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InterDigital

Sidoti Conference | March 22, 2023

WE INVENT THE TECHNOLOGIES THAT MAKE LIFE BOUNDLESS

Disclaimers

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This presentation contains forward-looking statements within the meaning of Section 21E of the Exchange Act. Such statements include information regarding our current beliefs, plans and expectations, including, without limitation, the matters set forth below. Words such as "believe," "anticipate," "estimate," "expect," "project," "intend," "plan," "forecast," "goal," "could," "would," "should," "if," "may," "might," "future," "target," "trend," "seek to," "will continue," "predict," "likely," "in the event," variations of any such words or similar expressions contained herein are intended to identify such forward-looking statements.

Forward-looking statements are made on the basis of management's current views and assumptions and are not guarantees of future performance. Although the forward-looking statements in this presentation reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements concerning our business, results of operations and financial condition are inherently subject to risks and uncertainties. We caution readers that actual results and outcomes could differ materially from those expressed in or anticipated by such forward-looking statements due to a variety of factors, including: (i)unanticipated delays, difficulties or accelerations in the execution of patent license agreements; (ii)our ability to leverage our strategic relationships and secure new patent license agreements on acceptable terms; (iii) our ability to enter into sales and/or licensing partnering arrangements for certain of our patent assets; (iv) our ability to enter into partnerships with leading inventors and research organizations and identify and acquire technology and patent portfolios that align with our roadmap; (v) our ability to commercialize our technologies and enter into customer agreements; (vi) the failure of the markets for our current or new technologies to materialize to the extent or at the rate that we expect; (vii) unexpected delays or difficulties related to the development of our technologies; (viii) changes in our interpretations of, and assumptions and calculations with respect to the impact on us of, the 2017 Tax Cuts and Jobs Act, as well as further guidance that may be issued regarding such act; (ix) risks related to the potential impact of new accounting standards on our financial position, results of operations or cash flows; (x)failure to accurately forecast the impact of our restructuring activities on our financial statements and our business; (xi) the resolution of current legal proceedings, including any awards or judgments relating to such proceedings, additional legal proceedings, changes in the schedules or costs associated with legal proceedings or adverse rulings in such proceedings; (xii)the timing and impact of potential administrative and legislative matters; (xiii) changes or inaccuracies in market projections; (xiv) our ability to obtain liquidity through debt and equity financings; (xv) the potential effects that macroeconomic uncertainty could have on our financial position, results of operations and cash flows; (xvi) changes in our business strategy; (xvii) changes or inaccuracies in our expectations with respect to royalty payments by our customers; and (xviii) risks related to our assumptions and application of relevant accounting standards.

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Industry Data

This presentation contains statistical data, estimates, and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. While we believe the industry and market data included in this presentation are reliable and are based on reasonable assumptions, these data involve many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information.

Non-GAAP Financial Measures

This document includes certain non-GAAP measures not based on generally accepted accounting principles. These non-GAAP measures are in addition to, not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. The non-GAAP measures used by us may differ from the non-GAAP measures used by other companies. Reconciliations between GAAP and these non-GAAP measures are included in the appendix to this document.

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Market Opportunity

$650M+ recurring revenue opportunity in device markets (smartphones and CE, IoT & Auto). Significant growth opportunity into new markets (e.g., content and cloud services)



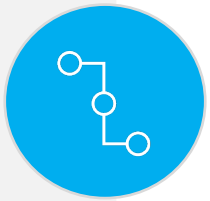
Deep Industry Knowledge and Expertise

Five decades of pioneering wireless and visual technologies innovation.
Over 70 leadership positions in standard development organizations.
Highest concentration of inventors in the industry



Strategic Execution Drives License Growth

Experienced leadership team with long industry track record.
Over $1.75B of new contracts completed in past 2 years with increasing licensing momentum



Patent Portfolio Provides Competitive Advantages

One of the strongest patent portfolios in the world with > 28,000 patents and applications across wireless, video and AI technologies. Highest ranked in 5G patent quality. 90%+ of patents are home-grown



Strong Financial Performance

Consistent revenue growth with 13% CAGR in the past 4 years. Improved Adj. EBITDA margin* from 41% to 56%. Grew EPS by 4X+

* Non-GAAP financial measure. See reconciliation to GAAP at end of presentation.

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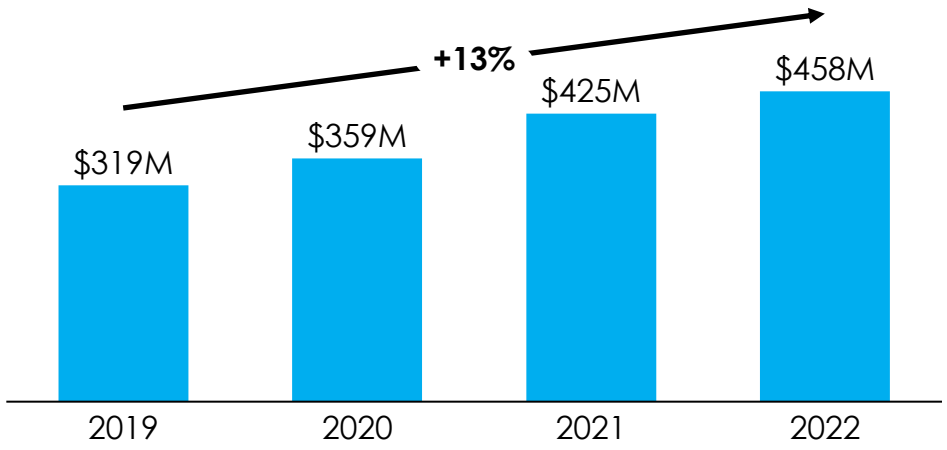
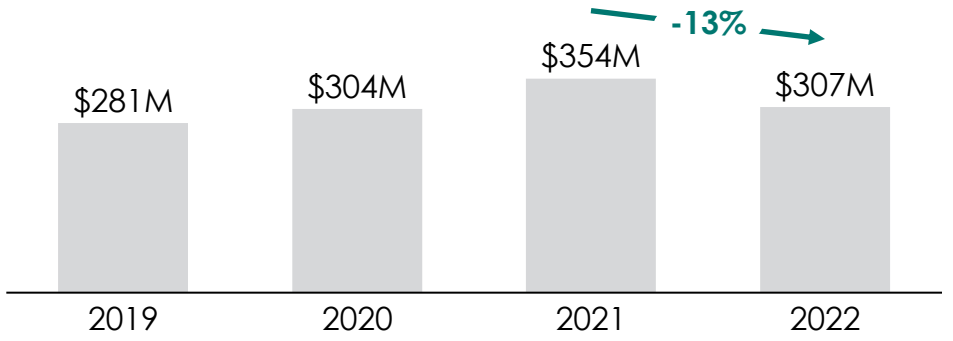
Strong Financial Performance

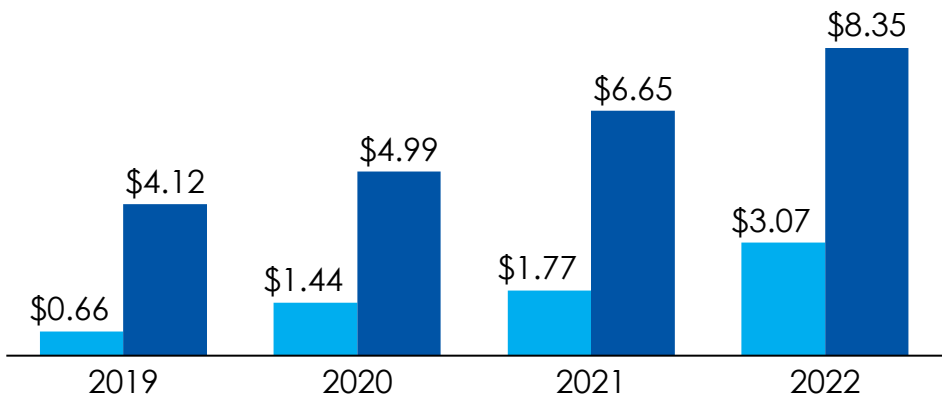
Revenue



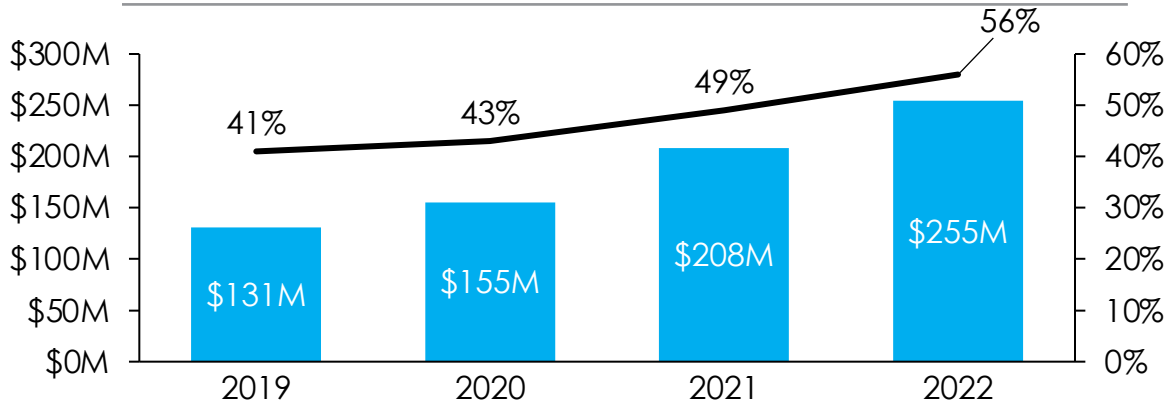
Expenses



Diluted EPS / Adj. EBITDA PS*



Adjusted EBITDA / Adj. EBITDA Margin %*



* Non-GAAP financial measures. See reconciliation to GAAP at end of presentation

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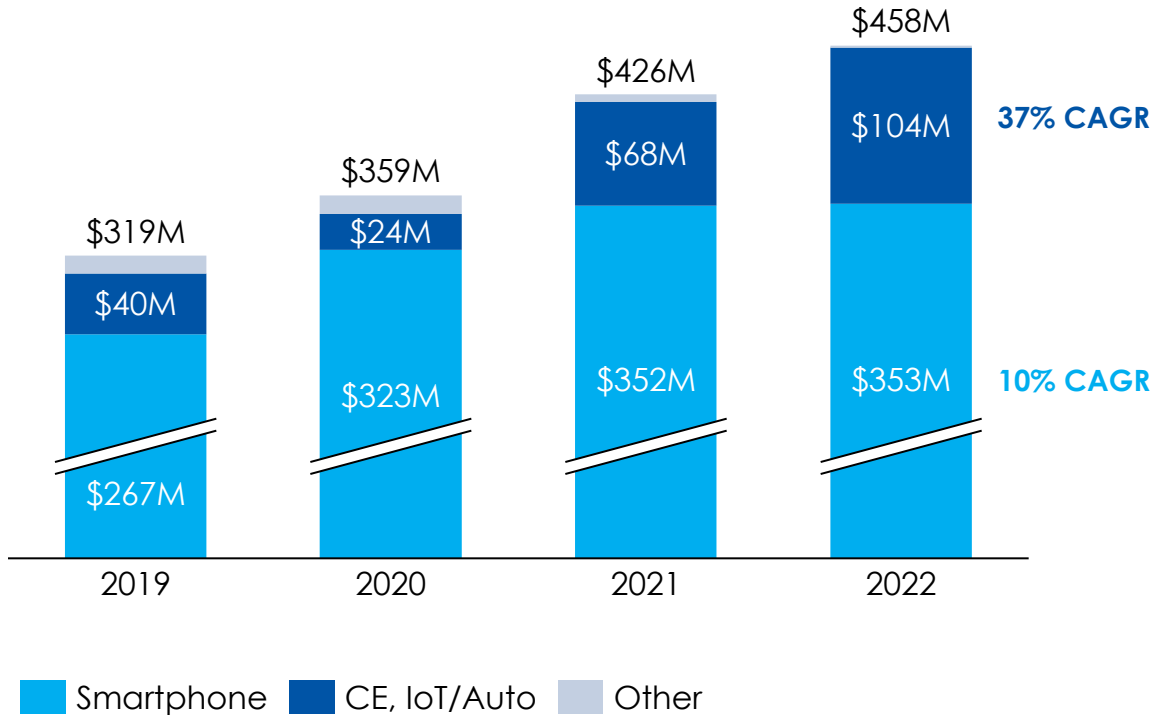
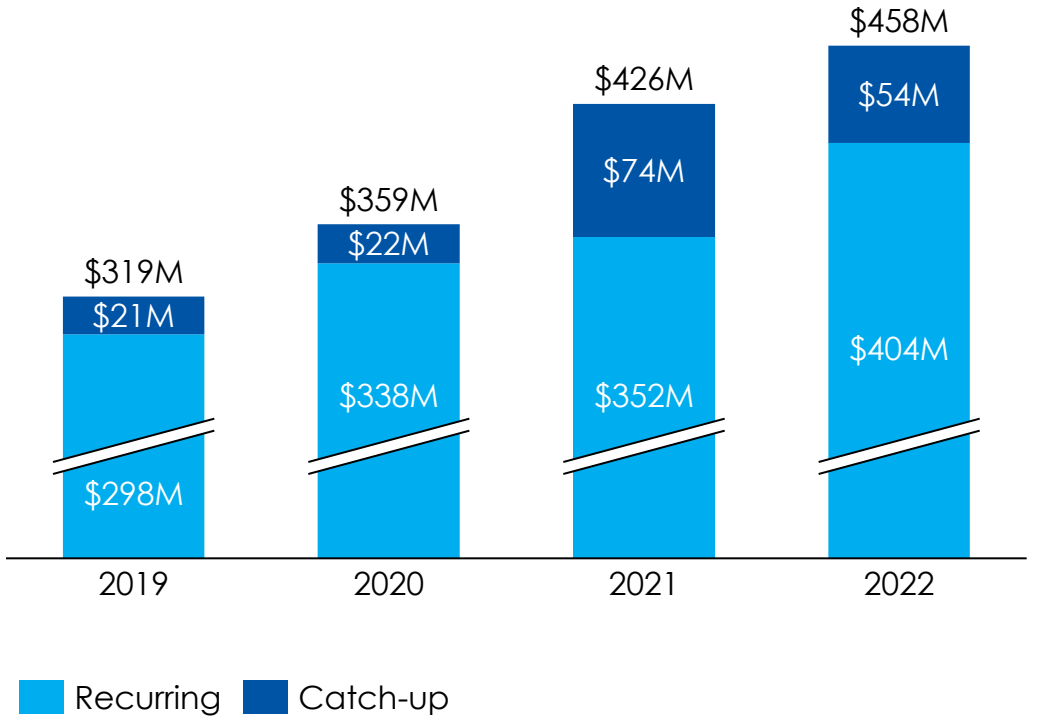
Revenue Growth

Double-digit growth in both Smartphone and CE, IoT/Auto

Revenue by Licensing Program



Revenue by Recurring & Catch-up



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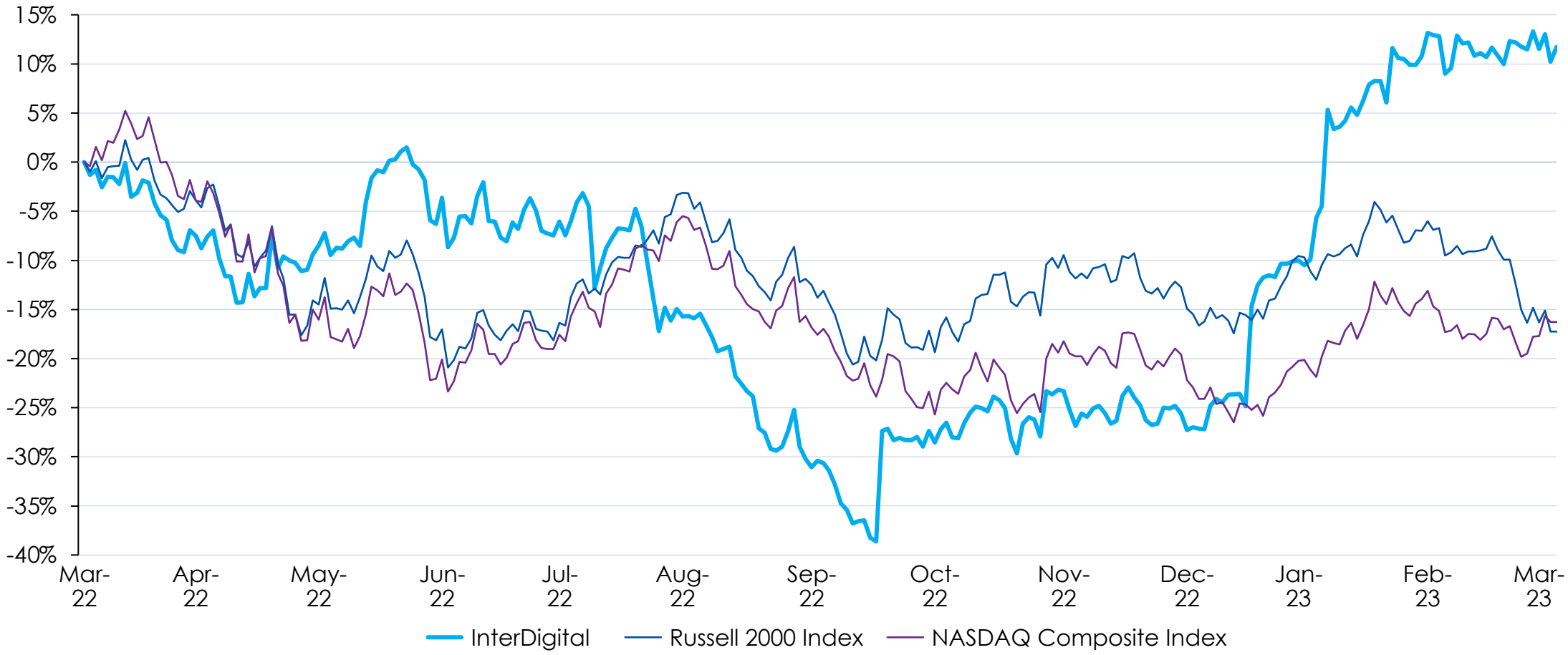
Stock Performance vs Indices

IDCC up 82% since renewing Apple at end Q3 '22
Currently trading at ~6.5x Adj. EBITDA Multiple*



* Adj. EBITDA is a Non-GAAP financial measure. See reconciliation to GAAP at end of presentation

As of 3/20/23

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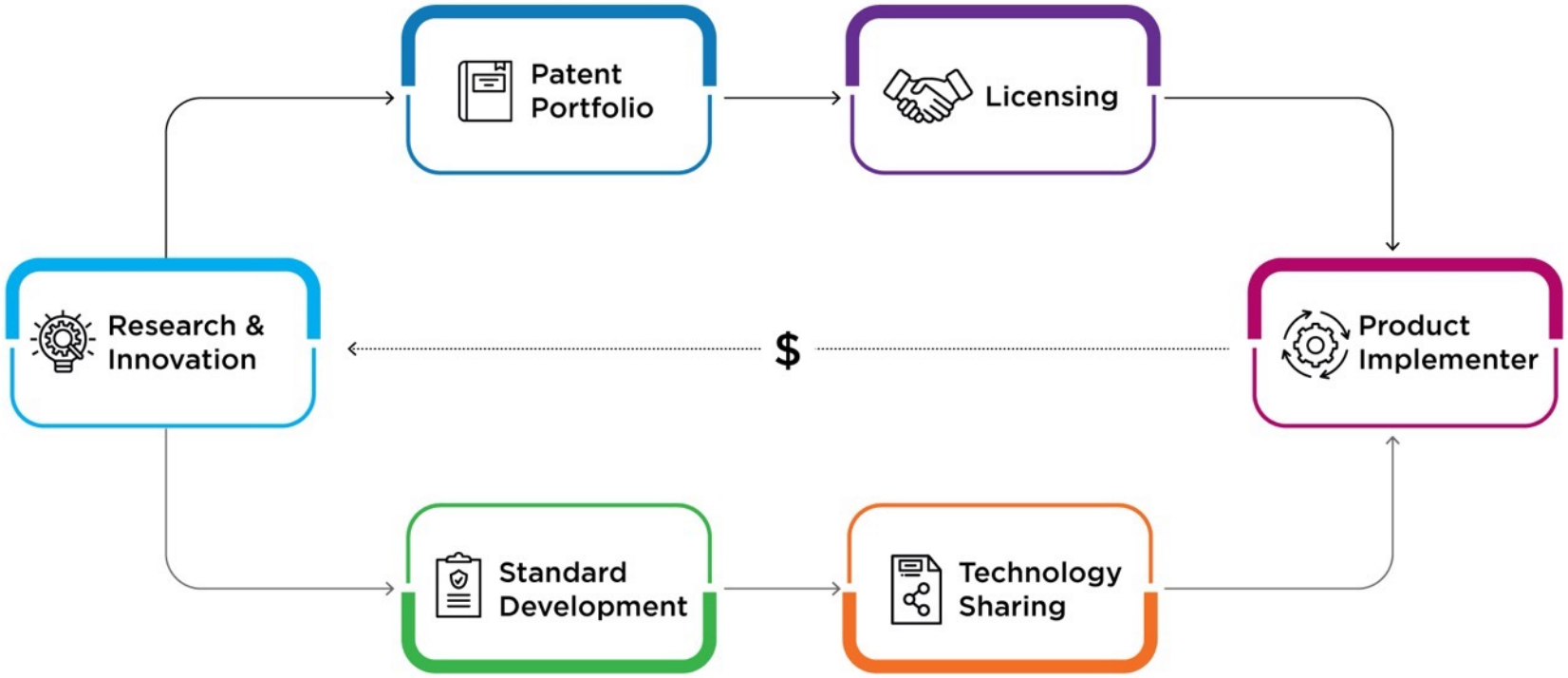
InterDigital Business Model

We are a foundational R&D company. We share our innovation through standard process and monetize our technology through IP licensing.



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Management Team of Industry Veterans



Liren Chen
President & Chief Executive Officer

Joined April 21 after 25 years Qualcomm Inc., most recently as SVP, Global Head of IP



Richard Brezski
EVP, Chief Financial Officer and Treasurer

Joined May 2003, CFO since May 2012.



Eeva Hakoranta
EVP, Chief Licensing Officer

Joined July 2020 after 13 years at Nokia, most recently as SVP and Head of IP and Litigation as well as General Council for Nokia Technologies



Rajesh Pankaj
EVP, Chief Technology Officer

Joined July 2022 after 25 years at Qualcomm Inc., most recently as SVP of Engineer and Head of Corporate R&D



Eric Cohen
EVP, Chief Strategy and Growth Officer

Joined April 2018, Previously SVP of Corporate Development at Dolby Laboratories, Inc.

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Revenue Targets

MARKETS

SMARTPHONES

$500M Per Year

CE, IoT/AUTO

$150M+ Per Year

CONTENT & CLOUD SERVICES

Large Growth Opportunity

interdigital

PORTFOLIO

>28,000 PATENT ASSETS AND GROWING

RESEARCH

WIRELESS RESEARCH: CELLULAR & WI-FI

VIDEO RESEARCH

ARTIFICIAL INTELLIGENCE & MACHINE LEARNING

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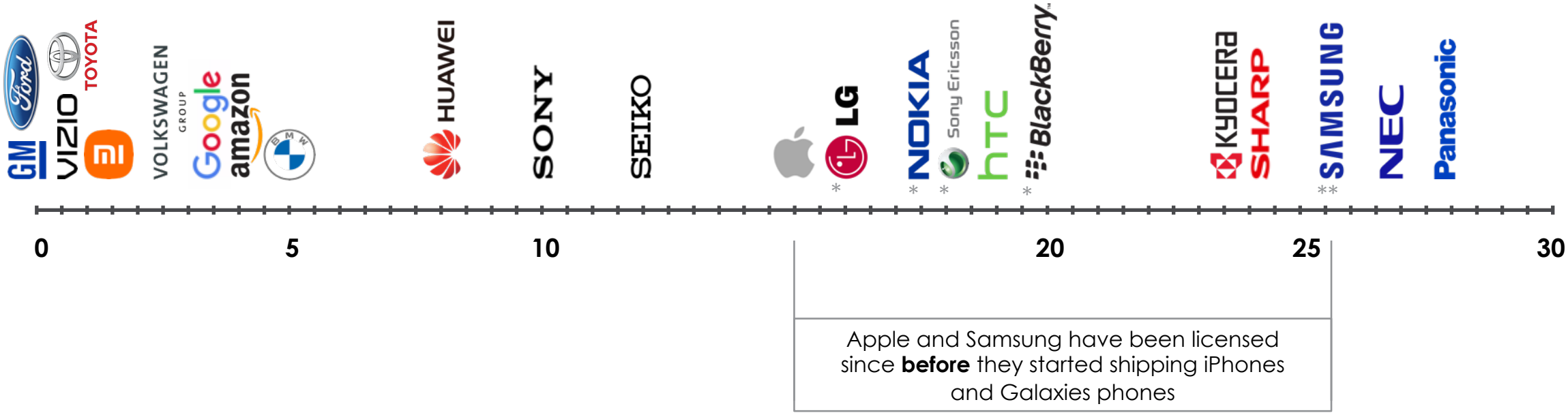
A History of Long-Term & New Customers

Many of our largest customers have been licensed for **15 years** or more
Very **strong history** of renewals. Once licensed, key OEMs tend to **stay licensed**

Years As InterDigital Licensee



* No longer licensee, exited smartphones
** Currently in binding arbitration

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50 Years of Research and Innovation

50 YEARS interdigital

Pioneering research integral to the evolution of **cellular wireless and video innovation** since 1972

We **reinvest ~half our recurring revenue** into research and portfolio development



Over half of our employees **are engineers**

Of our Engineers…



~40% hold **doctorate degrees**, another **~50%** hold other **advanced degrees**



~90% are **inventors**

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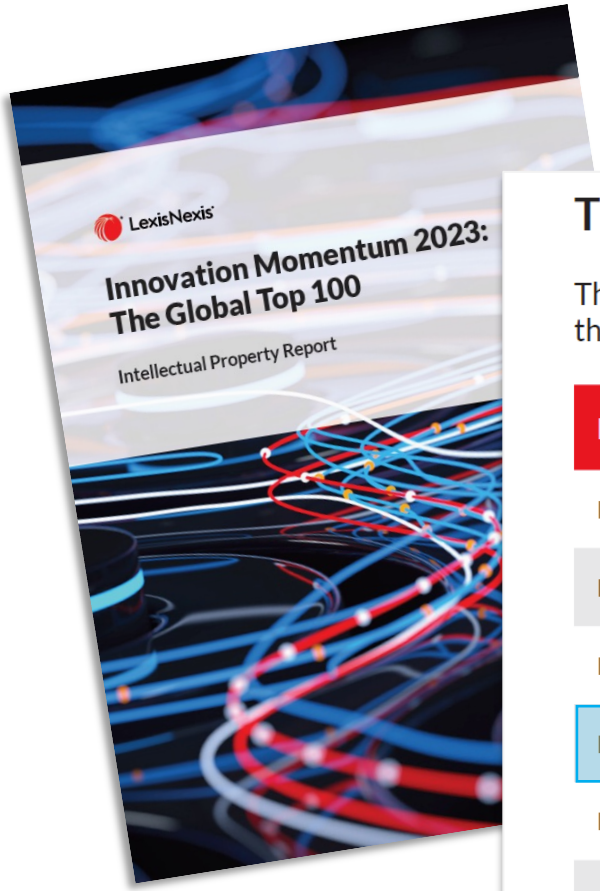
Recognized Global Innovation Leader

For the 2nd year in a row, LexisNexis recognized InterDigital amongst the **World's 100 Most Innovative Businesses**

Innovation Momentum 2023: The Global Top 100, **"represents the world's leading patent owners with the highest innovation momentum."**



The 2023 Global Top 100

The Top 100 in alphabetical order,
the headquarter location, and its industry sector.

Patent Owner	HQ	Industry
Incyte	US	Pharmaceuticals
Infineon Technologies	DE	Semiconductors
Intel	US	Semiconductors
InterDigital	US	Technology R&D
Intuitive Surgical	US	Medical Technologies
Japan Tobacco	JP	Consumer Goods
Jazz Pharmaceuticals	IE	Pharmaceuticals
Johnson & Johnson	US	Pharmaceuticals
Johnson Controls	US	Conglomerates

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5G & Video Enabling Growth Across Industries

5G

By 2030, 5G adoption projected to boost global GDP by $1.3 trillion[1]

5G mobile subscriptions to reach 5 billion in 2028[2]

Cellular IoT expected to grow at CAGR of 12% over next five years[2]

Video

Metaverse, the next frontier, enabled by media technologies

Video is forecasted to increase from 70% of mobile traffic to 80% by 2028[2]

Global OTT service subscribers expected to grow to 2B by 2027[3]

[1] PwC report, The Global Economic Impact of 5G, 2021
[2] Ericsson Mobility Report, November 2022
[3] OMDIA

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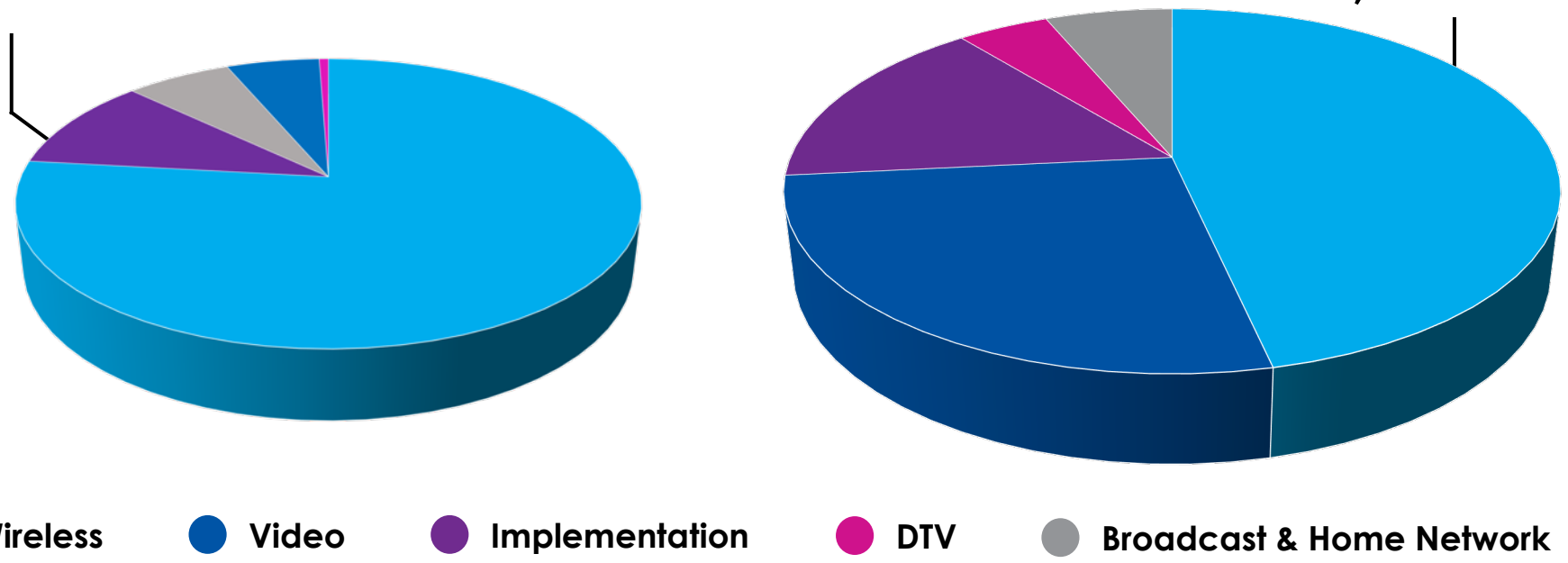
Increasingly Diverse Patent Portfolio

Our patent portfolio **grew >50%** between 2017 & 2022 with the **addition of video & DTV** related technologies and continuing growth of wireless assets

2017
~19,000 Assets

2022
>28,000 Assets



Wireless **Video** **Implementation** **DTV** **Broadcast & Home Network**

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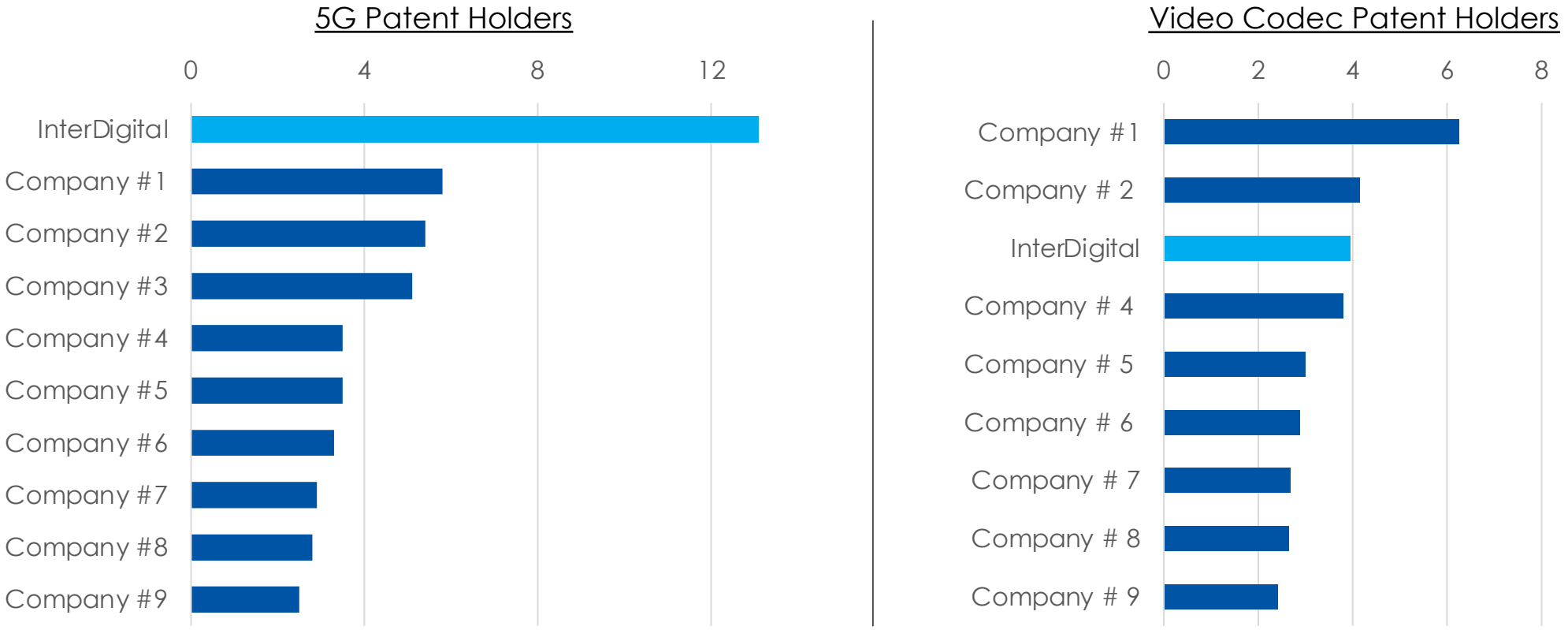
InterDigital Ranks Highest in Patent Quality for 5G and Video Codec Patents[1]

PATENTSIGHT **Average Competitive Impact**



[1] Patentsight Jan 2023

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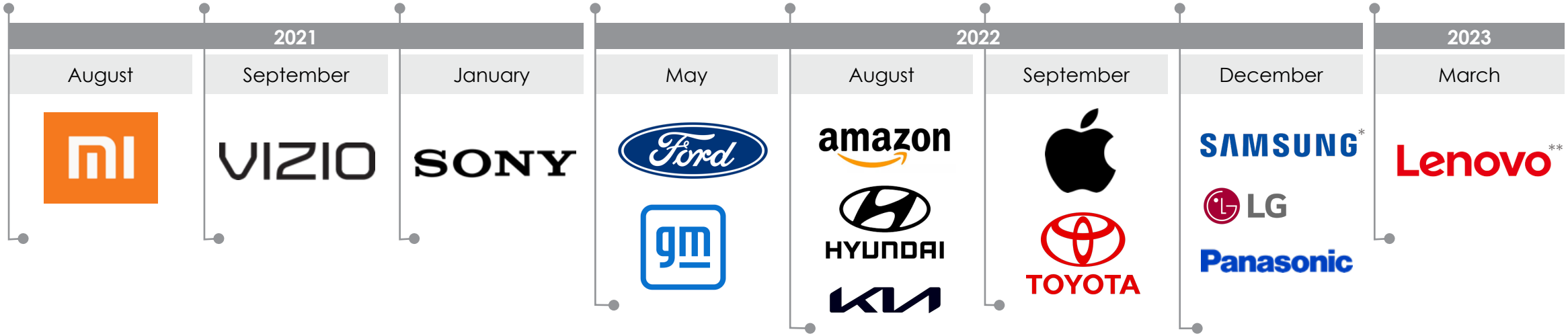
Accelerating Execution

Over 20 licensing deals driving >$1.75B of contract value



* Currently in binding arbitration
** UK's High Court issued decision

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Robust Return of Capital

Cash Returned to Shareholders

~$684M since 2019

Stock Buyback

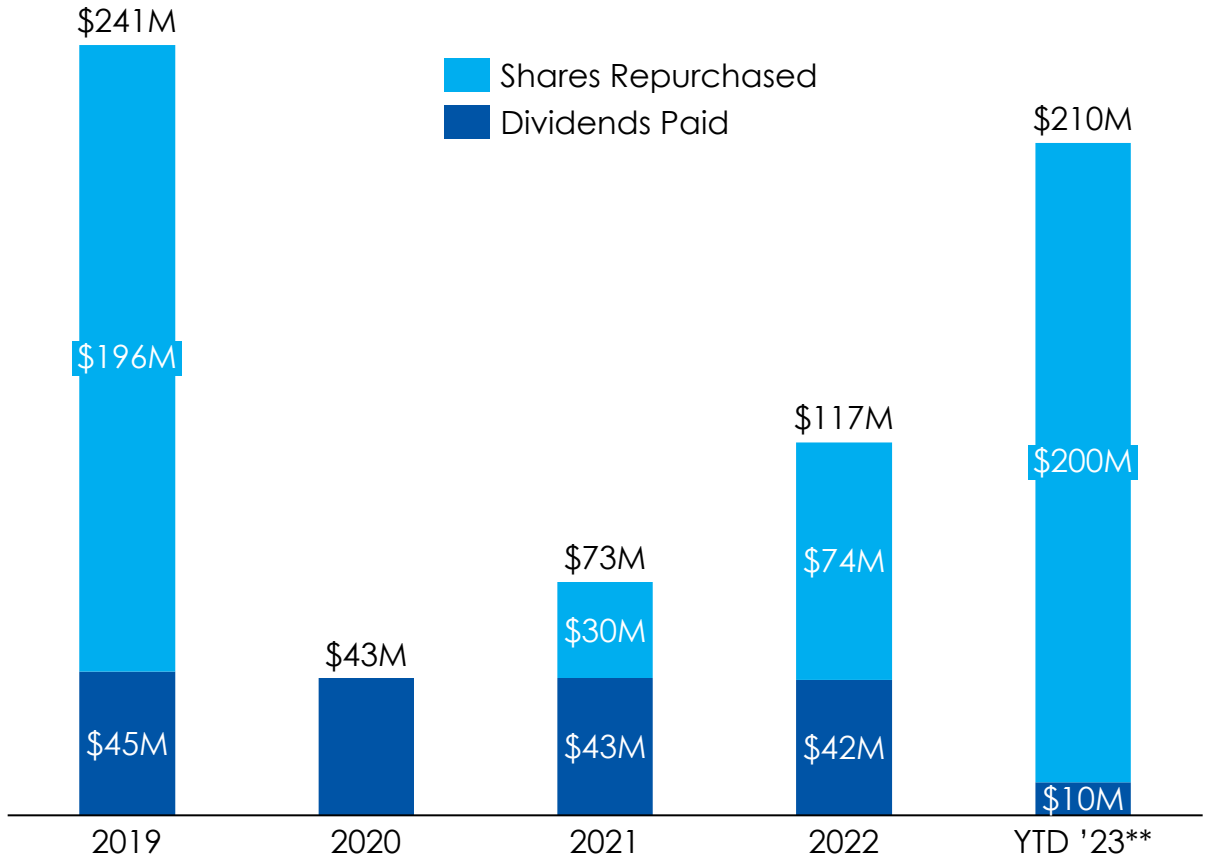
~$500M in share repurchases since 2019

~20% net reduction in basic share count

Dividends

~$184M in dividends paid since 2019

Above average Nasdaq yields



**As of 2/23/2023

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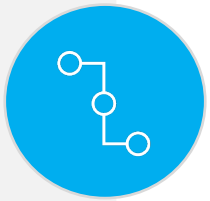

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Appendix

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Adjusted EBITDA Reconciliation

(In Millions)	For The Year Ended December 31, 2019	2020	2021	2022
Net income (loss) attributable to InterDigital, Inc.	**$ 21**	**$ 45**	**$ 55**	**$ 94**
Add: Net loss attributable to non-controlling ii	(6)	(7)	(13)	(2)
Add: Income tax (provision) benefit	11	(7)	15	26
Add: Other expense & interest expense	12	24	14	33
Add: Depreciation and amortization	77	81	78	79
Add: Share-based compensation	8	10	29	22
Add: Other operating items	9	9	30	3
Adjusted EBITDA [1]	**$ 131**	**$ 155**	**$ 208**	**$ 255**
Adjusted EBITDA Margin [1]	41%	43%	49%	56%
Adjusted EBITDA per common share- diluted [1]	$ 4.12	$ 4.99	$ 6.64	$ 8.35
Other Operating Items				
Restructuring	-	-	28	3
Other non-cash charges	1	9	-	-
Non-Recurring Personnel-Related	-	-	2	-
Transaction related costs	8	-	-	-
Total Other Operating Items	**$ 9**	**$ 9**	**$ 30**	**$ 3**

[1] Adjusted EBITDA, Adjusted EBITDA margin, and Adjusted EBITDA per share are supplemental non-GAAP financial measures that InterDigital believes provide investors with important insight into the company's ongoing business performance. InterDigital defines Adjusted EBITDA as net income attributable to InterDigital Inc. plus net loss attributable to non-controlling interest, income tax (provision) benefit, other income (expense) & interest expense, depreciation and amortization, share-based compensation, and other items. Other items include restructuring costs, impairment charges and other non-recurring items. Adjusted EBTDA per share is Adjusted EBITDA over weighted average number of diluted shares. Adjusted EBITDA margin is Adjusted EBITDA over total revenues. These non-GAAP financial measures used by the company may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies. A detailed reconciliation of Adjusted EBITDA to the most directly comparable GAAP financial measure is provided above.

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