



Q4 2024 Earnings

February 18, 2025

Safe Harbor

This presentation contains “forward-looking statements” within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on information available to the Company as of the date hereof, as well as the Company’s current expectations, assumptions, estimates and projections that involve risks and uncertainties. In this context, forward-looking statements often address expected future business, financial performance and financial condition, and often contain words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “could,” “seek,” “see,” “will,” “may,” “would,” “might,” “potentially,” “estimate,” “continue,” “target,” similar expressions or the negatives of these words or other comparable terminology that convey uncertainty of future events or outcomes. All forward-looking statements by their nature address matters that involve risks and uncertainties, many of which are beyond the Company’s control, and are not guarantees of future results. Forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statements. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in such statements and, therefore, you should not place undue reliance on any such statements and caution must be exercised in relying on forward-looking statements. Important risk factors that may cause such a difference include, but are not limited to: the Company’s ability to implement its business strategy; the Company’s ability to enter into new and renewal license agreements with customers on favorable terms; the Company’s ability to retain and hire key personnel; uncertainty as to the long-term value of the Company’s common stock; legislative, regulatory and economic developments affecting the Company’s business; general economic and market developments and conditions; the Company’s ability to grow and expand its patent portfolios; changes in technology and development of new technology in the industries in which the Company operates; the evolving legal, regulatory and tax regimes under which the Company operates; unforeseen liabilities and expenses; risks associated with the Company’s indebtedness; the Company’s ability to achieve the intended benefits of, and its ability to recognize the tax treatment of, the spin-off of its product business; unpredictability and severity of catastrophic events, including, but not limited to, acts of terrorism or outbreak of war or hostilities, natural disasters and global health pandemics, each of which may have an adverse impact on the Company’s business, results of operations, and financial condition. These risks, as well as other risks associated with the Company’s business, are more fully discussed in the Company’s filings with the U.S. Securities and Exchange Commission (“SEC”), including the Company’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. While the list of factors presented here is, and the list of factors presented in the Company’s filings with the SEC are, considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements.

Causes of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, failure to complete licensing arrangements on anticipated terms and timeline, failure to prevail in litigation we may bring against third parties, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on the Company’s consolidated financial condition, results of operations, liquidity or trading price of common stock. The Company does not assume any obligation to publicly provide revisions or updates to any forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws.

Recent Business Highlights



Record post-separation revenue of \$119.2 million, record operating cash flow of \$107.5 million, non-GAAP operating margin of 67% and adjusted EBITDA of \$80.3 million



Closed 10 deals including 4 new deals and 6 renewals across multiple verticals, including OTT, consumer electronics, pay-TV, e-commerce and semiconductor



Paid down \$50.0 million of debt in Q4 2024 and in Q1 2025 repriced our term loan, further lowering our interest rate by 50 basis points



Repurchased over 1.4 million shares of our common stock for \$20.0 million

Q4 2024 Deal Momentum



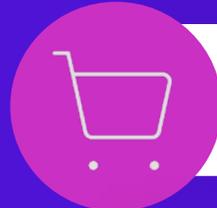
Signed a significant new multi-year license agreement with Amazon, a top three OTT provider, for access to our media portfolio



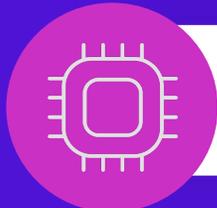
Signed multi-year renewals with Roku and Sharp for access to our media portfolio



Signed a new multi-year license with Canon for access to our media portfolio



Signed a new multi-year license with a luxury retailer e-commerce customer, for access to our media portfolio



Signed technology transfer agreement with a new customer for access to our hybrid bonding technology

FY 2024 Highlights



Signed 32 deals in 2024, including with Amazon, LG Electronics, Roku, Liberty Global, Canon, Panasonic, Sharp, Vizio, X Corp. and Hamamatsu



Revenue of \$376.0 million, EBITDA of \$234.3 million



Paid down \$114.2 million of debt, paid \$21.8 million in dividends and repurchased over 1.4 million shares of our common stock for \$20.0 million



Patent portfolio growth of 12% balanced between media and semiconductor portfolios



Acquired 5 patent portfolios focused primarily on OTT and broadband connectivity for approximately \$20 million

Measures of Success



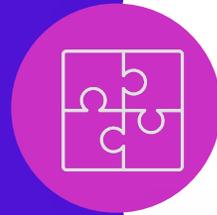
Increase Long-Term Revenue

Continue to execute renewals and new customer agreements that will increase our annual revenue over the long-term



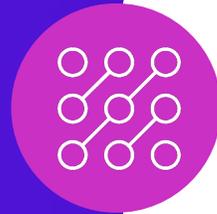
IP Portfolio Growth

Grow patent portfolio through focused organic R&D and strategic inorganic investments



Balanced Capital Allocation Approach

Continue to make accelerated payments towards our term loan, return capital to shareholders through stock repurchases and dividends, and make strategic tuck-in acquisitions



Grow Pipeline of Opportunities

Invest in key areas that will grow our pipeline of future opportunities in OTT, adjacent media markets and semiconductor

Q4 and Full-Year 2024 Results

Category (in millions)	Q4'24 GAAP	Q4'24 NON-GAAP	FY'24 GAAP	FY'24 NON-GAAP
Revenue	\$119.2	\$119.2	\$376.0	\$376.0
Operating expenses	\$61.7	\$39.4	\$247.4	\$143.8
Interest expense	\$12.3	\$12.3	\$52.5	\$52.5
Other income, net	\$1.3	\$1.3	\$5.6	\$5.6
Loss on debt extinguishment	\$0.0	\$0.0	\$0.5	\$0.0
Income tax expense	\$10.5	\$15.9	\$16.6	\$42.6
Net income	\$36.0	\$52.9	\$64.6	\$142.7
Adjusted EBITDA	N/A	\$80.3	N/A	\$234.3
Diluted shares outstanding	113.6	113.6	113.1	113.1

- See tables for reconciliation of GAAP to Non-GAAP differences

FY 2025 Outlook

Category (in millions, except tax rate)	FY'25 GAAP Outlook	FY'25 Non-GAAP Outlook
Revenue	\$390.0 – 430.0	\$390.0 – 430.0
Operating expenses	\$263.0 – 275.0	\$166.0 – 174.0
Interest expense	\$41.0 – 43.0	\$41.0 – 43.0
Other income	\$4.0 – 4.5	\$4.0 – 4.5
Tax rate	15.0% – 30.0%	23.0%
Net income	\$76.5 – 81.6	\$144.0 – 167.5
Adjusted EBITDA	N/A	\$226.3 – 258.3
Diluted shares outstanding	113.0 – 114.0	113.0 – 114.0

- See tables for reconciliation of GAAP to Non-GAAP differences

Value Proposition



Foundation Driven by Strong Portfolios and Technology Offerings

Approximately 12,250 patent assets provide both depth and breadth to our licensing base

Long and impressive history of successfully monetizing our portfolios



Ongoing Innovation and Capitalization of Market Trends Drive Growth

Ongoing innovations drive growth in targeted markets

Proliferation of video is expanding rapidly

Semiconductor industry is challenged to keep up with Moore's law



Focused Capital Allocation to Maximize Shareholder Value

Focused investments in innovation across media and semiconductor

Expand IP portfolios through tuck-in acquisitions

Focused deployment of capital with a balanced approach of deleveraging our balance sheet and returning capital to shareholders



Question & Answer



adeia™
igniting innovation



Thank you!