optimized silicon

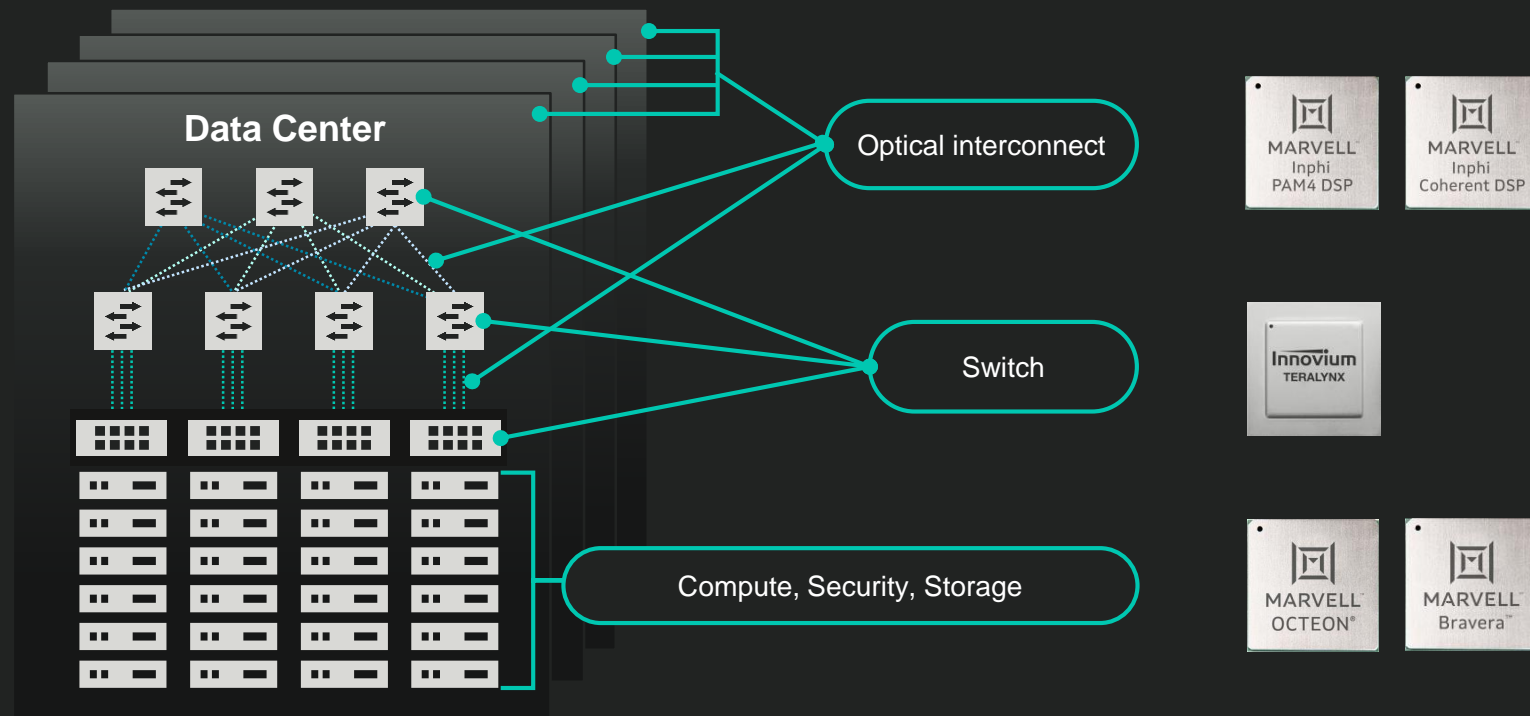
**Raghib Hussain**

President, Products and Technologies

October 6, 2021







# Cloud architectures



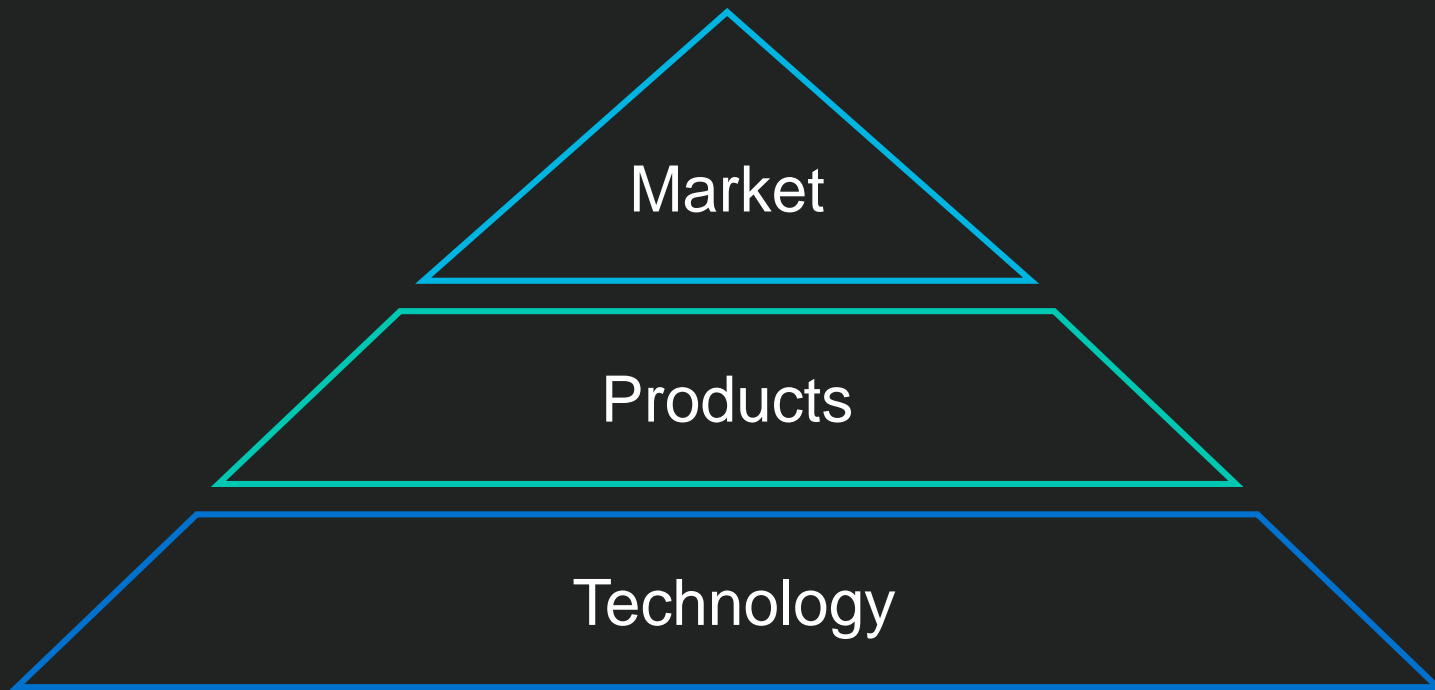
**Marvell has all the essential products from top to bottom**



# Unique cloud requirements

	Search optimized	Social media optimized
 <b>Compute</b>	High-performance CPU cores AI/ML acceleration	Many small CPU cores Video acceleration
 <b>Electro-optics</b>	Highest bandwidth	Optimized bandwidth
 <b>Networking</b>	High-bandwidth switch	High-port-count switch
 <b>Storage</b>	Low latency	Highest capacity

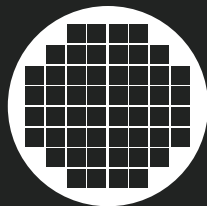
# Cloud-optimized silicon leadership



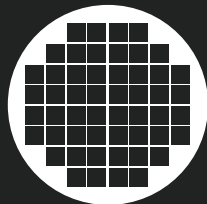
# Technology leadership

## Process node

**NEW!**



**3nm**



**5nm**

## Advanced SerDes



**224 Gbps**

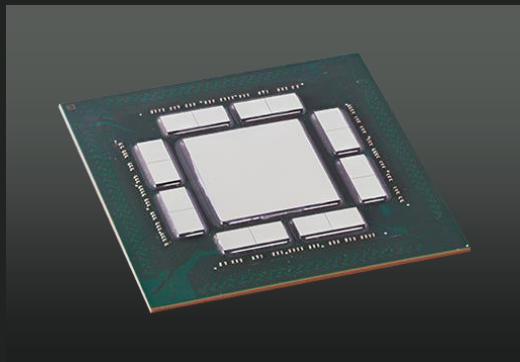
**NEW!**



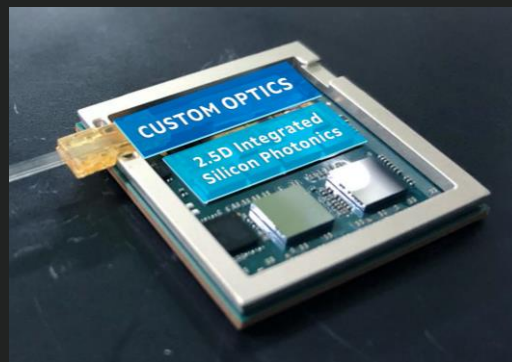
**112 Gbps**

# Advanced packaging

## Multi-die



## Co-packaged optics



# Leading products

## Storage



## Compute



## Electro-optics



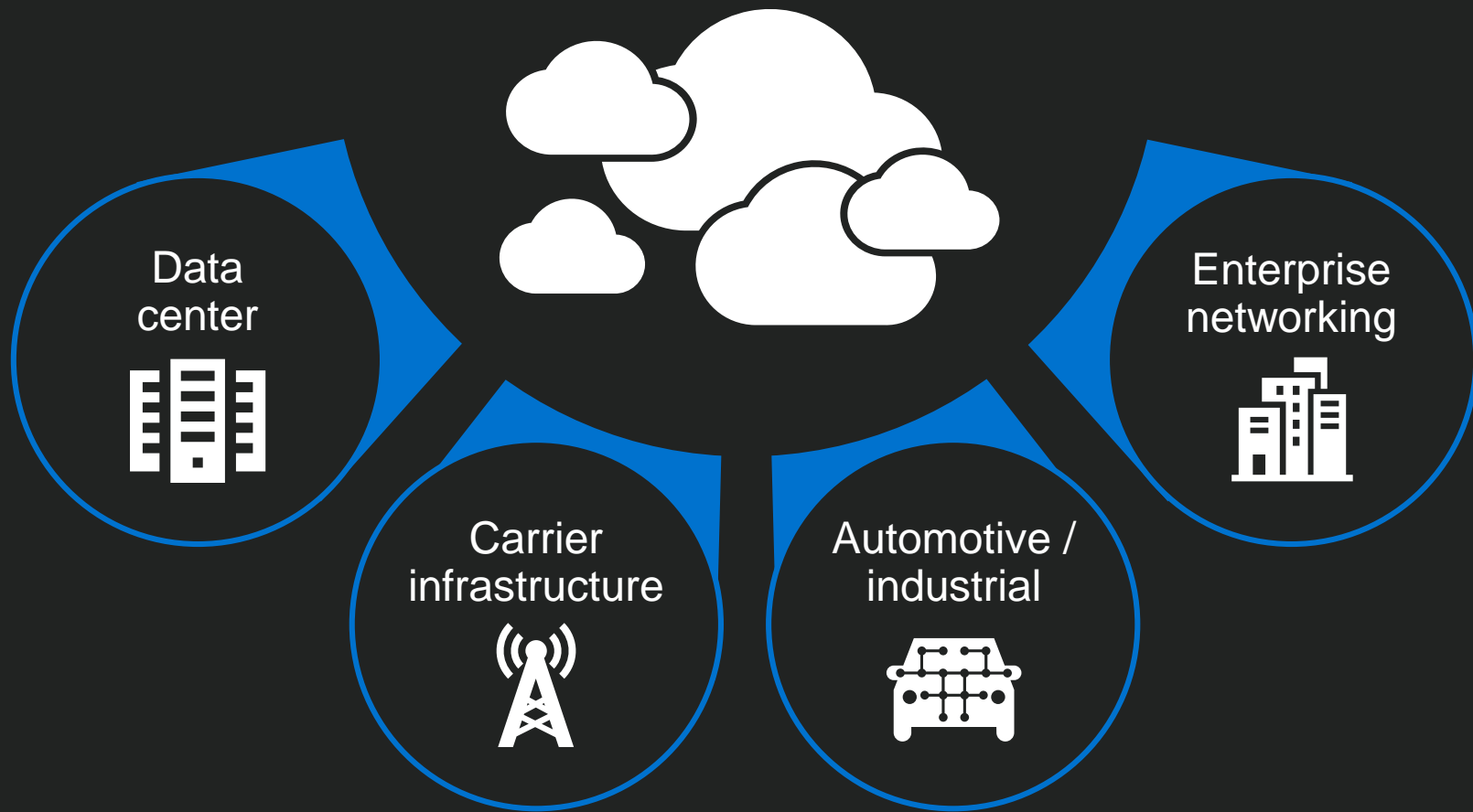
## Networking



## Security



Co-designing and innovating with customers



# Leading Electro-Optics Revolution

**Loi Nguyen**

Executive Vice President,  
Optical and Copper Connectivity  
October 6, 2021



# Electro-optics enables cloud data centers

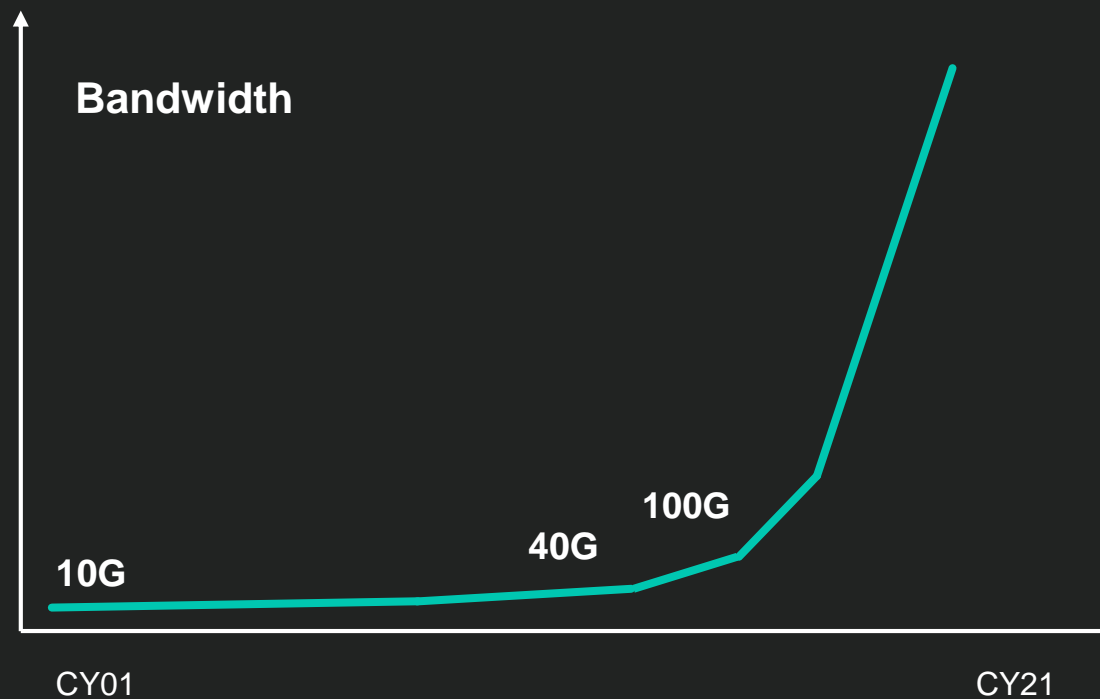


- High bandwidth
- Long reach
- Low power

**All links > 5m inside cloud data centers are electro-optics**

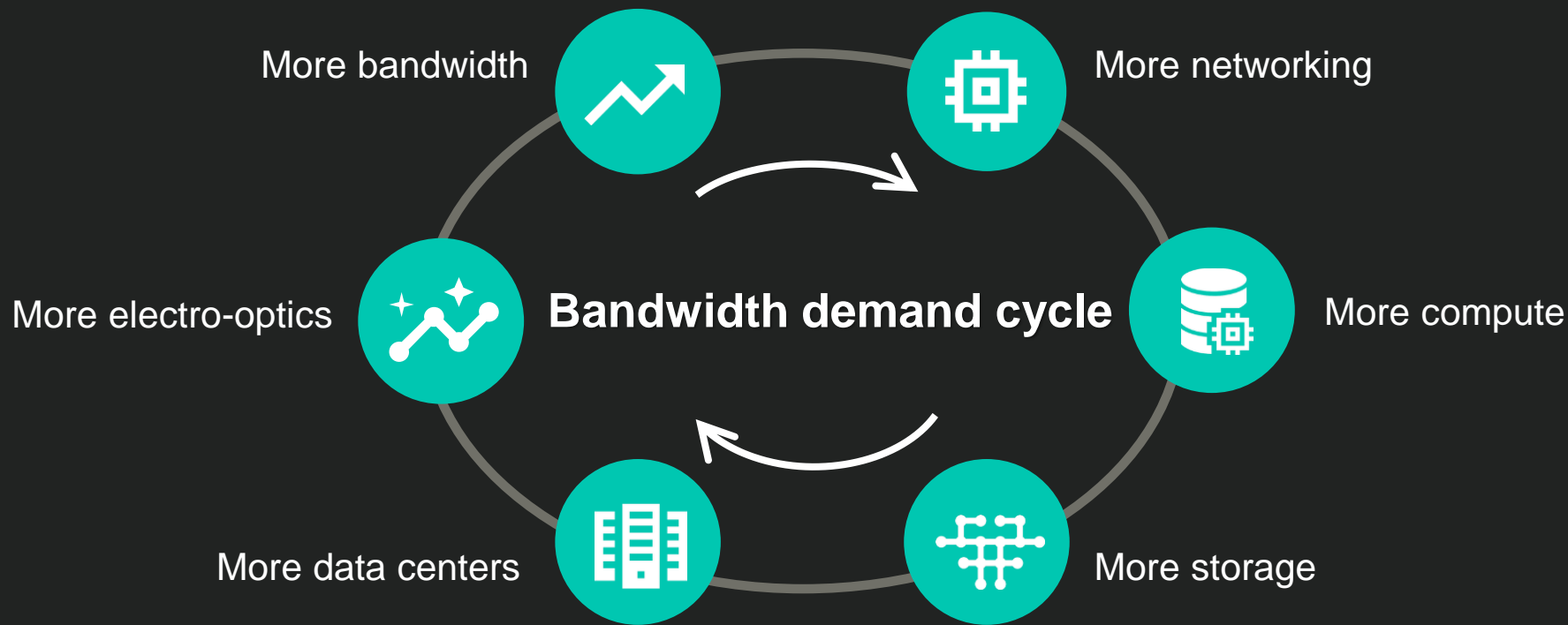


# Cloud data center bandwidth demand

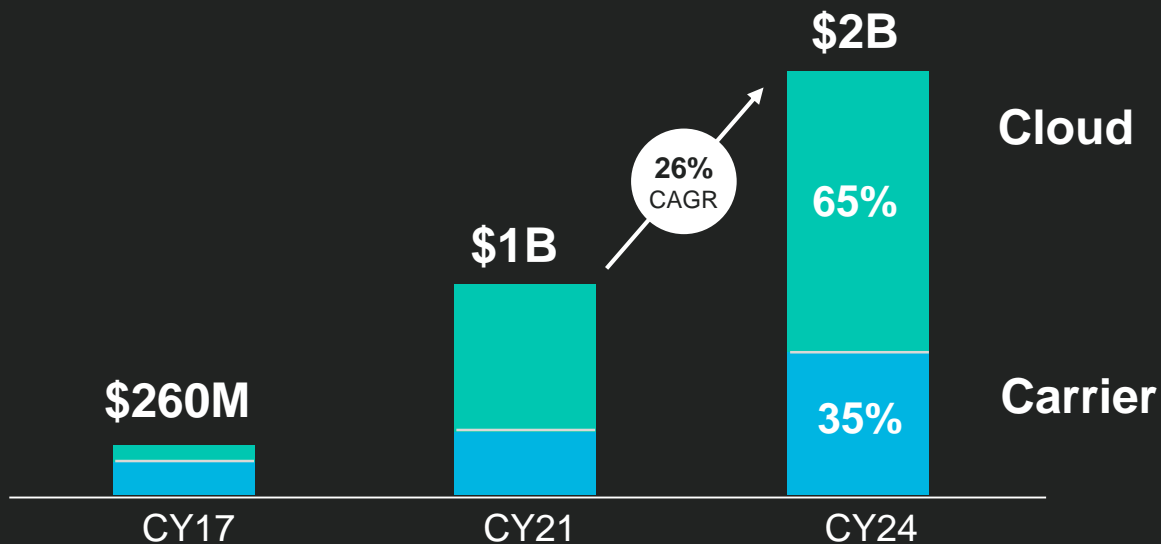


Source: Marvell estimates

# More bandwidth drives more of everything



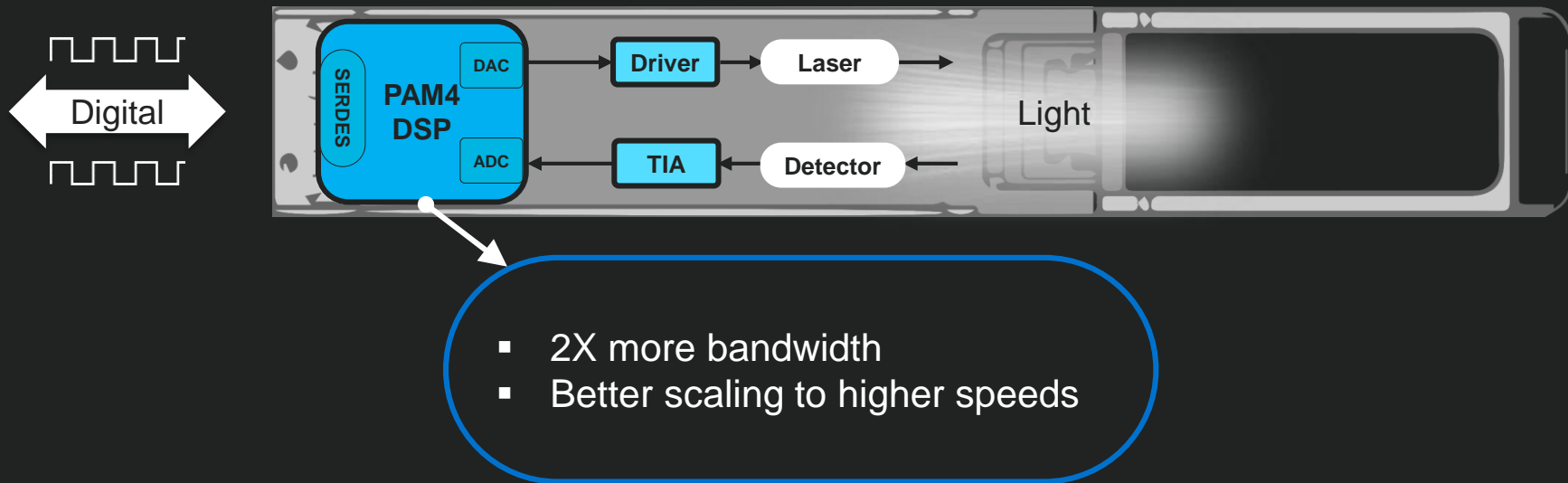
# Electro-optics growing SAM



Marvell electro-optics SAM

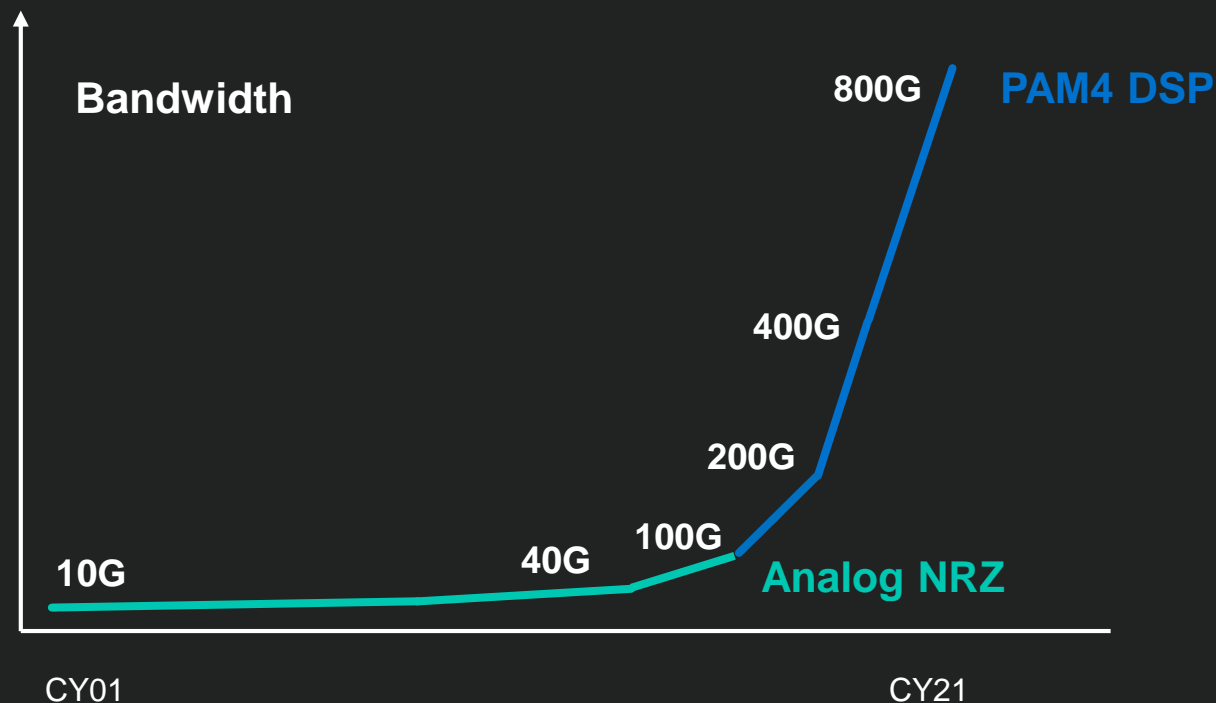
Source: 650 Group, Cignal AI, Dell'Oro, LightCounting & Marvell estimates

# Anatomy of electro-optics module



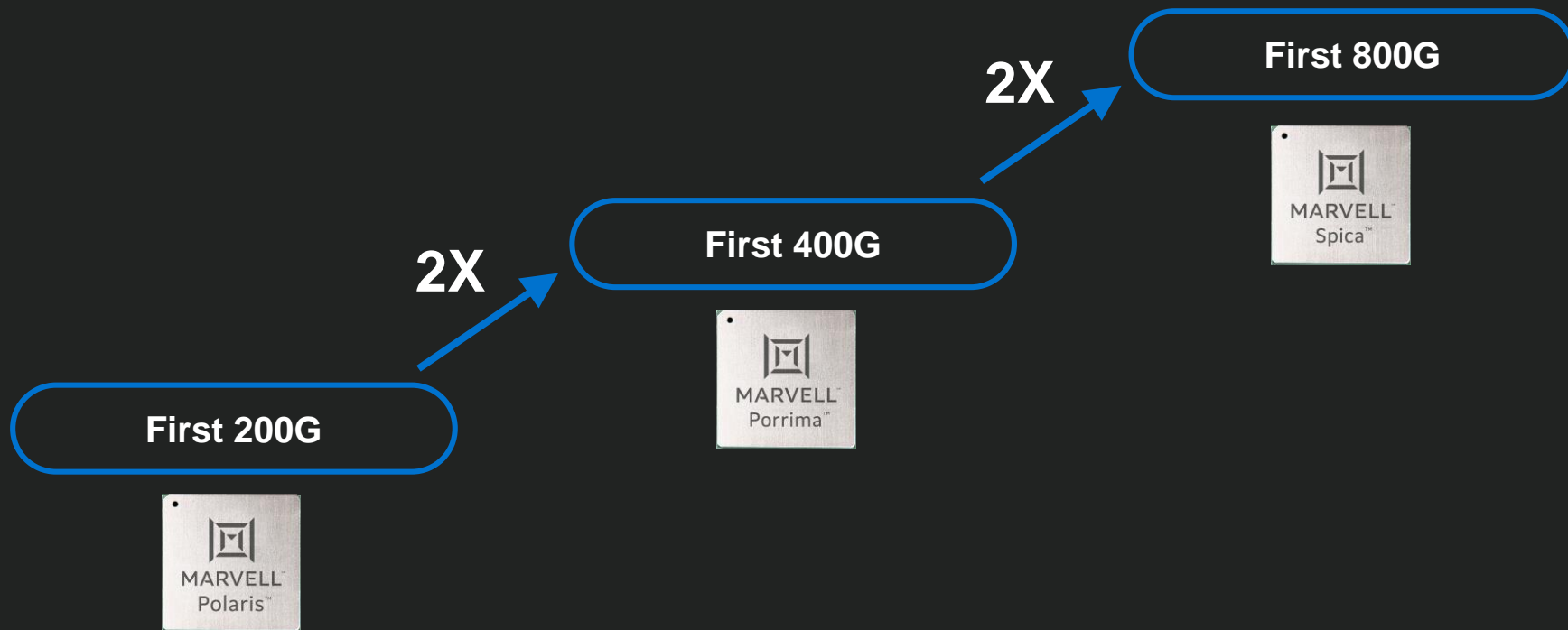
**PAM4 DSP accelerates bandwidth growth**

# PAM4 DSP scales bandwidth to new heights



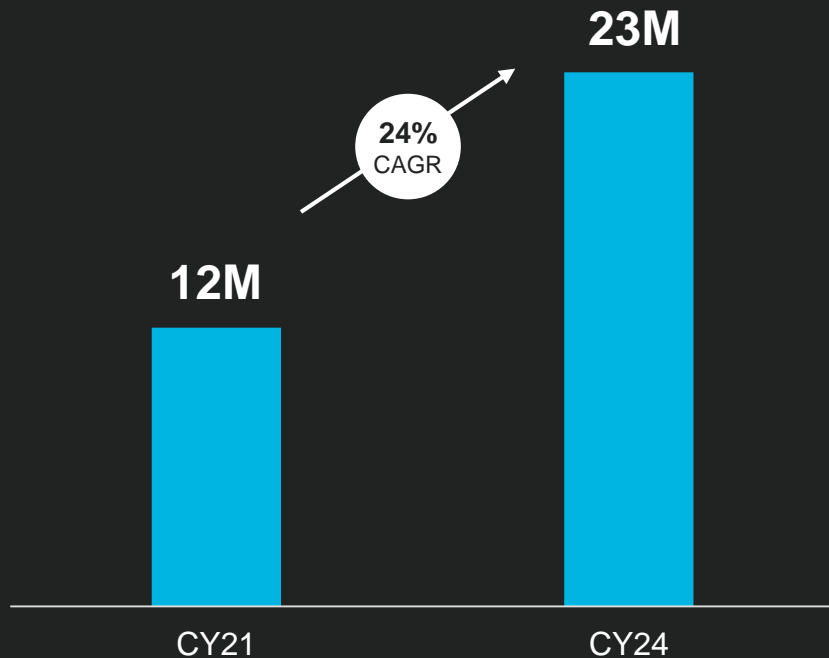
Source: Marvell estimates

# First for every PAM4 DSP generation



**Leadership in technology, product, market position**

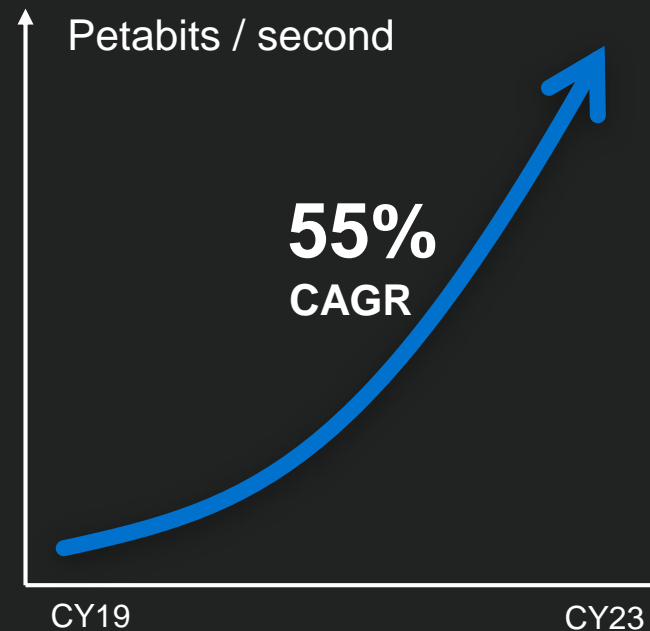
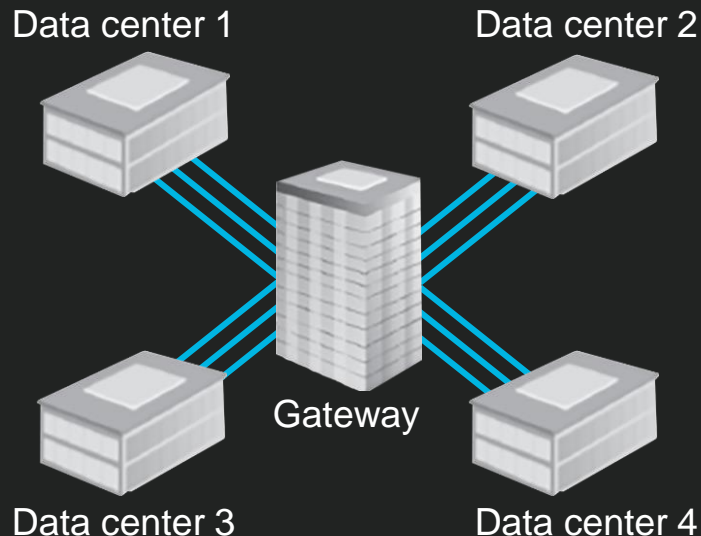
# PAM4 DSP port forecast



Source: 650 Group, Dell'oro, Marvell estimates

- Marvell leads market
- 2 tier-one clouds in deployment
- Rest will follow
- Massive growth opportunity ahead

# New trend: regional data centers



Source: Signal AI, Marvell estimates

**New architecture drives bandwidth growth for “ZR optics”**



# Lead disruptive transition to ZR optics

**NEW!**

First to production

**Transport box**



2010

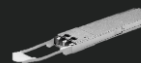
**“DCI box”**



2014

**COLORZ**

100G QSFP28  
PAM4 ZR



2017

**COLORZ II**

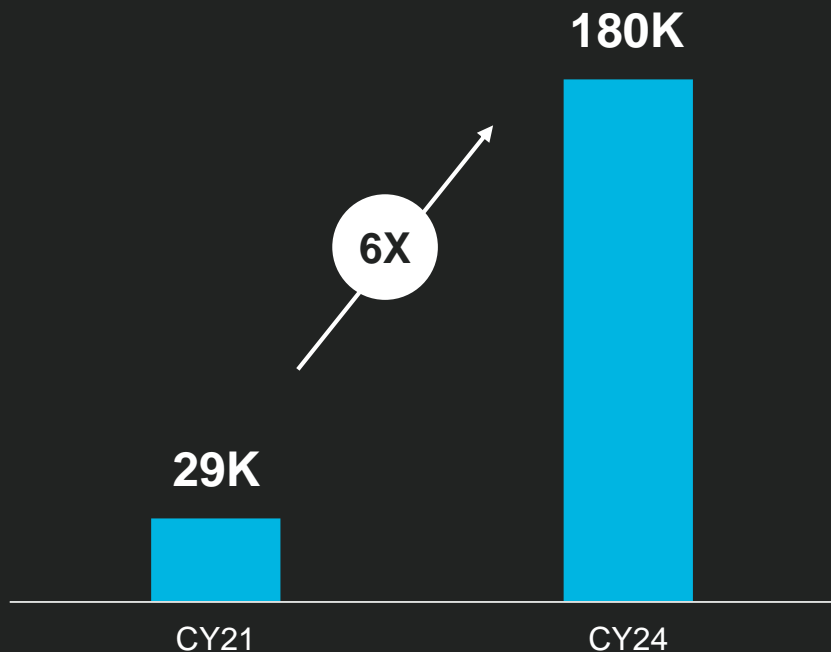
400G QSFP-DD  
Coherent ZR



2021

**Leadership in technology, product, market position**

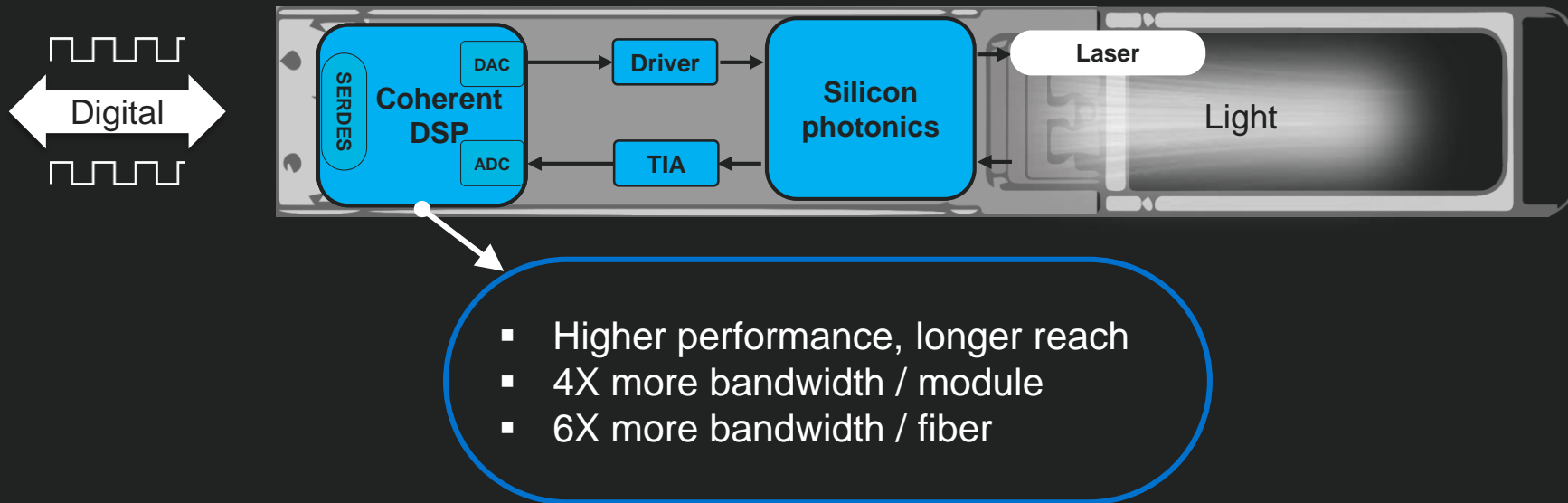
# 400ZR port forecast



Source: Signal AI, Marvell estimates

- Only one cloud deployed - COLORZ
- Broader customer adoption for 400ZR
- Marvell first to production with 400ZR
- Massive growth opportunity ahead

# Anatomy of 400ZR optics module



**Coherent DSP enables wide adoption of ZR optics**

# Support eco-system partners with coherent DSP

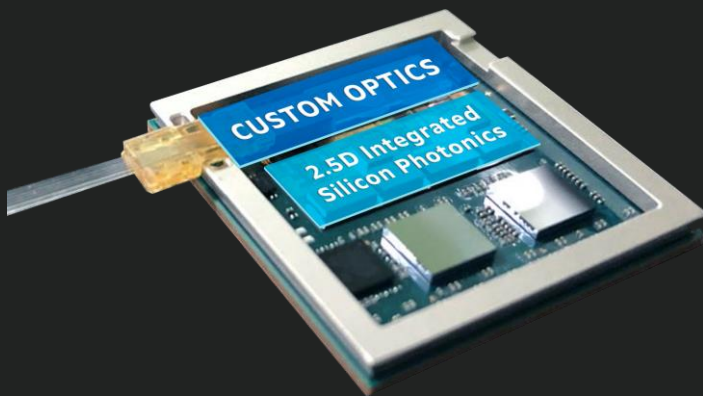
## First 400G



- Cloud optimized silicon for ZR
- Extended reach for metro / long haul
- Largest ecosystem partners

**Leading market share merchant coherent DSP**

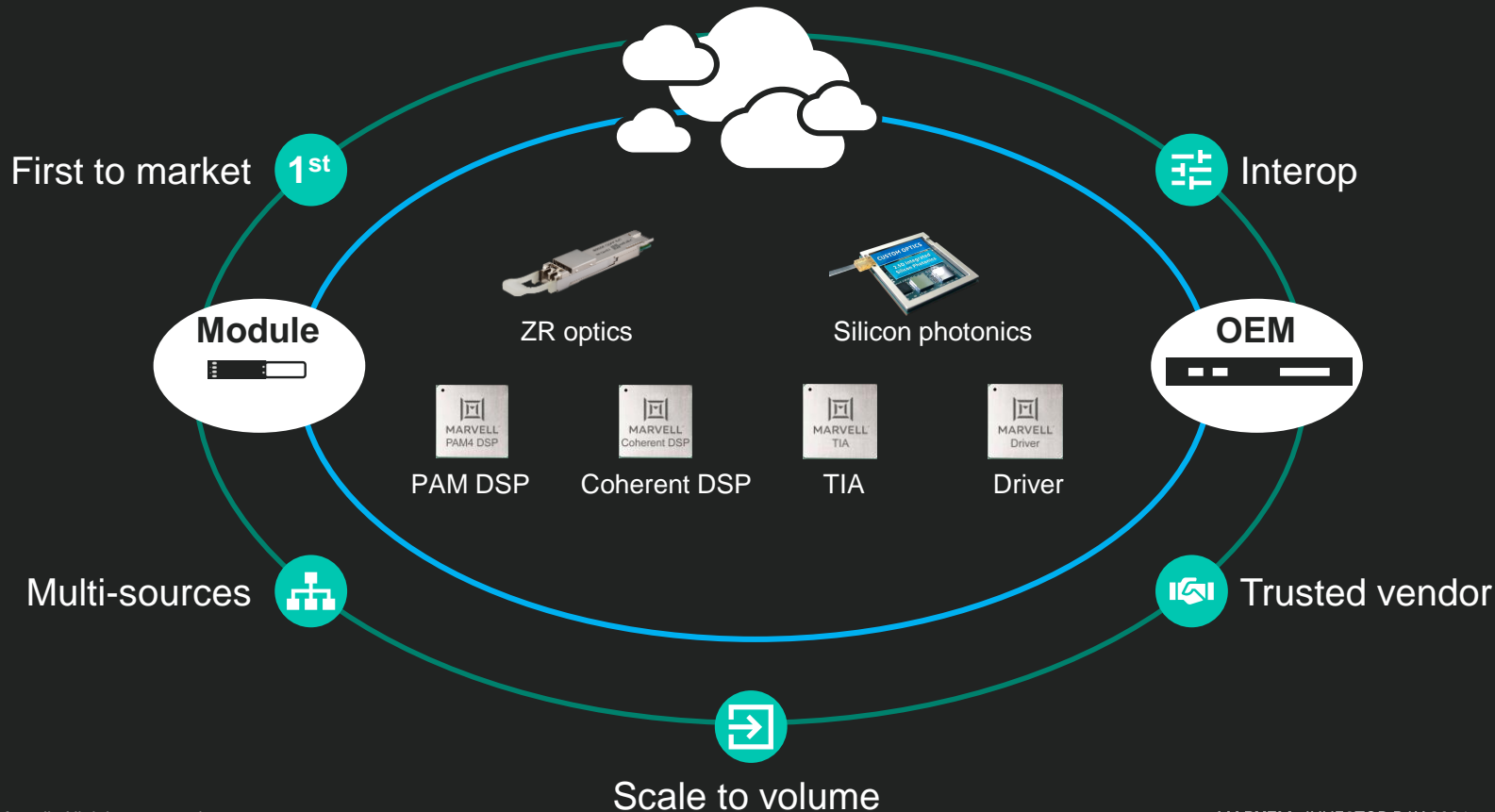
# Silicon photonics heterogeneous integration



- Higher density
- Lower power
- Better signal integrity

**Leadership in silicon photonics integrated optics**

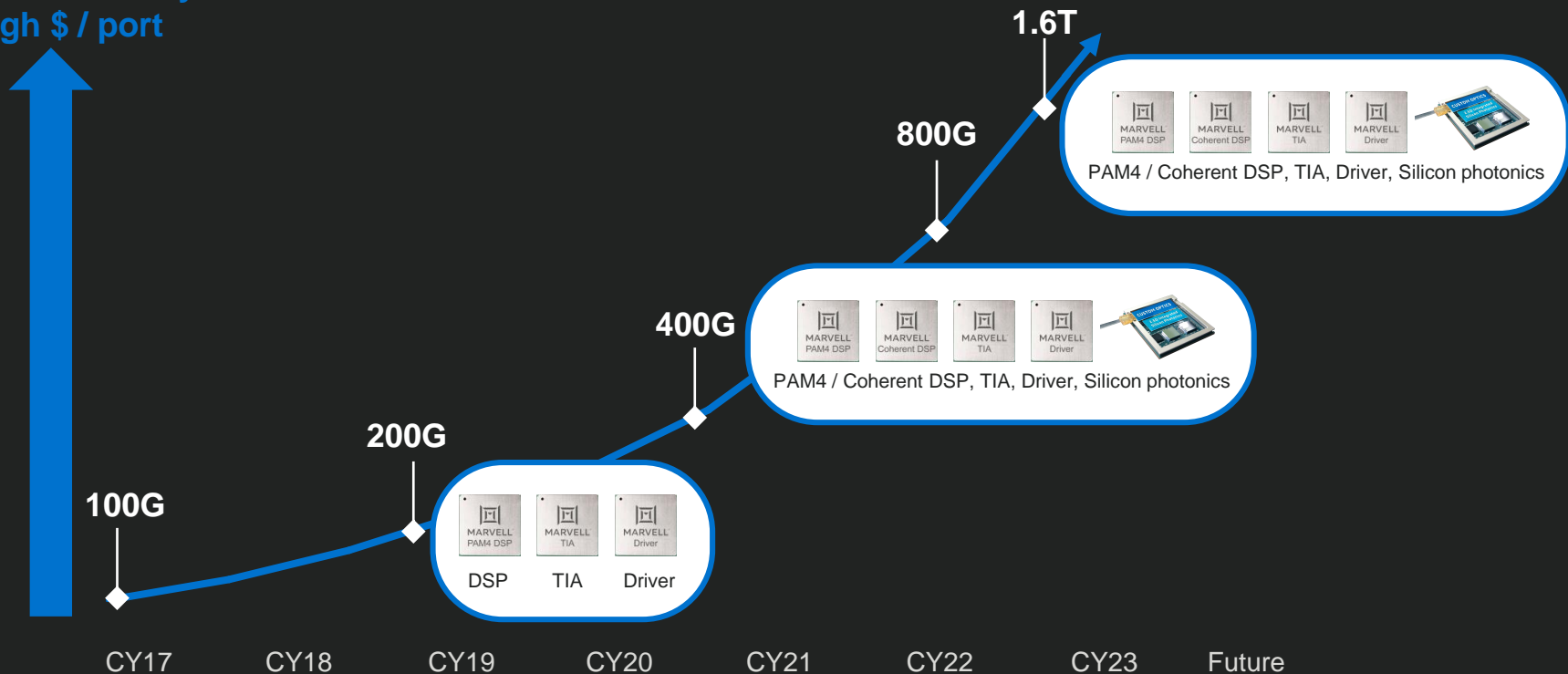
# Unique platforms create largest ecosystem



# Unique platforms create high barriers to entry

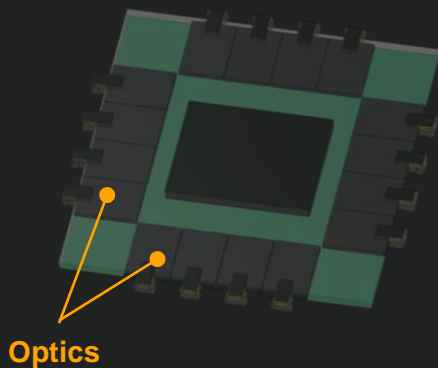
Barriers to entry

High \$ / port

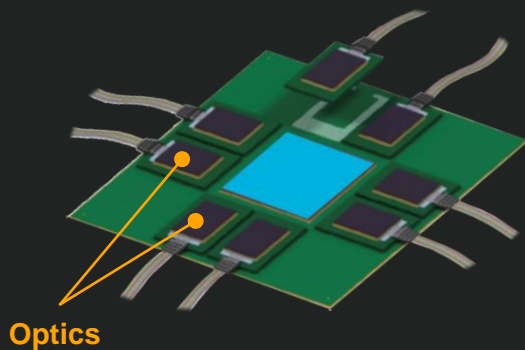


# Looking ahead: electro-optics to everything

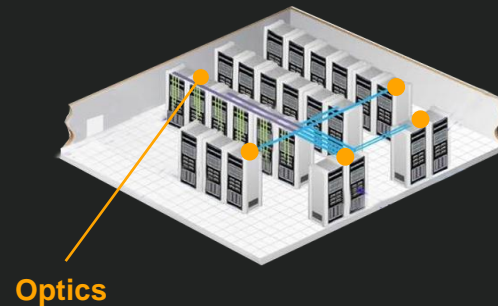
Optics to switch



Cloud optimized silicon



Optics to compute



**Co-packaged optics reduce system power up to 30%**



# Leading electro-optics revolution

**1** Huge bandwidth demand inside and between cloud data centers

**2** Leadership in technology, product, market share

**3** Massive opportunities ahead for PAM4 DSP and ZR optics

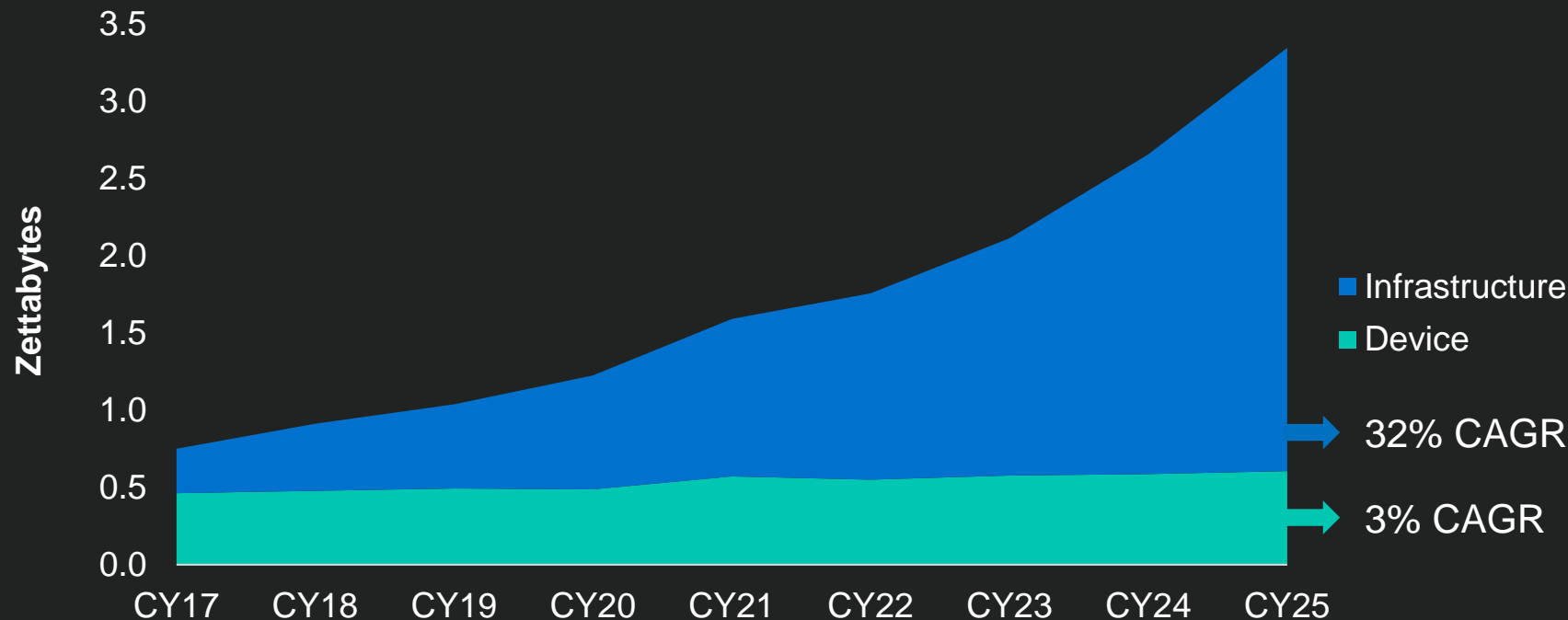
# Marvell's storage transformation

**Dan Christman**

Executive Vice President,  
Storage Products Group  
October 6, 2021

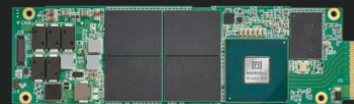


# Data center is the most important storage market



Source: Trendfocus

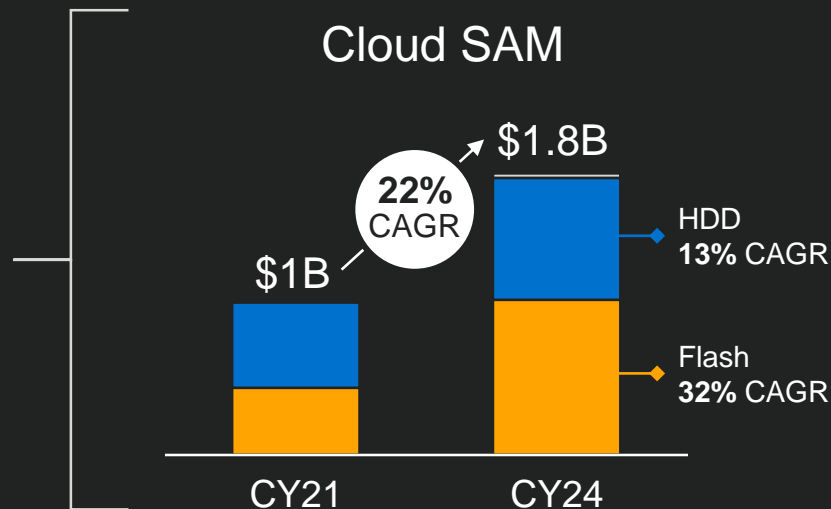
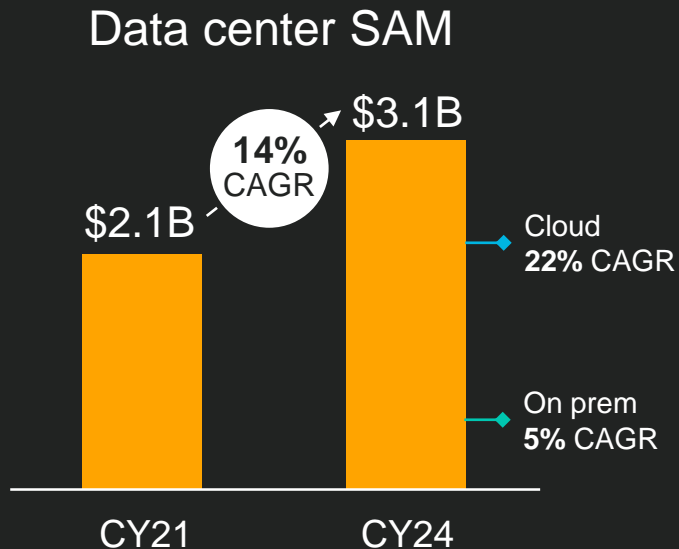
# Multiple data center trends driving value creation



Trend	HDD	SSD
Capacity ↑	More platters, Energy assist	More NAND channels
Performance ↑	Dual actuator	Throughput → PCIe Gen5/6
Cloud optimization	Transition to NVMe	SLA, Virtualization, Security

## Generational ASP uplifts

# Data center opportunity

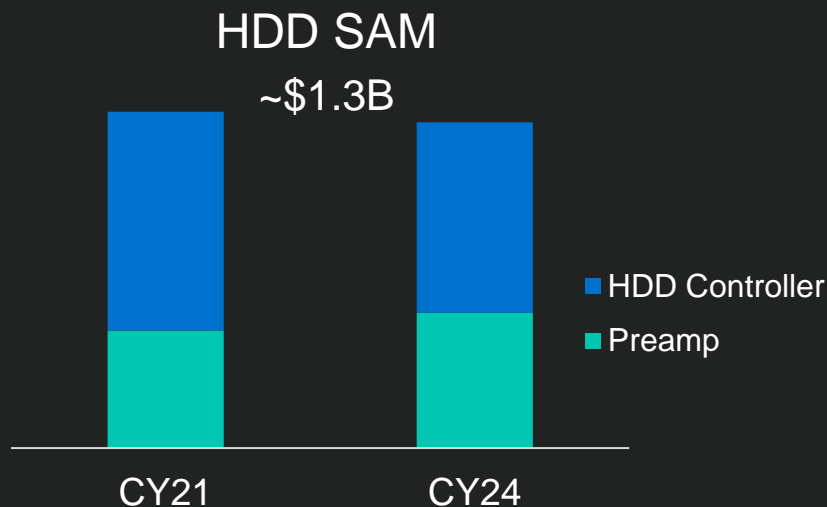


**Flash and HDD driving strong growth**

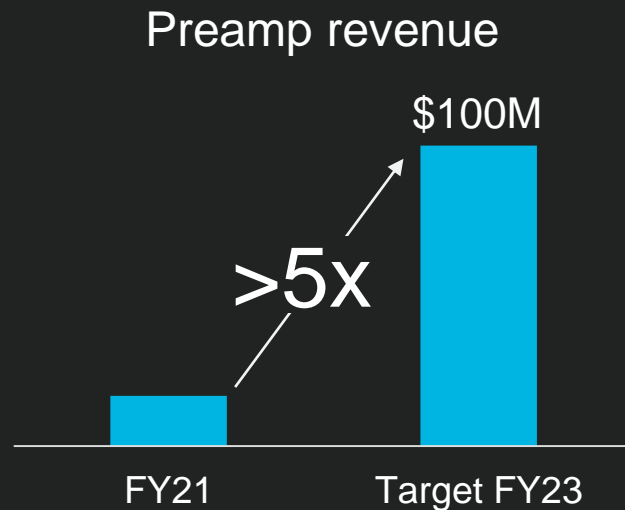
Source: 650 Group, Dell'Oro, Forward Insights, Gartner, Trendfocus, and Marvell estimates

# Time to rethink HDD

## Stable HDD outlook



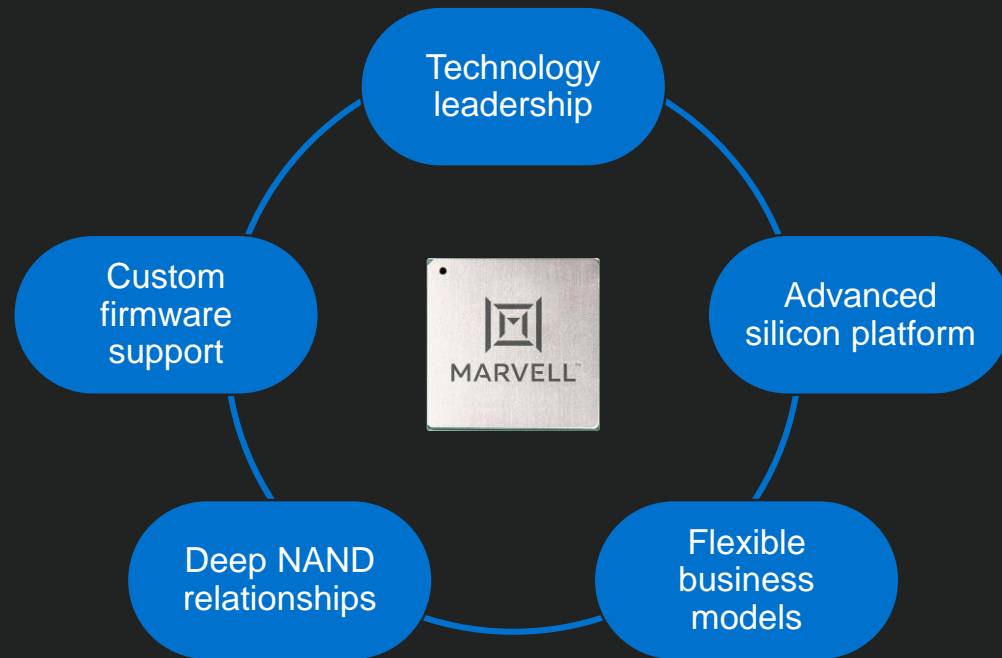
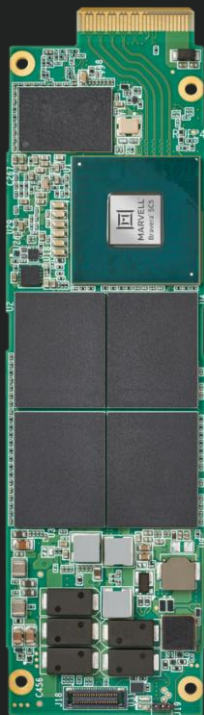
## Gaining preamp share



**Marvell HDD revenue is growing again**

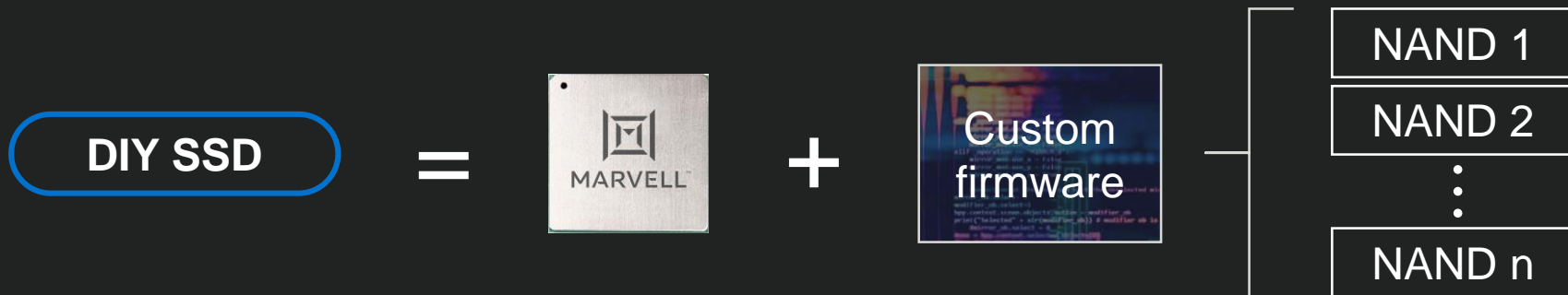
Source: Gartner, Trendfocus, and Marvell estimates

# Uniquely positioned in cloud SSD



# Pioneered DIY SSD business model

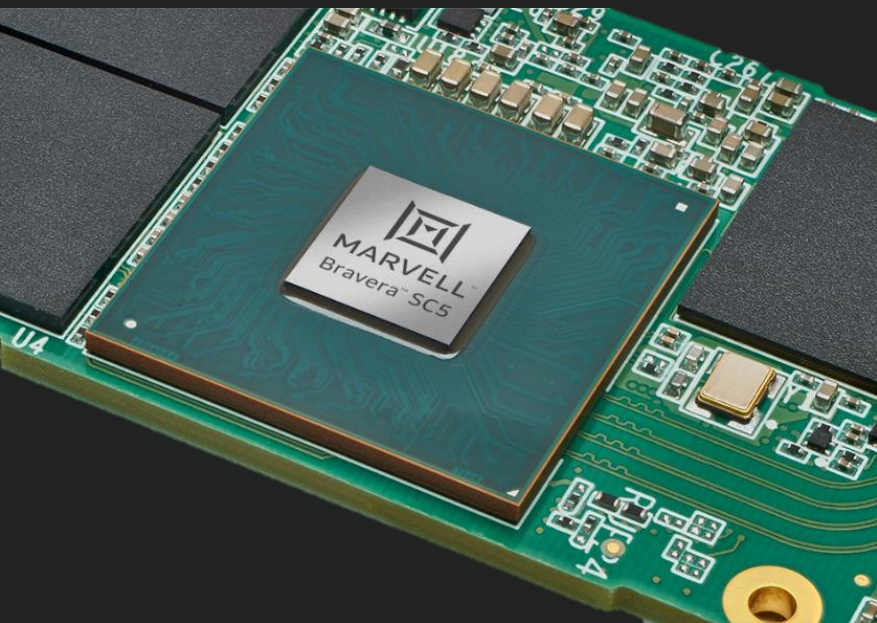
Now in high volume production in gaming and cloud



**DIY business is sticky and multi-generational**



# Cloud SSD leadership



## PCIe Gen5

- 1<sup>st</sup> to market – Bravera SC5
- Cloud optimized design
- 2 NAND vendor design wins

**NEW!**

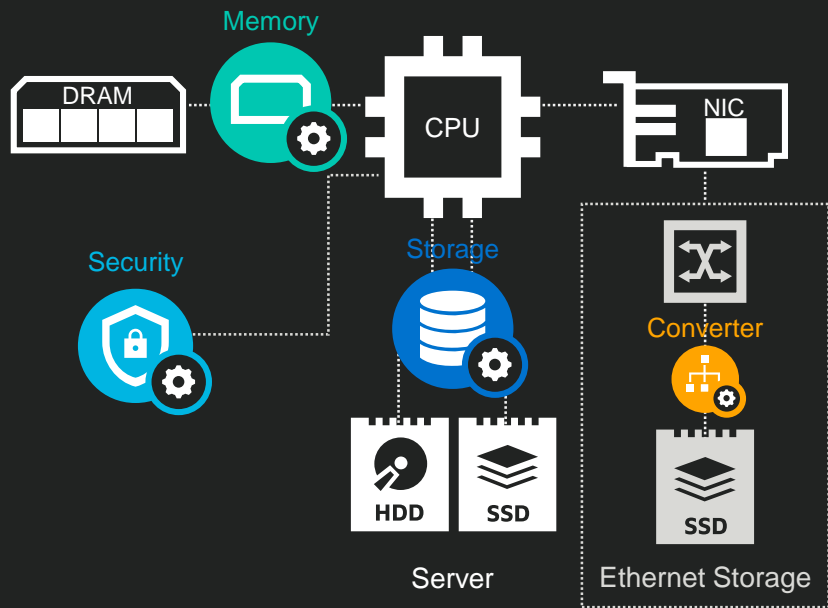
## PCIe Gen6

- Custom 5nm design win
- Merchant 5nm Bravera SC6

**NEW!**

**Outgrow cloud SSD SAM by >2x**

# Next opportunity for growth in storage



## Cloud storage accelerators

- First custom design win
- More to come

**NEW!**

**Cloud storage accelerators: next \$500M+ storage market**

Source: 650 Group, Dell'Oro, Forward Insights, Gartner, Trendfocus, and Marvell estimates

# Storage business outlook

>60%

Data center  
revenue\*

>14%

Data center  
growth

6-8%

Sustainable  
growth

NEW!



Cloud  
accelerators

NEW!

Storage business back to growth

\*FY21 data center revenue as % of total storage revenue

# Gaining share in networking

**Nariman Yousefi**

Executive Vice President,  
Automotive, Coherent DSP & Switch

October 6, 2021

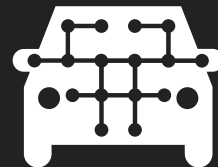


# Markets we serve



## Data center

Highest bandwidth  
Low latency  
Fastest optical connection



## Automotive

Auto grade switch / PHY  
High reliability  
Low defect density

Next \$1B market



## Enterprise

High-medium bandwidth  
Feature-rich  
Flexible



## Carrier

High bandwidth  
Programmable  
Long distance optics

# Industry-leading networking portfolio

## High-speed electro-optics



PAM4 DSP



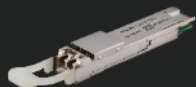
Coherent DSP



TIA



Driver



ZR optics



Silicon photonics

## Switch and copper PHY



Switch



PHY

## Automotive Ethernet



Auto Switch



Auto PHY

## Optimized compute



DPU



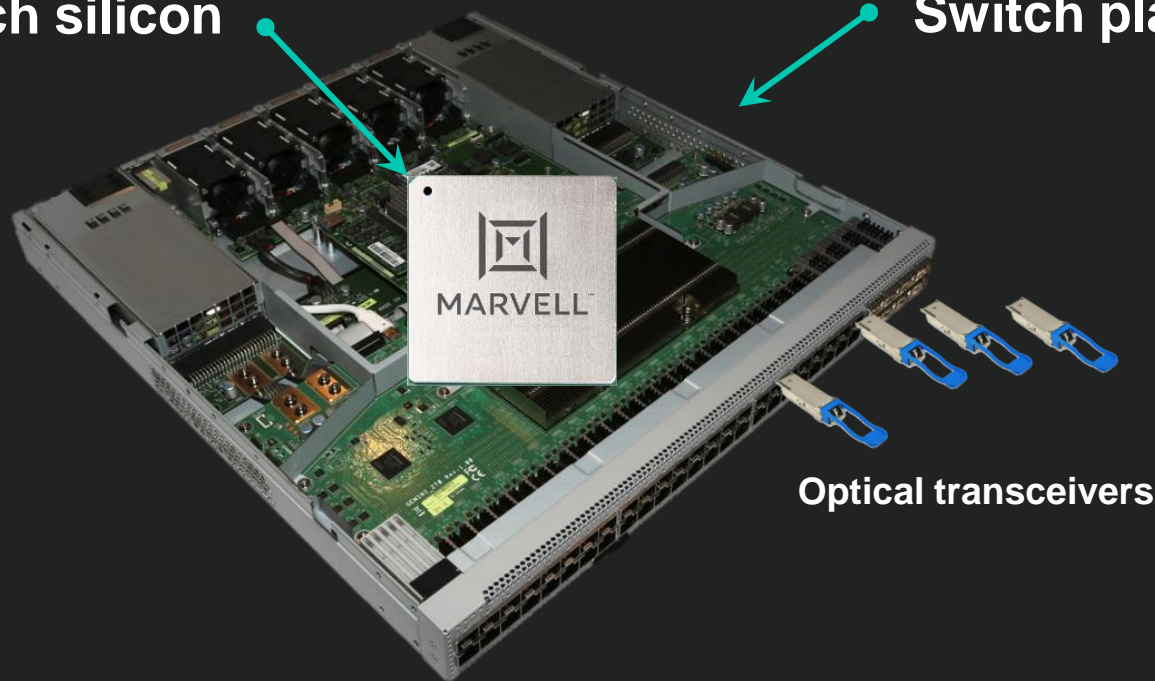
Custom

**End to end networking portfolio**

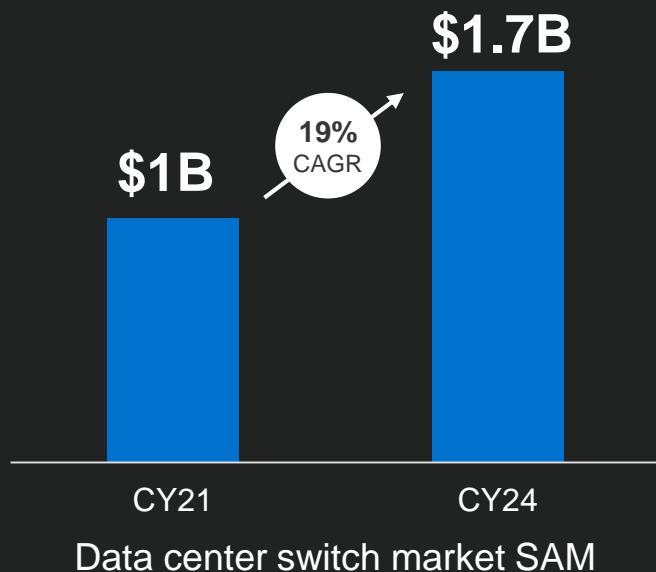
# Switch and physical layer: the core technologies

**Marvell switch silicon**

**Switch platform**



# Data center switch: fastest growing segment



**Innovium**<sup>TM</sup>

- High bandwidth
- Cloud optimized
- Low latency
- Proven track record

Source: 650 Group, Dell'Oro, and Marvell estimates



# Complete cloud data center networking portfolio

Innovium

Inphi

Widely established

High bandwidth switch

Optical DSP

Copper PHY

Feature rich switch

12T / 25T switch  
50G I/O



25T / 50T switch  
100G I/O



## Game changing portfolio boost

# Data center focus

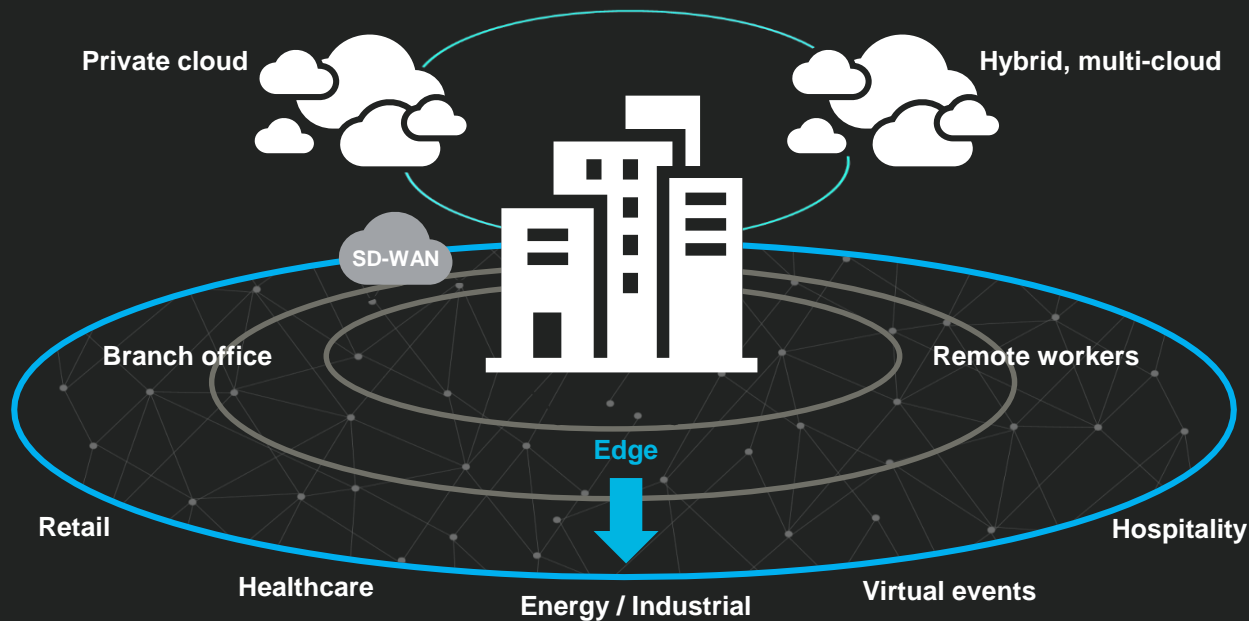


- Expand in data center switches
- Innovate at switch / PHY level platform
- Increase the velocity of product refresh cycle



# Revenue growing in enterprise

# Borderless enterprise



Security analytics



Intelligence



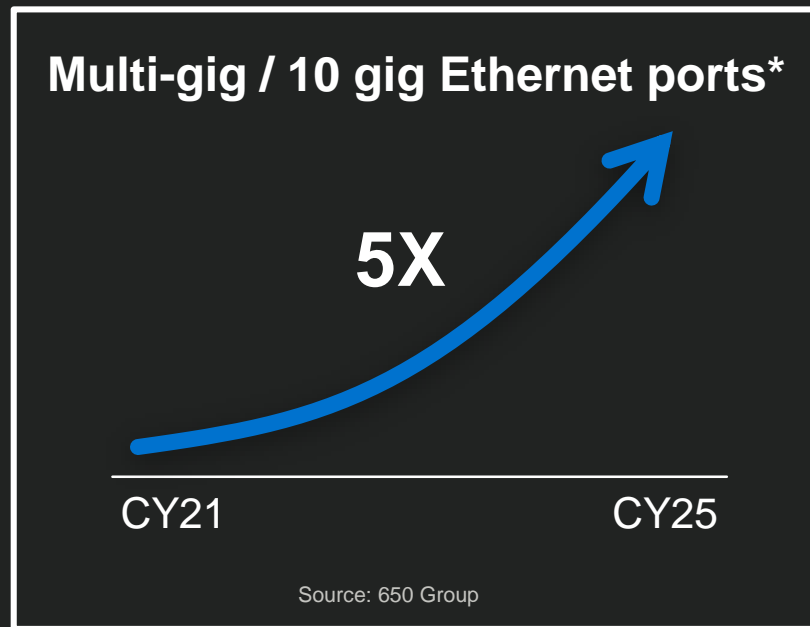
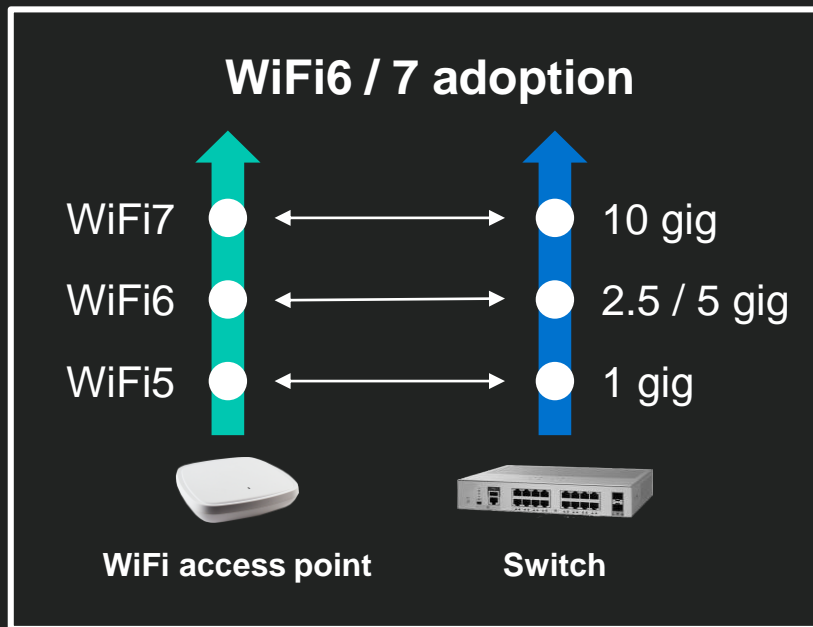
Fault tolerance



Multi-gig performance

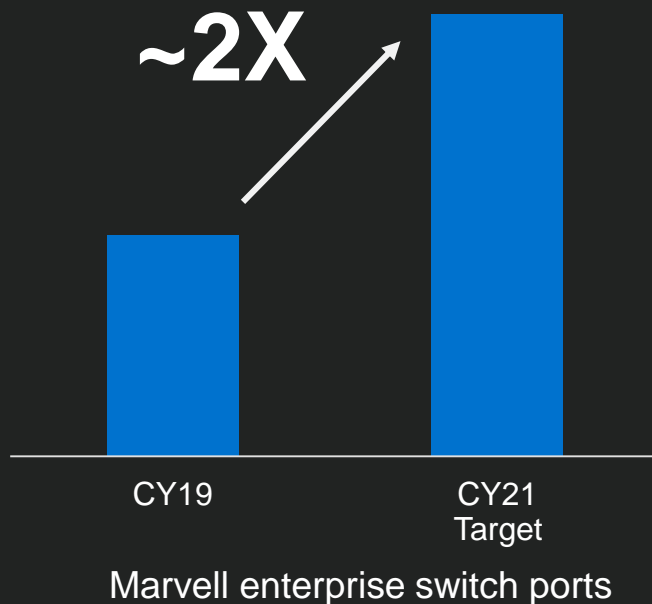
Increasing \$ per port

# Catalyst for enterprise market growth



**Multi-gig PHYs: higher value per port**

# Marvell gaining enterprise market share



Source: Marvell

© 2021 Marvell. All rights reserved.

MARVELL INVESTOR DAY 2021

78

# Enterprise recap

1

Gaining market share

2

Increasing content per port

3

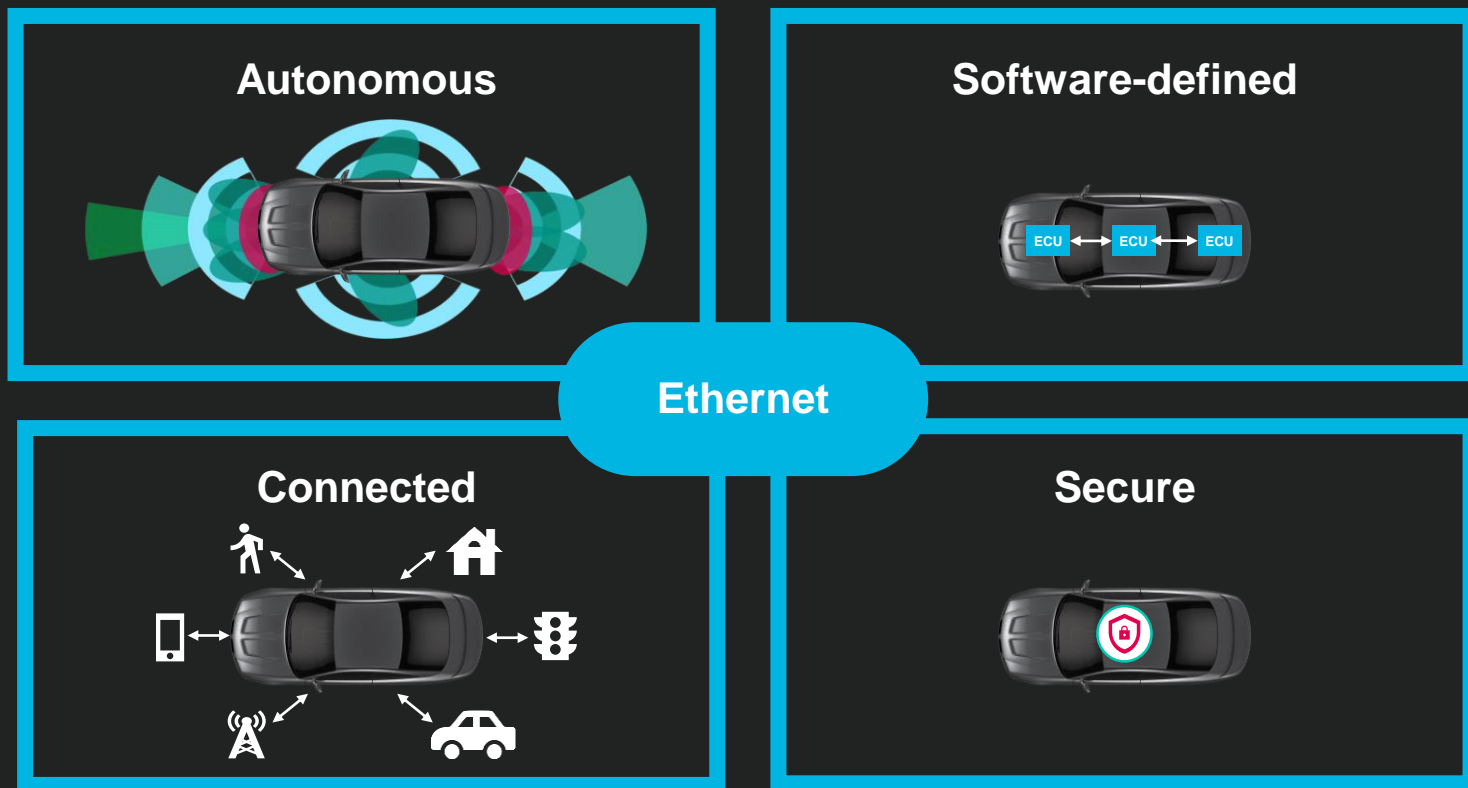
Improving YoY revenue

# The next \$1B Ethernet market



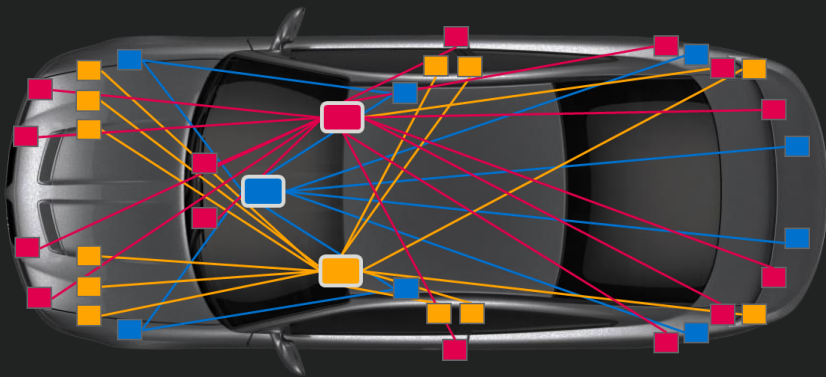


# Automotive megatrends

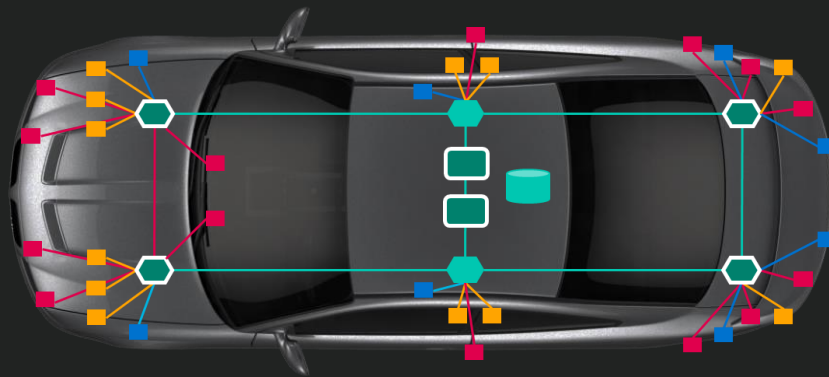


# The network of a smart car

Point to point, rigid, expensive



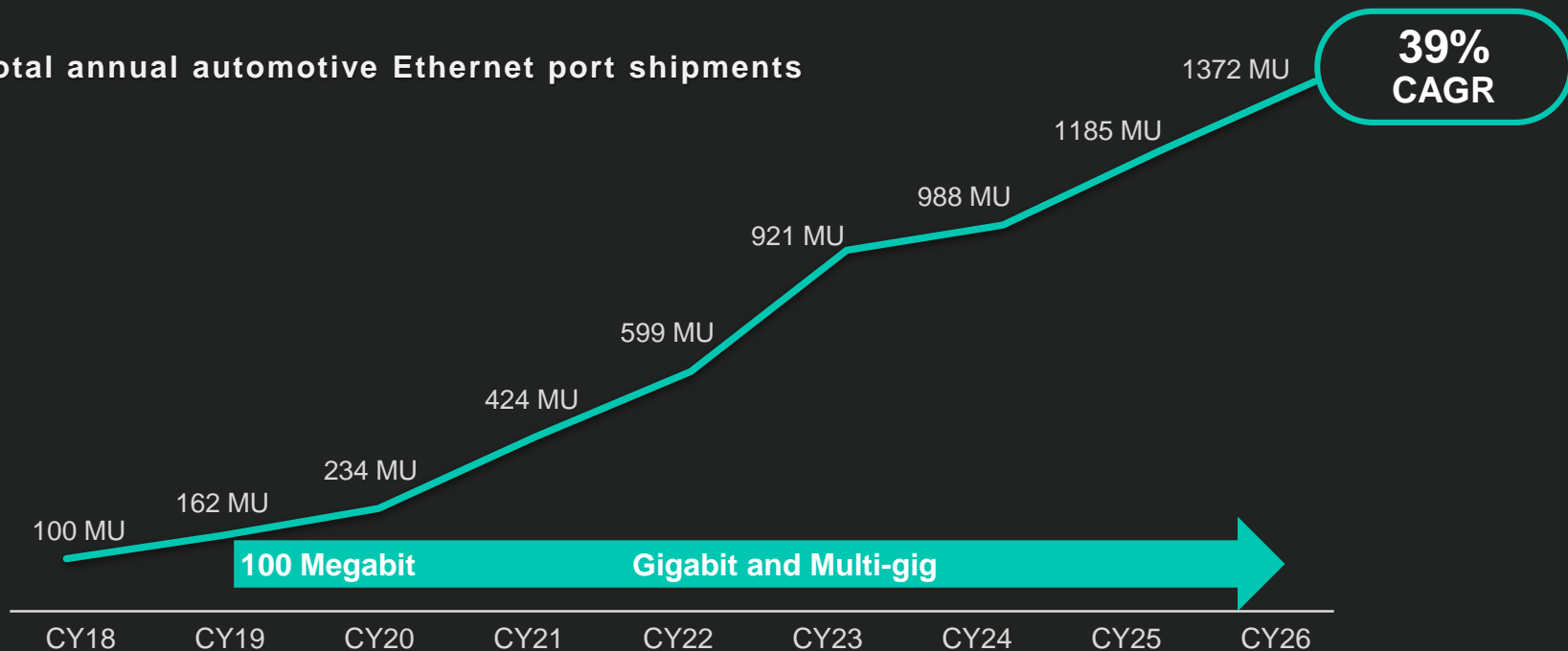
Networked, secure, scalable, intelligent



Ethernet is the future

# Automotive Ethernet ports

Total annual automotive Ethernet port shipments



**Multi-gig higher \$ value per port**

Source: Strategy Analytics and Marvell estimates

© 2021 Marvell. All rights reserved.

MARVELL INVESTOR DAY 2021

83

# Ethernet content per car accelerating

Marvell Ethernet design wins content / car

## High volume car

OEM 1

**\$5**

OEM 2

**\$6**

OEM 3

**\$8.5**

## High content car

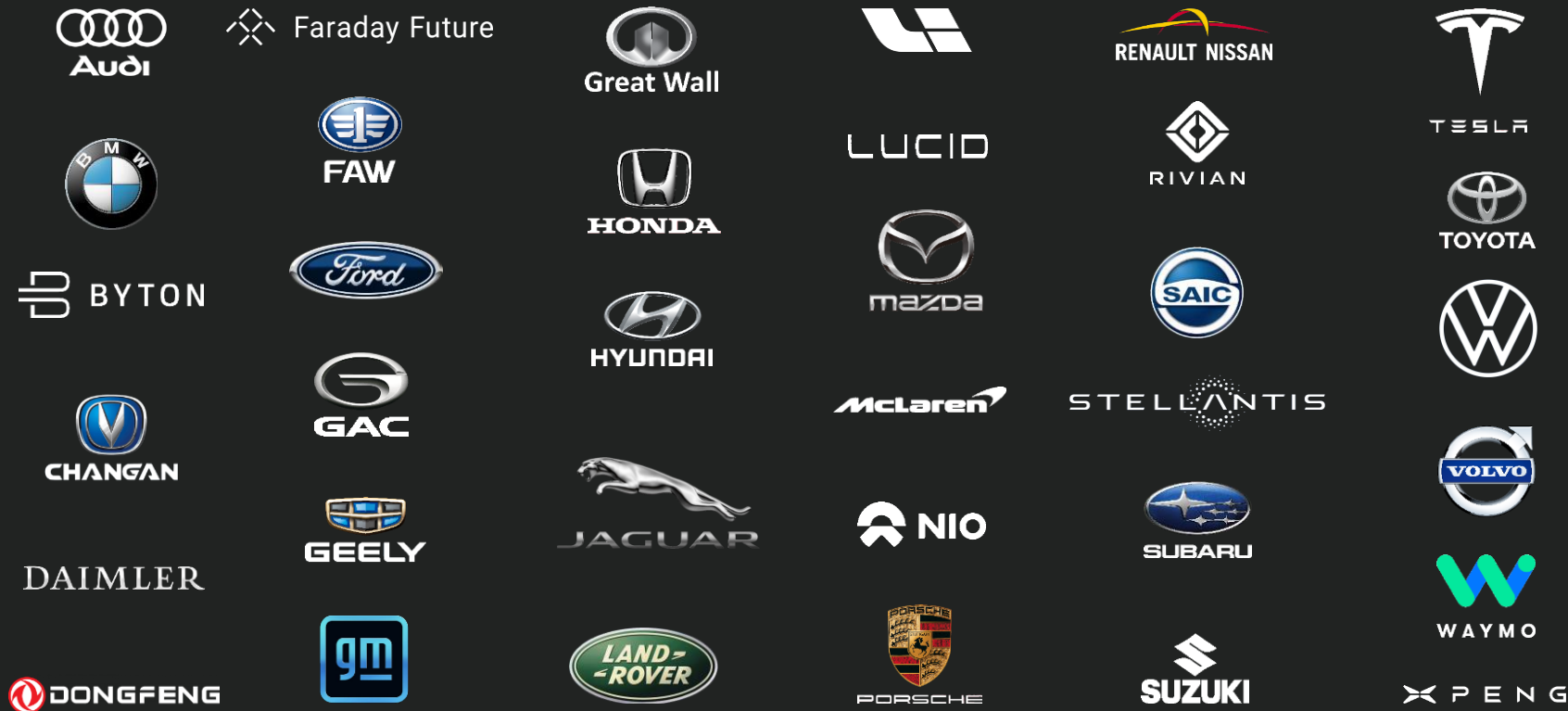
OEM 4

**\$47**

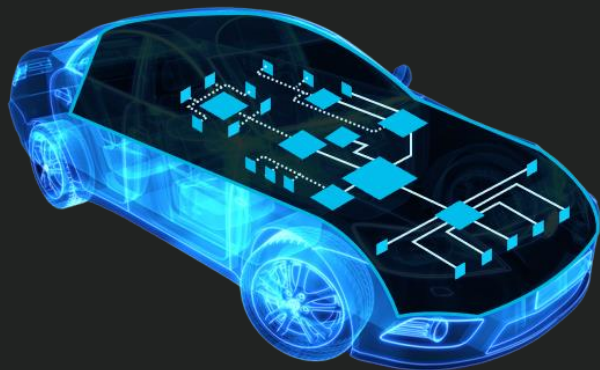
OEM 5

**\$72**

# Automotive Ethernet adoption



# Marvell: fastest growing automotive Ethernet company

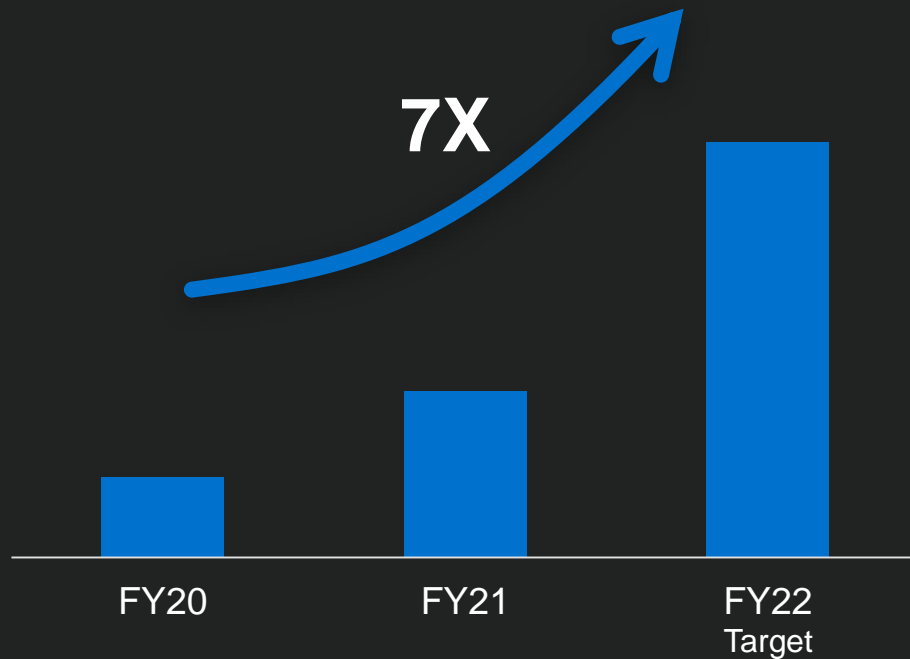


## First in market

- 1<sup>st</sup> with automotive secured switch
- 1<sup>st</sup> with 1 gigabit Ethernet PHY
- 1<sup>st</sup> with 10 gigabit Ethernet PHY

**Design wins at 28 OEMs: 7 out of top 10**

# Marvell automotive revenue



**Increasing market share target from >33% to >50%**

Source: Marvell

© 2021 Marvell. All rights reserved.

MARVELL INVESTOR DAY 2021

87

# Positioned for growth

**1** Winning in data center with Innovium

**2** Gaining market share in enterprise networking

**3** Growing automotive revenue into a \$1B market

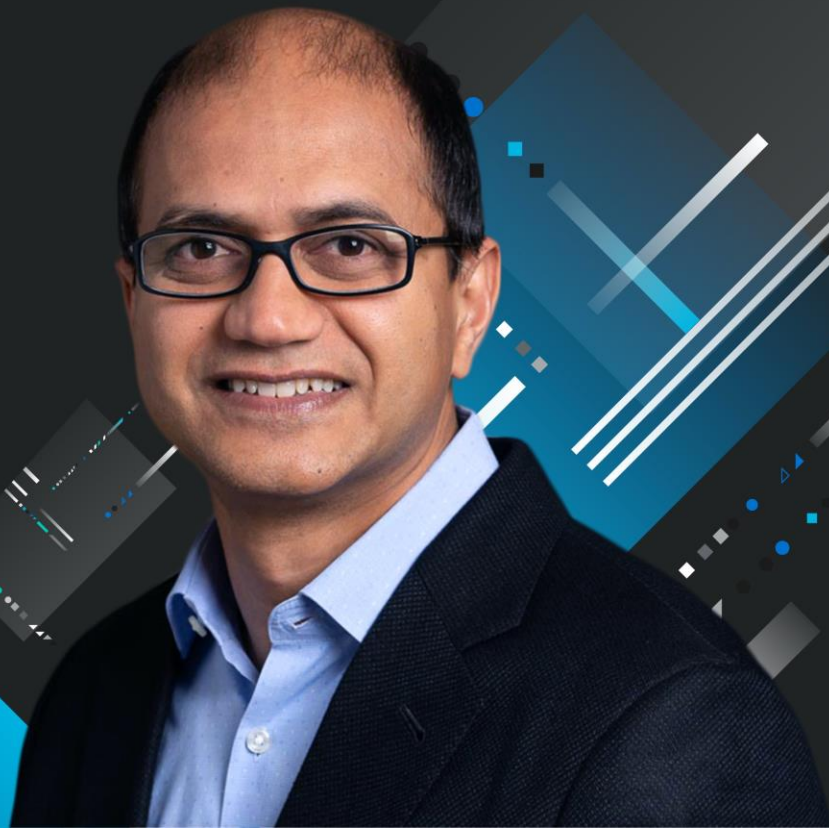


# Driving compute disruption

**Raghib Hussain**

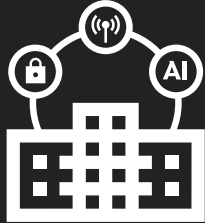
President, Products and Technology

October 6, 2021



# Our compute journey

## Enterprise



## 5G



## Cloud



# Our compute journey

## Enterprise



## 5G



## Cloud

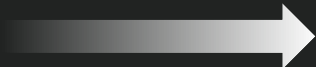


# Enterprise disruption

Prior solution



General purpose



Optimized solution



**DPU**

Multi-core  
Security offload  
Integrated networking

# Enterprise security and networking leadership



**Shipping in 9 of top 10 firewalls | growing 5nm wins**

# Our compute journey

Enterprise



5G

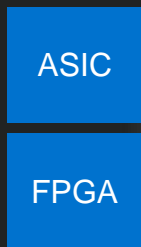


Cloud

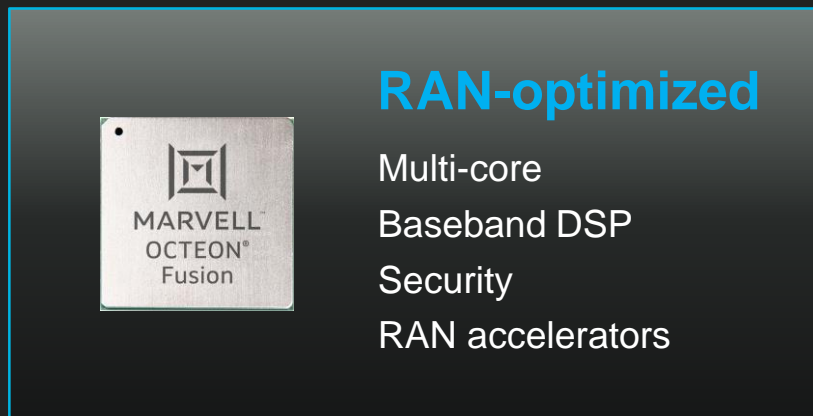


# 5G RAN disruption

Prior solution



Optimized solution



# Complete 5G digital platform

## Distributed Unit (DU)



Optical x-haul



Baseband



Transport



Switch



Optical fronthaul

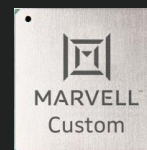
## Radio Unit (RU)



Switch



Massive MIMO



DFE

**Industry's only provider of optimized 5G RAN silicon**



# Leading 5G RAN market

## Tier one customers



**NOKIA**

**SAMSUNG**

**ZTE中兴**

## Regional OEM customers



Shipping



Sampling



Sampling

**Diverse and growing customer base**

# 5G global deployment status

Smartphone share

43%

Source: Statista, June 2021  
5G share of global smartphone unit shipments

Networks upgraded

27%

Source: 5G Americas, September 2021  
Share of 4G networks that have been upgraded to 5G

Service availability

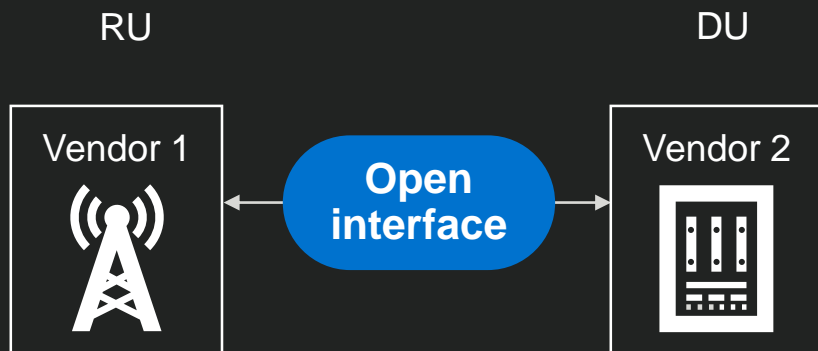
11%

Source: OpenSignal testing, September 2021  
Share of time connected to 5G in 106 5G networks

**Majority of 5G growth is in front of us**

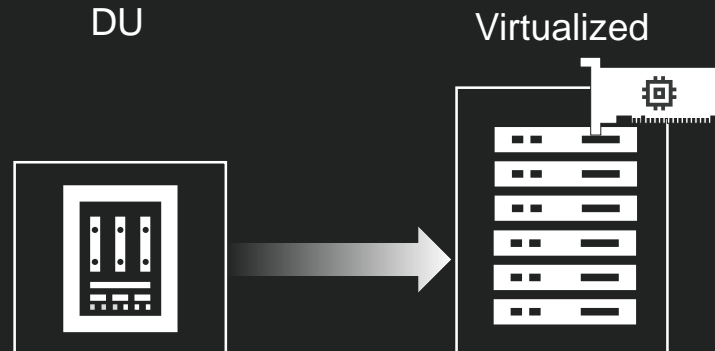
# Next 5G opportunity

## ORAN



Interoperability

## vRAN

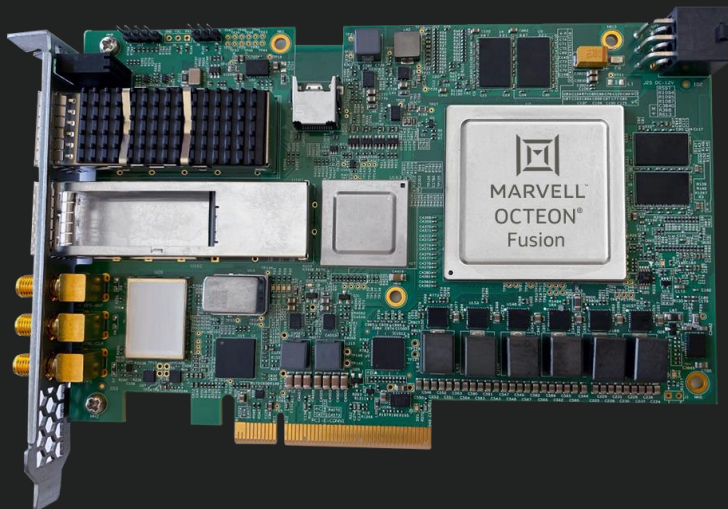


Cloud scale

**All 5G RAN architectures require optimized silicon**

# Marvell's 5G vRAN solution

NEW!



## OCTEON Fusion vRAN

- Proven baseband
- Superior performance
- Production software
- Full turnkey

NEW!

5 design wins | card solution | higher ASP

# Our compute journey

Enterprise



5G



Cloud

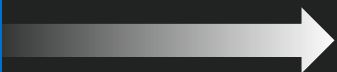


# Accelerated computing offload

Prior solution

Optimized solution

FPGA



## Cloud-optimized DPU

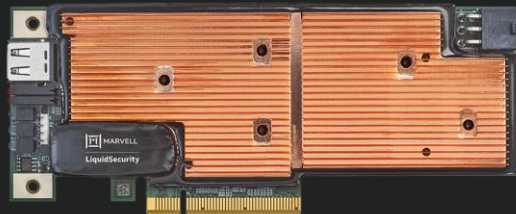
- Multi-core
- Security
- Network virtualization
- Storage virtualization

# Success in DPU

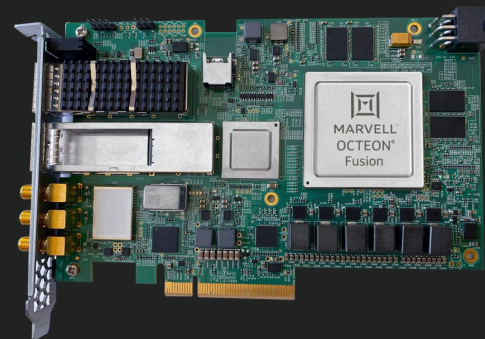
SmartNIC



Security



vRAN



Shipping to 4 tier one clouds



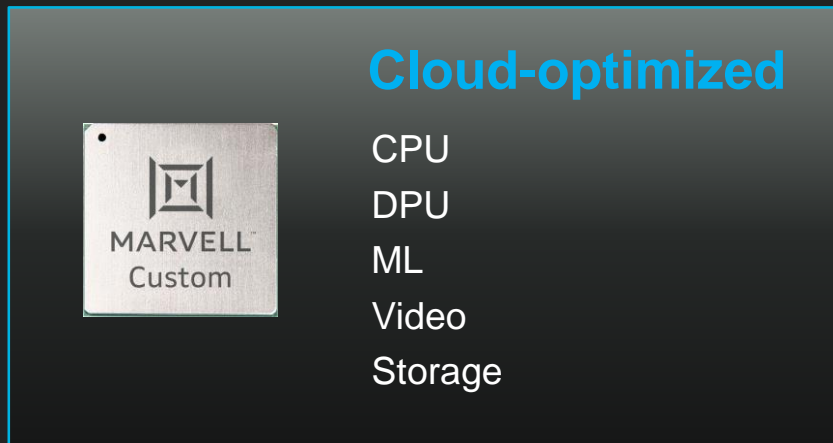
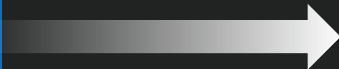
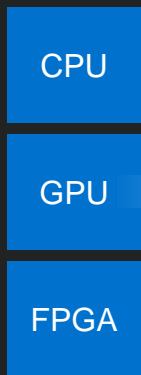
# The era of cloud-optimized compute



# Transition to cloud-optimized compute

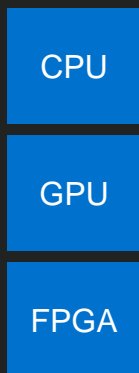
General purpose

Optimized solution



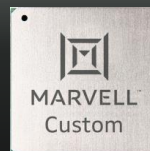
# Cloud compute design wins

General purpose



New solutions

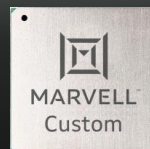
**NEW!**



## Optimized Arm compute

Process node and IP  
High performance Arm  
High-end multi-core experience  
System and software expertise

**NEW!**

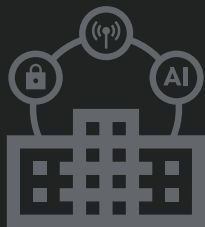


## ML optimized compute

Process node and IP  
Complex SoC expertise  
Advanced packaging solutions  
Flexible business model

# Our compute journey

Enterprise



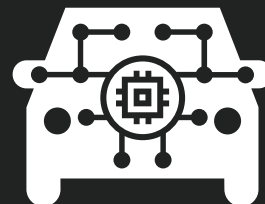
5G



Cloud

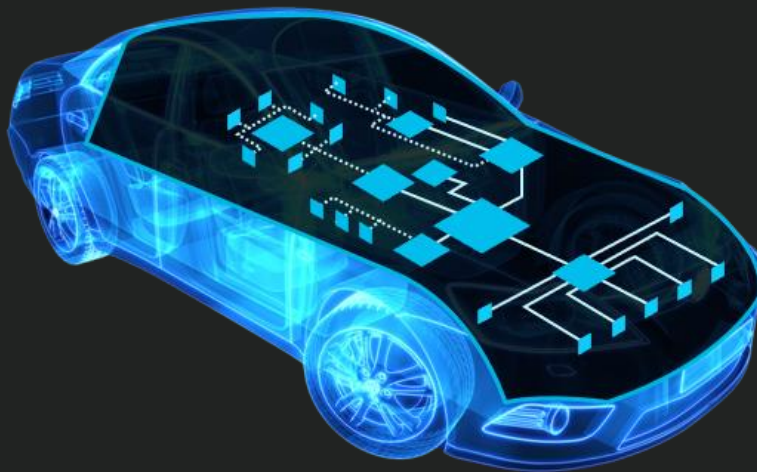


Automotive



The next big disruption

# Shift to autonomous driving



**Compute is the new engine**

# Automotive compute disruption



**NEW!**



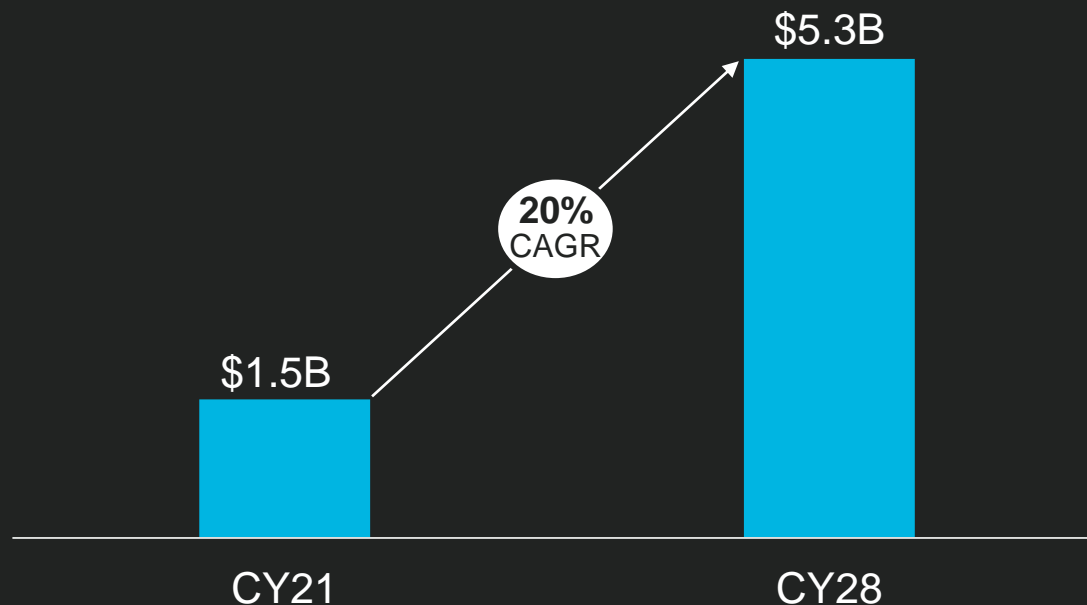
## Auto-optimized

- Process node and IP
- High performance Arm
- High-end multi-core SoC
- End-to-end security
- Ethernet switch
- Auto grade quality

**NEW!**

**Announcing 5nm automotive compute design win**

# Auto compute opportunity



**Incremental multi \$B opportunity for Marvell**

# Key takeaways

**1** Increasing strength in enterprise business

**2** Ramping 5G and expanding into vRAN

**3** Capitalizing on cloud compute disruption

**4** Investing in optimized compute platform for automotive

# Driving sustainable growth at scale

**Jean Hu**  
Chief Financial Officer  
October 6, 2021





# Our financial roadmap from last investor day

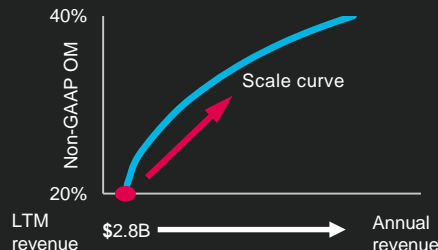
## Accelerating revenue growth

### LT growth target

Revenue CAGR = 10-15%

Revenue CAGR post Inphi = 12-16%

## Earnings expansion faster than revenue



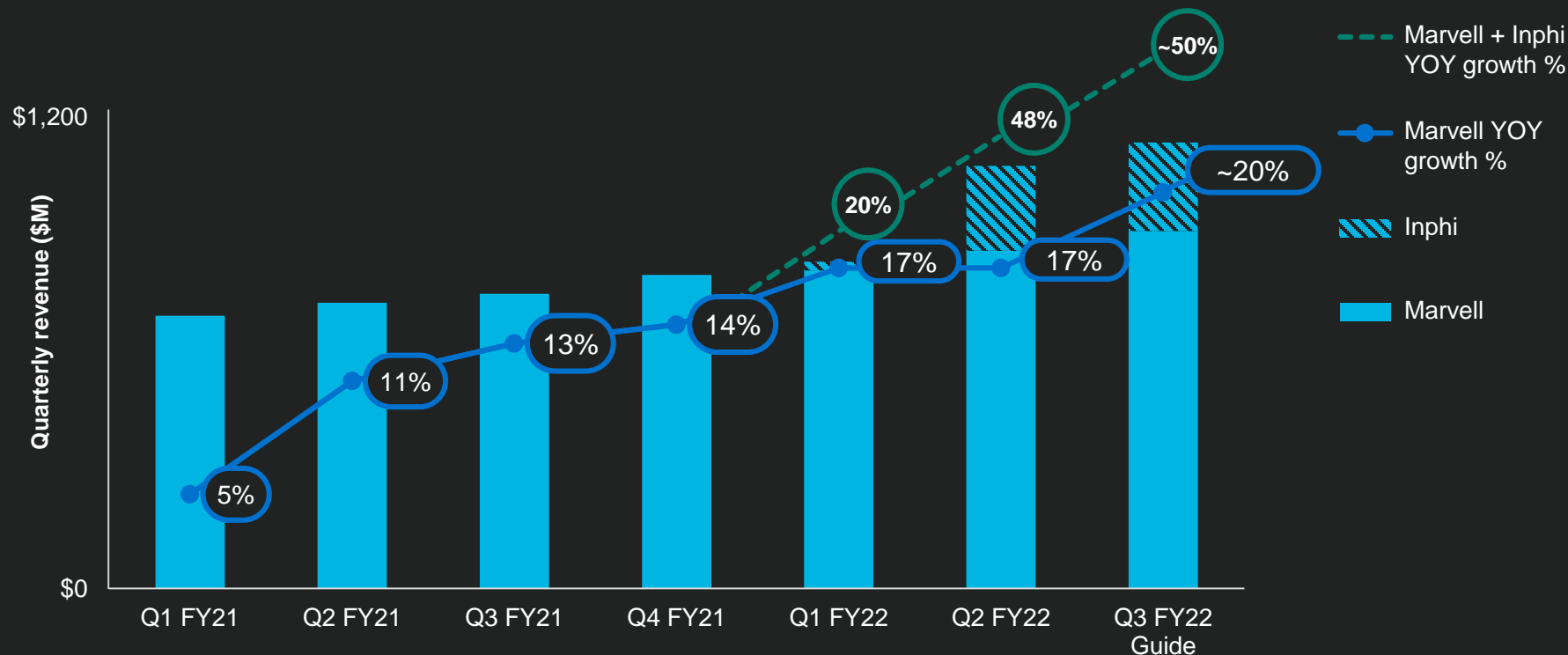
## Disciplined capital allocation

Organic investment

M&A

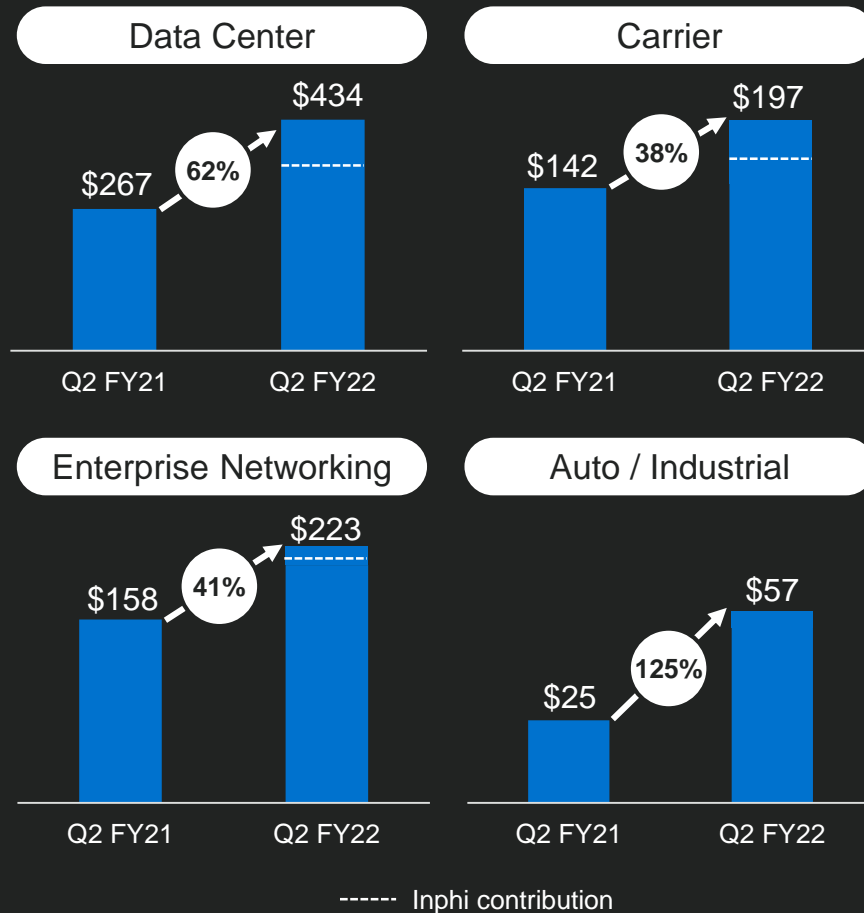
Shareholder returns

# Successful execution of revenue growth plan

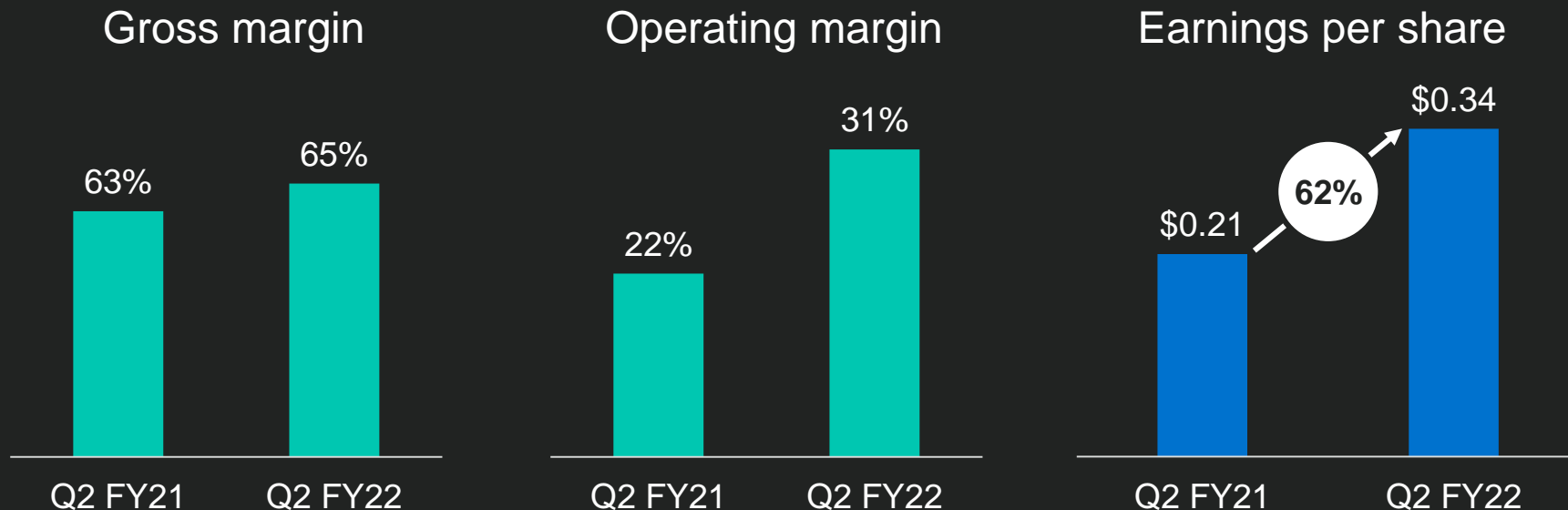


\* Q3 FY22 midpoint revenue guidance

# Revenue growth engine fueled by multiple drivers

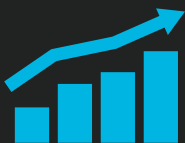


# Earnings expansion faster than revenue



Non-GAAP presentation: Reconciliation to GAAP in appendix at the end of this presentation

# Financial roadmap going forward



Sustainable revenue  
growth at scale

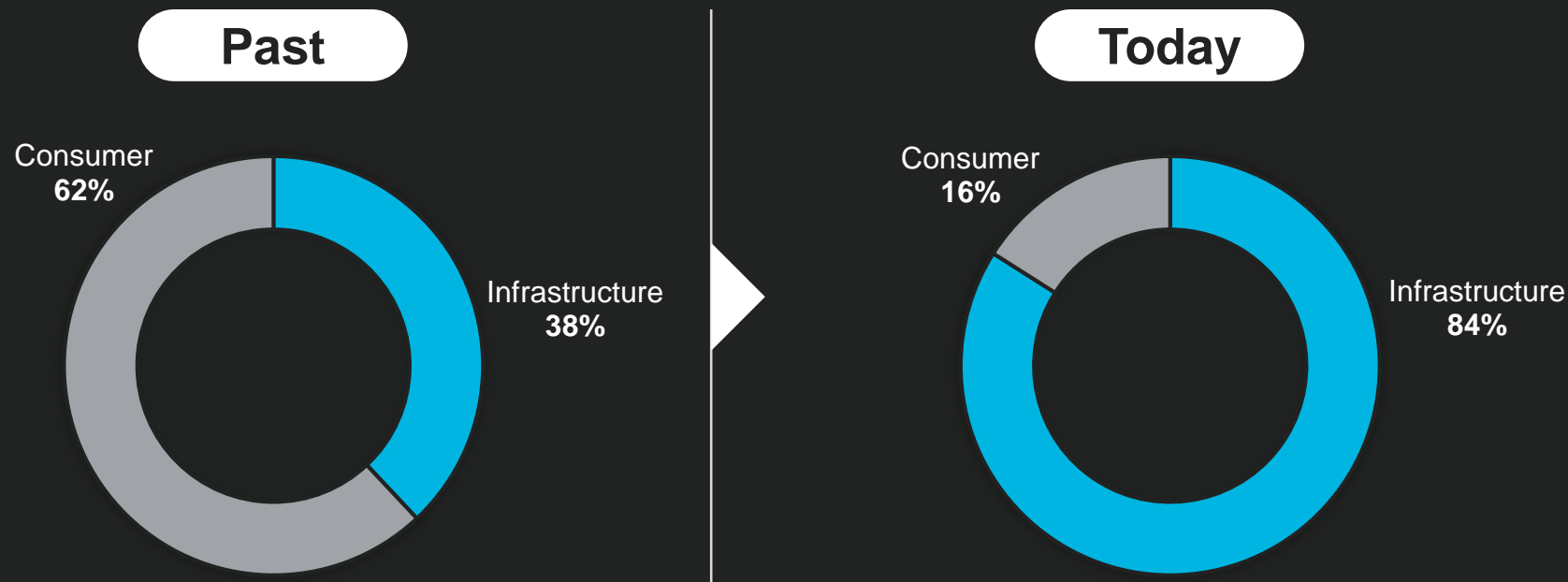


Scaling business model  
to expand earnings



Disciplined capital  
allocation

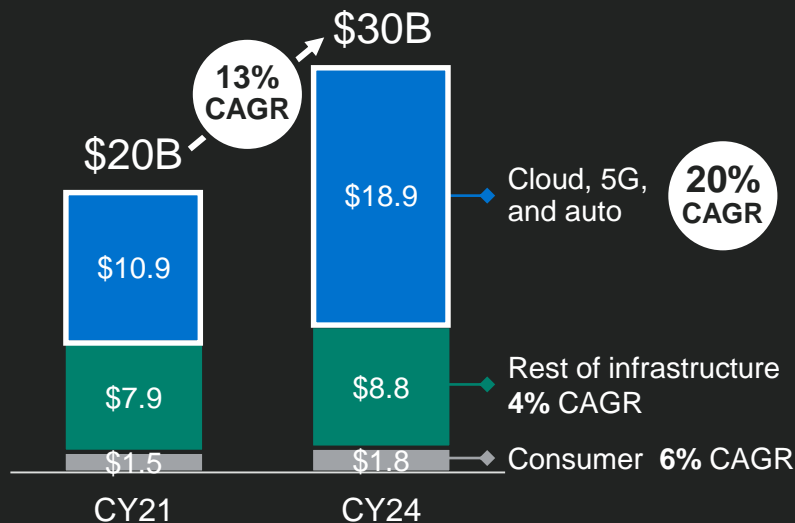
# Revenue transformation to data infrastructure



\*Past: FY17 | Today: Q2 FY22

# Delivering accelerated revenue growth

## Market segment SAM



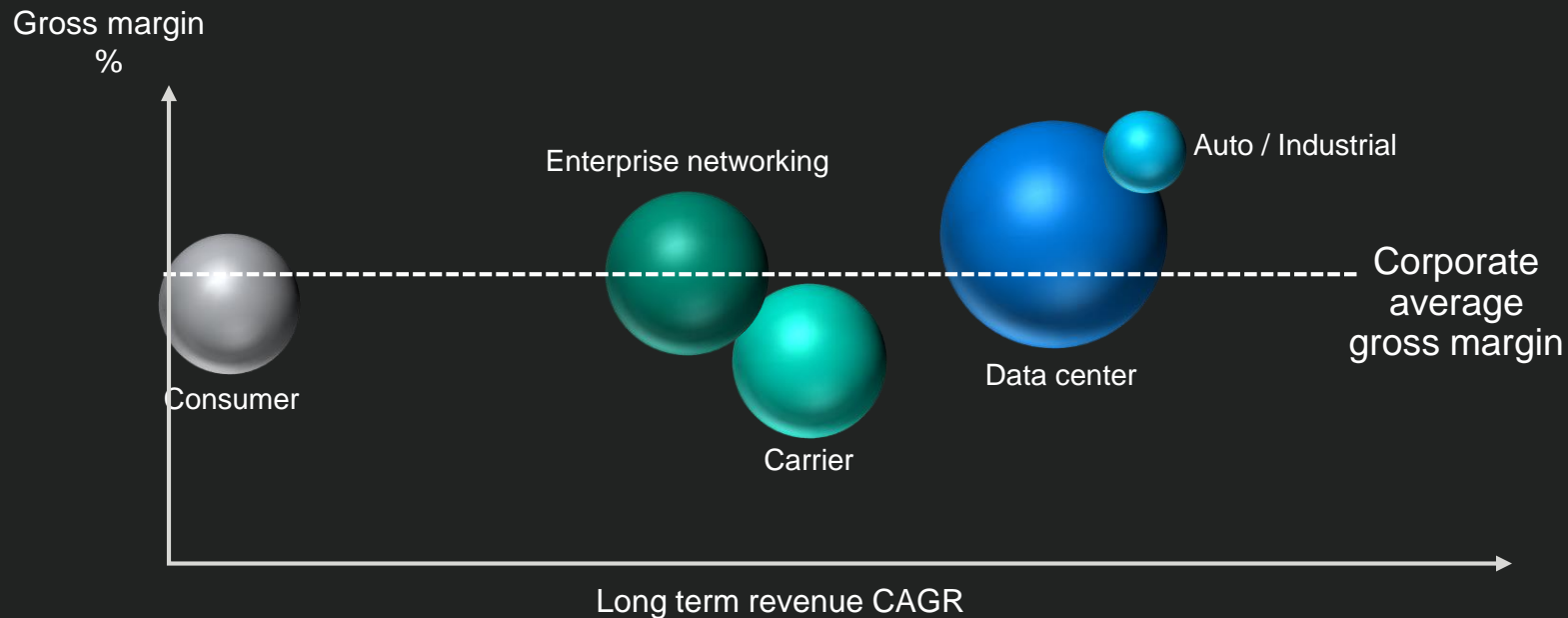
End-market	Revenue*	Growth expectations
Cloud, 5G and auto	~ \$1.5B	2x of market
Rest of infrastructure	~ \$2.2B	Above market
Consumer	~ \$0.6B	Below market

Long-term target 15-20%

\*Annualized revenue based on Q2 FY22 for Marvell including Inphi

Source: 650 Group, Cignal AI, Crehan, Dell'Oro, Forward Insights, Gartner, LightCounting, Linley Group, Omdia, Strategy Analytics, Trend Focus and Marvell estimates

# Maintain strong gross margin



**Target Non-GAAP Gross Margin = 64-66% of sales**

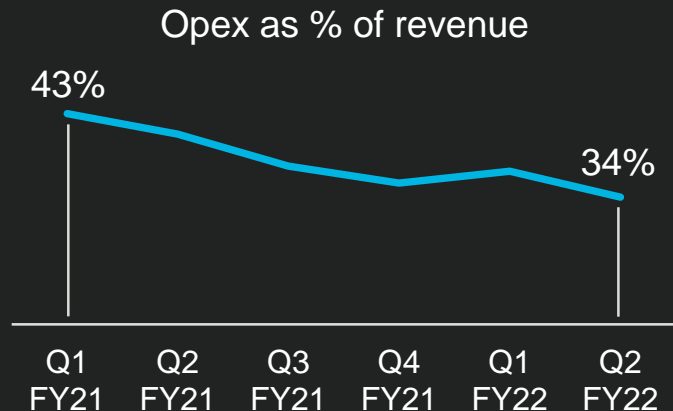
Note: Q2 FY22 non-GAAP gross margin as corporate average gross margin. Size of bubble represents Q2 FY22 revenue. Chart is for illustration of gross margin by end market and not to scale



# Focus on operating leverage and investment

Scale operating model...

...While investing in R&D



**>\$1.2B**

Annualized R&D\*

**~95%**

Cloud, Carrier, Enterprise & Auto

\*Annualized Non-GAAP R&D based on Q2 FY22 for Marvell including Inphi

**Target Non-GAAP opex = 26-28% of sales**

Non-GAAP presentation: Reconciliation to GAAP in appendix at the end of this presentation

# Long-term Non-GAAP financial model

	2020 investor day	2021 investor day
<b>Revenue growth</b>	10-15% CAGR	15-20% CAGR
<b>Gross margin</b>	63-65%	64-66%
<b>Operating expenses</b>	28-30%	26-28%
<b>Operating margin %</b>	>35%	38-40%
<b>FCF%</b>	>30%	>32%

Note: For our non-GAAP long term target model, we have not provided a reconciliation to the corresponding GAAP measures because certain items that impact these measures are uncertain or out of our control or cannot be reasonably predicted. Accordingly, a reconciliation of these non-GAAP financial measures to the corresponding GAAP measures is not available without unreasonable effort.

# Capital allocation priorities

1

**Investment  
in organic  
growth**

Talent / people

3/5nm technology and IP

Supporting infrastructure

2

**Investment  
through  
acquisitions**

 **Inphi**

 **Innovium**

3

**Returns to  
shareholders  
(>50% of FCF)**

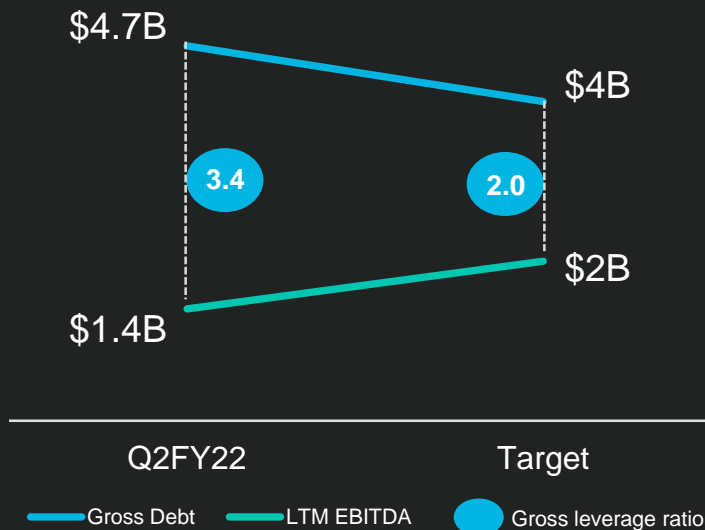
Prioritize share repurchase

Maintain current dividend

**Strong balance sheet, investment grade rating and ample financial flexibility**

# Capital return priorities

EBITDA tailwind drives rapid deleveraging



Share repurchase since Q3FY17

**\$1.2B**  
repurchased

**\$18**  
Average price per share

**36%**  
Compounded annual return

# Key takeaways

1

Driving sustainable revenue growth

2

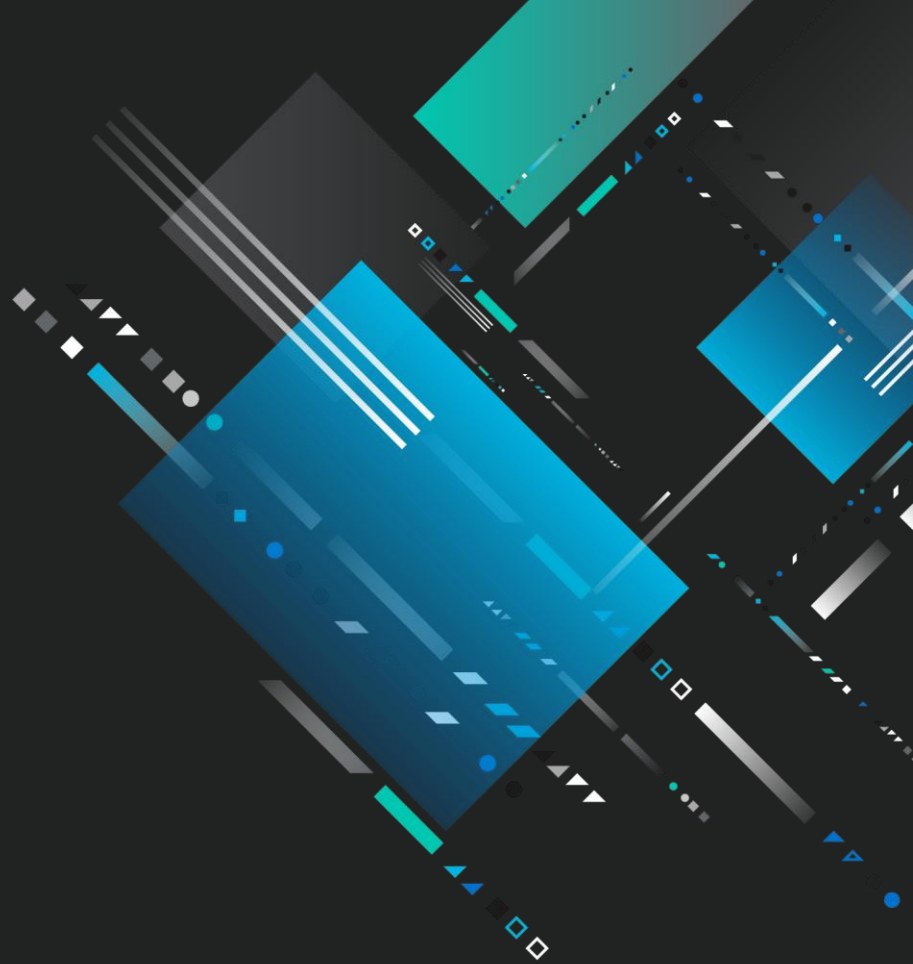
Scaling financial model while investing to lead

3

Disciplined capital allocation funds growth and shareholder returns



Thank you





Essential technology, done right<sup>TM</sup>



# Appendix



# GAAP to non-GAAP reconciliation for slide 116

	Q2FY21	Q2FY22
<b>GAAP operating margin</b>	<b>-20.8%</b>	<b>-24.8%</b>
Other cost of goods sold	1.6%	14.5%
Share-based compensation	8.6%	10.6%
Restructuring related charges	16.6%	1.1%
Amortization of acquired intangible assets	15.3%	25.7%
Other operating expenses	1.1%	3.7%
<b>Non-GAAP operating margin</b>	<b>22.4%</b>	<b>30.8%</b>

	Q2FY21	Q2FY22
<b>GAAP gross margin</b>	<b>49.4%</b>	<b>34.6%</b>
Special items:		
Share-based compensation	0.6%	0.2%
Amortization of acquired intangible assets	11.7%	15.5%
Other cost of goods sold	1.6%	14.5%
<b>Total special items</b>	<b>13.9%</b>	<b>30.3%</b>
<b>Non-GAAP gross margin</b>	<b>63.3%</b>	<b>64.8%</b>

# GAAP to non-GAAP reconciliation for slide 121

\$K	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
<b>GAAP Operating Expense</b>	<b>\$422,898</b>	<b>\$510,523</b>	<b>\$390,450</b>	<b>\$422,868</b>	<b>\$500,452</b>	<b>\$638,498</b>
Share-based compensation	56,149	58,504	55,352	55,214	99,790	111,440
Amortization of acquired intangible assets	26,355	26,354	26,355	26,355	34,827	109,419
Integration and deal costs	-	-	-	-	-	-
Restructuring related charges	21,287	120,590	19,312	9,570	12,886	12,294
Legal settlement and related charges	-	-	-	36,000	-	-
Other operating expenses	19,403	8,125	9,490	12,480	46,684	38,948
<b>Total Recon Items</b>	<b>123,194</b>	<b>213,573</b>	<b>110,509</b>	<b>139,619</b>	<b>194,187</b>	<b>272,101</b>
<b>Non-GAAP Operating Expense</b>	<b>\$299,704</b>	<b>\$296,950</b>	<b>\$279,941</b>	<b>\$283,249</b>	<b>\$306,265</b>	<b>\$366,397</b>
Net Revenue	\$693,641	\$727,297	\$750,143	\$797,819	\$832,279	\$1,075,881
Non-GAAP Opex as % of revenue	43.2%	40.8%	37.3%	35.5%	36.8%	34.1%