Arteris (AIP) down 6.6% QTD $6.51

3rd Quarter 2023 : Arteris (AIP:$6.51) decreases 6.6%

Arteris' stock price decreased 46.0c (or 6.6%) in the third quarter of 2023 to close at $6.51 on September 29. Compared with the NASDAQ-100 Index which fell 464.0 points (or 3.1%) in the third quarter of 2023, this represented a relative price change of -3.5% for Arteris shareholders.

Arteris is the NASDAQ's 12th largest Internet company by market cap.

Fig 1: ARTERIS (AIP) Stock Dashboard [traded in US Dollars, USD] End-of-Day

Exchange	NASDAQ [Nasdaq]
Sep 29, 2023	$6.51
EPS (FY2022)	(84.0c)
Ave Daily Volume	148,991 shares
52-Week Price Range	3.27 - 8.08
Sector	Internet
Market Cap	$235 million
Shares Outstanding	36,070,000
Institutional Ownership	8,969,936
% of shares outstanding	26.8%
% Held by 9 Insiders	36.6%
PV$1000 (1 yr)	$979*

*If You Invested $1,000 in Arteris a year ago, This is How Much You Would Have Today: $979. USD1000 would have bought 150.4 shares (@the then price of 6.65) worth $979 @6.51 today.

Includes analysis of SEC Filings Form 13F as of Jun 30
Form 13F is a quarterly equity holding report for all institutional investment managers with at least $100 million in AUM. Our analysis covers about 5,500 such institutions.
Next quarterly update - Inst ownership analysis Sep 30: Nov 17, 2023

In this Report:

Note also:

Section Headers and Figures are mapped as Bookmarks in the PDF menu (left, top)
Last Updated: Monday, August 21, 2023

DATA & ARCHIVE DOWNLOAD CENTER

AIP: EXCEL TABLES ARE AVAILABLE TO EXPORT DATA:

- PRICE VOLUME - 5-YEAR HISTORY
- INSTITUTIONAL SHAREHOLDERS - CATEGORISED AND COMPLETE LIST OF 31 INSTITUTIONS AS AT Jun 30, 2023
- PATENTS - CATEGORISED LIST OF 5-YEAR HISTORY OF 40

AIP: LINKS IN HTML TO FURTHER INFORMATION:

- NEWS ARCHIVES - AIP PAST 2 YEARS IN HTML
- PRICE VOLUME CHARTS IN HTML
- SEC FILINGS

Fig 2: LONG-TERM FUNDAMENTAL RANKING: 3 OUT OF 5 [5 is best]

Arteris is ranked number 15 out of 25 listed internet companies in the United States with a market capitalization of $234.8 million.
In the internet companies it has the 14th highest total assets and 12th highest revenues.
Within its sector it has a relatively moderate Price/Sales of 4.7.

Stocks are scored on a set of parameters reflecting fundamental analytical tools involving valuation, size and financial performance. They are ranked according to the average values of those parameters. The highest ranking is 5 and the lowest ranking is 1.

The Past Quarter: SEC Filings

Fig 3: SEC Form 4 Filings: Insider Selling

Tue Sep 12, 2023
Arteris COO Laurent R. Moll sells shares worth $144,650
Tuesday September 12, 2023Arteris (NASDAQ:AIP) Chief Operating Officer Laurent R. Moll sold 20,336 shares worth $144,650 on September 08. The selling price was $7.11.

Tue Sep 12, 2023
Arteris CFO Hawkins Nicholas B. sells shares worth $141,600
Tuesday September 12, 2023Arteris (NASDAQ:AIP) Chief Financial Officer and Vice President Hawkins Nicholas B. sold 20,000 shares worth $141,600 on September 11. The selling price was $7.08. The shares hit a six-day low on the day.

Wed Sep 06, 2023
Arteris CEO K. Charles Janac sells shares worth $15,308
Wednesday September 06, 2023Arteris (NASDAQ:AIP) Chief Executive Officer, Chairman, Director and President K. Charles Janac sold 2,160 shares worth $15,308 on September 05. The selling price was $7.09. The shares hit a one-month high on the day.

Wed Sep 06, 2023
Arteris CFO Hawkins Nicholas B. sells shares worth $5,329
Wednesday September 06, 2023Arteris (NASDAQ:AIP) Chief Financial Officer and Vice President Hawkins Nicholas B. sold 758 shares worth $5,329 on September 06. The selling price was $7.03. The shares hit a two-month high on the day.

Tue Aug 15, 2023
Arteris CFO Hawkins Nicholas B. sells shares worth $41,173
Tuesday August 15, 2023Arteris (NASDAQ:AIP) Chief Financial Officer and Vice President Hawkins Nicholas B. sold 5,919 shares worth $41,173 on August 11. The selling price was $6.96.

Mon Jul 17, 2023
Arteris director Wayne Cantwell sells shares worth $4,560
Monday July 17, 2023Arteris (NASDAQ:AIP) Director Wayne Cantwell sold 570 shares worth $4,560 on July 13. The selling price was $8.0. The shares hit a two-month high on the day.

Mon Jul 17, 2023
Arteris vice president Paul L. Alpern sells shares worth $12,265

Monday July 17, 2023Arteris (NASDAQ:AIP) Vice President and ge Paul L. Alpern sold 1,532 shares worth $12,265 on July 13. The selling price was $8.01. The shares hit a two-month high on the day.

Thu Jul 06, 2023
Arteris vice president Paul L. Alpern sells shares worth $12,276
Thursday July 06, 2023Arteris (NASDAQ:AIP) Vice President and ge Paul L. Alpern sold 1,748 shares worth $12,276 on July 05. The selling price was $7.02. The shares hit a 19-day high on the day.

Thu Jul 06, 2023
Arteris COO Laurent R. Moll sells shares worth $4,688
Thursday July 06, 2023Arteris (NASDAQ:AIP) Chief Operating Officer Laurent R. Moll sold 668 shares worth $4,688 on July 05. The selling price was $7.02. The shares hit a 19-day high on the day.

Thu Jul 06, 2023
Arteris CEO K. Charles Janac sells shares worth $33,763
Thursday July 06, 2023Arteris (NASDAQ:AIP) Chief Executive Officer, Chairman, Director and President K. Charles Janac sold 4,804 shares worth $33,763 on July 05. The selling price was $7.03. The shares hit a 19-day high on the day.

Tue Jun 20, 2023
Arteris director Antonio J. Viana sells shares worth $114,196
Tuesday June 20, 2023Arteris (NASDAQ:AIP) Independent Director Antonio J. Viana sold 16,464 shares worth $114,196 on June 16. The selling price was $6.94. The shares hit a ten-day low on the day.

Tue Jun 20, 2023
Arteris COO Laurent R. Moll sells shares worth $6,638
Tuesday June 20, 2023Arteris (NASDAQ:AIP) Chief Operating Officer Laurent R. Moll sold 885 shares worth $6,638 on June 15. The selling price was $7.50. The shares hit an eight-day high on the day.

Tue Jun 13, 2023
Arteris director Wayne Cantwell sells shares worth $127,320
Tuesday June 13, 2023Arteris (NASDAQ:AIP) Director Wayne Cantwell sold 17,359 shares worth $127,320 on June 09. The selling price was $7.33.

Tue Jun 13, 2023
Arteris vice president Paul L. Alpern sells shares worth $308,419
Tuesday June 13, 2023Arteris (NASDAQ:AIP) Vice President and ge Paul L. Alpern sold 42,051 shares worth $308,419 on June 09. The selling price was $7.33.

Tue Jun 13, 2023
Arteris CEO K. Charles Janac sells shares worth $96,958
Tuesday June 13, 2023Arteris (NASDAQ:AIP) Chief Executive Officer, Chairman, Director and President K. Charles Janac sold 13,764 shares worth $96,958 on June 12. The selling price was $7.04. The shares hit a six-day low on the day.

Insider Selling Summary [past quarter]

Name	No. of Shares	Price, $	Value, $
Alpern Paul L [Vice President]	45,331	7.3	332,960
Hawkins Nicholas B. [CFO]	26,677	7.1	188,102
Moll Laurent R [COO]	21,889	7.1	155,976
Janac K Charles [CEO]	20,728	7.0	146,029
Cantwell Wayne C [Director]	17,929	7.4	131,880
Viana Antonio J [Independent Director]	16,464	6.9	114,196
Total	**149,018**	**7.2**	**1,069,143**

The Past Quarter: Analyst Ratings

Fig 4: Analyst Recommendations: Past Four weeks

2023	Brokerage	Past Rating	Current Rating	Prev Target	Price Target
Sep 20	Rosenblatt Securities	Buy	Buy		21
Sep 01	TD Cowen		Outperform	11	12

The Past Quarter: Press Releases and Corporate Wire

Fig 5: Press Releases and Corporate Wire

September 13: Alchip Collaborates With Arteris To Expand ASIC Design Services

FlexNoC network-on-chip IP will be used to enhance SoC designs for AI, ADAS, vision systems and consumer electronics products

CAMPBELL, Calif., Sept. 13, 2023 -- Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, and Alchip Technologies, Ltd., a top-tier ASIC leader, today announced a collaboration to enhance the delivery of high-performance SoCs with unmatched bandwidth and ease of physical design. This collaboration can deliver highly optimized SoCs across various market segments.

Arteris industry-leading interconnect IP solutions, renowned for their efficiency, scalability and configurability, seamlessly integrate with Alchip's advanced semiconductor design and manufacturing platform. Their complementary expertise enhances ASIC capabilities to enable the integration of advanced technologies as physical design and performance become more challenging.

Alchip provides high-performance ASICs noted for their consistent first-time silicon successes.

"Working with Arteris reflects our strategy to provide our customers with a robust best-in-class IP portfolio. It strengthens our ability to deliver industry-leading SoCs, said Johnny Shen, CEO of Alchip Technologies. We leverage their network-on-chip interconnect expertise to enhance our silicon design and manufacturing capabilities, enabling us to address the semiconductor industrys increasingly complex demands."

"Arteris is pleased to collaborate with Alchip, a recognized leader in ASIC design and manufacturing," said K. Charles Janac, president and CEO of Arteris. "Together, we can deliver highly differentiated SoC designs that leverage the full potential of our interconnect IP and SoC integration solutions. This collaboration aligns with our shared commitment to providing customers with high performance, power efficiency and better ROI so they are free to innovate."

August 14: Arteris Wins Gold Stevie Award in the 2023 International Business Awards for Technical Innovation of the Year

The award recognizes the achievements of the company including its FlexNoC 5 physically aware network-on-chip interconnect IP

CAMPBELL, Calif., Aug. 14, 2023 -- Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, announced today that it was named the winner of a Gold Stevie Award for Technical Innovation of the Year in the 20th Annual International Business Awards.

The International Business Awards are the worlds premier business awards program. All individuals and organizations worldwide public and private, for-profit and non-profit, large and small are eligible to submit nominations.The 2023 IBAs received over 3,700 nominations from organizations in 61 nations and territories.

We are very pleased to be recognized for our technical innovation and the essential role our system IP plays in accelerating the creation of semiconductors, said K. Charles Janac, president and CEO of Arteris. The rapid pace of innovation in the semiconductor industry has triggered an explosion in the number of processing blocks and Arteris advanced connectivity technology, including network-on-chip IP and SoC integration automation software, enables the creators of electronic systems to get to market faster with reduced risk and better SoC economics.

Arteris won the Technical Innovation of the Year category for organizations with up to 1,000 employees. FlexNoC 5 from Arteris is a recent example of technological innovation. Announced in February 2023, FlexNoC 5 physically aware network-on-chip interconnect IP enables semiconductor design teams to optimize power, performance plus area, and realize physical convergence up to 5X faster over manual iterations. Learn more about FlexNoC 5.

Nominations to the IBAs get better every year, and this years class of Stevie winners is the most impressive yet, said Stevie Awards president Maggie Miller.

August 03: Arteris Announces Financial Results for the Second Quarter 2023 and Estimated Third Quarter and Full Year 2023 Guidance

Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced financial results for the second quarter ended June 30, 2023 as well as estimated third quarter and full year 2023 guidance.

In the second quarter we continued our momentum, with Annual Contract Value plus Trailing-Twelve-Month Royalties of $58.2million, up 21% year-over-year when adjusted to exclude DJI and up 6% sequentially, said K. Charles Janac, President and CEO of Arteris. Also noteworthy in the second quarter, five of the top 10 largest technology companies engaged with Arteris, demonstrating the accelerating shift to commercial system IP products across a multitude of end markets including automotive, AI and data center applications. As the complexities of SoCs continues to increase, companies who historically utilized in-house solutions are increasingly looking to outsource system IP connectivity needs which we expect to benefit Arteris."

Second Quarter 2023 Financial Highlights:

Second Quarter 2023 Business Highlights:

Estimated Third Quarter and Full Year 2023 Guidance:

Source: West Corporation

July 20: Arteris IP to Announce Financial Results for the Second Quarter 2023

CAMPBELL, Calif., July 20, 2023 -- Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced that it will release its financial results for the second quarter ended June 30, 2023, after market close on Thursday, August 3, 2023.

Management will host a conference call on Thursday, August 3, 2023 at 4:30 PM ET to discuss these results. The call will be available, live, to interested parties by dialing:

Please join the call 5-10 minutes prior to the scheduled start time to avoid a delay in connecting. A live webcast will be available in the Investor Relations section of Arteris IPs website at:https://ir.arteris.com/events-and-presentations.

A replay of the webcast will be available on the Events and Presentations page in the Investor Relations section of the companys web site approximately two hours after the conclusion of the call and remain available for approximately 30 calendar days.

Fig 6: Arteris issued 5 new patents in the past quarter

Arteris (AIP) has been issued 5 new patents by the USPTO & EPO.

This corresponds to an average of 2 patents a month.

To view details, click on link shown in the DATA & ARCHIVE DOWNLOAD CENTER.

SEC Form 10-K: Management's Discussion & Analysis

Fig 7: SEC Form 10-K: Management's Discussion & Analysis

Management's Discussion and Analysis of Financial Condition and Results of Operations:

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes included under Part II, Item 8 in this Annual Report on Form 10-K. This discussion and analysis contains forward-looking statements based upon current beliefs, plans and expectations that involve risks, uncertainties and assumptions, such as statements regarding our plans, objectives, expectations, intentions and projections. Our actual results and the timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of several factors, including those set forth under the heading "Risk Factors" and elsewhere in this Annual Report on Form 10-K. You should carefully read the "Risk Factors" section of this Annual Report on Form 10-K to gain an understanding of the important factors that could cause actual results to differ materially from forward-looking statements. Please also see the section titled "Cautionary Note Regarding Forward-Looking Statements."

Unless the context otherwise requires, all references in this report to "we," "us," "our," the "Company," and "Arteris" refer to Arteris, Inc. and its subsidiaries.

Overview:

We are a leading provider of System IP, including interconnect and other intellectual property, (collectively, IP) technology that connects client IP blocks such as processors, memories, artificial intelligence/machine learning (AI/ML) accelerators, graphics subsystems, safety and security and other input/output (I/Os) subsystems via multiple Network-on-Chips (NoCs) in order for our customers to create System-on-Chips (NoC) (SoCs) semiconductors faster, better, and a lower cost. Our products enable our customers to deliver increasingly complex SoCs that not only process data but are also able to make decisions. Growth in the total addressable market for our solutions is being driven by the addition of more processors, channels of memory access, machine learning sections, chiplets, additional I/Os interface standards and other subsystems within SoCs. The growth in the numbers of these connected on-chip subsystems place an increasing premium on the interconnect IP capability to move data inside complex SoCs. We believe this increase in SoC complexity is creating a significant opportunity for sophisticated System IP solutions which incorporate NoC interconnect IP, IP deployment software and NoC interface IP (consisting of peripheral data transport IP and control plane networks connected to NoC interconnect IPs).

Our IP deployment solutions, which were significantly enhanced by our acquisition of Magillem Design Services S.A. (Magillem) in 2020, complement our interconnect IP solutions by helping to automate not only the customer configuration of its NoC interconnect but also the process of integrating and assembling all of the customer's IP blocks into an SoC. Products incorporating our IP are used to carry most of the important data inside complex SoCs for sophisticated applications, including automotive, enterprise computing, communications, consumer electronics, and industrial markets.

As of December 31, 2022, we had 245 full-time employees and offices in eight locations in the United States, France, China, South Korea and Japan. For the year ended December 31, 2022, we generated revenue of $50.4 million, net loss of $27.4 million and net loss per share - basic and diluted of $0.84. As of December 31, 2022, we had Annual Contract Value (as defined below) of $49.2 million. During the year ended December 31, 2022, we added 38 net new Active Customers (as defined below) and our customers had 82 Confirmed Design Starts (as defined below).

Initial Public Offering:

In October, 2021, we completed our initial public offering (IPO), in which we issued and sold 5,750,000 shares of common stock at the public offering price of $14.00 per share, including 750,000 shares issued upon the full exercise of the underwriters' option to purchase additional shares. We received net proceeds of $71.1 million after deducting underwriting discounts and commissions and offering expenses. In connection with the IPO, all of the shares of our outstanding redeemable convertible preferred stock prior to the IPO automatically converted into an aggregate of 4,471,316 shares of common stock.

Deferred offering costs for the IPO were $3.8 million and consisted primarily of direct incremental accounting, legal and other fees related to the IPO. Prior to the IPO, all deferred offering costs were capitalized and included in other assets, non-current on the consolidated balance sheets. Upon completion of the IPO, deferred offering costs were reclassified into stockholders' equity as a reduction of the IPO proceeds. Acquisitions

On December 27, 2022, we completed our acquisition of Semifore, Inc., (Semifore) for a total consideration of $3.1 million. Prior to the acquisition, Semifore was a privately held provider of hardware, software interface (HSI) technology. Semifore technologies are used to effectively design, verify, document, and help in the validation of the hardware-software integration that is used in the SoC complex chip market. The addition of Semifore technologies and team expertise augments Arteris System IP and IP deployment automation to further support software control of the IP and SoC hardware.

On November 30, 2020, Arteris IP, SAS, our wholly owned subsidiary, completed the acquisition of Magillem for a total consideration of $7.8 million. Magillem is a leading provider of design flow and content management software solutions for the complex chip market. The primary reason for the acquisition was to integrate our technologies in order to accelerate and simplify the SoC assembly design flow and enhance innovation in both SoC IP integration software and the highly configurable on-chip interconnect IP that implements chip architectures.

Factors Affecting Our Business:

We believe that the growth of our business and our future success are dependent upon many factors including those described under "Risk Factors" and elsewhere in this report, in addition to those described below. While each of these factors presents significant opportunities for us, these factors also pose challenges that we must successfully address in order to sustain the growth of our business and enhance our results of operations.

License Agreements with New and Existing Customers

Our ability to generate revenue from new license agreements, and the timing of such revenue, is subject to a number of factors, risks and contingencies. For new products, the time from initial development until we generate license revenue can be lengthy, typically between one and three years. In addition, because the selection process by our customers is typically lengthy and market requirements and alternative solutions available to customers for IP-based products change rapidly, we may be required to incur significant research and development expenditures in pursuit of new products over extended, multiyear periods of time with no assurance that our solutions will be successfully developed or ultimately selected by our customers. While we make efforts to observe market demand and market need trends, we cannot be certain that our investment in developing and testing new products will generate an adequate rate of return in the form of fees, royalties or other revenues, or any revenues. Moreover, the customer acquisition process has a typical duration of six to nine months; following this, a customer's chip design cycle is typically between one to three years and may be delayed due to factors beyond our control, which may result in our customer's product not reaching the market until long after we entered into a contract with such customer. Customers typically start shipping their products containing our interconnect IP solutions between one to five years following completion of their product design, known as mass production, at which point we start to receive royalties; this lasts for up to seven years depending on the market segment. Any significant delay in the ramp-up of volume production of the customer's products into which our product is designed could adversely affect our business due to delayed or significantly reduced revenues. Further, because the average selling prices (ASPs) of our products may decline over time, we consider new license agreements and new product launches to be critical to our future success and anticipate that for our newer products, we are and will remain highly dependent on market demand timing and revenue from new license agreements.

End Customer Product Demand and Market Conditions

Demand for our interconnect IP solutions and associated royalty revenue is highly dependent on market conditions in the end markets in which our customers operate. These end markets, which include the automotive, enterprise computing, communications, consumer electronics, and industrial markets, are subject to a number of factors including end-product acceptance and sales, competitive pressures, supply chain issues and general market conditions. For example, our revenue has been supported by the increased need for more complex SoCs to enable sophisticated automated driving. If the demand in this market continues to grow, we anticipate it will continue to have a positive impact on our revenue. In contrast, if general market conditions deteriorate or other factors occur such as supply chain issues resulting in fewer semiconductors utilizing our IP solutions being available for sale, our revenue would be adversely affected. Terms of our Agreements with Customers

Our revenue from period to period can be impacted by the terms of the agreements we enter into with our customers. For example, in recent periods we have structured certain agreements with customers that include substantial up front licensing payments. As a result of how these contracts are structured and the revenue is recognized, our revenue in the year ended December 31, 2022 may not be comparable to future periods if we do not enter into similar contractual agreements. Further, a meaningful percentage of our revenue is generated through royalty payments. Because the time between a new license agreement win and the customer's end product being sold can be substantial, with sales of the end product being subject to a number of factors outside our control, our revenue from royalties is difficult to predict. As a result of the foregoing, revenue may fluctuate significantly from period to period and any increase or decrease in such revenue may not be indicative of future period-to-period increases or decreases.

Technological Development and Market Growth:

We believe our growth has been and will continue to be driven by technology trends in our end markets. For example, the requirements of smaller die size, lower power consumption, a higher frequency of operation and management of critical net latency in a timely and cost-effective manner for on-chip processing in the automotive, enterprise computing, communications, consumer electronics, and industrial markets has resulted in increased SoC design complexity for chips used in these markets. This trend in turn has created increased demand for in-licensing commercial semiconductor design IP, which in turn has positively impacted our revenue and growth.

In order to address technological developments such as the above and expand our offerings, we have invested significantly in our research and development efforts. These investments, which included growth in engineering headcount, have resulted in substantially increased research and development expenses in recent periods. As we continue to invest in our technology and new product design efforts, we anticipate research and development expense will increase on an absolute basis and as a percentage of revenue in the near term. In the medium to longer term, however, while we expect to increase our research and development expense on an absolute basis, we expect this expense to reduce as a percentage of revenue.

We will continue to evaluate growth opportunities through acquisitions of other businesses.

Impact of Operating Globally:

We believe our products' global footprint provides us the opportunity to enter new markets and accelerate our growth. For 2022, 59.3% of our revenue was derived from sales to customers outside of the United States and 28.8% of our revenue was derived from customers located in China. For 2021, 56.9% of our revenue was derived from sales to customers outside of the United States. In particular, we derived 27.1% of our revenue in 2021 from customers located in China. While we believe operating internationally has beneficially impacted our results of operations, we are subject to inherent risks attributed to operating in a global economy. Further, our international operations have been, and may in the future continue to be, subject to restrictive government regulations. For example, U.S. export regulations, including regulations announced October 7, 2022 that impose broad end-use and other restrictions on doing business with certain customers and facilities in China that develop or produce semiconductor chips or manufacturing equipment, may limit or adversely impact our ability to license or support our products to entities in or doing business with certain advanced AI or "supercomputer" design companies, foundries and manufacturers of assemblies and components in China. As a result of these restrictions, we may face challenges to maintain our revenue and our revenue may decrease.

Cyclical Nature of the Semiconductor Industry:

The semiconductor industry in which our customers operate is highly cyclical and is characterized by increasingly rapid technological change, product obsolescence, competitive pricing pressures, evolving standards, short product life cycles and fluctuations in product supply and demand. New technology may result in sudden changes in system designs or platform changes that may render some of our IP solutions obsolete and require us to devote significant research and development resources to compete effectively. Periods of rapid growth and capacity expansion are occasionally followed by significant market corrections in which our customers' sales decline, inventories accumulate and facilities go underutilized. During an expansion cycle, we may increase research and development hiring to add to our product offerings or spend more on sales and marketing to acquire new customers, such as during the recent cycle of expansion in which we increased the number of our engineers significantly. During periods of slower growth or industry contractions, our sales generally suffer due to a decrease in customers' Confirmed Design Starts or in sales of our customers' products. COVID-19 Impact

While the duration and extent of the COVID-19 pandemic depends on future developments that cannot be accurately predicted at this time, such as the extent and effectiveness of containment actions and emergence of new variants, it has already had an adverse effect on the global economy and the lasting effects of the pandemic continue to be unknown. In response to the COVID-19 pandemic, the measures implemented by various authorities have caused us to change our business practices, including those related to where employees work, the distance between employees in our facilities, limitations on in-person meetings between employees and with customers, suppliers, service providers and stakeholders, as well as restrictions on business travel to domestic and international locations and to attend trade shows, technical conferences and other events. Although we have experienced, and may continue to experience, some impact on certain parts of our business as a result of governmental restrictions and other measures to mitigate the spread of COVID-19, our results of operations, cash flows and financial condition were not materially adversely impacted the year ended December 31, 2022.

We are unable to accurately predict the full impact that COVID-19 will have on our future results of operations, financial condition, liquidity and cash flows due to numerous uncertainties, including the duration and severity of the pandemic and containment measures. Although we expect most of our employees to return to physical offices, the nature and extent of that return is uncertain and differs among jurisdictions such as China where restriction against returning to offices remain largely in effect. For additional details, see the section titled "Risk Factors-Our business has been, and may continue to be, adversely affected by health epidemics, pandemics and other outbreaks of infectious disease, including the current COVID-19 pandemic."

Key Performance Indicators:

We use the following key performance indicators to analyze our business performance and financial forecasts and to develop strategic plans, which we believe provide useful information to investors and others in understanding and evaluating our results of operations in the same manner as our management team. These key performance indicators are presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with generally accepted accounting principles in the United States (GAAP), and may differ from similarly titled metrics or measures used by other companies, securities analysts, or investors.

Annual Contract Value:

We define Annual Contract Value (ACV) for an individual customer agreement as the total fixed fees under the agreement divided by the number of years in the agreement term. Our total ACV is the aggregate ACVs for all our customers as measured at a given point in time. Total fixed fees include licensing, support and maintenance and other fixed fees under IP licensing or software licensing agreements but excludes variable revenue derived from licensing agreements with customers, particularly royalties. ACV was $49.2 million and $47.4 million as of December 31, 2022 and December 31, 2021, respectively. In addition, total ACV and trailing twelve months royalties and other revenue was $52.4 million and $50.0 million as of December 31, 2022 and 2021, respectively. We monitor ACV to measure our success and believe the increase in the number shows our progress in expanding our customers' adoption of our platform. ACV fluctuates due to a number of factors, including the timing, duration and dollar amount of customer contracts.

Active Customers and Customer Retention:

We define Active Customers as customers who have entered into a license agreement with us that remains in effect. The retention and expansion of our relationships with existing customers are key indicators of our revenue potential. We added 38 and 29 net new Active Customers during each of the years ended December 31, 2022 and 2021, respectively. Our annual average customer retention rate, was 98% from December 31, 2021 to December 31, 2022. Confirmed Design Starts

We define Confirmed Design Starts as when customers confirm their commencement of new semiconductor designs using our interconnect IP and notify us. Confirmed Design Starts is a metric management uses to assess the activity level of our customers in terms of the number of new semiconductor designs that are started using our interconnect IP in a given period. Our interconnect IP and NoC interface IP customers confirmed a total of 82 and 86 design starts during each of the years ended December 31, 2022 and 2021, respectively. We believe that the number of Confirmed Design Starts is an important indicator of the growth of our business and future royalty revenue trends.

Remaining Performance Obligations:

We define Remaining Performance Obligations (RPO) as the amount of contracted future revenue that has not yet been recognized, including both deferred revenue and contracted amounts that will be invoiced and recognized as revenue in future periods.

The RPO amount is intended to provide visibility into future revenue streams. We expect RPO to fluctuate up or down from period to period for several reasons, including amounts, timing, and duration of customer contracts, as well as the timing of billing cycles for each contract. Our RPO was $57.7 million and $60.5 million as of December 31, 2022 and 2021, respectively.

Components of Our Results of Operations:

Revenue: Our revenue is primarily derived from licensing intellectual property, licensing software, support and maintenance services, professional services, training services, and royalties. Our agreements often include other service elements including training and professional services which were immaterial for the years ended December 31, 2022 and 2021, respectively.

Our interconnect solutions product arrangements provide customers the right to software licenses, services, software updates and technical support. We enter into licensing arrangements with customers that typically range from two to three years and generally consist of delivery of a design license that grants the customer the right to use the IP to design a contractually defined number of products and stand-ready support services that provides the customer with our application engineer support services. We believe our customers derive a significant benefit from our engineer support services, which consist of our proprietary software tool (RTL), ongoing access to Corporate Application Engineers (CAE) and Field Application Engineers (FAE) that perform certain verifications including benchmark performance, simulations and ultimately, through RTL, instantiate designs into silicon over the design term.

The support services, including access to application engineering support services and the benefits of the RTL, are integral and fundamental to the customer's ability to derive its intended benefit from the IP.

CAEs are part of the product development team providing detailed requirements for engineering projects, working very closely with a customer's chief technology officer and the marketing department, and performing quality assurance testing of customer products prior to shipment to their customers.

FAEs provide assistance to the customer's engineering team in translating their desired SoC architecture into inputs for NoC IP configuration, assistance in optimizing the NoC configuration, answers to customer questions by the online support system or phone, constructive reviews of the progress achieved by the customer's development team and provision of advice on how to best use the licensed IP, performance of design reviews before customer project RTL freeze and tape-out to ensure the customer used the licensed IP configuration tooling as intended so that the RTL output meets customer requirements and expectations. FAE reviews of the customer's design are generally mandatory and consist of an understanding of the customer requirements and analysis of the adequacy of the contemplated IP considering the customer's desired architecture and design goals and objectives, taking into consideration bandwidth, coherence/non-coherence, latency, clock and timing, areas, and any and all constraints, as identified and specific to the design under review.

Besides application engineer support services, support and maintenance services also consist of a stand-ready obligation to provide technical support and software updates over the support term. Generally, the first-year of technical support and software updates are bundled with and into the license fee with a customer option to renew additional years of support throughout the license term. However, we continue to provide technical support and software updates throughout the license term even if the customer does not renew these services in subsequent years, making the license term and support and maintenance term co-terminus. Revenues that are derived from the sale of a licensee's products that incorporate our IP are classified as royalty revenues. Royalty revenues are recognized during the quarter in which the sale of the product incorporating the IP occurs. Royalties are calculated either as a percentage of the revenues received by a licensee's sale of products incorporating the IP or on a per unit basis, as specified in the agreements with the licensees. For a majority of our royalty revenues, we receive the actual sales data from our customers after the quarter ends and account for it as unbilled receivables. When we do not receive actual sales data from the customer prior to the finalization of its financial statements, royalty revenues are recognized based on our estimation of the customer's sales during the quarter.

Our deployment solutions product and CSRCompiler product arrangements provide customers the right to software licenses, software updates and technical support. The software licenses are time-based licenses with terms generally ranging from one to three years. These arrangements generally have two distinct performance obligations that consist of transferring the licensed software and the support and maintenance service. Support and maintenance services consist of a stand-ready obligation to provide technical support and software updates over the support term. Revenue allocated to the software license is recognized at a point in time upon the later of the delivery date or the beginning of the license period, and revenue allocated to support services is recognized ratably over the support term.

Cost of revenue: Cost of revenue relates to costs associated with our licensing agreements and support and maintenance, including applicable FAE personnel-related costs such as stock-based compensation, travel, and allocated overhead. We expect cost of revenue as a percentage of revenue to modestly decline over time due to productivity improvements of our FAE processes.

Research and development (R&D) expenses: R&D expenses consist primarily of salaries and associated personnel-related costs, facilities expenses associated with research and development activities, third-party project-related expenses connected with the development of our intellectual property which are expensed as incurred, and stock-based compensation expense and other allocated costs. We expect R&D expenses to increase in absolute terms and as a percentage of revenue in the short term and to continue to increase in absolute terms in the medium to long term but decrease as a percentage of revenue as certain new products are launched.

Sales and marketing (S&M) expenses: S&M expenses consist primarily of salaries, commissions, travel and other costs associated with S&M activities, as well as advertising, trade show participation, public relations, and other marketing costs, stock-based compensation expenses and other allocated costs. We expect S&M expenses to increase in absolute terms but decrease as a percentage of revenue due to productivity improvements of our sales processes.

General and administrative (G&A) expenses: G&A expenses consist primarily of salaries for management and administrative employees, depreciation, insurance costs, accounting, legal and consulting fees, other professional service fees, expenses related to the development of corporate initiatives and facilities expenses associated with G&A activities and stock-based compensation expense, fees for directors and other allocated costs.

We incur additional expenses as a result of operating as a public company, including costs to comply with the rules and regulations applicable to companies listed on a national securities exchange, costs related to compliance and reporting obligations, and increased expenses for additional G&A personnel, directors and officers insurance, investor relations, and professional services. We expect G&A expenses to increase as our business grows. In addition, we expect G&A expenses as a percentage of revenue to vary from period to period but generally decrease over the long term.

Interest expense: Interest expense consists primarily of interest expense on our vendor financing arrangements.

Interest and other income (expense), net: Interest and other income (expense), net consists primarily of interest income earned on our cash and cash equivalents and available-for-sale investments, gains and losses from foreign currency exchange, gain on deconsolidation of subsidiary, realized gains and losses from available-for-sale investments as well as deferred income.

Loss from equity method investment: Loss from equity method investment consists of our proportionate share of net income (losses) from our equity method investee.

Provision for (benefit from) income taxes: Our income tax provision consists primarily of income taxes in certain foreign jurisdictions in which we conduct business and includes foreign non-recoverable withholding taxes. We have a full valuation allowance against our U.S. federal and state deferred tax assets as the realization of the full amount of these deferred tax assets is uncertain, including net operating loss carryforwards and tax credits related primarily to research and development. We expect to maintain this full valuation allowance until it becomes more likely than not that the deferred tax assets will be realized. Results of Operations Research and development expenses

R&D expenses increased, $10.4 million, or 34%, to $41.2 million for the year ended December 31, 2022 from $30.8 million for the year ended December 31, 2021. The increase in R&D expenses was due to an increase in allocated costs of $3.1 million, higher employee-related costs of $5.4 million, including higher stock-based compensation expense of $2.4 million primarily related to new grants in 2022, and higher professional fees of $0.5 million, all as a result of an increase in engineering headcount to support our continued growth and investment in our interconnect technology and IP deployment software. We also incurred higher depreciation expense of R&D equipment of $0.7 million.

Sales and marketing expenses:

S&M expenses increased, $5.7 million, or 49%, to $17.4 million for the year ended December 31, 2022 from $11.7 million for the year ended December 31, 2021. The increase in S&M expenses was primarily due to higher employee-related costs, including commissions, of $2.9 million mainly driven by increased headcount to support growth of our business, higher stock-based compensation expense of $1.5 million primarily related to new grants in 2022, and higher allocated costs of $1.1 million primarily attributable to increased headcount. Business Combinations

We allocate the purchase price to the tangible assets acquired, liabilities assumed, and intangible assets acquired based on their estimated fair values. The excess of the purchase price over the fair values of these identifiable assets and liabilities is recorded as goodwill. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. These estimates are based on information obtained from management of the acquired companies, our assessment of this information, and historical experience. Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from acquired customers, acquired technology, and trade names from a market participant perspective, useful lives, and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. In addition, unanticipated events and circumstances may occur that may affect the accuracy or validity of such estimates, and if such events occur, we may be required to adjust the value allocated to acquired assets or assumed liabilities. During the measurement period, which may be up to one year from the acquisition date, we may record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to our consolidated statements of loss. Acquisition costs, such as legal and consulting fees, are expensed as incurred.

Investments:

All investments in debt securities have been classified as "available-for-sale" and are carried at estimated fair value as determined based upon quoted market prices or pricing models for similar securities. We determine the appropriate classification of our investments in debt securities at the time of purchase and reevaluate such designation as of each balance sheet date. Short-term investments have original maturities of greater than three months but one year or less as of the consolidated balance sheet dates. Long-term investments have maturities greater than one year as of the consolidated balance sheet dates. If we expect to sell a debt security within one year, we will classify the investment as a short-term investment regardless of its stated maturity date. The available-for-sale securities are reported at fair value with unrealized gains and losses included in accumulated other comprehensive income (loss). A decline in the fair value of the available-for-sale securities is recognized directly to net income (loss) if judged to be other than temporary. Interest earned on investments in debt securities, realized gains and losses and impairment losses, if any, on investments in debt securities are included in interest and other income (expense), net in the consolidated statements of loss. The cost of securities sold is based on the specific-identification method.

Equity Method Investments:

We use the equity method to account for our investments in companies which we do not control but are deemed to have the ability to exercise significant influence over operating and financial decisions of the investee.

We generally measure an investment in the common stock of an investee initially at cost. The carrying value of the our equity method investments is reported in equity method investment on the consolidated balance sheets. We record our proportionate share of the income or loss in our equity method investments on a one-quarter lag. The cost is adjusted to recognize our proportionate share of the investee's net income or loss after the date of investment. We assess investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable.

Distributions received from an investee reduce the carrying value of an investment and are recorded in the consolidated statements of cash flows using the nature of distribution approach.

Goodwill and Intangible Assets:

We perform our goodwill and other indefinite-lived intangible assets impairment tests annually or more frequently if events or changes in circumstances occur that would more likely than not reduce the fair value below its carrying value. For the years ended December 31, 2022 and 2021, we did not have any goodwill or other indefinite-lived intangible assets impairment.

Acquired finite-lived intangible assets are amortized on a straight-line basis over the estimated useful lives of the assets, which range from five to eight years, unless the lives are determined to be indefinite. We routinely review the remaining estimated useful lives of finite-lived intangible assets. Amortization expenses are recorded operating expenses on the consolidated statements of loss.

Recently Issued and Adopted Accounting Pronouncements

For more information regarding recently issued accounting pronouncements, see Note 2 to our consolidated financial statements included elsewhere in this report.

JOBS Act:

We are an emerging growth company, as defined in the Jumpstart Our Business Startups (JOBS) Act. The JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This provision allows an emerging growth company to delay the adoption of some accounting standards until those standards would otherwise apply to private companies. We have elected to use the extended transition period under the JOBS Act for the adoption of certain accounting standards until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. See Note 2, Basis of Presentation and Summary of Significant Accounting Policies, in the notes to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

Institutional ownership updated after last SEC Filing Q2/2023 reported on Aug 17

Fig 8: Reported holdings of institutions end of quarter

As at June 30, 2023 institutions had increased their holdings to 26.8% of issued capital, up from 26.1% nine months ago.

Quarter - ended	Jun 30	Mar 31	Dec 31, 2022	Sep 30, 2022
% of issued capital	26.8	27.0	26.1	26.1

Fig 9: Top 25 Institutional Ownership of Arteris as at June 30, 2023

As at June 30, 2023, 30 Institutions (Funds) held investments in shares of Arteris. Institutions decreased their holdings to 26.8% of issued capital, down from 27.0% as at Mar 31. The largest shareholder was Franklin Resources Inc. with 4% of Arteris. The second largest shareholder was Eventide Asset Management, LLC with 1%.

*Note: Minimum Core Shareholding is computed on the basis of SEC filings over the last 12 quarters (3 years). A higher % of shareholding above the minimum core holding may be indicative of a potential positioning by an active institution to overweight.

Arteris Top 11 Active Funds (in desc order of Shares) hold 8.4% [second last column shows % above minimum core shareholding; last column shows percentile rank by AUM (Assets Under Management) among 6692 Funds]. Please download the spreadsheet to view full list of 11 Active Funds holding 8.4% of Arteris as at June 30, 2023.

Fund	Shares	% of Total	Value $	% above Core*	Percentile rank
Franklin Resources Inc. (0000038777)	1,474,400	4	10.1 M	47	99
Eventide Asset Management, LLC (0001442891)	398,774	1	2.7 M	106	92
Russell Investments Group, Ltd. (0001692234)	202,011	0.6	1.4 M	1,583	98
Geode Capital Management, LLC (0001214717)	187,597	0.6	1.3 M	83	100
Acadian Asset Management LLC (0000916542)	167,270	0.5	1.1 M	1,806	97

Roubaix Capital, LLC (0001769700)	143,828	0.4	980,907	84	19
Renaissance Technologies LLC (0001037389)	138,800	0.4	946,616	540	99
Jump Financial, LLC (0001831577)	63,726	0.2	434,611	418	85
Trexquant Investment LP (0001633445)	15,930	0.05	108,643	38	89
UBS Group AG (0001610520)	2,720	0.01	18,550	2,733	100
FMR LLC (0000315066)	771	0.002	5,258	106	100
% Held by Top 11 Institutional shareholders	**2,795,827**	**8.4**	**19.1 M**		

Arteris Top 14 Index Funds (in desc order of Shares) hold 2.3% [second last column shows % above minimum core shareholding; last column shows percentile rank by AUM (Assets Under Management) among 6692 Funds]. Please download the spreadsheet to view full list of 20 Index Funds holding 2.3% of Arteris as at June 30, 2023.

Fund	Shares	% of Total	Value $	% above Core*	Percentile rank
Blackrock Inc. (0001364742)	252,468	0.8	1.7 M		100
Herald Investment Management Ltd (0001512022)	237,182	0.7	1.6 M		58
Calamos Advisors LLC (0001316507)	86,605	0.3	590,646		97
Acuitas Investments, LLC (0001524828)	64,353	0.2	438,887		10
Northern Trust Corp (0000073124)	31,249	0.1	213,118		100
Simplex Trading, LLC (0001488542)	28,883	0.1	196,982		99
LPL Financial LLC (0001403438)	14,400	0.04	98,208		99
Old Mission Capital LLC (0001455915)	11,271	0.03	76,868		91
Mirabella Financial Services LLP (0001538853)	10,483	0.03	71,494		67
DRW Securities, LLC (0001481986)	10,400	0.03	70,928		92
CI Private Wealth, LLC (0001948780)	10,335	0.03	70,485		98
Carmel Capital Partners, LLC (0001900481)	4,500	0.01	30,690		29
Rhumbline Advisers (0001115418)	1,438	0.004	9,807		99
Toronto Dominion Bank (0000947263)	207	0.001	1,412		99
% Held by Top 14 Institutional shareholders	**763,774**	**2.3**	**5.2 M**		

Institutions were last ranked on August 17, 2023 soon after deadline date of Day 45 based on an analysis of completed Filings from Day 1 to Day 45 for Q2 2023 by 6692 Institutions as at June 30, 2023.

Fig 10: Institutional ownership of AIP at Jun 30: Franklin Resources top increase of 0.4%

As at June 30, 2023, 1 institution or 3.2% of AIP's institutional shareholders had increased their holding of shares in Arteris from March 31. The top increase was by Franklin Resources which increased its holding by 6,200 shares, or 0.4% to 1.5 million shares.

Top 1 Increases [June 30, 2023 vs March 31, 2023]

Value is shown in the table below at June 30 AIP share price of $6.82.

Institution (CIK)	Shares	Value, $	% increase
Franklin Resources Inc. (0000038777)	6,200	39,373	0.4
Total	**6,200**	**39,373**	

Fig 11: Institutional ownership of AIP at June 30, 2023: Franklin Resources Inc. top increase by worth

Top 1 Increases by worth [June 30, 2023 vs March 31, 2023]
Value is shown in the table below at June 30 AIP share price of $6.82.

Institution (CIK)	Shares	Worth Change, $
Franklin Resources Inc. (0000038777)	6,200	39,373
Total	**6,200**	**39,373**

Fig 12: Institutional ownership of AIP at Jun 30: Wells Fargo & Co top decrease of 96%

9 Institutional shareholders decreased their holdings in Q2/2023. The top decrease was Wells Fargo & Co who reduced their shareholding in Arteris by 3,296 shares (96.3%) from 3,421 as at March 31 to 125 as at June 30.

Top 9 Decreases [June 30, 2023 vs March 31, 2023]

Value is shown in the table below at June 30 AIP share price of $6.82.

Institution (CIK)	Shares	Value, $	% Decreases
Wells Fargo & Company (0000072971)	3,296	(20,931)	-96.3
New York State Common Retirement Fund (0000810265)	3,700	(23,497)	-96.2
Northern Trust Corp (0000073124)	118,345	(751,549)	-79.1
Blackrock Inc. (0001364742)	676,770	(4.3 M)	-72.8
UBS Group AG (0001610520)	2,900	(18,416)	-51.6
Geode Capital Management, LLC (0001214717)	130,850	(830,962)	-41.1
Eventide Asset Management, LLC (0001442891)	124,031	(787,658)	-23.7
Renaissance Technologies LLC (0001037389)	17,200	(109,228)	-11.0
CI Private Wealth, LLC (0001948780)	66	(419)	-0.6
Total	**1,077,158**	**(6.8 million)**	

Fig 13: Institutional ownership of AIP at Jun 30: Symmetry Peak Management top new shareholder

An analysis conducted after the mid - quarter deadline of August 14 for Q2 SEC filings by 6517 institutions shows that there were 23 new institutional shareholders. Symmetry Peak Management (1389234) was the largest new shareholder with 104,000 shares valued at $709,280 as at June 30.

Top 23 New shareholders as at June 30, 2023

Value is shown at price of June 30, 2023 (in desc order of Shares)
Value is shown in the table below at June 30 AIP share price of $6.82.

Institution (CIK)	Shares	Value, $
Symmetry Peak Management LLC (0001389234)	104,000	709,280
Calamos Advisors LLC (0001316507)	86,605	590,646
Avidity Partners Management LP (0001791827)	75,500	514,910
Acuitas Investments, LLC (0001524828)	64,353	438,887
Occudo Quantitative Strategies LP (0001819697)	59,885	408,416
XTX Topco Ltd (0001828301)	52,907	360,826
Jane Street Group, LLC (0001595888)	49,137	335,114
Cubist Systematic Strategies, LLC (0001603465)	44,127	300,946
Worth Venture Partners, LLC (0001696778)	41,853	285,437
Simplex Trading, LLC (0001488542)	28,883	196,982
Verition Fund Management LLC (0001454027)	25,926	176,815
Qube Research & Technologies Ltd (0001729829)	23,789	162,241
Boothbay Fund Management, LLC (0001549230)	20,110	137,150
Y-Intercept (Hong Kong) Ltd (0001772875)	18,957	129,287
LPL Financial LLC (0001403438)	14,400	98,208
Old Mission Capital LLC (0001455915)	11,271	76,868
Point72 Middle East FZE (0001949771)	10,675	72,804
Mirabella Financial Services LLP (0001538853)	10,483	71,494
DRW Securities, LLC (0001481986)	10,400	70,928
Carmel Capital Partners, LLC (0001900481)	4,500	30,690
Point72 Asset Management, LP (0001603466)	1,573	10,728
Toronto Dominion Bank (0000947263)	207	1,412
Coppell Advisory Solutions LLC (0001848433)	89	607
Total	**759,630**	**5.2 million**

Fig 14: Arteris - Exits: Institutional shareholders as at June 30, 2023

Top 21 Exits in Q2/2023 (in desc order of shares)

Institution (CIK)	Shares	Value, $
Ameriprise Financial Inc. (0000820027)	121,853	515,438
PENN Capital Management Company, Inc. (0001158202)	111,535	471,793
Ibex Investors LLC (0001531964)	72,000	304,560
KCL Capital, L.P. (0001722967)	70,000	296,100

Schwab Charles Investment Management Inc. (0000884546)	49,153	207,917
Bank of New York Mellon Corp (0001390777)	43,220	182,821
Nuveen Asset Management, LLC (0001521019)	23,997	101,507
GSA Capital Partners LLP (0001362033)	16,131	68,234
Belvedere Trading LLC (0001632341)	13,325	56,365
Deutsche Bank AG (0000948046)	11,386	48,163
Springbok Capital Management, LLC (0001387508)	10,176	43,044
Barclays PLC (0000312069)	9,021	38,159
American International Group Inc. (0000005272)	8,569	36,247
California State Teachers Retirement System (0001081019)	6,601	27,922
Gladius Capital Management LP (0001540656)	6,066	25,659
Amalgamated Bank (0000919192)	2,447	10,351
Legal & General Group PLC (0000764068)	1,828	7,732
STRS Ohio (0000820478)	1,200	5,076
TCI Wealth Advisors, Inc. (0001583751)	1,023	4,327
Ameritas Investment Partners, Inc. (0001055980)	390	1,650
Advisor Group Holdings, Inc. (0001677044)	8	34
Total	**579,929**	**2.5 million**

Fig 15: Institutional Shareholder Activity - Net Buying/(Selling) by Institutions Trailing 12 Months (TTM); $ Value based on stock price of $6.35 on August 18, 2023

Institution	Q2'23	Q1'23	Q4'22	Q3'22	Total TTM	$ Value
G2 Investment Partners Management LLC	23,422	(362,941)	(277,059)	(8,368)	(624,946)	(4 million)
Blackrock Inc.	(676,770)	12,752	27,744	99,774	(536,500)	(3.4 million)
Summit Partners Public Asset Management, LLC	335,794	283,681	(163,584)	4,024	459,915	2.9 million
Vanguard Group Inc.	(67,635)	68,268	258,797	199,663	459,093	2.9 million
Franklin Resources Inc.	6,200	161,000	154,200	85,792	407,192	2.6 million
Granahan Investment Management Inc./MA	(10,240)	178,834	96,869	77,138	342,601	2.2 million
Lord, Abbett & Co. LLC			(292,515)	46,347	(246,168)	(1.6 million)
Eventide Asset Management, LLC	(124,031)	(91,368)	218,152	197,512	200,265	1.3 million
Millennium Management LLC	195,417				195,417	1.2 million
Russell Investments Group, Ltd.	190,011				190,011	1.2 million
Westerly Capital Management, LLC	35,000	110,000			145,000	920,750
State Street Corporation	(397,684)	224,669	14,824	24,371	(133,820)	(849,757)
Acadian Asset Management LLC	114,864	33,354	10,278	(26,446)	132,050	838,518
Renaissance Technologies LLC	(17,200)	112,100	18,100	4,100	117,100	743,585

Institution	Q2'23	Q1'23	Q4'22	Q3'22	Total TTM	$ Value
Northern Trust Corp	(118,345)	17,499	4,633	5,757	(90,456)	(574,396)
Federated Investors Inc.,PA		20,000	60,000		80,000	508,000
Bridgeway Capital Management Inc.	23,300	45,500			68,800	436,880
Roubaix Capital, LLC	(218,723)		220,423	63,838	65,538	416,166
Jacobs Levy Equity Management, Inc	31,844	(74,517)	107,944	(1,194)	64,077	406,889
Gilder Gagnon Howe & Co., LLC				(63,277)	(63,277)	(401,809)
Two Sigma Investments LLC	27,217	28,731			55,948	355,270
Citadel Advisors LLC	14,766	(42,232)		77,744	50,278	319,265
Jump Financial, LLC	51,426			(4,283)	47,143	299,358
Morgan Stanley	(17,087)	15,230	52,444	(8,945)	41,642	264,427
Marshall Wace LLP	39,889				39,889	253,295
Squarepoint OPS LLC	39,869				39,869	253,168
Bank of America Corp, DE	(30,047)	(1,652)	1,956	2,663	(27,080)	(171,958)
KCL Capital, L.P.		20,000		(2,000)	18,000	114,300
Rhumbline Advisers	(21,176)	341	1,655	1,562	(17,618)	(111,874)
Mutual Of America Capital Management Corp			2,929	(19,558)	(16,629)	(105,594)
Needham Investment Management LLC	15,000				15,000	95,250
Bank of New York Mellon Corp		1,538	32	11,471	13,041	82,810
State of Wisconsin Investment Board		9,527	(18)		9,509	60,382
JP Morgan Chase & Co	(147)	(15,985)	6,780	364	(8,988)	(57,074)
Schwab Charles Investment Management Inc.				8,864	8,864	56,286
Two Sigma Advisers, LLC	8,800				8,800	55,880
Barclays PLC		4,253	4,032	(112)	8,173	51,899
Geode Capital Management, LLC	(130,850)	28,541	7,205	89,017	(6,087)	(38,652)
Kennedy Capital Management, Inc.	(5,925)	(32,555)	43,448		4,968	31,547
Tower Research Capital LLC (TRC)	(10,901)	15,275	(1,554)	1,883	4,703	29,864
PDT Partners, LLC	(3,858)				(3,858)	(24,498)
New York State Common Retirement Fund	(3,700)			102	(3,598)	(22,847)
Trexquant Investment LP	4,386			(1,159)	3,227	20,491
Deutsche Bank AG		3,892	118	(1,137)	2,873	18,244
Royal Bank Of Canada	904	1	1,750	117	2,772	17,602
UBS Group AG	(2,900)	2,865	2,142	517	2,624	16,662
D. E. Shaw & Co., Inc.	1,588				1,588	10,084
Springbok Capital Management, LLC		(1,424)			(1,424)	(9,042)

Institution	Q2'23	Q1'23	Q4'22	Q3'22	Total TTM	$ Value
Allspring Global Investments Holdings, LLC			(86)	1,372	1,286	8,166
Lazard Asset Management LLC				(1,011)	(1,011)	(6,420)
Citigroup Inc.			(143)	(727)	(870)	(5,524)
Next Century Growth Investors LLC				678	678	4,305
American International Group Inc.		170	157	321	648	4,115
California State Teachers Retirement System		(487)	235	(384)	(636)	(4,039)
FMR LLC	118	248	30		396	2,515
Wells Fargo & Company	(3,296)	3,113		(90)	(273)	(1,734)
Amalgamated Bank		(328)		92	(236)	(1,499)
Credit Suisse AG			(95)		(95)	(603)
CI Private Wealth, LLC	(66)				(66)	(419)
Total					**1,525,342**	**9.7 million**

Bearish Signals

Fig 16: PAST MONTH: WEAK MOMENTUM DOWN - AIP dips 1.5% on volume 0.8 times average

⇩ **[down 10.0c]**

Arteris outperformed the NASDAQ-100 Index on 11 days and underperformed it on 10 days. The price ranged between a low of $5.91 on Friday, 22 Sep and a high of $7.44 on Tuesday, 12 Sep.

Day	Headline	Price [USD]	Change %	Momentum	Comment
Sep 29	Strengthens above moving average price	6.51	0.2	⇧	Price rise on rising relative strength
Sep 28	Accelerates rise, up 7.6% in 2 days	6.5	4.0	⇧	RPC= 3.2%
Sep 27	Gains 3.5%	6.25	3.5	⇧	RPC= 3.2%
Sep 26	Outperforming 92% of stocks	6.04		⬄	RPC= 1.5%
Sep 25	Up 2.2% after an upgrade this week	6.04	2.2	⇧	RPC= 1.7%
Sep 22	Drops to four-month low on firm volume	5.91	-1.2	⬇	VI*=1.1;RPC = -1.2%
Sep 21	Plunges 8.7% on slipping relative strength, hits 119-day low	5.98	-8.7	⬇	VI*=1.4;RPC = -6.9%
Sep 20	Up 0.5% on analyst upgrade	6.55	0.5	⇧	RPC= 1.9%
Sep 19	Drops 1.2%	6.52	-1.2	⇩	Price/MAP50 below 1
Sep 18	Strengthens above moving average price	6.6	0.8	⇧	Price rise on rising relative strength
Sep 15	Slides 3.2%	6.55	-3.2	⇩	RPC= -1.5%
Sep 14	Up 0.4% after an upgrade this week	6.77	0.4	⇧	Price rise on rising relative strength
Sep 13	Plunges 9.4% on firm volume, CFO Hawkins Nicholas B. sells	6.74	-9.4	⬇	Steepest Fall; VI*=1.2;RPC = -9.8%

Sep 12	Gains 3.3% strengthening above moving average price, CFO Hawkins Nicholas B. sells	7.44	3.3	⬆	RPC= 4.4%
Sep 11	Outperforming 92% of stocks	7.2		⬌	RPC= -1.2%
Sep 08	Rises on increasing volatility, CEO K. Charles Janac sells	7.2	0.1	⇧	Price rise on rising relative strength
Sep 07	Down 1.6% after a downgrade this week	7.19	-1.6	⬇	VI*=1.3
Sep 06	Up 3.0% after an upgrade this week, hits 35-day high	7.31	3.0	⬆	RPC= 3.8%
Sep 05	Drops 1.1% on average volume	7.1	-1.1	⇩	RPC= -1.2%
Sep 01	Up 6.1% on analyst upgrade	7.18	6.1	⬆	Top Rise; VI*=1.1;RPC = 6.1%
Aug 31	Gains 4.2%	6.77	4.2	⇧	RPC= 3.9%

* RPC - Relative Price Change is % price change of stock less % change of the NASDAQ-100 Index.

VI= Volume Index, 1 is avg.

Price/Sales of 4.7 > Internet sector (of 25 stocks) avg of 2.8:

- The price-to-sales ratio of 4.7 indicates overvaluation compared with sector average of 2.8 and market average of 3.4.

Price to Book of 8.7 > Internet sector (of 25 stocks) average of 3.6:

- The Price to Book of 8.7 indicates overvaluation compared with sector average of 3.6 for the Internet sector.

Fig 17: Rank in the bottom 21% by Relative Valuation in the NASDAQ market

Description	Value	Rank
Price to Sales	4.7	In Bottom 21%
Price to Book Value	8.7	In Bottom 11%

Downtrend

Negative MACD:

- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 6.41 minus the 26-day EMA of 6.56 is negative, suggesting a bearish signal.

Other Bearish Signals

MCap/Total Assets:

- Tobin's Q Ratio, defined as MCap divided by Total Assets, is 2. Compared with the rest of the market the stock is overvalued and ranks in the bottom quartile of stocks by value of Q Ratio.

Ongoing Bearish Parameters

Fig 18: Present Value of $1000 Invested in the Past [3 Mo, 1 Yr]; The Worst Periods with PV$1000 < 980

PV$1,000	3 mo ago	1 yr ago
AIP.NASDAQ	$934	$979
Internet sector	$1,093	$1,302
NASDAQ-100 Index	$987	$1,318

Fig 19: The Worst Periods [3 Mo, 1 Yr] with Price Change % < -2

1-Year price change of -2.1% for Arteris underperformed the change of 28% in the NASDAQ-100 Index for a relative price change of -30.1%.

Price Change %	Quarter	Year
Arteris	-6.6	-2.1
Internet sector	9.3	26.8
NASDAQ-100 Index	-3.1	28

Fig 20: Annualised Period-based Total Shareholder Returns [TSR %]: The Worst Period with TSR < -2%

TSR %	1 yr
AIP.NASDAQ	-2.1

Fig 21: Satisfies 1 out of 9 criterion of Joseph Piotroski [pass mark 5]

- Improvement in gross margin [from 90.1% to 91.5%].

But does not meet the following 8 criteria of Joseph Piotroski:

- Positive net income.
- Positive operating cashflow.
- Return on Assets improvement.
- Good quality of earnings [operating cashflow exceeds net income].
- Improvement in long-term debt to total assets.
- Improvement in current ratio.
- Total shares on issue unchanged (or reduction in total shares on issue).
- Improvement in asset turnover.

Fig 22: % Change (Tr. 12 Mo): Stock (-2.1%) v Index (28.0%)

In the past 12 months Arteris has underperformed the NASDAQ-100 Index by 30.1%.

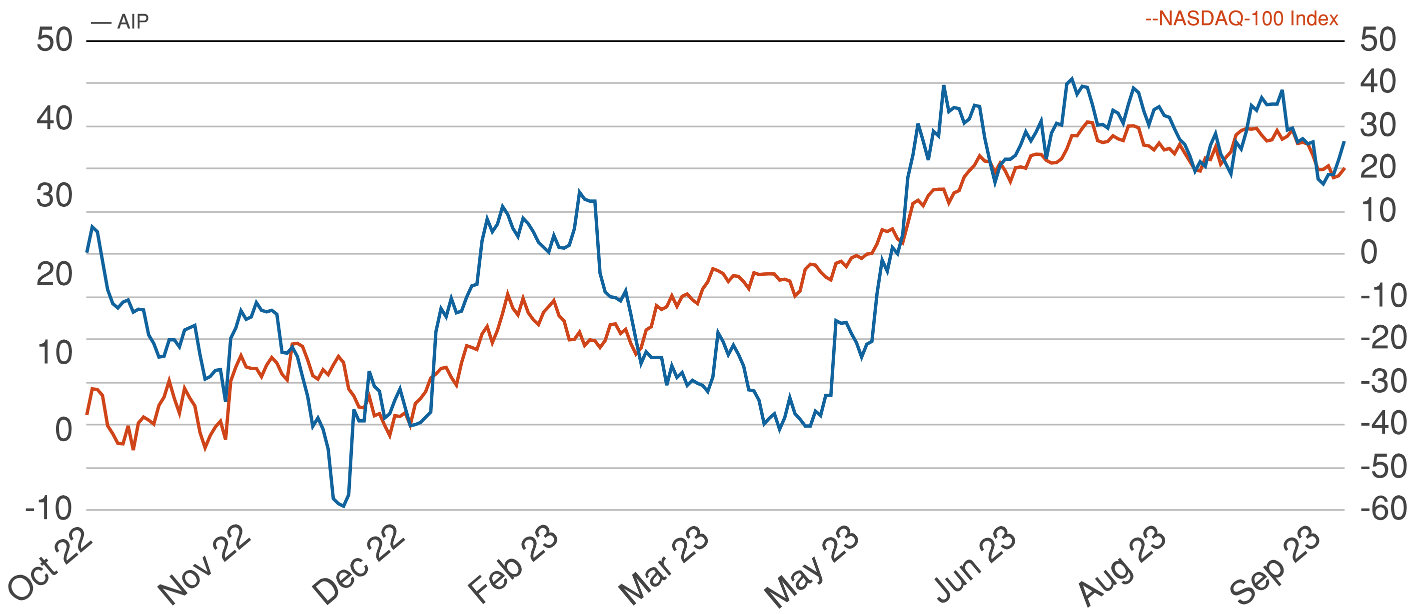


Fig 23: Rank in the American Region [out of 10,094 stocks]

Description	Value	Rank	Quartile
MCap ($ M)	234.5	4,380	Second
Total Assets ($ M)	115.5	5,648	Third
Revenue ($ M)	50.4	4,384	Second
Net Profit ($ M)	(27.4)	6,979	Third
Net Profit Margin %	(54.4)	5,147	Third
Price to Book	8.7	5,247	Third
PV$1000 (1Year) $	970	4,626	Second
$ Change (1Year) %	-3.0	4,428	Second
Rel Strength 6 Mo ($)	95	513	Top

Bullish Signals

PAST WEEK: WEAK MOMENTUM UP

AIP climbs 10.2% on weak volume 0.6 times average. Compared with the NASDAQ-100 Index which rose 14.1 points (or 0.1%) in the week, the relative price increase was 10.1%.

Week 39 of 2023: Up 10.2%; Arteris (AIP) outperformed the NASDAQ-100 Index in 5 out of 5 days. The price ranged between a high of $6.51 on Friday Sep 29 and a low of $6.04 on Tuesday Sep 26.

Sep	Arteris	Close [$]	Change %	Comment
Fri 29	Strengthens above moving average price	6.51	0.2	Price rise on rising relative strength
Thu 28	Accelerates rise, up 7.6% in 2 days	6.5	4.0	Top Rise; RPC=3.2%
Wed 27	Gains 3.5%	6.25	3.5	Price rise on rising relative strength; RPC=3.2%
Tue 26	Outperforming 92% of stocks	6.04	0	Price rise on rising relative strength; RPC=1.5%
Mon 25	Up 2.2% after an upgrade this week	6.04	2.2	Oversold: close to 14-day low; RPC=1.7%

* RPC - Relative Price Change is % price change of stock less % change of the NASDAQ-100 Index.

Fig 24: Rank in the top 7% by Price Performance in the NASDAQ market

Description	Value	Rank
Rel Strength 6 mo	94	In Top 7%
1-week Price Change %	10.2	In Top 7%

Uptrend

Price/Moving Average Price of 1.13:

- The Price/MAP 200 for Arteris is 1.13. Being higher than 1 is a bullish indicator. It is higher than the Price/MAP 200 for the NASDAQ-100 Index of 1.09, a second bullish indicator. The stock is trading above both its MAPs and the 50-day MAP of $6.75 is higher than the 200-day MAP of $5.75, a third bullish indicator.

Past Month:

- Rises to Falls: In the past month the number of rises outnumbered falls 13:8 or 1.6:1.

Relative Strength (6 months) 94 percentile:

- The stock has a 6-month relative strength of 94 in the NASDAQ market of 3,079 stocks, 3 units and 3 preference stocks which means it is beating 94% of the market.
- A price rise combined with a high relative strength is a bullish signal.

Other Bullish Signals

MCap/Total Assets:

- The company is cash rich with Cash to Market Capitalisation at 13.1%.

Ongoing Bullish Parameters

Fig 25: Growth > 12% for Revenue

- Net Profit margin is negative but improving in recent quarters. [All figures in %]

Qtr-ended	Revenue Growth	Net Profit Margin
Jun 23 [Q2 vs Q1]	12	-62.2
Mar 23 [Q1 vs Q4]	17.4	-68.5

Fig 26: - Revenue growth rate is positive and has seen consecutive rises in recent years. [compared with previous year, all figures in %]

FY	Revenue Growth
2022	33
2021	19

Fig 27: Satisfies one criterion of Benjamin Graham

- "Total debt less than tangible book value"; total debt of USD899,000 is less than tangible book value of USD26.9 million.

Fig 28: Price > Moving Avg Price

In the last 3 months the share price has exceeded the 200-day Moving Avg Price on 63/64 days; a bullish signal.

Quotes from Legends: Moving Average Price

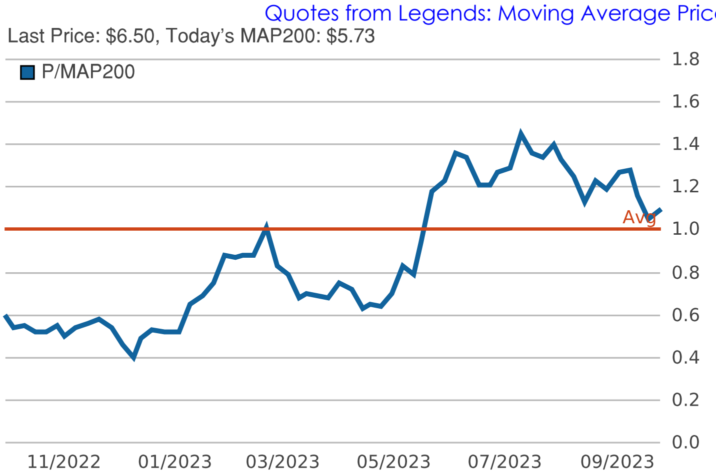
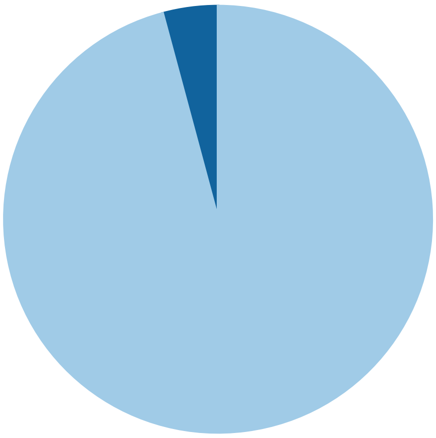


Fig 29: Turnover Period Above Average

1. Annual Share Turnover $225 million
2. MCap $235 million
3. Share Turnover Rate (1/2) =120.0%
4. Share Turnover Period (1/3) =9 months



Corporate Profile

Fig 30: Activities

Arteris, Inc., is a provider of interconnect and other intellectual property (IP) technology that manages the on-chip communications in System-on-Chip (SoC) semiconductor devices. The Company's products enable its customers to deliver increasingly complex SoCs that not only process data but are also able to make decisions. The Company's interconnect IP solutions offer connections to multiple industry standard processors such as Arm, RISC-V, CEVA, Synopsys ARC and MIPS, as well as memory controllers, I/O and a variety of IP subsystems, to enable customers to integrate such IP blocks. The Company offer the semiconductor industry a commercially available interconnect IP portfolio. Its interconnect IP product portfolio includes FlexNoC, Ncore, CodaCache and Physical Interconnect Aware NoC Optimizer (PIANO). Its IP deployment product portfolio includes Specification, Design, Documentation and Design Data Intelligence. It is the NASDAQ's 12th largest Internet company by market capitalisation.

Fig 31: Contact Details

Website	arteris.com
Physical Address	595 Millich Dr. Suite 200 , Campbell, CA 95008 , United States
Phone	(408) 470-7300

Fig 32: U.S. Industry & Sector [of 418 stocks]

Classification Level	Name of Sector
Economic Sector	Technology
Business Sector	Software & IT Services
Industry Group	Software & IT Services
Industry	Internet Services

Fig 33: North American Industry Classification System [NAICS]

Code: 511210
Industry Title: Software Publishers

Financials FY 2022

Fig 34: AIP Financials Summary: EPS improved to -84.0c in FY2022 [y.e. 31 Dec 2022]

Net Loss deteriorated from a loss of $23.4 million in FY2021 to a loss of $27.4 million in FY2022.
Earnings Per Share (EPS) improved from -$1.06 in FY2021 to -84.0c in FY2022.

Year ended Dec	FY2022	FY2021	FY2020
Sales ($ M)	50.4	37.9	31.8
Pretax ($ M)	(27.5)	(22.3)	(2.2)
Net ($ M)	(27.4)	(23.4)	(3.3)
EPS ($)	(0.84)	(1.06)	(0.19)

Fig 35: Financials, FY 2022 [year-ended 31 December 2022]

Arteris Revenue up 33%
Release Date: March 02, 2023
Arteris (NASDAQ:AIP) reported total revenue for the year-ended 31 December 2022 [FY2022] of $50.4m, up 33% from $37.9m in the previous year [FY2021].

Fig 36: Annual growth in Revenue

Year-ended	31 December [FY/2022]	31 December [FY/2021]
Revenue, $ Million	50.4	37.9
Growth in Revenue %	33.0	19.0
Net Profit, $ Million	-27.4	-23.4
EPS	-84.0c	$-1.06

Major changes compared with previous year (FY2022 vs FY2021):

Favourable Changes:

- Total revenue up 33% from $37.9m to $50.4m
- EPS continued to be negative like in the previous year; however, there was an improvement from -$1.06 in the previous year to -84.0c
- Total revenue to total assets up from 0.3 to 0.4
- Administration expenses to Revenues down from 35.3% to 32.5%
- Cost of Goods Sold to Revenues down from 9.9% to 8.5%

Unfavourable Changes:

- Loss of $27.4m
- EBIT Margin of -54.6%
- Operating Cash Flow is negative
- Sales and marketing expenses to Revenues up from 31% to 34.6%
- Total liabilities to Total assets up 21.4% from 0.6 to 0.7

Fig 37: Year-on-year comparison of Performance Ratios [FY2022 vs FY2021]

December 31	FY2022	FY2021	Change (%)
Return on Equity (%)	(73)	(44.2)	Deterioration 65.2
Return on Assets (%)	(23.7)	(19.4)	Deterioration 22.2
Total debt to net tangible assets (%)	3.3	2.2	Up 50
Common Size Ratios by Assets %			
Long-term investments to Total Assets	14.1	na	na
Current Debtors to Total Assets	6.2	11.5	Down 46.2

Top Management and Board of Directors

Fig 38: Top Management

Top Management

Name	Designation
K. Charles Janac	Chief Executive Officer, President, Chairman, Director
Hawkins Nicholas B.	Chief Financial Officer, Vice President
Laurent R. Moll	Chief Operating Officer
Paul L. Alpern	Vice President, ge

Fig 39: Board Of Directors

Board Of Directors [Five directors with tenure < 2 yrs]

Name	Designation	Since Appointment
Claudia Fan Munce	Director	1 Yr, 5 Mos
Geday Isabelle F	Director	
Wayne Cantwell	Director	
Raza Saiyed Atiq	Independent Director	
Antonio J. Viana	Independent Director	

Insider Ownership and Selling in the Past 10 Years

Fig 40: Shares Held by Insiders as on Sep 29, 2023 (Value computed at price $6.51)

Name	Shares Held	Value, $
Wayne Cantwell	264,814	1,723,939
Geday Isabelle F	117,476	764,769
Total	**382,290**	**2,488,708**

Wayne Cantwell now has a beneficial interest in 264,814 Arteris shares worth $1.7 million.

Nature of Ownership	Shares Held	Value, $
	Equity-Non-Derivative Securities	
NA	226,053	1,471,605
By: Decathlon Capital Management 401K Plan FBO Wayne Cantwell	38,761	252,334
Total (Equity)	264,814	1,723,939

Geday Isabelle F now has a beneficial interest in 117,476 Arteris shares worth $764,769.

Fig 41: Insider selling Summary in the past 12 months

Name	No. of Shares	Price, $	Value, $
Moll Laurent R [COO]	63,840	7.1	451,675
Alpern Paul L [Vice President]	46,626	7.3	340,184
Hawkins Nicholas B. [CFO]	37,460	6.3	237,127
Janac K Charles [CEO]	22,728	6.9	157,520
Cantwell Wayne C [Director]	17,929	7.4	131,880
Viana Antonio J [Independent Director]	16,464	6.9	114,196
Total	**205,047**	**7.0**	**1,432,582**

Fig 42: Moll Laurent R [COO] Reported Selling In The Past 12 Months

In the past year shares sold per month averaged 5,320.

Month	No. of Shares	Price, $	Value, $
September 12, 2023	20,336	7.11	144,650
July 06, 2023	668	7.02	4,688
June 20, 2023	885	7.5	6,638
March 07, 2023	390	5.22	2,036
December 07, 2022	327	4.55	1,488
Sep '22	41,234	7.09	292,175
Total: Moll Laurent R	63,840	7.1	451,675

Fig 43: Alpern Paul L [Vice President] Reported Selling In The Past 12 Months

In the past year shares sold per month averaged 3,886.

Month	No. of Shares	Price, $	Value, $
Jul '23	3,280	7.48	24,541
June 13, 2023	42,051	7.33	308,419
March 07, 2023	403	5.13	2,067
December 07, 2022	446	4.55	2,029
September 08, 2022	446	7.01	3,128
Total: Alpern Paul L	46,626	7.3	340,184

Fig 44: Hawkins Nicholas B. [CFO] Reported Selling In The Past 12 Months

In the past year shares sold per month averaged 3,122.

Month	No. of Shares	Price, $	Value, $
Sep '23	20,758	7.08	146,929
August 15, 2023	5,919	6.96	41,173
March 07, 2023	768	5.22	4,009
December 27, 2022	9,257	4.29	39,713
September 08, 2022	758	7.0	5,303
Total: Hawkins Nicholas B.	37,460	6.3	237,127

Fig 45: Janac K Charles [CEO] Reported Selling In The Past 12 Months

In the past year shares sold per month averaged 1,894.

Month	No. of Shares	Price, $	Value, $
September 06, 2023	2,160	7.09	15,308
July 06, 2023	4,804	7.03	33,763
June 13, 2023	13,764	7.04	96,958
December 07, 2022	1,000	4.49	4,487
September 08, 2022	1,000	7.0	7,004
Total: Janac K Charles	22,728	6.9	157,520

Fig 46: Cantwell Wayne C [Director] Reported Selling In The Past 12 Months

In the past year shares sold per month averaged 1,494.

Month	No. of Shares	Price, $	Value, $
July 17, 2023	570	8.0	4,560
June 13, 2023	17,359	7.33	127,320
Total: Cantwell Wayne C	17,929	7.4	131,880

Fig 47: Viana Antonio J [Independent Director] Reported Selling In The Past 12 Months

Month	No. of Shares	Price, $	Value, $
June 20, 2023	16,464	6.94	114,196

Financials as Reported FY 2022

Fig 48: Financials as reported (FY 2022 [year-ended 31 December 2022])

10-K RESULTS OF OPERATIONS AND FINANCIAL CONDITION
(In $ Thousand, except per share data and shares outstanding)

Fig 49: INCOME STATEMENT AS REPORTED

Description Dec 31	$ Thousand 2022	$ Thousand 2021	Change %
Revenue			
Licensing support and maintenance	46,012	34,731	Up 32.5
Variable royalties and other	4,366	3,133	Up 39.4
Total revenue	50,378	37,864	Up 33.0
Cost of revenue	4,281	3,731	Up 14.7
Gross profit	46,097	34,133	Up 35.1
Operating expenses:			
Research and development	41,167	30,812	Up 33.6
Sales and marketing	17,419	11,726	Up 48.6
General and administrative	16,367	13,360	Up 22.5
Total operating expenses	74,953	55,898	Up 34.1
Loss from operations	-28,856	-21,765	Deterioration 32.6
Interest expense	-89	-105	Improved 15.2
Interest and other income (expense) net	1,425	-474	Recovery
Loss before income taxes and loss from equity method investment	-27,520	-22,344	Deterioration 23.2
Loss from equity method investment net of tax	-284		
Provision for (benefit from) income taxes	-417	1,040	Deterioration
Net loss	-27,387	-23,384	Deterioration 17.1
Net loss per share attributable to common stockholders basic and diluted	-84.0c	-106.0c	Reduced 20.8
Weighted average shares used in computing per share amounts basic and diluted	32,578,776	21,972,101	Up 48.3

Fig 50: BALANCE SHEET AS REPORTED

Description Dec 31	$ Thousand 2022	$ Thousand 2021	Change %
ASSETS			
Current assets:			
Cash and cash equivalents	37,423	85,825	Down 56.4
Short-term investments	30,728		
Accounts receivable net	7,143	13,873	Down 48.5
Prepaid expenses and other current assets	5,818	6,949	Down 16.3
Total current assets	81,112	106,647	Down 23.9
Property and equipment net	3,617	2,438	Up 48.4
Long-term investments	4,427		
Equity method investment	11,897		
Operating lease right-of-use assets	1,883	2,765	Down 31.9
Intangibles net	4,575	2,959	Up 54.6
Goodwill	4,218	2,677	Up 57.6
Other assets	3,787	2,957	Up 28.1
	34,404	13,796	Up 149.4
TOTAL ASSETS	115,516	120,443	Down 4.1
LIABILITIES AND STOCKHOLDERS EQUITY			
Current liabilities:			
Accounts payable	572	1,722	Down 66.8
Accrued expenses and other current liabilities	12,095	10,573	Up 14.4
Operating lease liabilities current	899	961	Down 6.5
Deferred revenue current	28,839	28,403	Up 1.5
Vendor financing arrangements current	1,264	833	Up 51.7
Total current liabilities	43,669	42,492	Up 2.8
Deferred revenue noncurrent	21,840	20,773	Up 5.1
Operating lease liabilities noncurrent	1,009	1,851	Down 45.5
Vendor financing arrangements noncurrent	448	266	Up 68.4
Deferred income noncurrent	9,993		
Other liabilities	1,022	2,157	Down 52.6
	34,312	25,047	Up 37.0
Total liabilities	77,981	67,539	Up 15.5
Commitments and contingencies			
Stockholders equity:			
Preferred stock par value of 0.00110000000 shares authorized and no shares issued and outstanding as of December 31 2022 and 2021			
Common stock par value of 0.001300000000 shares authorized at December 31 2022 and 2021; 34625875 and 31530682 shares issued and outstanding at December 31 2022 and December 31 2021 respectively	34	31	Up 9.7
Additional paid-in capital	103,778	91,945	Up 12.9
Accumulated other comprehensive gain (loss)	101	-81	Recovery

Accumulated deficit	-66,378	-38,991	Deterioration 70.2
Total stockholders equity	37,535	52,904	Down 29.1
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	115,516	120,443	Down 4.1

Fig 51: CASH FLOW AS REPORTED

Description Dec 31	$ Thousand 2022	$ Thousand 2021	Change %
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	-27,387	-23,384	Deterioration 17.1
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	2,099	1,492	Up 40.7
Stock-based compensation	11,692	5,510	Up 112.2
Pension plan expenses	136	109	Up 24.8
Operating non-cash lease expense	-21	-45	Improved 53.3
Amortization of deferred income	-391		
Gain on deconsolidation of subsidiary	-149		
Loss from equity method investment	284		
Net accretion of discounts on available-for-sale securities	-177		
Deferred income taxes	-484		
Other net	14	-9	Recovery
Changes in operating assets and liabilities:			
Accounts receivable net	7,102	477	Up 1,388.9
Prepaid expenses and other assets	202	-4,418	Recovery
Accounts payable	-1,034	350	Deterioration
Accrued expenses and other liabilities	517	2,836	Down 81.8
Deferred revenue	830	16,268	Down 94.9
Net cash used in operating activities	-6,767	-814	Deterioration 731.3
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of property and equipment	-1,051	-808	Deterioration 30.1
Payments relating to investment in equity method investment	-519		
Purchases of available-for-sale securities	-35,031		
Proceeds from principal portion of related party loan	241		
Payments for business combination net of cash acquired	-1,121		
Payments of deferred consideration for business combination		-500	
Other		-51	
Net cash used in investing activities	-37,481	-1,359	Deterioration 2,658.0
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payments of contingent consideration for business combination	-1,573		
Proceeds from issuance of common stock upon initial public offering net of underwriting commissions		74,865	
Proceeds from issuance of common stock		5,435	
Payments to tax authorities for shares withheld from employees	-2,065		
Payments of principal portion of term loan		-550	

Principal payments under vendor financing arrangements	-1,136	-574	Deterioration 97.9
Proceeds from exercise of stock options	876	599	Up 46.2
Payments of deferred offering costs	-256	-3,521	Improved 92.7
Net cash (used in) provided by financing activities	-4,154	76,254	Deterioration
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	-48,402	74,081	Deterioration
CASH AND CASH EQUIVALENTS beginning of period	85,825	11,744	Up 630.8
CASH AND CASH EQUIVALENTS end of period	37,423	85,825	Down 56.4

Peer Comparison & Ranking of AIP

Fig 52: BUYSELLSIGNALS FUNDAMENTALS VALUATION RANKING

Arteris vs NASDAQ Market

Out of 3,079 stocks and 3 units in the NASDAQ Market, Arteris is ranked 485th(485) by Total Debt/Equity, 1312th(1312) by Revenue, 1527th(1527) by EBITDA Margin% and 1662nd(1662) by Price/Net Tangible Assets.

	NASDAQ Avg	AIP	AIP Rank
Total Debt/Equity (the lower the better)	0.6x	0.02x	485
Revenue $		50.4 M	1312
EBITDA Margin%	13.1	(54.6)	1527
Price/Net Tangible Assets	13.1x	8.7x	1662
Discount to 52-Wk High (%)	10.2	19.4	2120
Net Profit $		(27.4 M)	2173
Total Assets $		115.5 M	2257
Premium to 52-Wk Low (%)	29.2	99.1	2513

Negative values are shown in brackets.

Fig 53: GLOBAL RANK [out of 46,829 stocks] AND RANK OF ARTERIS IN THE AMERICAN REGION [out of 10,094 stocks]

Description	Value	Global Rank	In Am Region
MCap ($)	234.8M	17,890	4,379
Total Assets ($)	115.5M	25,099	5,649
Revenue ($)	50.4M	24,100	4,385
Net Profit ($)	(27.4M)	39,585	6,983
Net Profit Margin %	(54.4)	35,183	5,151
Price to Book	8.7	32,775	5,251
PV1000 (1Year) $	979	25,425	4,607
$ Change (1Year) %	-3.0	24,362	4,396

Fig 54: RANK OF ARTERIS IN THE NASDAQ MARKET [out of 3210 stocks] AND IN THE INTERNET SECTOR [out of 20 stocks]

Description	Value	In NASDAQ Market	In Internet sector
MCap ($)	234.8M	1,620	12
Total Assets ($)	115.5M	2,123	13
Revenue ($)	50.4M	1,445	14
Net Profit ($)	(27.4M)	1,928	17
Net Profit Margin %	(54.4)	1,454	15
Price to Book	8.7	1,933	10
PV1000 (1Year) $	979	1,321	11

Patents

Patents past 5 years in xls

Fig 55: Number of Patents Issued to Arteris by the US Patent Office and the European Patent Office

A total of 40 patents were issued to Arteris in the last two years. In the past year 33 patents were issued, 1.6 times average of 20 patents per year.

12 months ended Sep 29	No. of Patents Issued
2023	33
2022	7
Total	**40**

Stock Identifiers

ISIN: US04302A1043
PermID: 5000697784
Central Index Key (CIK): 1667011
CUSIP: 04302A104
RIC: AIP.O

Fig 56: News Archives (Dec 2022 - Jun 2023)

January 10: Arteris Acquires Semifore to Accelerate System-on-Chip Development

Augmenting leading network-on-chip IP and IP deployment automation with the leading hardware/software interface automation solution

CAMPBELL, Calif., Jan. 10, 2023 -- Arteris, Inc.(Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced that it has completed the acquisition of Semifore, Inc., a leading provider of hardware/software interface (HSI) technology. Semifore is used to effectively design, verify, document and help in the validation of the hardware-software integration that is essential to every SoC. Semifore's technology is used by leading semiconductor and system companies across automotive, consumer electronics, communications, enterprise computing and other applications.

The SoC is not done until the software drivers run, said Richard Weber, founder and CEO of Semifore, Inc. "The combination of Arteris and Semifore will provide the scale needed to further deploy our register management technology for hardware-software interface to benefit new and existing customers looking to accelerate SoC designs.

The addition of Semifore technologies and team expertise augments Arteris system IP and IP deployment automation with best-in-class register management products for effective software control of the IP and SoC hardware. This provides a single-source specification that auto-generates the SoC views needed across hardware designs and hardware-dependent software development including device drivers, firmware, verification and documentation. The unified view and automation of this critical SoC integration layer allow customers to accelerate hardware-software development and reduce the risks of costly SoC redesigns.

Hardware-software integration is a key part of SoC development which our customers are trying to execute quickly and effectively, leveraging best-in-class system IP and SoC integration automation, said K.

June 30: Quarterly Activities Report: Arteris Cash Balance decreases 29%

As per a report dated June 30, 2023 the Cash Burn of operating activities was $9,944,000 for the six months ended June 30, 2023. This corresponds to an average Cash Burn Rate of $1,657,333 per month. To support this Cash Burn Rate, the cash balance of $26,722,000 as at June 30, 2023 should be adequate till October 26, 2024. The cash runway defined by the length of time to run out of money if it kept spending at its current rate of cash burn is 1 year, 2 months and 22 days from today's date.<table><tr><td>Quarter ended 30 Jun 2023</td><td>$US</td></tr><tr><td>Cash and cash equivalents at beginning of period</td><td>37.4 million</td></tr><tr><td>Net cash from / (used in) operating activities</td><td>(9.9 million)</td></tr><tr><td>Net cash from investing activities</td><td>371,000</td></tr><tr><td>Net cash from financing activities</td><td>(1.1 million)</td></tr><tr><td>Cash raised (used) during quarter</td><td>(10.7 million)</td></tr><tr><td>Cash and cash equivalents at end of period</td><td>26.7 million</td></tr></table>

March 31: Quarterly Activities Report: Arteris Cash Balance decreases 24%

As per a report dated March 31, 2023 the Cash Burn of operating activities was $8,389,000 in the quarter ended March 31, 2023. This corresponds to an average Cash Burn Rate of $2,796,333 per month. To support this Cash Burn Rate, the cash balance of $28,505,000 as at March 31, 2023 should be adequate till January 31, 2024. The cash runway defined by the length of time to run out of money if it kept spending at its current rate of cash burn is 8 months and 29 days from today's date.

<table>
<tr><td>Quarter ended 31 Mar 2023</td><td>$US</td></tr>
<tr><td>Cash and cash equivalents at beginning of period</td><td>37.4 million</td></tr>
<tr><td>Net cash from / (used in) operating activities</td><td>(8.4 million)</td></tr>
<tr><td>Net cash from investing activities</td><td>421,000</td></tr>
<tr><td>Net cash from financing activities</td><td>(950,000)</td></tr>
<tr><td>Cash raised (used) during quarter</td><td>(8.9 million)</td></tr>
<tr><td>Cash and cash equivalents at end of period</td><td>28.5 million</td></tr>
</table>

December 31 2022: FY2022 Annual Cash Flow Report: Arteris Cash Balance decreases 56%

As per a report dated December 31, 2022 the Cash Burn of operating activities was $6,767,000 in the year ended December 31, 2022. This corresponds to an average Cash Burn Rate of $563,917 per month.

December 31 2022: Arteris: File SEC Form 10-K - Management's Discussion and Analysis 10-K

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes included under Part II, Item 8 in this Annual Report on Form 10-K. This discussion and analysis contains forward-looking statements based upon current beliefs, plans and expectations that involve risks, uncertainties and assumptions, such as statements regarding our plans, objectives, expectations, intentions and projections. Our actual results and the timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of several factors, including those set forth under the heading "Risk Factors" and elsewhere in this Annual Report on Form 10-K. You should carefully read the "Risk Factors" section of this Annual Report on Form 10-K to gain an understanding of the important factors that could cause actual results to differ materially from forward-looking statements. Please also see the section titled "Cautionary Note Regarding Forward-Looking Statements."

Unless the context otherwise requires, all references in this report to "we," "us," "our," the "Company," and "Arteris" refer to Arteris, Inc. and its subsidiaries.

Overview

We are a leading provider of System IP, including interconnect and other intellectual property, (collectively, IP) technology that connects client IP blocks such as processors, memories, artificial intelligence/machine learning (AI/ML) accelerators, graphics subsystems, safety and security and other input/output (I/Os) subsystems via multiple Network-on-Chips (NoCs) in order for our customers to create System-on-Chips (NoC) (SoCs) semiconductors faster, better, and a lower cost.

December 31 2022: Arteris: File SEC Form 10-K - Management's Discussion and Analysis 10-K

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes included under Part II, Item 8 in this Annual Report on Form 10-K. This discussion and analysis contains forward-looking statements based upon current beliefs, plans and expectations that involve risks, uncertainties and assumptions, such as statements regarding our plans, objectives, expectations, intentions and projections. Our actual results and the timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of several factors, including those set forth under the heading "Risk Factors" and elsewhere in this Annual Report on Form 10-K. You should carefully read the "Risk Factors" section of this Annual Report on Form 10-K to gain an understanding of the important factors that could cause actual results to differ materially from forward-looking statements. Please also see the section titled "Cautionary Note Regarding Forward-Looking Statements."

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Overview

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May 18: Arteris Announces New Employment Inducement Grants

CAMPBELL, Calif., May 18, 2023 -- Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced that the company has granted an aggregate of 225,000 restricted stock units (RSUs) to four newly hired employees as inducement awards under the companys 2022 Employee Inducement Incentive Plan. The grants were made in accordance with Nasdaq Listing Rule 5635(c)(4).

The effective RSU grant date is May 14, 2023, and it was approved by the companys board of directors.

May 11: Arteris Selected by BOS Semiconductors for Next-Generation Automotive Chips

The silicon-proven network-on-chip system IP and SoC integration technology enables the design of highly optimized, efficient and customized SoCs for the automotive sector

CAMPBELL, Calif., May 11, 2023 -- Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced that BOS Semiconductors has licensed Arteris products for next-generation automotive SoCs. Arteris FlexNoC interconnect IP will be used as the communication backbone, coupled with the Magillem Gold Suite for SoC integration automation. Arteris products will help to ensure that BOS Semiconductors achieves optimized power, performance and reduced area for autonomous driving, HPC and gateway SoC automotive designs.

BOS Semiconductors is a global fabless company with deep roots in the semiconductor industry. They leverage best-of-breed IP from Arm to build advanced SoCs while focusing their expertise on system architecture for specialized designs that innovate the mobility experience, safety and comfort for drivers and passengers in the automotive market.

Arteris is a trusted partner and provider of proven IP and SoC connectivity that Ive relied on in the past and continue to rely on today, said JaeHong Park, CEO of BOS Semiconductors. Arteris FlexNoC IP and SoC automation products allowed us to minimize project risk and meet our overall performance, power targets, safety and efficiency goals amid demanding timelines.

FlexNoC IP with its Functional Safety option, and the Magillem Gold Suite for SoC integration are key technologies for developing advanced automotive SoCs. FlexNoC is a high-performance interconnect technology that seamlessly integrates multiple IP cores into a single SoC. The Functional Safety option is designed to detect and recover from potential failures in the system, ensuring the vehicles continuous operation.

May 04: Arteris Announces Financial Results for the First Quarter 2023 and Estimated Second Quarter and Full Year 2023 Guidance

CAMPBELL, Calif., May 04, 2023 -- Arteris, Inc. (Arteris or Arteris IP), a leading provider of network-on-chip (NoC) interconnect and other intellectual property (IP) technology that manages the on-chip communications in system-on-chip (SoC) semiconductor devices, today announced financial results for the first quarter ended March 31, 2023 as well as estimated second quarter and full year 2023 guidance.

Were excited to report a solid start to the year, with Annual Contract Value plus Trailing-Twelve-Month Royalties of $54.8million, up 20% year-over-year when adjusted to exclude HiSilicon and DJI and up 5% sequentially, said K. Charles Janac, President and CEO of Arteris. With the added focus on the broader automotive supply chain, including OEMs, and following last years Arm automotive partnership, we are pleased to report that in the year to date, Arteris secured four new OEM design wins, including three new car companies across the US, Europe and APAC. In addition to automotive, we continue to see strong demand from AI and Machine Learning applications which increasingly require network-on-chip IP and benefit from SoC integration automation. We believe Arteris is well positioned to continue to gain market share as the growing complexity of automotive, consumer electronics, and AI/ML applications, creates a need for third party commercial System IP, concluded K. Charles Janac.

First Quarter 2023 Financial Highlights:

Annual Contract Value (ACV) and Trailing-twelve-month (TTM) royalties of $54.8million, up 4% year-over-yearRevenue of $13.2million, up 12% year-over-yearRemaining performance obligation (RPO) of $57.3millionOperating loss of $8.8million or 67% of revenueNon-GAAP operating loss of $5.6million or 42.4% of revenue, compared to a loss of $4.2 million in the year-ago periodNet loss of $9.0million or $0.26 per shareNon-GAAP net loss of $5.8million or $0.17 per shareNon-GAAP free cash flow of $(8.5) million or (65)% of revenue First Quarter 2023 Business Highlights:

22 confirmed designs starts in the first quarter, highlighting sustained customer usage of Arteris technology;Added six Active Customers in the first quarter across key verticals, including in Enterprise & Computing, Consumer, and Automotive;Tenstorrent licensed Arteris IP for AI high-performance computing and datacenter RISC-V chiplets; andASICLAND selected Arteris FlexNoC for automotive, AI enterprise and AI edge SoCs to facilitate faster time to market and reduce design time for ASICLANDs customers across various industries.

May 02: Tenstorrent Selects Arteris IP for AI High-Performance Computing and Datacenter RISC-V Chiplets

Ncore and FlexNoC interconnect IP enable advanced Tenstorrent RISC-V computing for modular, efficient and performant next-generation AI at scale.

CAMPBELL, Calif., May 02, 2023 -- Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced Tenstorrent has licensed Ncore and FlexNoC interconnect IP for its AI chiplet systems. The flexible network-on-chip (NoC) interconnect meets the demanding time-to-market and performance requirements needed to deliver the future generation of AI solutions for edge devices, edge servers and cloud servers.

Tenstorrent combines AI and RISC-V computing together to deliver highly customized, high-performance chiplet and computing solutions that are tailored to specific workloads and applications. By using chiplets to create modular, scalable systems and RISC-V to design custom processors and accelerators, developers can create cost-effective multi-chip components and server systems that deliver powerful performance and next-level energy efficiency.

We are happy to share that we are partnering with Arteris to use Ncore and FlexNoC IP in our next-generation product," said Jim Keller, CEO of Tenstorrent.The combination of performance and features made it a great choice for both our AI chips and our high-performance RISC-V CPUs.The Arteris team and IP solved our on-chip network problems so we can focus on building our next-generation AI and RISC-V CPU products."

"Tenstorrents next-generation AI computing will further push the envelope on high-end RISC-V deep learning, which requires high-bandwidth, low-latency heterogeneous compute with interconnects to optimize data flow and overall performance," said K. Charles Janac, president and CEO of Arteris. "Our silicon-proven IP technology is built to meet the demands of such AI and ML solutions, fueling the next wave of innovation.

Arteris' cache coherent and non-coherent NoC IPs are highly configurable, ensuring high-performance data movement across CPU workloads.

April 26: Arteris IP Licensed by Axelera AI to Accelerate Computer Vision at the Edge

The silicon-proven network-on-chip system IP enables Axelera AI engineers to meet performance, ultra-low power, and time-to-market objectives in its Metis AI Platform.

CAMPBELL, Calif., April 26, 2023 -- Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced that Axelera AI, a provider of the worlds most powerful and advanced solutions for AI at the edge, has licensed Arteris FlexWay. The Arteris IP will be used for SoC connectivity in the Metis AI platform, a hardware and software platform for computer vision AI inference at the edge. This technology delivers advanced acceleration performance and usability at a fraction of the cost and power consumption of solutions available today.

The Metis AI processing unit (AIPU), as part of the Metris AI Platform, is equipped with four homogeneous AI cores built for complete neural network inference acceleration. Each AI core is self-sufficient and can execute all layers of a standard neural network without external interactions. The four cores are integrated into an SoC and comprised of a RISC-V controller, PCIe interface, LPDDR4X controller, and a security complex connected via a high-speed network-on-chip (NoC). The unit can collaborate on a workload to boost throughput or operate on the same neural network in parallel to reduce latency or process different neural networks required by the application concurrently.

Arteris is the proven industry standard for system IP with responsive support, and deploying their technology guaranteed we met our performance requirements and aggressive timelines, said Giuseppe Garcea, director of silicon and co-founder at Axelera AI. Arteris FlexWay interconnect IP allowed us to close timing smoothly on a complex, multicore machine learning architecture.

April 24: Arteris IP to Announce Financial Results for the First Quarter 2023

CAMPBELL, Calif., April 24, 2023 -- Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced that it will release its financial results for the first quarter ended March 31, 2023, after market close on Thursday, May 4, 2023.

Management will host a conference call on Thursday, May 4, 2023 at 4:30 PM ET to discuss these results. The call will be available, live, to interested parties by dialing:

United States/Canada Toll Free: 877-407-9208 International Toll: +1- 201-493-6784

Please join the call 5-10 minutes prior to the scheduled start time. A live webcast will be available in the Investor Relations section of Arteris IPs website at:https://ir.arteris.com/events-and-presentations.

A replay of the webcast will be available on the Events and Presentations page in the Investor Relations section of the companys web site approximately two hours after the conclusion of the call and remain available for approximately 30 calendar days.

April 12: Arteris IP Selected By ASICLAND for Automotive, AI Enterprise and AI Edge SoCs

The silicon-proven FlexNoC interconnect IP and supporting AI options from Arteris facilitate faster time to market and reduce design time for ASICLAND customers across various industries.

CAMPBELL, Calif., April 12, 2023 -- Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced that ASICLAND has licensed Arteris FlexNoC with Automotive ASIL B and AI options. This technology will be used for the main system bus for automotive and AI SoCs for a variety of applications.

ASICLAND is a leading ASIC services company for semiconductor and SoC designs. The company has developed many semiconductors with complex technologies for 5nm, 7nm, 12nm, 16nm and 28nm processors. They support customers with architecture design services along with a turnkey offering to deliver chips that have been packaged and tested, significantly reducing overall design time.

Arteris superior technology is the proven industry standard for system IP with responsive technical support that enables ASICLAND to quickly deploy automotive SoCs and meet AI performance requirements, said James Lee, CEO at ASICLAND. FlexNoC interconnect IP allows us to develop new automotive solutions and strengthen our position in additional AI markets.

ASICLANDs advanced ASIC designs require best-in-class network-on-chip technology for cost-effective, low-power SoCs and safe connectivity, said K. Charles Janac, president and CEO of Arteris. We are honored that FlexNoC with the additional AI options enables ASICLAND designers to continue to develop customer solutions that will propel the automotive and AI industries forward.

February 28: Arteris Announces Financial Results for the Fourth Quarter and Full Year 2022 and Estimated First Quarter and Full Year 2023 Guidance

Arteris, Inc. (Arteris or Arteris IP), a leading provider of network-on-chip (NoC) interconnect and other intellectual property (IP) technology that manages the on-chip communications in system-on-chip (SoC) semiconductor devices, today announced financial results for the fourth quarter and year ended December31, 2022, and provided estimated first quarter and full year 2023 guidance.

Were excited to report a strong finish to 2022, with Annual Contract Value plus Trailing Twelve Month Royalties of $52.4 million, an increase of 22% year-over-year when adjusted for the loss of HiSilicon and DJI, which can be attributed to tighter BIS restrictions after 2019, said K. Charles Janac, President and CEO of Arteris IP. With the introduction of our new FlexNoC 5 innovation and the acquisition of Semifore in the fourth quarter, we are working to enable our customers to accelerate their SoC design and improve the overall SoC design economics while shortening product schedules and the risks of costly redesigns. Despite short-term macro-economic uncertainties, we believe Arteris is well positioned for growth as our customers continue to innovate in areas such as automotive, consumer electronics, and machine learning across all applications, driving the need for increased use of commercial System IP.

Fourth Quarter 2022 Financial Highlights:

Annual Contract Value (ACV) and trailing twelve months (TTM) royalties of $52.4million, compared to $50.0million for the same period last yearRevenue of $11.2 million, down 2% year-over-yearRemaining performance obligation (RPO) of $57.7million, down 5% year-over-yearOperating loss of $9.1millionNon-GAAP operating loss of $5.8million, compared to a Non-GAAP operating loss of $2.8million in the year-ago periodNet loss of $7.2million or $0.21 per shareNon-GAAP net loss of $4.0million or $0.12 per shareNon-GAAP free cash flow of $(0.8)million or (7)% of revenue Full year 2022 Financial Highlights:

Revenue of $50.4million, up 33% year-over-yearOperating loss of $28.9millionNon-GAAP operating loss of $16.2million, compared to a Non-GAAP operating loss of $15.5million for the year-ended 2021Net loss of $27.4million or $0.84 per shareNon-GAAP net loss of $14.7million or $0.45 per shareNon-GAAP free cash flow of $(7.8)million or (16)% of revenue Fourth Quarter 2022 Business Highlights:

38 Active Customers added in FY2022, highlighting an accelerating Arteris customer base;24 confirmed design starts in the fourth quarter across many of our core verticals, including in automotive, enterprise computing, communications, consumer electronics and industrial markets;We announced the release of FlexNoC 5, the 5th generation of Arteris network-on-chip interconnect technology;We acquired Semifore, expanding our IP deployment automation solutions, and accelerating SoC development with the integration of Semifore's hardware/software interface (HSI) technology;We announced a partnership with SiFive to accelerate RISC-V SoC designs for Edge AI applications; andTelechips licensed FlexNoC interconnect IP for use in its advanced automotive applications.

February 27: Arteris and SiFive Partner to Accelerate RISC-V SoC Design of Edge AI Applications

The collaboration will provide a greater choice of integrated and optimized solutions with leading SiFive RISC-V processor IP and Arteris system IP

Highlights:

CAMPBELL, Calif. and SANTA CLARA, Calif., Feb. 27, 2023 -- Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, and SiFive, Inc., the founder and leader of RISC-V computing, today announced their partnership to help speed up Edge AI electronic product innovation for consumer electronics and industrial applications.

The combination of the SiFive Intelligence processor IP and Arteris Ncore interconnect IP accelerates the path for customers to realize Edge AI SoCs. SiFive Intelligence X280, a multi-core capable RISC-V processor, provides a unique blend of performance, power efficiency, and an intuitive programming model, and enables various data-driven applications, including AI inference, image processing, data center acceleration and other use cases. Arteris Ncore cache coherent interconnect IP is a configurable and scalable network-on-chip (NoC) interconnect for heterogeneous cache coherent systems-on-chip (SoCs). The coupled solution delivers interoperability to speed up the development of Edge AI SoCs with high performance and power efficiency while reducing project schedules, integration complexity and costs.

As a result of their interoperability and integration collaboration, SiFive has developed the SiFive 22G1 X280 Customer Reference Platform, incorporating a SiFive X280 processor IP and an Arteris Ncore cache coherent interconnect IP, which is available to run on the AMD Virtex UltraScale+ FPGA VCU118 Evaluation Kit.

As companies push the performance of application-specific SoCs that not only include a growing number of processors, but also tremendously complex network-on-chip requirements, our collaboration with Arteris enables us to deliver optimized RISC-V solutions that meet and beat our customers compute goals, said Phil Dworsky, global head of strategic alliances at SiFive.

February 22: Arteris Unveils Next-Generation FlexNoC 5 Physically Aware Network-on-Chip IP

Highlights:

CAMPBELL, Calif., Feb. 22, 2023 -- Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced the launch of Arteris FlexNoC 5 physically aware network-on-chip (NoC) interconnect IP. FlexNoC 5 enables SoC architecture teams, logic designers and integrators to incorporate physical constraint management across power, performance and area (PPA) to deliver a physically aware IP connecting the SoC. This technology enables 5X faster physical convergence over manual refinements with fewer iterations from the layout team for automotive, communications, consumer electronics, enterprise computing, and industrial applications.

Manual workflows typically include numerous iterations of pipeline insertions, effort-intensive creation of constraints for physical placement of units, and lengthy NoC placement plus route iterations to converge on the SoC PPA targets. By contrast, FlexNoC 5 physical awareness eliminates these iterations and shortens the duration of various manual steps, facilitating up to 5X faster physical convergence of the back-end physical design time and effort. The resulting physically optimized NoC IP instance is then ready for output to physical synthesis and place and route for implementation.

Sondrel has deployed Arteris FlexNoC interconnect IP across several customer SoC projects to great effect, said Graham Curren, CEO of Sondrel. Physical constraints have always been an important issue and are even more important below 16nm geometries.The latest FlexNoC 5 with its physical awareness technology, enables our RTL teams to verify that architectures meet physical constraints and provide a better starting point for our place and route team.We look forward to our continued cooperation with Arteris.

Moreover, FlexNoC 5 expands support for Arm AMBA 5 protocols and IEEE 1685 IP-XACT, including a connectivity flow with Arteris Magillem for NoC integration with other SoC IP blocks.

February 15: Arteris IP to Announce Financial Results for the Fourth Quarter and Year End 2022

Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced that it will release its financial results for the fourth quarter and full year ended December 31, 2022, after market close on Tuesday, February 28, 2023.

Management will host a conference call on Tuesday, February 28, 2023 at 4:30 PM ET to discuss these results. The call will be available, live, to interested parties by dialing:

United States/Canada Toll Free: 877-407-9208International Toll: +1- 201-493-6784Conference ID: 13735413

A live webcast will be available in the Investor Relations section of Arteris IPs website at:https://ir.arteris.com/events-and-presentations.

A replay of the webcast will be available on the Events and Presentations page in the Investor Relations section of the companys web site approximately two hours after the conclusion of the call and remain available for approximately 30 calendar days.

January 12: Arteris Announces New Employment Inducement Grants

Arteris, Inc. (Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced that the company has granted an aggregate of 260,483 restricted stock units (RSUs) to four newly hired employees as inducement awards under the companys 2022 Employee Inducement Incentive Plan. The grants were made in accordance with Nasdaq Listing Rule 5635(c)(4).

The effective RSU grant date is January 10, 2023, and it was approved by the companys board of directors.

December 06 2022: Arteris FlexNoC Interconnect Licensed by Telechips for Use in Advanced Automotive Applications

Network-on-chip interconnect IP to develop a variety of automotive systems-on-chip because of proven performance, low power and security.

CAMPBELL, Calif., Dec. 06, 2022 -- Arteris, Inc.(Nasdaq: AIP), a leading provider of system IP which accelerates system-on-chip (SoC) creation, today announced its collaboration with Telechips to integrate the Arteris FlexNoC interconnect IP established technology into several SoC products for automotive. The new designs are based on the latest automotive safety standards, including ISO 26262, ASIL B and ASIL D. The products ensure security requirements are met when designing Telechips new business area solutions like advanced driver-assistance systems (ADAS) and microcontroller units (MCUs).

Arteris interconnect IP capabilities enable Telechips SoCs to achieve the low power, scalability and security necessary to create the next level of automotive designs. Most importantly, the technology provides the ability to meet compulsory safety requirements on certification.

Telechips excels at building SoCs that offer a solution for various automotive applications with superior performance, low power and security, especially for functional safety, said Moon Soo Kim, SoC group leader and VP of Telechips. Arteris proven interconnect IP technology ensures that we meet our design requirements to facilitate safety and scalable future products, helping us to drive global innovation trends. And, it will help our new business areas, especially ADAS and MCUs, meet the highest level of OEM and Tier 1 requirements.

Advanced SoCs require best-in-class network-on-chip technology for low power and safe connectivity, said K. Charles Janac, president and CEO of Arteris. We are delighted that, in the advanced SoC automotive market, Arteris products continue to be the leading choice for high-performance, innovative solutions.

AboutArteris

Arteris is a leading provider of system IP, consisting of network-on-chip (NoC) interconnect IP and IP deployment technology to accelerate system-on-chip (SoC) semiconductor development and integration for a wide range of electronic products.

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Glossary

Current Ratio:
Current Assets/Current Liabilities (times)
PV$1000 (Fig 53, 54, 18, 23):
Present value of $1000 invested 1 year/'n' years ago
Price/NTA (Fig 17, 23, 53, 54):
Closing Share Price/Net Tangible Assets Per Share (times)
Relative Price Change [RPC]:
Relative price change is price change of stock with respect to Benchmark Index
Relative Strength (n-th Period) (Fig 23, 24):
Price close today/Price close 'n' periods ago, then ranked by percentile within the entire market.
Return on Assets (Fig 37):
Net Profit/Total Assets (%)
Return on Equity (Shareholders' Funds) (Fig 37):
Net Profit/Net Assets (%)
TSR (Fig 20):
Total Shareholder Returns is expressed as an annualized rate of return for shareholders after allowing for capital appreciation and dividend
TTM (Fig 15):
Trailing 12 Months
Turnover Period (Fig 29):
Time Period required for trading all Outstanding Shares
Turnover Rate (Fig 29):
US Dollars value of annual trading volume as a percentage of market capitalisation

Momentum Up	⬆	**Price increase fuelled by above average Volume**
Weak Momentum Up	⇧	**Price increase on below average Volume**
Momentum Down	⬇	**Price decrease fuelled by above average Volume**
Weak Momentum Down	⇩	**Price decrease on below average Volume**
Weak Unchanged	⬄	**Price unchanged on below average Volume**
Strong Unchanged	⬌	**Price unchanged on above average Volume**

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