

Silicom Connectivity Solutions

AI Inference

Post-Quantum Security

White-Label Switching

Venture Upside.

Public Access.

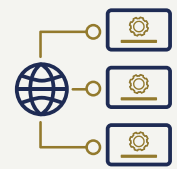
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Venture Upside. Public Access.

Silicom: An Established Fast Growing Public Company with Startup-Like Upside



Positioned to deliver **venture-style upside** across AI inference, post-quantum cybersecurity, and white-label switching markets



Built on **four decades** of IP, engineering excellence, and execution at scale



Trusted by industry leaders for complex, high-performance hardware solutions

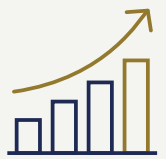


The Investment Thesis



The Opportunity

Venture-style upside in public markets with exposure to three high-growth markets: AI inference, Post-Quantum Cryptography, and White-Label Switching



Market Scale

Large and expanding market opportunities: AI inference (\$80-100B), PQC (\$3-4B), and WLS (\$6-7B) by 2030



Early Proof

Demonstrable execution traction across all three opportunities, including design wins, initial orders, and advanced customer engagements



The Foundation

Proven execution platform with four decades of IP development, engineering, and delivery of high-performance networking and hardware acceleration solutions



Financial Strength

\$63M total liquidity, \$109M working capital and marketable securities (~\$19 per share), no debt, and \$116M in shareholders equity



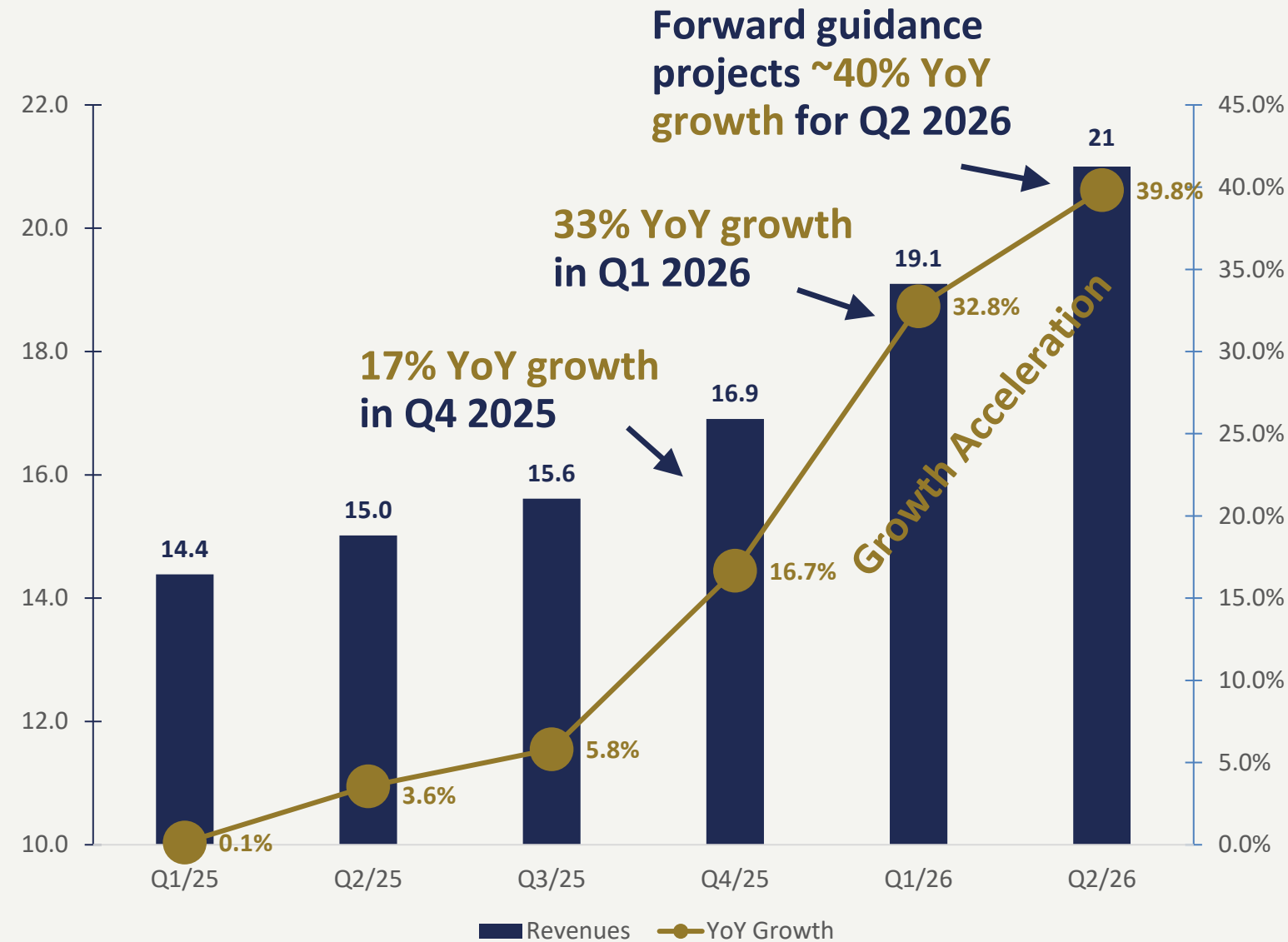
Customer Leverage

A large, global, loyal Tier-1 customer base enabling scalable adoption and long-term growth



An inflection point driving accelerated momentum and exceptional revenue visibility

Resilient core business demand is growing faster than projected. Expected strong 30+% revenue growth in 2026.



8 Major Design Wins achieved in 2025

7 to 9 Targeted Design Wins for 2026

4 Major Design Wins already achieved in 2026

An exceptional Design Wins momentum provides a strong foundation for continuous double-digit revenue growth in 2026 and beyond.

A foundation of execution and a legacy of high-performance infrastructure

Financial Fortress Dashboard

As of December 31st, 2025

\$63M

Total Liquidity

\$109M

(~\$19 per share)

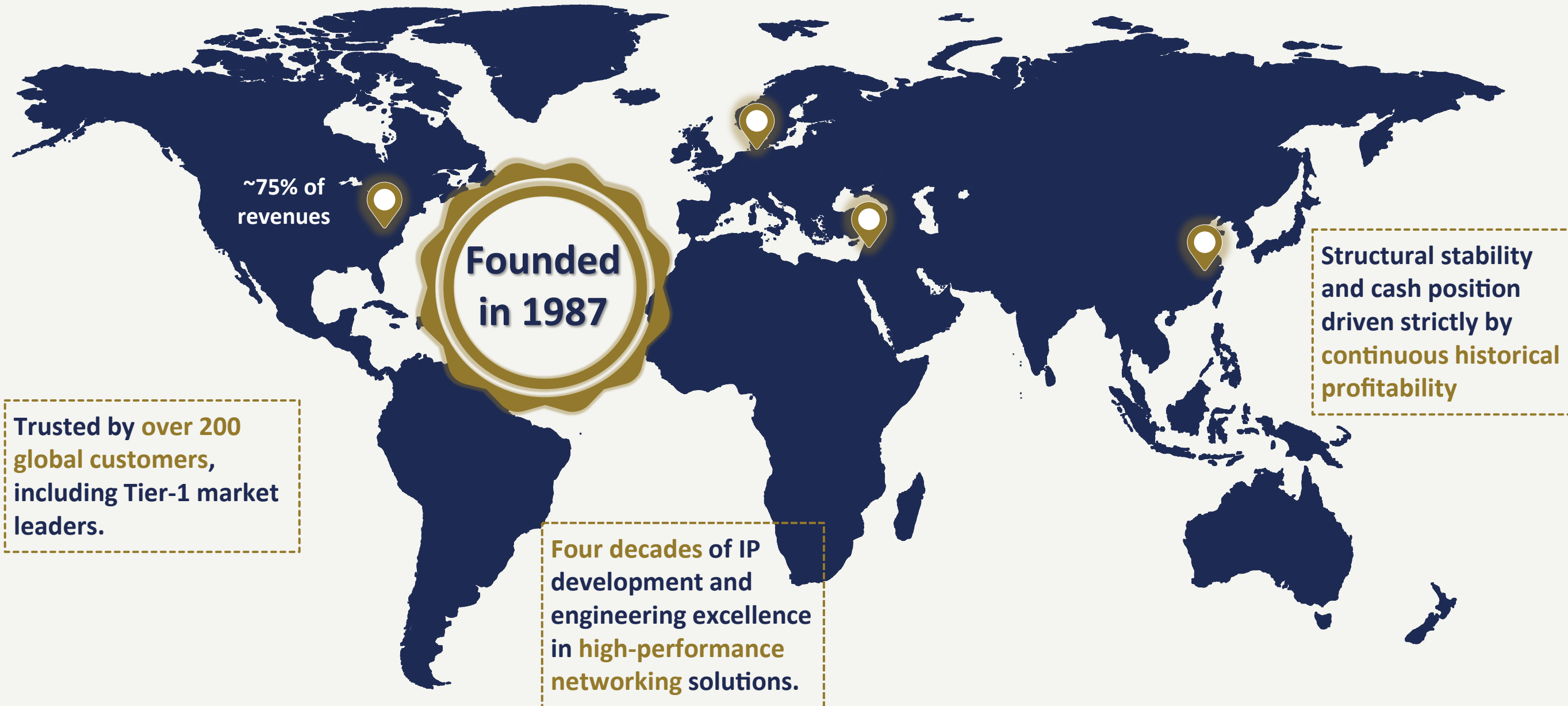
Working capital and marketable securities

\$116M

Shareholders' equity

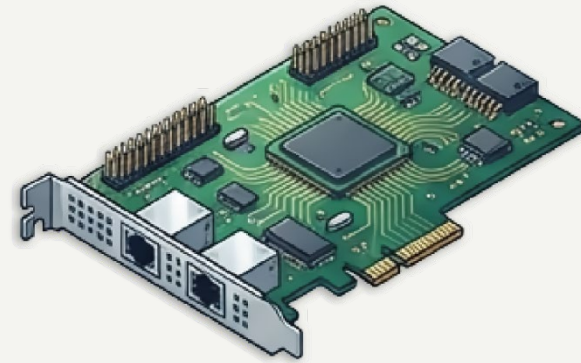
ZERO

Debt



Fortress balance sheet provides flexibility to invest in growth while maintaining a conservative financial profile

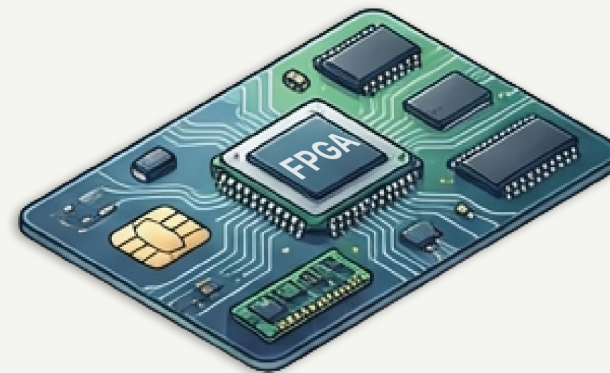
Powering the network edge and data center across three core product groups



Server Adapters

Widest industry selection

- Rapid development based on leading Intel and Broadcom Ethernet controllers
- **Fast customization process** for specific customer needs
- Integrated critical bypass functionality to ensure traffic continuity during server failures



Smart Cards (including FPGAs)

Intelligent & programmable

- Offloads intensive tasks like data encryption and packet capture from the server CPU
- Delivers **superior low-latency** performance
- Essential for High-Frequency Trading (HFT) and Cybersecurity



Smart Platforms (Edge/uCPE)

Entry-level to robust rack-mounted units

- Deployed for SD-WAN, SASE, and NFV via industry-wide **hardware/software decoupling**
- Fast customization process for specific customer needs
- Deep Intel relationship yielding tens of reference designs for **unmatched time-to-market**

Winning against the competition through agility, customization, and strategic partnerships

Server Adapters & Smart Cards

The competitors

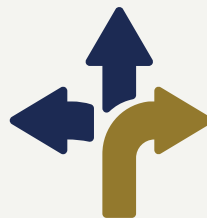
Focused predominantly on **major accounts**, forcing customers into a **limited selection of rigid, standard off-the-shelf cards**.



Why Silicom Wins

Targets accounts of all sizes with a massive product portfolio, flexibility and attention.

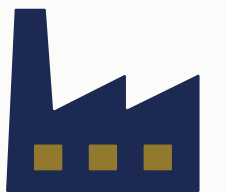
Executes a fast, efficient path to customized hardware solutions, giving customers exactly what they need - rather than forcing a one-size-fits-all approach.



Smart Platforms (Edge Solutions)

The competitors

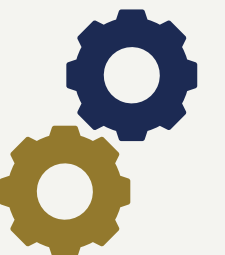
Mass-market vendors often mandate inflexible delivery terms and inconsistent part selection (BOM), **struggling to guarantee strictly locked hardware lifecycles or support flexible VMI models**.



Why Silicom Wins

Leverages **deep technical, business, and market relationships directly with primary CPU suppliers**.

This unique advantage ensures optimized platform architecture and significantly faster time-to-market
Executes a fast, efficient path to customized hardware solutions



Building embedded, long-term revenue through our proven Design Win model



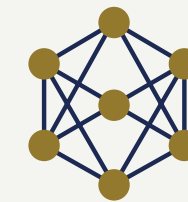
Step 1: The Partnership Process

Silicom secures business through rigorous technical evaluation and qualification, proving hardware superiority and reliability before commercial deployment.



Step 2: Embedded Revenue (The Design Win)

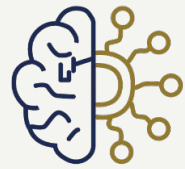
The lock-in phase. Products become deeply embedded in the customer's infrastructure or appliance/server-based system for 3-5 years. This triggers continuous purchases for the entire lifespan of the system deployment, creating a **highly sticky, recurring revenue stream**.



Step 3: OEM Synergies

Collaboration with leading OEMs seamlessly integrates technology while utilizing partners' superior financial resources and market presence. This directly **increases sales velocity and radically expands market reach** without linear internal cost scaling.

Three Tectonic Shifts in Technology Infrastructure



AI INFERENCE

Rapidly growing demand for efficient, scalable inference infrastructure as AI focus and investments shift from training to inference at scale



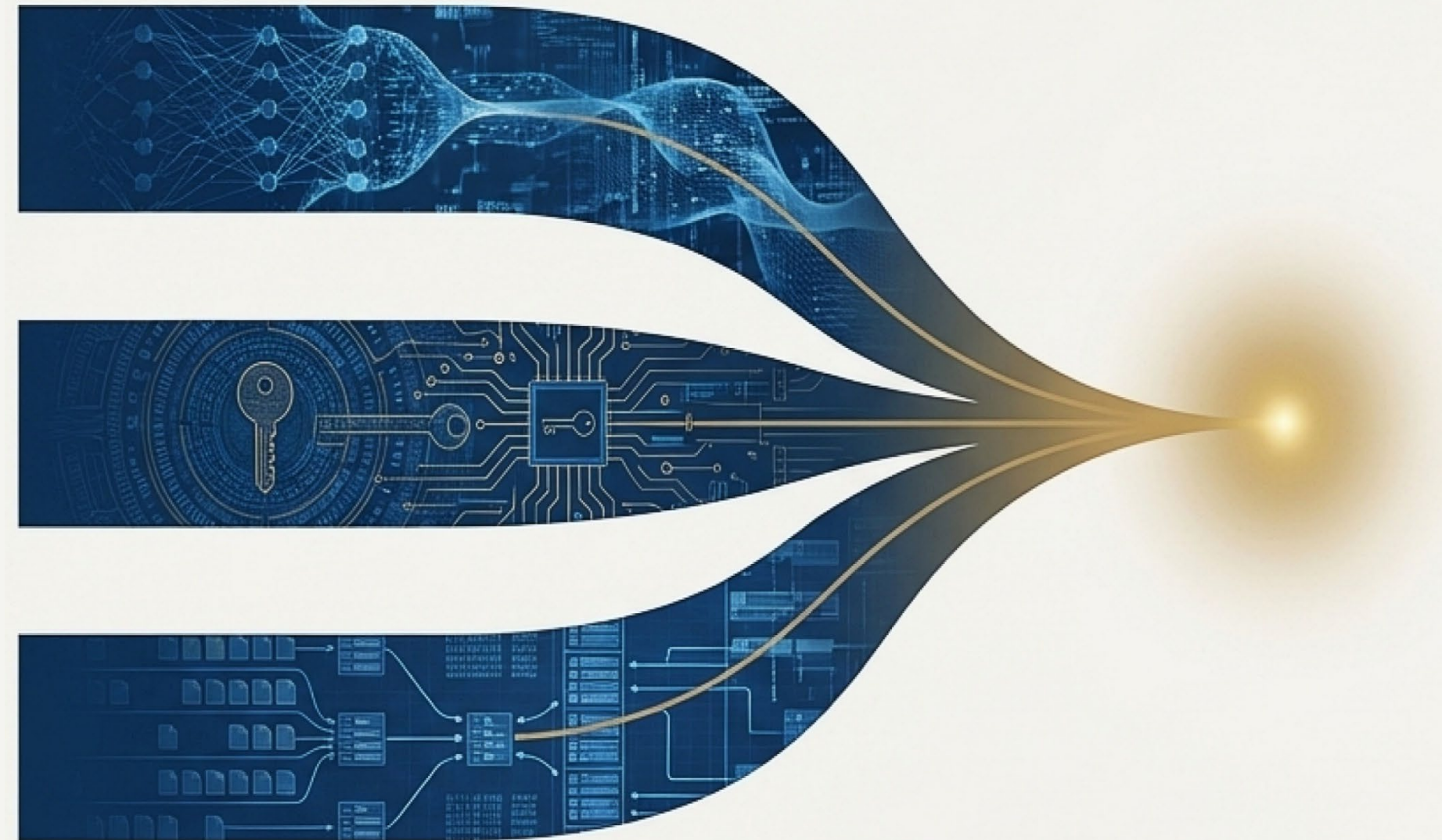
POST-QUANTUM CYBERSECURITY

An inevitable, mandatory transition as quantum threats force a global replacement of legacy cryptography



WHITE-LABEL SWITCHING

Network Disaggregation expanding well beyond hyperscalers, enabling new challengers to proprietary incumbents



These are large TAMs undergoing **structural-not cyclical-change**, where early positioning is critical

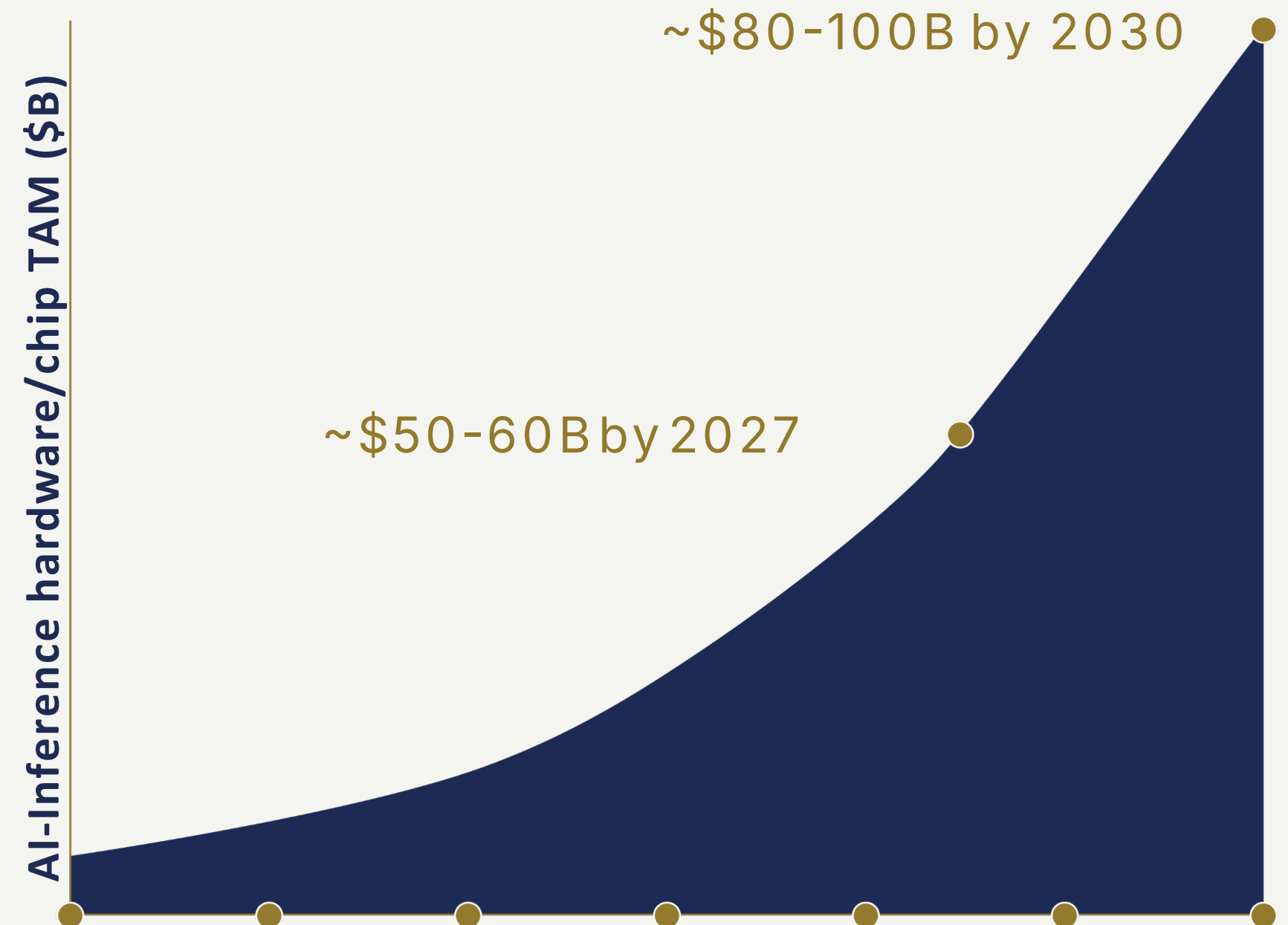
AI Inference: The Next Phase of AI Monetization

The Shift

- AI economics are rapidly shifting from training-centric to **inference-driven**
- Recent multi-billion-dollar investments & acquisitions highlight the strategic value of inference infrastructure
- **Fragmented inference deployments** (versus centralized training) create demand for specialized networking solutions

The Opportunity

- Inference infrastructure is expected to represent the **majority of long-term AI compute spend**
- Expands the opportunity **well beyond hyperscalers** to new specialized platforms and architectures

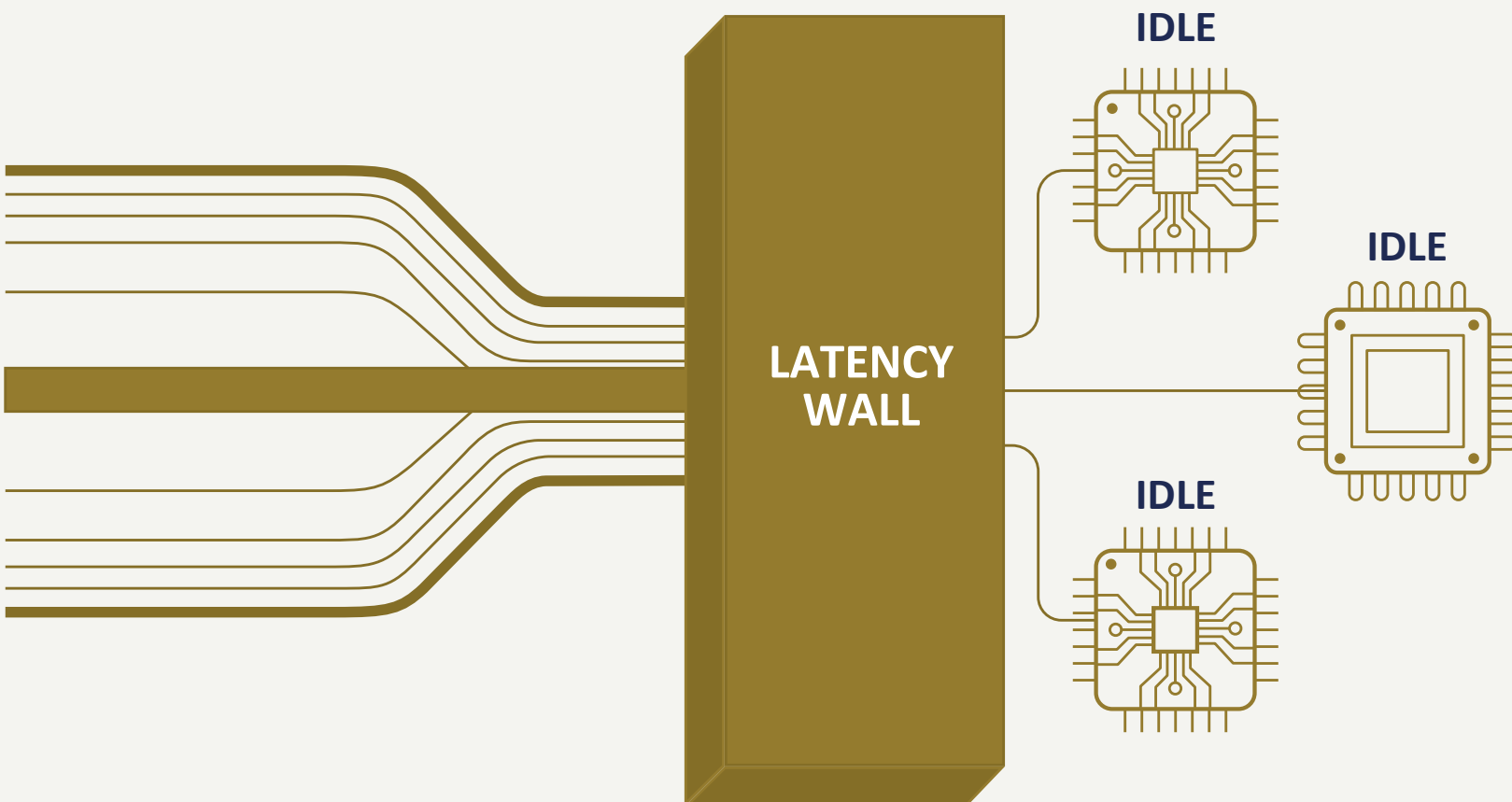


The Two Main Bottlenecks Starving AI Inference

THE PHYSICAL LIMIT

The Latency Wall

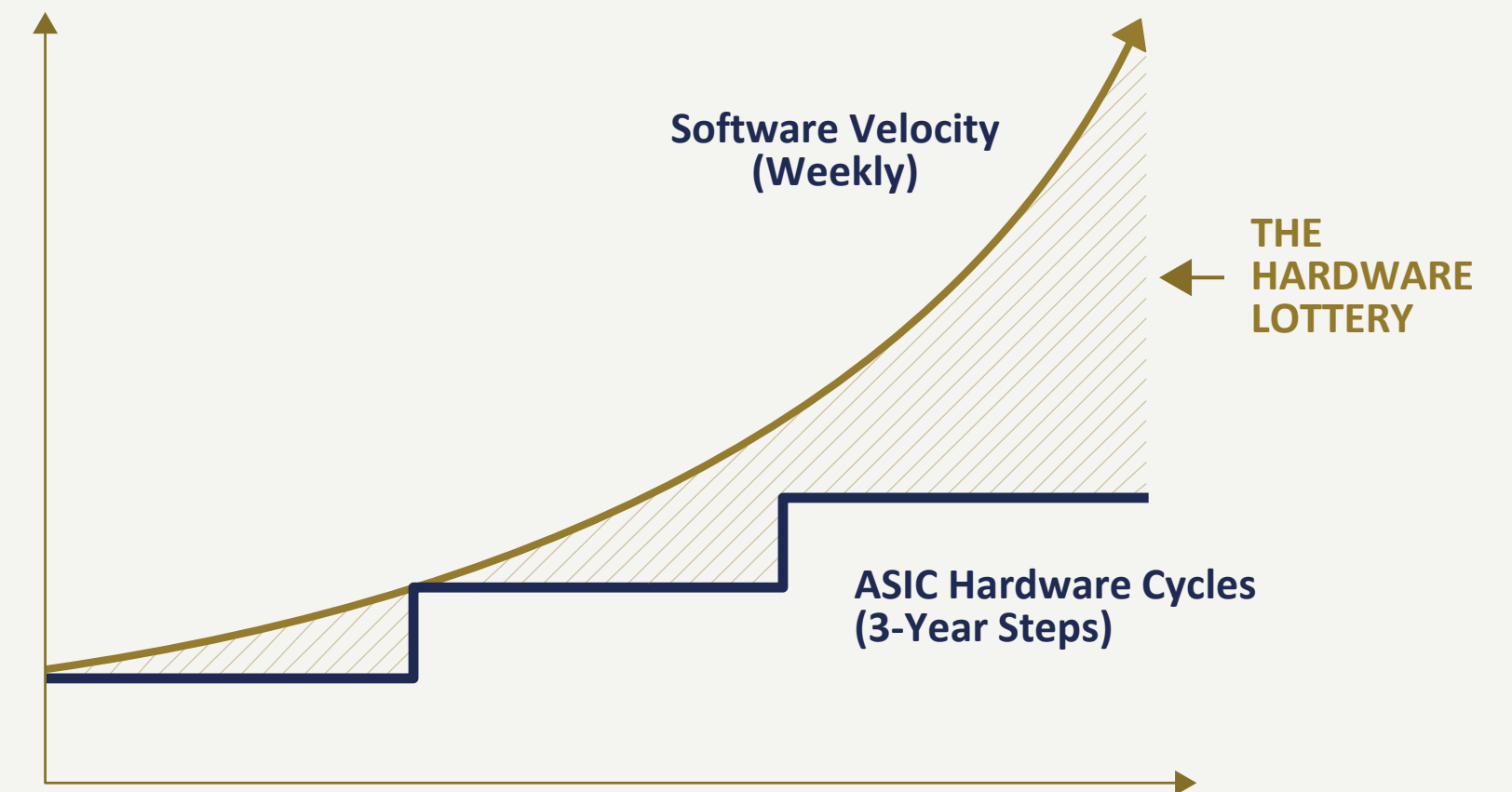
Standard networking infrastructure cannot support AI inference at scale. This restricts data flow across chips, cards, and servers, leaving incredibly expensive compute hardware sitting idle.



THE TIME LIMIT

The Hardware Lottery

LLMs advance via weekly algorithmic breakthroughs, while ASICs are locked into 3+ year hardware cycles. Brilliant ML optimizations are delayed because today's custom chips aren't wired to run them efficiently.



The Adaptive Hardware Architecture

OUR SOLUTIONS

- **Real-Time Co-Design:** Empowers customers to co-design software stacks, novel ML optimizations, and compute hardware in near real-time. FPGAs act as a reconfigurable extension of software rather than fixed hardware constraints.
- **Ultra-Low Latency Networking:** High-performance networking architecture designed specifically to break the latency wall. Inference-Specific NIC (AI-NIC) solutions based on either FPGAs or on leading high-performance COTS networking chips.

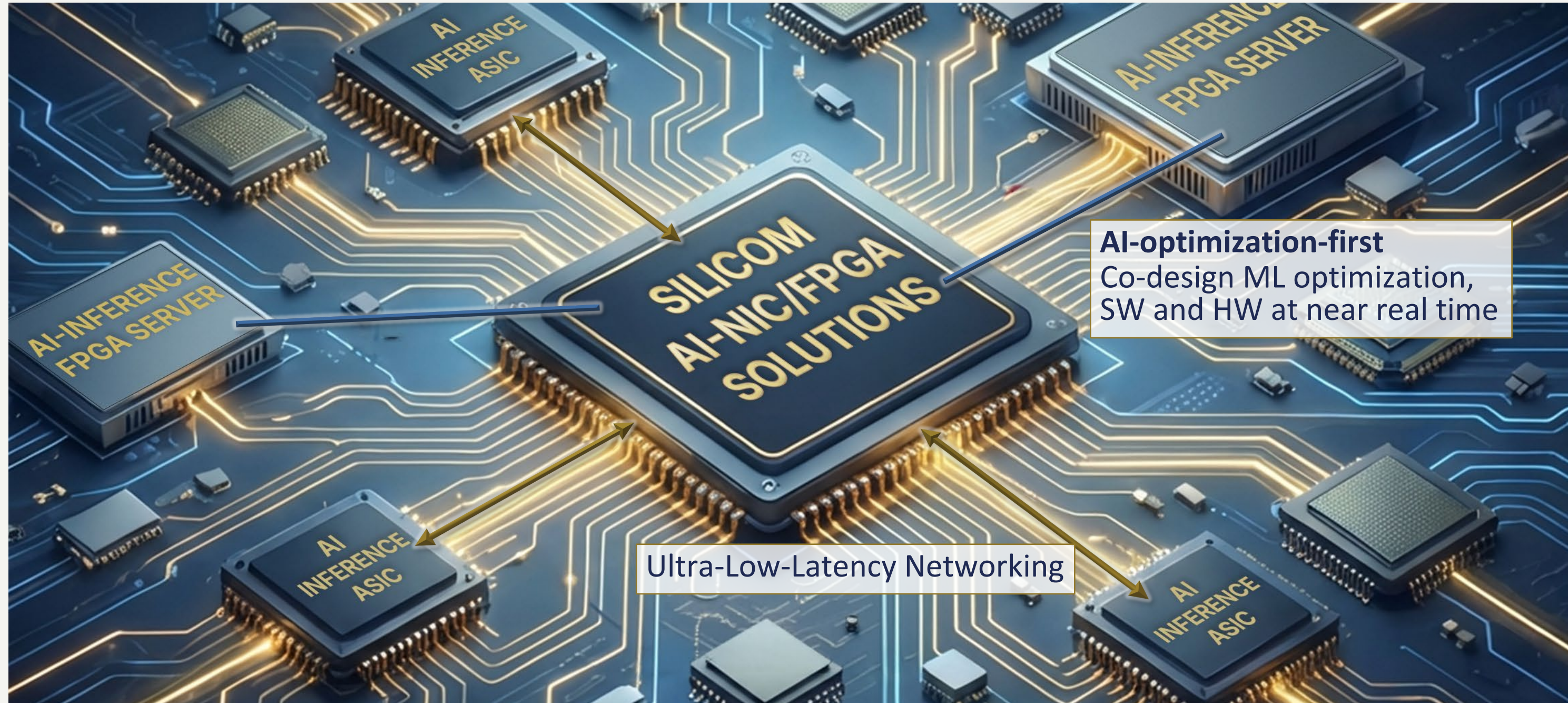
RIGHT TO WIN

- **Deep IP & Proven Frameworks:** Decades of expertise in high-performance FPGA design and manufacturing, providing essential frameworks for proprietary ML integration.
- **Tier-1 Network Expertise:** Proven experience delivering high-speed, low-latency networking solutions tailored for Tier-1 customers.

EXECUTION TRACTION

- **Mass Deployment Ready:** Orders received to facilitate the deployment of our inference-specific solution as part of the customers' Proof of Concept (PoC) efforts targeting mostly Tier-1 hyperscalers, scheduled for H2/2026.
- **Active Market Pipeline:** Orders received for customization and initial deliveries of an AI-NIC solution.
- **New Solution Development:** Order received for the development and initial deliveries of a new inference-specific solution.

Unifying Ultra-Fast Data Movement with Agile Processing



By simultaneously eliminating the networking bottleneck and defeating the hardware lottery, Silicom delivers an unmatched, future-proof AI infrastructure ecosystem.

Post-Quantum Cryptography (PQC): A Forced Global Upgrade

The Shift



Quantum computing threatens all existing public-key cryptography



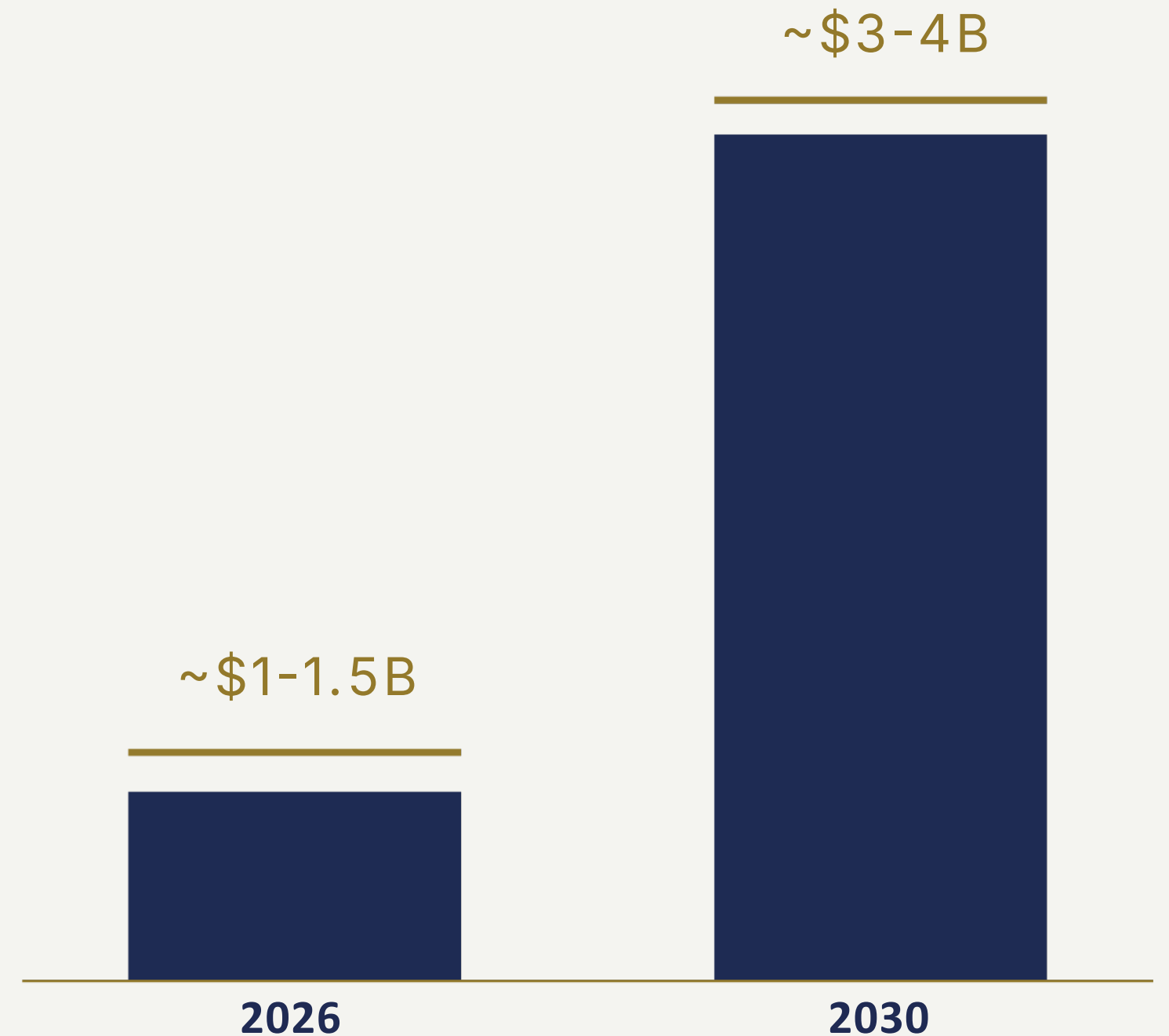
Governments and enterprises must transition to quantum-resistant standards



This migration is mandatory, not discretionary

The Opportunity

- **Driven by security risk and regulatory pressure, not technology cycles**
- Long replacement cycles across government and finance create multi-year embedded revenue opportunities



A Production-Ready Solution for an Inevitable Transition

Our Solution (Differentiated & Ready)



One of the only **mature, end-to-end hardware-based PQC accelerator solutions** currently available



Delivers clear **economic advantages** versus alternative approaches

Our Right to Win (Strong Legacy in Crypto Acceleration)



We are an established supplier of hardware accelerators for current public-key cryptography



Backward compatibility and migration complexity favor our proven, experienced platform



Execution & Timing Advantage

- The "**Harvest now, decrypt later**" threat is driving immediate adoption
- Our FPGA-based solution allows flexible remote updates as standards evolve
- **Traction:** Selected by **three leading customers** for early deployments; robust and growing pipeline

White-Label Switching (WLS): Infrastructure Disruption

The Shift



Network operators are transitioning from proprietary hardware to **disaggregated, white-label solutions**



This trend **mirrors prior industry transitions** in servers and storage



Adoption is expanding **well beyond hyperscalers** into enterprises and service providers

The Opportunity

- Ongoing **cost pressure** and growing demand for flexibility are fueling the transition
- Creates a clear opportunity to **capture share from entrenched proprietary incumbents**

White-Label Switching vs. Proprietary Incumbents Market Share Transition



A Natural Extension of Our Core Expertise

Our Solution (Leveraging Core Expertise)



We are already a leading supplier of white-label networking solutions, including **Edge servers, SD-WAN, and SASE platforms**



IP, know-how, and customer relationships are directly transferable to switching

Our Right to Win (Market Credibility and Timing)



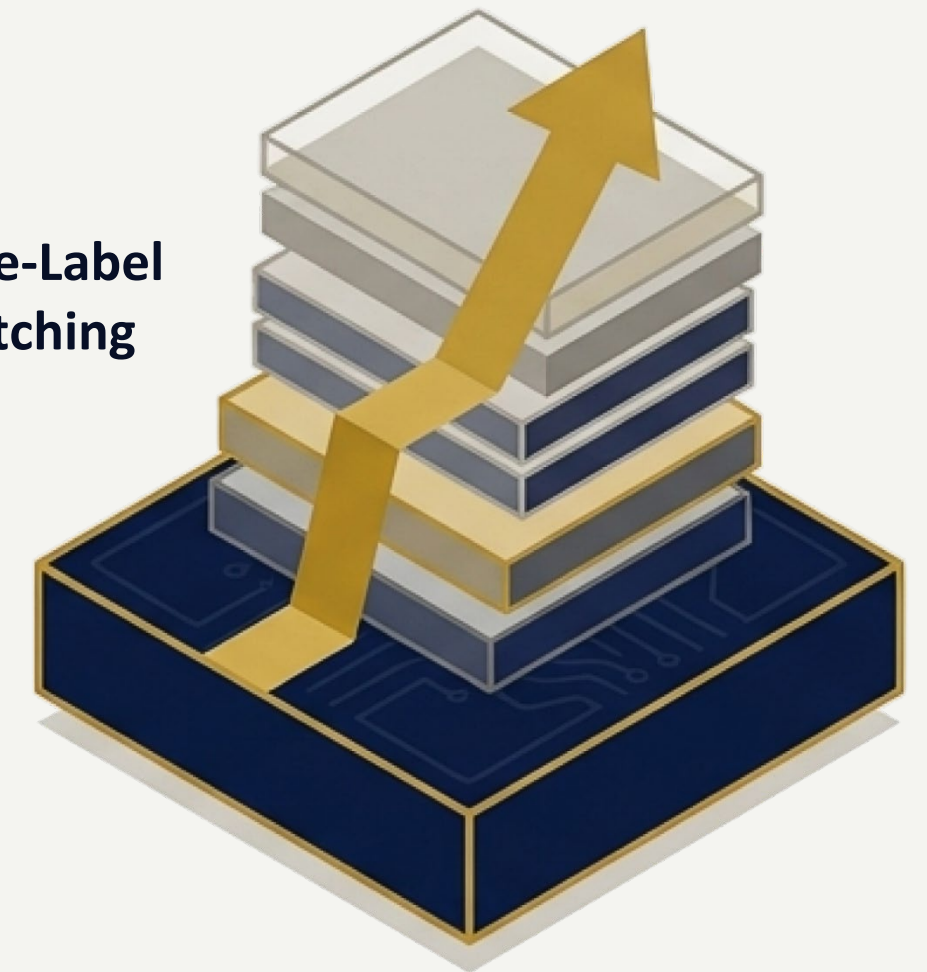
Leverages our established reputation as a trusted white-label networking provider



Switching costs support **durable customer relationships** once we are embedded

White-Label
Switching

Silicom
White-Label Platform
(Edge, SD-WAN, SASE)



Execution Traction

- Designed and **shipped initial quantities of three WLS platform types** to a leading security customer
- **Pipeline:** Active discussions with additional customers on follow-on opportunities

The Convergence: A Unique Investment Profile



- **Three Structural Growth Markets**
Uniquely positioned at the intersection of AI Inference, PQC, and White-Label Switching
- **Venture-Style Upside**
Early execution and design wins demonstrate a clear path to capturing a share of massive TAMs
- **Public Market Access**
Built on the de-risked foundation of a growing core business with a fortress balance sheet and four decades of Tier-1 customer trust

A Stable, Growing Core Business Powering New Opportunities



**Venture Upside.
Public Access.**

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