

Rambus Second Quarter 2025 Financial Results



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Safe Harbor for Forward-Looking Statements; Other Disclosures

This presentation contains forward-looking statements, including those relating to the Company's expectations regarding business opportunities, the Company's ability to deliver long-term profitable growth, industry growth rates, timing of expected product launches, demand for existing and newly-acquired technologies, product and investment strategies, the Company's outlook and financial guidance for recent and upcoming quarters and related drivers, the Company's ability to effectively manage market challenges, the effects of ASC 606 on reported revenue, and geopolitical and macroeconomic environment, among other items.

Such forward-looking statements are based on current expectations, estimates and projections, management's beliefs and certain assumptions. Actual results may differ materially. The Company's business generally is subject to a number of risks which are described more fully in the Company's periodic reports filed with the Securities and Exchange Commission. The Company undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date hereof.

This presentation contains non-GAAP financial measures, including cost of product revenue and operating costs and expenses. In computing these non-GAAP financial measures, stock-based compensation expenses, acquisition related costs and retention bonus expense, impairment of assets, amortization of acquired intangible assets, provision for income taxes, change in fair value of earn-out liability and certain other one-time adjustments were considered. The non-GAAP financial measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP and reconciliations from these results should be carefully evaluated. Management believes the non-GAAP financial measures are appropriate for both its own assessment of, and to show investors, how the Company's performance compares to other periods. Reconciliations from GAAP to non-GAAP results are made available and more fully described on our website as well as in the back of this deck and in the earnings release.

Second Quarter 2025 Highlights

- Exceeded expectations for Q2 revenue and earnings
- Achieved record quarterly product revenue from Memory Interface Chips, up 43% year over year
- Generated record cash from operations
- Growing traction in new products, now offering chipsets for all industry-standard DDR5 and LPDDR5 memory modules



SECOND QUARTER FINANCIAL HIGHLIGHTS





Financials
Profitable Growth

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Outstanding Cash Generation

| <i>In Millions</i> | <u>ASC 606</u> Q2 2024 | <u>ASC 606</u> Q3 2024 | <u>ASC 606</u> Q4 2024 | <u>ASC 606</u> Q1 2025 | <u>ASC 606</u> Q2 2025 | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---|
| Revenue | \$132.1 | \$145.5 | \$161.1 | \$166.7 | \$172.2 | Delivered record quarterly product revenue, our fifth consecutive quarter of growth |
| Total Operating Costs and Expenses ¹ | \$77.0 | \$80.5 | \$89.2 | \$90.4 | \$93.2 | Strategic R&D investment to support core growth initiatives |
| Operating Income ¹ | \$55.1 | \$65.1 | \$71.9 | \$76.3 | \$79.0 | Increase in operating income reflects strong revenue growth |
| Cash from Operations | \$70.4 | \$62.1 | \$59.0 | \$77.4 | \$94.4 | Outstanding cash generation |

¹Please refer to reconciliations of non-GAAP financial measures included in this presentation and in our earnings release

Strong Balance Sheet Supports Strategic Initiatives

| <i>In Millions</i> | Q2 2024 | Q3 2024 | Q4 2024 | Q1 2025 | Q2 2025 | |
|------------------------------------|-----------|-----------|-----------|-----------|------------------|---------------------------------------|
| Total Cash & Marketable Securities | \$432.9 | \$432.7 | \$481.8 | \$514.4 | \$594.8 | Driven by record cash from operations |
| Total Assets | \$1,250.6 | \$1,251.6 | \$1,343.1 | \$1,379.4 | \$1,467.8 | Strong balance sheet and debt free |
| Stockholders' Equity | \$1,028.9 | \$1,039.0 | \$1,120.7 | \$1,159.8 | \$1,228.0 | |
| Cash from Operations | \$70.4 | \$62.1 | \$59.0 | \$77.4 | \$94.4 | Outstanding cash generation |

Q3 2025 Non-GAAP Outlook

| Outlook ⁽¹⁾ | | | |
|---------------------------------------|--------------|--------------------------------------|--------------|
| Product Revenue (ASC 606) | \$87 – \$93M | Total Operating Costs ⁽³⁾ | \$98 – \$94M |
| Licensing Billings ⁽²⁾ | \$58 – \$64M | Interest Income (Expense) | \$5M |
| Contract & Other Revenue (ASC 606) | \$22 – \$28M | Fully Diluted Shares Outstanding | 108.5M |

(1) The Q3 2025 outlook for Royalty revenue (ASC 606) (a component of total revenue) is \$57 - \$63M. The Company's Non-GAAP outlook assumes a tax rate of 20%.

(2) Licensing billings is an operational metric that reflects amounts invoiced to our licensing customers during the period, as adjusted for certain differences relating to advanced payments for variable licensing agreements.

(3) Excludes stock-based compensation expense (\$15M) and amortization of acquired intangible assets (\$2M).

Rambus Investment Summary

- Amplified opportunity in data center fueled by AI with expanding product portfolio and sustained technical leadership
- Pioneer of industry-leading chips and silicon IP enabling critical performance improvements for AI and other advanced workloads
- Continued innovation feeds patent portfolio and product roadmap
- Focused investment on expansion of leadership products and strategic initiatives drives financial results and long-term profitable growth
- Strong cash generation fuels growth initiatives and return of value to stockholders



Thank you

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Reconciliation of Non-GAAP Financial Measures

| Net Income in Millions | Q2 2024 (ASC 606) | Q3 2024 (ASC 606) | Q4 2024 (ASC 606) | Q1 2025 (ASC 606) | Q2 2025 (ASC 606) |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| GAAP Net Income | \$36 | \$49 | \$62 | \$60 | \$58 |
| Adjustments: | | | | | |
| Stock-based compensation | \$12 | \$12 | \$12 | \$11 | \$14 |
| Amortization of acquired intangible assets | \$3 | \$3 | \$2 | \$2 | \$2 |
| Provision for income taxes | (\$5) | (\$5) | (\$17) | (\$9) | (\$7) |
| Change in fair value of earn-out liability | (\$1) | (\$5) | \$0 | \$0 | \$0 |
| Impairment of assets | \$1 | \$0 | \$0 | \$0 | \$0 |
| Non-GAAP Net Income | \$46 | \$54 | \$60 | \$65 | \$67 |
| Operating Income in Millions | Q2 2024 (ASC 606) | Q3 2024 (ASC 606) | Q4 2024 (ASC 606) | Q1 2025 (ASC 606) | Q2 2025 (ASC 606) |
| GAAP Operating Income | \$40 | \$55 | \$58 | \$63 | \$63 |
| Adjustments: | | | | | |
| Stock-based compensation | \$12 | \$12 | \$12 | \$11 | \$14 |
| Amortization of acquired intangible assets | \$3 | \$3 | \$2 | \$2 | \$2 |
| Change in fair value of earn-out liability | (\$1) | (\$5) | \$0 | \$0 | \$0 |
| Impairment of assets | \$1 | \$0 | \$0 | \$0 | \$0 |
| Non-GAAP Operating Income | \$55 | \$65 | \$72 | \$76 | \$79 |
| Depreciation | \$6 | \$7 | \$7 | \$7 | \$7 |
| Adjusted EBITDA | \$61 | \$72 | \$79 | \$83 | \$86 |

* Tables exclude the following items which round to \$0M: Acquisition related costs and retention bonus expense

Revenue and Licensing Billings

| In Millions | ASC 606 | | | | | ASC 606 | | |
|---------------------------------|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Q1'24 | Q2'24 | Q3'24 | Q4'24 | FY 2024 | Q1'25 | Q2'25 | YTD 2025 |
| Product Revenue | \$50.4 | \$56.7 | \$66.4 | \$73.4 | \$246.8 | \$76.3 | \$81.3 | \$157.6 |
| Royalty Revenue | 47.5 | 56.4 | 64.1 | 58.2 | 226.2 | 74.0 | 68.6 | 142.6 |
| Contract and Other Revenue | 20.0 | 19.1 | 15.0 | 29.5 | 83.6 | 16.4 | 22.3 | 38.7 |
| Total | \$117.9 | \$132.1 | \$145.5 | \$161.1 | \$556.6 | \$166.7 | \$172.2 | \$338.9 |
| In Millions | Q1'24 | Q2'24 | Q3'24 | Q4'24 | FY 2024 | Q1'25 | Q2'25 | YTD 2025 |
| | Royalty Revenue | \$47.5 | \$56.4 | \$64.1 | \$226.2 | \$74.0 | \$68.6 | \$142.6 |
| Licensing Billings ¹ | 63.2 | 61.5 | 65.4 | 63.6 | 253.7 | 73.3 | 66.4 | 139.6 |
| Delta | \$15.7 | \$5.2 | \$1.3 | \$5.4 | \$27.5 | (\$0.7) | (\$2.2) | (\$3.0) |
| In Millions | Q1'24 | Q2'24 | Q3'24 | Q4'24 | FY 2024 | Q1'25 | Q2'25 | YTD 2025 |
| | ASC 606 Interest Income ² | \$0.2 | \$0.1 | \$0.2 | \$0.0 | \$0.5 | \$0.1 | \$0.0 |
| | | | | | | | | \$0.1 |

¹ Licensing billings is an operational metric that reflects amounts invoiced to our patent and technology licensing customers during the period, as adjusted for certain differences relating to advanced payments for variable licensing agreements.

² Interest income associated with the significant financing component of licensing agreements as a result of the adoption of ASC 606.

Certain amounts may be off \$0.1M due to rounding.

GAAP to Non-GAAP Income Statement

| In \$ Millions | GAAP | Non-GAAP | Delta |
|--|---------|----------|------------|
| | Actual | Actual | to GAAP |
| | Q2'25 | Q2'25 | |
| Revenue | \$172.2 | \$172.2 | \$- |
| Cost of revenue | 34.8 | 32.8 | (1.9) |
| Research and development | 46.3 | 40.9 | (5.4) |
| Sales, general and administrative | 28.1 | 19.5 | (8.7) |
| Total operating cost and expenses | 109.2 | 93.2 | (16.0) |
| Operating income | 63.0 | 79.0 | 16.0 |
| Interest and other income (expense), net | 4.8 | 4.8 | 0.0 |
| Income before income taxes | 67.8 | 83.9 | 16.0 |
| Provision for income taxes ¹ | 9.9 | 16.8 | 6.9 |
| Net income | \$57.9 | \$67.1 | \$9.2 |

¹ Assumes a non-GAAP tax rate of 20%.

Certain amounts may be off \$0.1M due to rounding.