



Alphawave IP Group plc Q3 Trading Statement

Strong Q3 bookings with total YTD bookings of US\$219.3m

Growth driven by North American end customers with 137% increase in bookings in North America for first 9 months of FY2021 compared to same period in FY2020

Four new end customers won in Q3 2021 including a new hyperscaler¹ 4nm design win bringing total end customers to 21

Strong Q4 outlook based on demand in North America and South Korea

LONDON, United Kingdom and TORONTO, Ontario, Canada October 20, 2021 – Alphawave IP (LSE: AWE, “Alphawave IP”, the “Company”), a global leader in high-speed connectivity for the world’s technology infrastructure, is pleased to announce a strong Q3 performance. Total annual bookings to date now exceed US\$219m, with a robust pipeline for further bookings in Q4.

Bookings in Q3 were driven by 4 new customer wins, including one of the first ever design wins in 4nm with a new hyperscaler¹ end customer.

The Company’s Q3 bookings were US\$23.2m, of which US\$21.5m were license and related, and US\$1.8m are estimates of potential future royalties. This brings FY2021 bookings to date to US\$219.3m, of which US\$202.3m are license and related, and US\$17.0m are estimates of potential future royalties. Of the US\$219.3m bookings, US\$147.8m relate to the previously announced multi-year subscription licensing deals with VeriSilicon and the Company’s China Product Partnership.

VeriSilicon licensing update

The Company achieved an acceleration of end customer wins in China through its reseller agreement with VeriSilicon. In Q3 two end customers in China licensed Alphawave IP technology through this agreement, with a total transaction value of US\$3.9m, excluding potential future royalties. The revenues from these China customer wins are not included within the total bookings figure of US\$219.3m as they are part of the Company’s previously announced US\$54m VeriSilicon subscription multi-year reseller transaction.

Strong Q4 Outlook

¹ Hyperscalers are technology companies that provide cloud, networking and internet services at scale. Examples of hyperscalers include Google, Facebook, Alibaba, Microsoft, and Amazon

The Company expects to maintain the strong momentum into Q4 with design wins and bookings primarily from North America and South Korea. With the continued technology leadership that the Company has established with TSMC, which was announced last week, design wins at TSMC are expected to continue in leading edge technology. This, coupled with the announcement of one of the first design wins in 4nm, continues to demonstrate Alphawave IP's strong competitive position and provides a platform to drive growth in 2022 and beyond.

Tony Pialis, President and Chief Executive Officer of Alphawave IP stated: "As we outlined at our half year results in September, we have seen strong growth in our pipeline particularly in North America and South Korea. We are converting this pipeline into bookings and continue to broaden and deepen relationships with our growing customer base. Historically, the fourth quarter is usually a very strong quarter for Alphawave and this year looks to be no different than previous years."

John Lofton Holt, Executive Chairman of Alphawave IP added: "We are pleased to continue to deliver for our customers, shareholders, and partners. We are driving greater diversification across customers and geographies, while demonstrating our continued technology leadership in the most advanced process technologies."

Related Party Disclosures

Total new related party bookings in Q3 2021 were zero.

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Conference call

A conference call for investors and analysts will be held at 1pm BST on Wednesday 20th October. The dial-in details are as follows:

Standard International Access: +44 (0) 207 192 8000
UK Toll Free: 0800 376 7922
US Toll Free: +1 866 966 1396
New York, US Local Number: +1 631 510 7495

Please quote 'Alphawave' to gain access. Please connect to the call at least 10 minutes prior to the start time. A replay of the call will be made available later in the day on the Company's website. (www.awaveip.com).

Glossary

IP / Silicon IP	Intellectual property core, IP core or IP block is a reusable building block of a semiconductor chip that can be licensed or purchased from a third-party provider. Some examples of third-party providers are Alphawave IP, ARM and Imagination Technologies.
Bookings	Is the total value of licence fees, non-recurring engineering fees (NRE) and support and maintenance contractually committed by customers together with an estimate of expected royalties from those contracts (unless stated otherwise). Bookings are stated since Alphawave IP's founding (referred to as cumulative or lifetime bookings) or in a given period.
Hyperscaler	Hyperscalers are technology companies that provide cloud, networking and internet services at scale. Some examples of hyperscalers include Google, Facebook, Baidu, Alibaba, Microsoft, and Amazon.
Foundry	Also commonly known as a 'fab' or wafer fabrication facility, a semiconductor foundry is a manufacturer of semiconductors for other companies. The two largest foundries in the world are TSMC and Samsung.
End customer	Alphawave IP's end customers include semiconductor OEMs, ASIC providers, and hyperscalers. These are companies that provide and build technology infrastructure, from data centres, networking, and storage to AI, autonomous vehicles and 5G wireless.
OEM	Original equipment manufacturer that produces systems, parts or equipment utilised in the production of another device or product.
ASIC	Application-specific integrated circuit (or system on chip ("SOC")) is an integrated circuit which has been custom designed for a specific task or application.
Reseller	A company that acts as an indirect sales channel for Alphawave IP's technology and is authorised to sell licences to Alphawave IP's solutions on behalf of Alphawave IP.
Subscription agreement	Is a contract between the licensor of the IP, e.g. Alphawave IP, and the company that is licensing the technology, for a determined amount of time and for access to multiple solutions in the Alphawave IP portfolio, rather than a single solution.
China Product Partnership ("CPP")	A semiconductor company to which Alphawave IP licenses its technology to for the express intention of building communications products exclusively for the Chinese market. Alphawave IP holds a minority stake in the CPP.

About Alphawave IP Group plc (LSE:AWE)

Faced with the exponential growth of data, Alphawave IP's technology services a critical need: enabling data to travel faster, more reliably and with higher performance at lower power. Alphawave is a global leader in high-speed connectivity for the world's technology infrastructure. Our IP solutions therefore meet the needs of global tier-one customers in data centers, compute, networking, AI, 5G, autonomous vehicles, and storage. Founded in Toronto, Canada in 2017, by an expert technical team with a proven track record in licensing semiconductor IP, our mission is to focus on the hardest-to-solve connectivity challenges. To find out more about Alphawave IP, visit: awaveip.com

Alphawave IP's LEI Number: 213800ZXT021EU4VMH37.