

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of The Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): August 23, 2023

MOVELLA HOLDINGS INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-40074
(Commission
File Number)

98-1575384
(IRS Employer
Identification No.)

Suite 110, 3535 Executive Terminal Drive
Henderson, NV 89052
(Address of Principal Executive Offices) (Zip Code)

(725) 238-5682
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.00001 par value per share	MVLA	The Nasdaq Stock Market LLC
Warrants, each warrant exercisable for one share of common stock at an exercise price of \$11.50	MVLAW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐ Emerging growth company ☒

Attached as Exhibit 99.1 is a presentation that Movella will use in connection with a presentation to certain potential investors on August 24, 2023, as well as the Jefferies Semiconductor, IT Hardware & Communications Technology Summit in Chicago on August 29th, 2023.

The information in this Current Report on Form 8-K (the “Report”) furnished pursuant to Item 7.01, including Exhibit 99.1, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to liability under that section, and they shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing. By filing this Report and furnishing this information pursuant to Item 7.01, the Company makes no admission as to the materiality of any information in this Report, including Exhibit 99.1, that is required to be disclosed solely by Regulation FD.

Cautionary Statement Regarding Forward Looking Statements

This Report contains “forward-looking statements” regarding Movella Holdings Inc. (the “Company” or “Movella”). Statements in this Report that are not historical in nature may constitute forward-looking statements. In addition, any statements that refer to Movella’s future expectations, beliefs, plans, objectives, financial conditions, assumptions, performance, projections, forecasts, or estimates, including with respect to financial or other performance or valuation metrics or market size or opportunity, or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. These statements are based on various assumptions, whether or not identified in this Report, and on the current expectations of Movella’s management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. The words “anticipate,” “believe,” “continue,” “could,” “enable,” “estimate,” “expect,” “extend,” “future,” “intend,” “may,” “might,” “opportunity,” “outlook,” “plan,” “position,” “possible,” “potential,” “predict,” “project,” “see,” “seem,” “should,” “will,” “would,” and similar expressions, or the negative of such expressions, may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this Report include, but are not limited to, statements regarding the following: Movella’s management team’s expectations, hopes, beliefs, intentions or strategies regarding the future.

These forward-looking statements involve a number of risks, uncertainties (some of which are beyond Movella’s control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. Although Movella believes that it has a reasonable basis for each forward-looking statement contained in this Report, Movella cautions you that these statements are based on a combination of facts and factors currently known and projections of the future, which are inherently uncertain. These risks and uncertainties include, but are not limited to, the following: (i) Movella’s success in retaining or recruiting, or changes required in, officers, key employees, or directors; (ii) the lack of a market for Movella’s securities; (iii) general economic conditions and Movella’s financial performance; (iv) the impact of the COVID-19 pandemic, macroeconomic conditions, and geopolitical crises; (v) the ability to maintain the listing of Movella’s shares on a national securities exchange; (vi) changes adversely affecting the businesses in which Movella is engaged; (vii) management of growth; (viii) Movella’s ability to execute on its business strategy and plans; (ix) the result of future financing efforts; and (x) risks related to regulatory matters, as well as the factors described under the heading “Risk Factors” in Movella Holdings Inc.’s Annual Report on Form 10-K for the year ended December 31, 2022, Movella Holdings Inc.’s registration statement on Form S-1 (File No. 333-271458), Movella Holdings Inc.’s quarterly report on Form 10-Q for the three and six months ended June 30, 2023, and other documents filed by Movella Holdings Inc. from time to time with the SEC.

If any of these risks materialize or the underlying assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that Movella does not presently know or that Movella currently believes to be immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect Movella’s expectations, plans or forecasts of future events and views as of the date of this Report. Movella anticipates that subsequent events and developments will cause Movella’s assessments to change. However, while Movella may elect to update these forward-looking statements at some point in the future, Movella specifically disclaims any obligation to do so, except to the extent required by applicable law. These forward-looking statements should not be relied upon as representing Movella’s assessments as of any date subsequent to the date of this Report. Accordingly, undue reliance should not be placed upon the forward-looking statements.

Non-GAAP Financial Measures

Movella Holdings Inc. has provided financial information in this Report that has not been prepared in accordance with GAAP. Adjusted EBITDA, non-GAAP gross profit, and non-GAAP operating loss exclude net loss attributable to non-controlling interests, preferred stock dividends, share-based compensation expense, loss on debt extinguishments related to the consummation of the business combination agreement, debt issuance costs, change in fair value of warrant liabilities fair value adjustments on debt instruments for which we elected the fair value option under ASC 825, and impairment of acquired intangible assets. Adjusted EBITDA also excludes interest expense and interest income, taxes, depreciation and amortization, other income (expense), certain transaction expenses related to the business combination agreement that are not expected to recur, and other infrequent costs.

Adjusted EBITDA, non-GAAP gross profit, non-GAAP gross margin, and non-GAAP operating loss are supplemental measures of our performance that are not required by, or presented in accordance with, GAAP. These non-GAAP financial measures have limitations as an analytical tool and are not intended to be used in isolation or as a substitute for net loss, gross profit, operating loss or any other performance measure determined in accordance with GAAP. We present these non-GAAP financial measures because we consider each to be an important supplemental measure of our performance.

We use these non-GAAP financial measures to make operational decisions, evaluate our performance, prepare forecasts and determine compensation. Further, we believe that both management and investors benefit from referring to these non-GAAP financial measures in assessing our performance when planning, forecasting and analyzing future periods. Share-based compensation expenses are expected to vary depending on the number of new incentive award grants issued to both current and new employees, the number of such grants forfeited by former employees, and changes in our stock price, stock market volatility, expected option term and risk-free interest rates, all of which are difficult to estimate. In calculating non-GAAP financial measures, we exclude certain non-cash and one-time items in order to facilitate comparability of our operating performance on a period-to-period basis because such expenses are not, in our view, related to our ongoing operating performance. We use this view of our operating performance for purposes of comparison with its business plan and individual operating budgets and in the allocation of resources.

We further believe that these non-GAAP financial measures are useful to investors in providing greater transparency to the information used by management in its operational decision-making. The Company believes that the use of these non-GAAP financial measures also facilitates a comparison of our underlying operating performance with that of other companies in our industry, which use similar non-GAAP financial measures to supplement their GAAP results.

Investors and potential investors are cautioned that there are material limitations associated with the use of non-GAAP financial measures as an analytical tool. The limitations of relying on non-GAAP financial measures include, but are not limited to, the fact that other companies, including other companies in our industry, may calculate non-GAAP financial measures differently than we do, limiting their usefulness as a comparative tool. Investors and potential investors are encouraged to review the reconciliation of our non-GAAP financial measures contained within this Report with our GAAP financial results, which is available within Movella Holdings Inc.'s Quarterly Press Release on Form 8-K as Exhibit 99.1 for the three and six months ended June 30, 2023.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Movella Investor Presentation dated August 24, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Movella Holdings Inc.

August 23, 2023

By:	/s/ Stephen Smith
Name:	Stephen Smith
Title:	Chief Financial Officer

Investor Presentation

Q3 2023

MovellaTM Bringing meaning to movement



Disclaimer

This information contained in this presentation is confidential information regarding Movella Holdings Inc ("Movella" or the "Company"). Such information is being provided on a strictly confidential basis and may not be published, reproduced, copied or disclosed to any other party without the prior written approval of Movella. The information contained herein does not purport to be all-inclusive and this presentation is made solely for informational purposes and delivered to assist interested parties in making their own evaluation with respect to investing in Movella, and no representation or warranty, express or implied, is made by Movella or any of its representatives as to the information contained in these materials or disclosed during any related presentation or discussions. By accepting this presentation, each recipient acknowledges that it will be solely responsible for making its own investigations, including all costs and expenses incurred in connection with such investigations or its investment, if any, and forming its own view as to the condition and prospects of such investment, and the accuracy and completeness of the statements contained herein. This presentation has been provided solely for information purposes and does not constitute investment, legal, tax or other advice and nor is it to be relied upon in making an investment decision. This presentation should not be considered a recommendation by Movella or its affiliates, advisors or representatives to invest in Movella, and recipients interested in investing are recommended to seek their own independent financial, legal and other advice from persons authorized and specializing, as necessary, in investments of the kind in question and should rely solely on their own judgment, review, and analysis in evaluating the investment. Recipients should be aware that any investment activity exposes them to risk of losing some or all of their investment. The information contained in this presentation is provided only as of the date on which this presentation is made and is subject to change. Movella is not under any obligation to update or otherwise revise the information after the date of presentation. Neither the Company or its affiliates, advisors or representatives shall have any liability whatsoever for any loss arising from any use of this presentation or its contents or otherwise arising in connection with this presentation.

Cautionary Note Regarding Forward-Looking Statements

This presentation contains statements which describe future expectations, plans, results or strategies and can often be identified by the use of terminology such as "may," "will," "estimate," "intend," "continue," "believe," "expect," "anticipate," "should," "could," "potential," "projection," "forecast," "plan," "trend," "assumption," "opportunity," or similar terminology. Statements other than historical facts, including, but not limited to, those concerning (i) the Francisco Partners financing, (ii) market conditions, (iii) the revenues, earnings, performance strategies, prospects, anticipated product development timing, market opportunities, and other aspects of the businesses of the Company or (iv) trends, consumer or customer preferences or other similar concepts with respect to the Company, are based upon management's current expectations, assumptions and estimates, and are not guarantees of future results or the timing thereof and should not be relied upon as such. Actual results may differ materially from those contemplated in these statements due to a variety of risks and uncertainties related to the business of Movella, including, but not limited to, (1) changes in domestic and foreign business, market, financial, political, and legal conditions, (2) risks relating to the uncertainty of the projected financial information of the Company, (3) the effects of competition on the Company's business, and (4) other risks discussed in Movella's Annual Report on Form 10-K under the heading "Risk Factors" and other documents that Movella has filed or will file with the Securities and Exchange Commission. The Company does not commit to update or revise the forward-looking statements set forth herein, whether as a result of new information, future events or otherwise, except as may be required by law.

Performance, Statistics and Use of Non-GAAP Financial Measures

Past performance is not indicative of future results. This presentation includes certain management estimates or predictions that are not intended to predict the Company's future results, including expected future revenue and revenue growth, expected gross profit margins, expected operating expenses, expected EBITDA, EBITDA Profitability and EBITDA Margin. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any projections, modeling or back-testing or any other information contained herein. Unless otherwise specified herein, performance figures included herein are presented on a forward-looking and do not reflect any events subsequent to the date hereof. These estimates have been developed based on a variety of estimates and assumptions about future events that may occur, which are subject to change. Management believes that these estimates are reasonable, but they are not guarantees of future performance. These estimates are inherently subject to significant business, economic, competitive, regulatory and other uncertainties and contingencies, all of which are difficult to predict and many of which are beyond the Company's or any other person's control, and on estimates and assumptions with respect to future business decisions that are subject to change. The Company's independent auditors have not audited, reviewed, compiled or performed any procedures with respect to any projections for purpose of their inclusion in this presentation, and accordingly, has not expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this presentation.

The delivery of this presentation shall not under any circumstances, create any implication that the presentation is correct in all respects, including as of any time subsequent to the date hereof, and the Company does not undertake any obligation to update such information at any time after such date. Certain information in this presentation may be based upon information from third-party sources which we consider reliable, but the Company does not represent that such information is accurate, complete or sufficient for any purpose and it should not be relied upon as such. Some of the data contained herein is derived from information provided by various third-party sources and is included herein for illustrative purposes only.

This presentation includes certain financial measures of Movella not presented in accordance with generally accepted accounting principles in the U.S. ("GAAP"), including, but not limited to, gross profit, operating expenses, operating income, EBITDA, EBITDA Margin and EBITDA Profitability in each case presented on a non-GAAP basis. These non-GAAP measures of financial performance may exclude items that are significant in understanding and assessing the Company's financial results. Therefore, these measures should not be considered in isolation or as an alternative to revenue, gross profit or net income or other measures of profitability, liquidity or performance under GAAP. You should be aware that the Company's presentation of these measures may not be comparable to similarly-titled measures used by other companies. The Company believes these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to the Company's financial condition and results of operations. The Company believes that the usage of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends in comparing the Company's financial measures with those of similar companies, many of which present similar non-GAAP financial measures to investors. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income items are excluded or included in determining these non-GAAP financial measures.

Trademarks

This presentation contains trademarks and tradenames of Movella and of other parties. Third-party logos included herein may represent past customers, present customers or may be provided simply for illustrative purposes only. Inclusion of such logos does not necessarily imply affiliation with or endorsement by such firms or businesses. There is no guarantee that the Company will work, or continue to work, with any of the firms or businesses whose logos are included herein in the future.

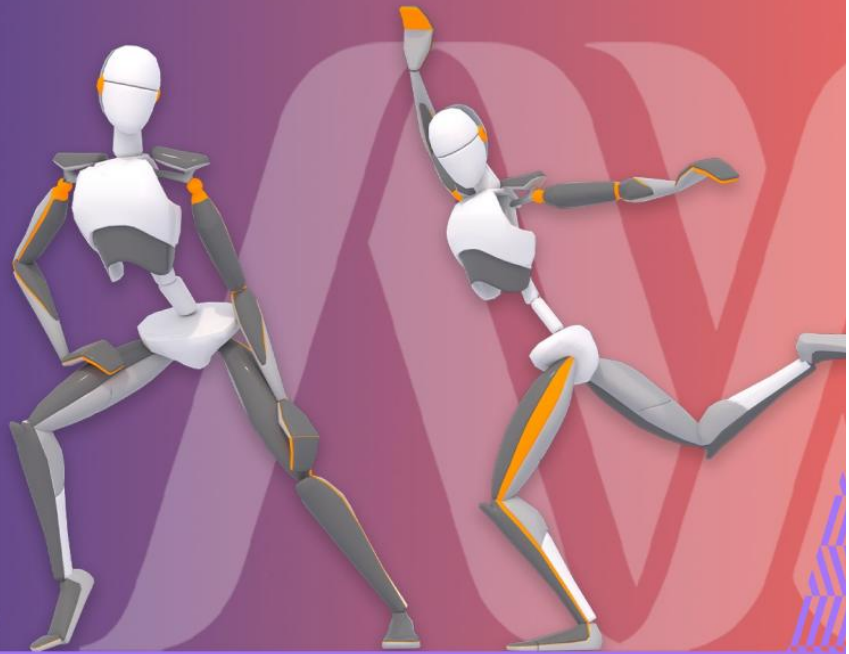
Distribution, No Offer or Solicitation

The distribution of this presentation may also be restricted by law, and persons into whose possession this presentation comes should inform themselves about and observe any such restrictions. You acknowledge that you are (a) aware that the United States securities laws prohibit any person who has material, non-public information concerning a company from purchasing or selling securities of such company or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities, and (b) familiar with the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (collectively, the "Exchange Act"), and that you will neither use, nor cause any third party to use this presentation or any information contained herein in contravention of the Exchange Act, including, without limitation, Rule 10b-5 thereunder.

This presentation is being distributed to selected recipients only and is not intended for distribution to, or use by any person or entity in, any jurisdiction or country where such distribution or use would be contrary to local law or regulation. Neither this presentation nor any part of it may be taken or transmitted into the United States or published, released, disclosed or distributed, directly or indirectly, in the United States, except to a limited number of qualified institutional buyers ("QIBs"), as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), or institutional "accredited investors" ("Institutional Accredited Investors") within the meaning of Regulation D under the Securities Act.

Introduction

Movella™ Bringing meaning to movement



Movella Digitizes Movement

Movella is a *global leader in digitizing movement* of the human body and of automatons that mimic human movement.

Our full-stack platform (sensors, software, data analytics, and AI) *enable a wide range of existing and emerging high-growth markets* by generating insights from the data.

Customer benefits include accurate avatar and automaton movements, immersive movies and games, improved athletic performance, and unique health insights.









Investment Highlights



A global leader in digitization of movement with highly differentiated and integrated full-stack solutions



Critical, scalable enabling technology for multiple high-growth emerging end markets and applications



Proprietary technology protected by rich patent portfolio and decades of trade secrets & know-how



Multiple levers for margin expansion driven by growth, new revenue streams and expense management



Capital-efficient financial model and path to profitability^(*)



Experienced leadership team with track record of scaling global businesses organically and inorganically

*Profitability is on an Adjusted EBITDA basis. Adjusted EBITDA is a non-GAAP financial measure that represents Movella's net loss adjusted to exclude (1) deemed dividends from the accretion of Series D-1 preferred stock (2) stock-based compensation expense (3) amortization of acquired intangibles (4) loss on debt extinguishment (5) change in fair value of warrant liabilities (6) debt issuance costs (7) revaluation of debt, net (8) impairment of intangible assets (9) interest expense (10) interest income (11) income tax expense (benefit) (12) depreciation and amortization (13) other expenses (income) (14) non-recurring transaction expenses and (15) other infrequent costs.

Visionary and Experienced Leadership with Compelling Partnership with Leading Technology Investors



Ben Lee

CHIEF EXECUTIVE OFFICER



Steve Smith

CHIEF FINANCIAL OFFICER



Vijay Nadkarni

CHIEF TECHNOLOGY OFFICER



Geoff Charubin

CHIEF OF STAFF



CJ Hoogsteen

VP SALES



Peter Xie

VP SENSORS



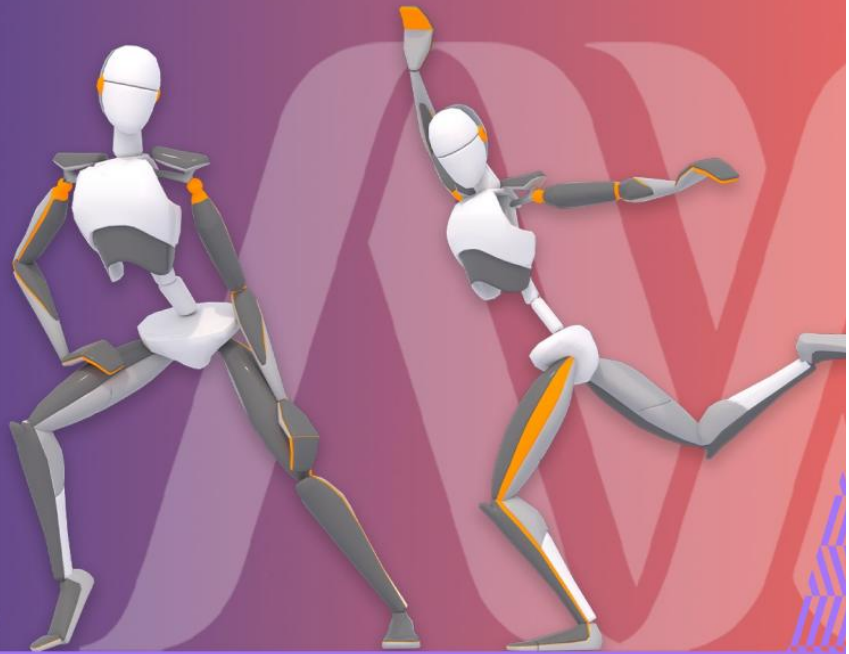
Dale Pistilli

VP MARKETING



Company Overview

Movella™ Bringing meaning to movement



Movella at a Glance

Movella has a diverse customer base, established leadership presence and path to profitability in its current markets

Key Business Stats

\$17.5M

1H 2023
Revenue

59%

1H 2023
Non-GAAP Gross Margin

125+

Channel
Partners

2,000+

Customers – no
greater than 5% of
revenue

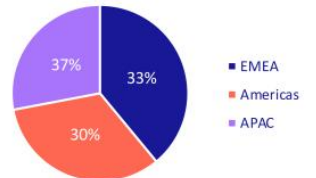
\$51M

Cash and Equivalents

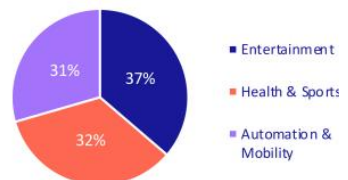
176

Patents Issued
and Pending

1H 2023 Revenue by Region

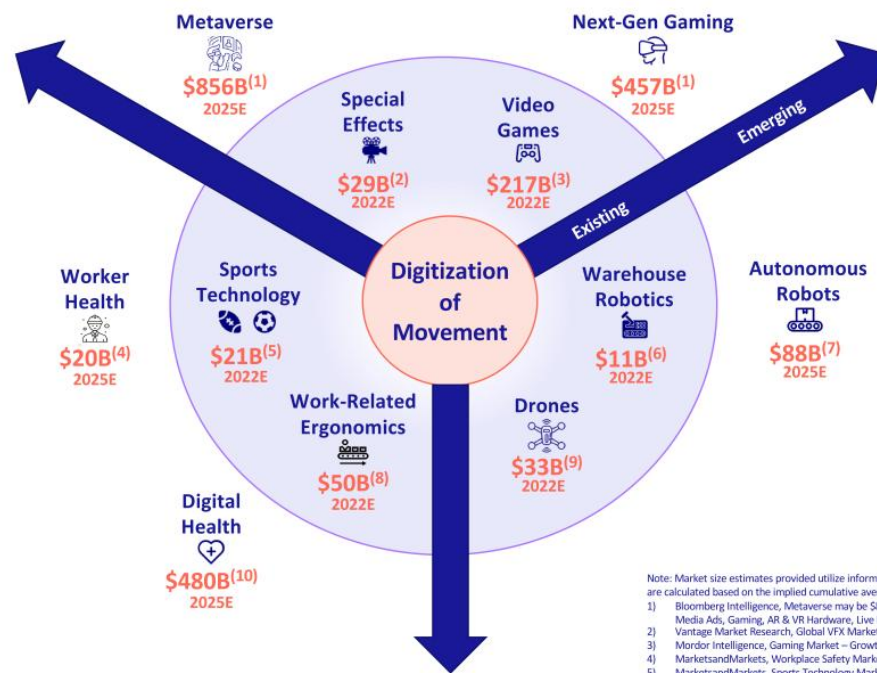


1H 2023 Revenue by End Market



Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

Enabler of New Applications in Massive “Megatrend” Markets



Note: Market size estimates provided utilize information from the sources listed below, and in some cases, are calculated based on the implied cumulative average growth rates expected to occur in the target years

- 1) Bloomberg Intelligence, Metaverse may be \$800B market, next tech platform (Comprised of Social Media Ads, Gaming, AR & VR Hardware, Live Entertainment, Gaming Software, and Service Ads)
- 2) Vantage Market Research, Global VFX Market
- 3) Mordor Intelligence, Gaming Market – Growth, Trends, COVID-19 Impact, and Forecasts
- 4) MarketsandMarkets, Workplace Safety Market by Component
- 5) MarketsandMarkets, Sports Technology Market with COVID-19 Impact by Technology
- 6) Mordor Intelligence, Warehouse Robotics Market – Growth, Trends, COVID-19 Impact, and Forecasts
- 7) Research and Markets, Autonomous Mobile Robots Market Research Report
- 8) CDC, Work-Related Musculoskeletal Disorders & Ergonomics
- 9) Grand View Research, Drone Market
- 10) ReportLinker, Digital Health Global Market Report 2022

Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

Movella Offers a Full-Stack Solution Suite

AI Cloud Analytics

Motion Cloud analytics provide holistic human body and kinematics insights



Visualization Software

Desktop and mobile tools, graphics, and animation provide data visualization



Motion Capture

Patented system and software with centimeter-level motion capture accuracy



Sensor Fusion

Proprietary algorithm determines orientation, position, and movement with sensors



Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

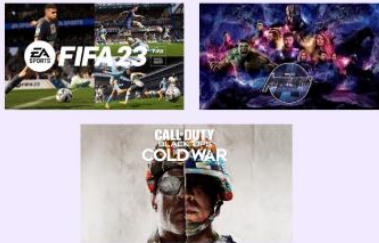
Overview of Current End Markets

Entertainment 37% of 1H 2023 Revenue

Representative Customers



Select Use Cases



Movella™

Health & Sports 32% of 1H 2023 Revenue

Representative Customers



Select Use Cases



Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

Automation & Mobility 31% of 1H 2023 Revenue

Representative Customers



Select Use Cases



Note: 1H2023 revenue by end market and other statistics as of 8/9/23

Customer Case Study: Electronic Arts



Leading game developer with renowned and award-winning titles such as FIFA, F1, and Battlefield

Overview

Movella provides solutions to EA to facilitate motion-based game development by capturing and digitizing actors' movements for 3D character animation. Titles that Movella has directly provided support for include FIFA, F1, APEX Legends, Star Wars, Battlefield, and Dirt. Currently, Movella is working with EA to expand the FIFA use case of full team motion capture to other sports.

Why Movella?

- **High-quality production-ready:** recorded data goes directly in the pipeline with minimal data clean up
- **Ease-of-use:** light, portable solution that can be quickly set up, calibrated, and used stat
- **Flexibility:** easy to scale, outdoor and on-location recording, no studio required, recording anywhere, anytime

Background of the FIFA Relationship

Movella currently supports 10+ EA studios globally. EA originally chose to work with Movella in 2010 for its unmatched inertial motion capture solutions, which were utilized to develop the award-winning FIFA video game franchise. In 2021, Movella captured high-quality motion data for 22 players simultaneously as they played a real match on a regulation soccer field.



Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

Emerging Markets Represent Massive Upside to Already Large Addressable Market

Large and Growing Total Addressable Market

(\$ in billions)

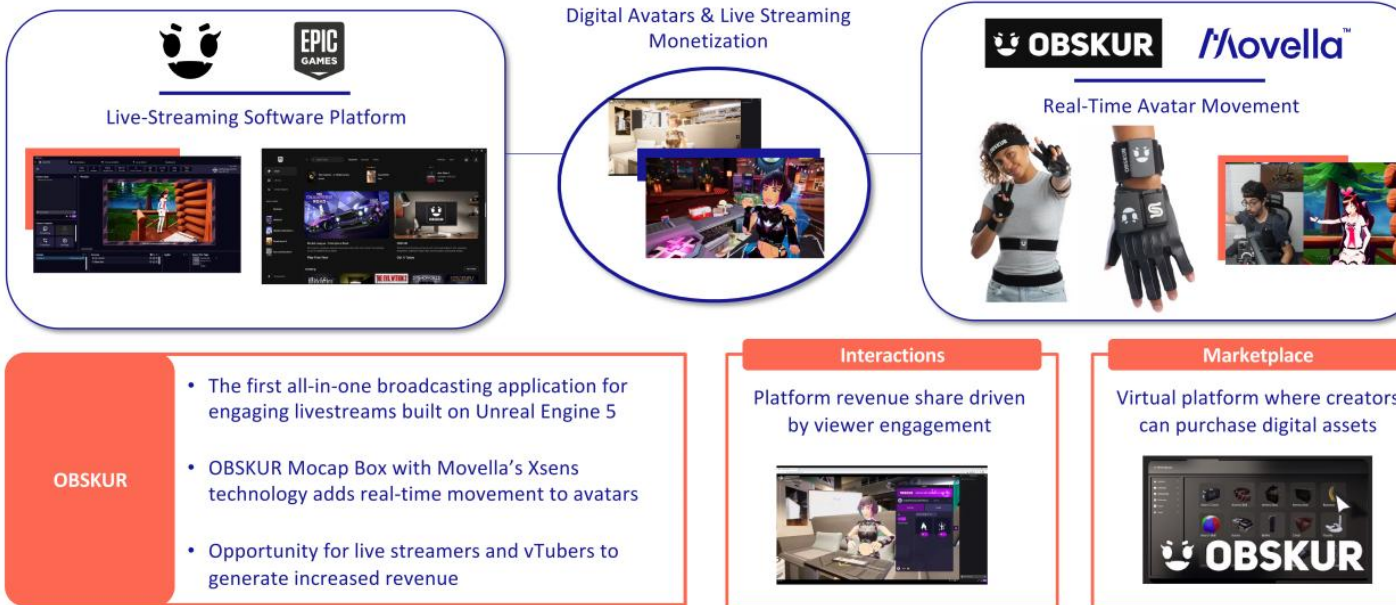


Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

Source: Cloud / Data Analytics and New Markets market sizes based on management estimates;
Sensors & Software market size based on estimates from Yole Development
Emerging Markets includes Metaverse, VTubers, and B2C Health Applications & Services

OBSKUR Launch Adds New High Margin Revenue Streams

Enabling Live Streamers and vTubers to interact with their audiences, monitor engagement, and generate revenue

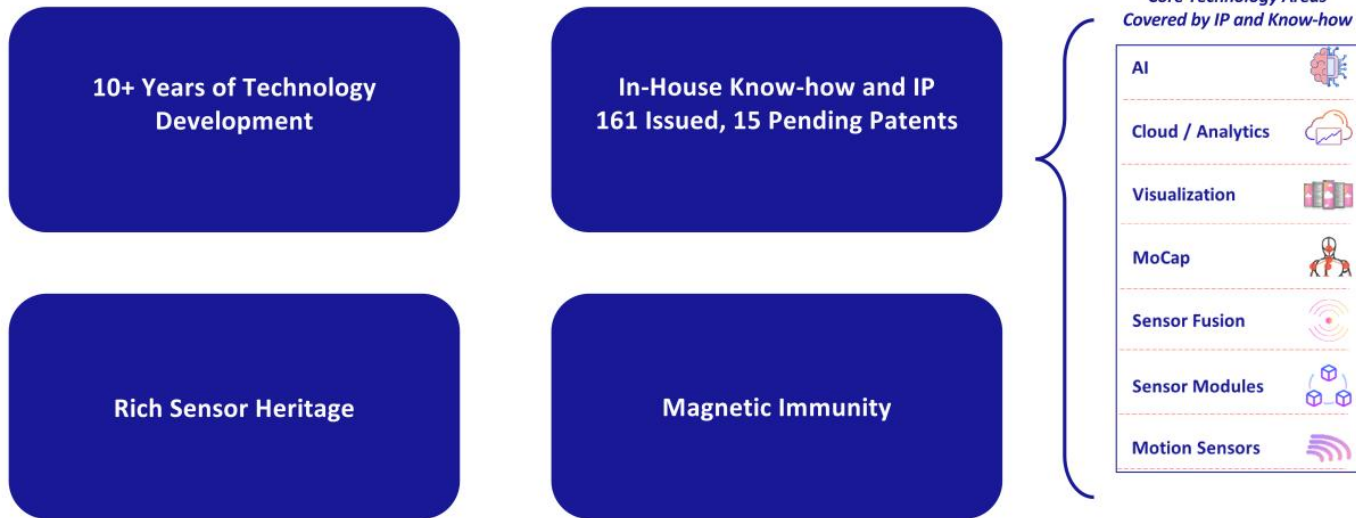


Movella™

Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

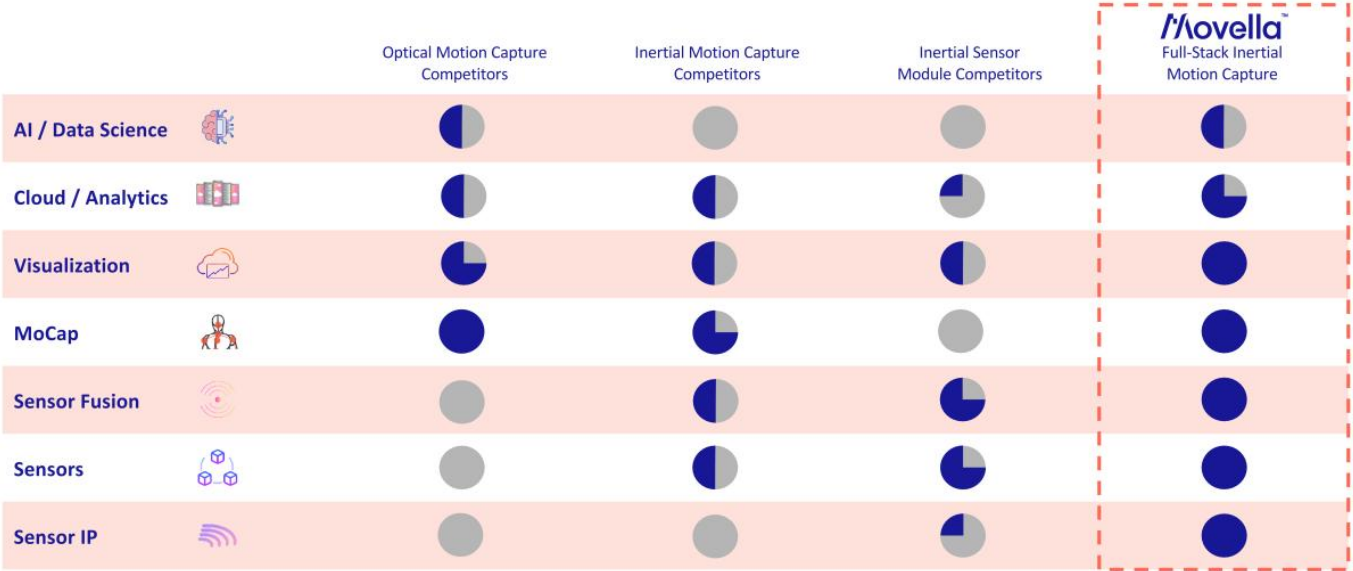
Strong IP Portfolio and Know-how Provide Competitive Moat

Highly advanced proprietary sensor and sensor fusion technology



Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

Full-Stack Movement Digitization Leadership



Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

Note: Based on Movella management assessment, June 2023

Growth Strategy Driven by Multiple Growth Vectors



Financial Summary

Movella[™] Bringing meaning to movement



Financial Highlights

\$17.5M

1H 2023 Revenue

\$2M revenue impact from Hollywood strikes in Q2 partially offset by strong demand for workplace ergonomics in the auto industry

59%

1H 2023 Gross
Margin

Gross margin expected to expand driven by increasing SaaS software, new digital revenue streams and high sensor margins protected by strong IP and know-how

\$51.0M

Q2 2023 Cash and
Equivalents

Strong cash position following NASDAQ listing in February 2023

25%-30%

Long-Term EBITDA¹
Margin Range

Attractive, expected long-term EBITDA margins achieved through high growth, high gross margins, and increasing operating leverage

**Upside
Opportunities**

Incremental step function upside opportunities from emerging Metaverse, next-gen gaming, live-streaming, digital health, and other high-growth applications



Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

Note: The financial highlights reflect the Company's estimates solely as of 8/22/23. As these are estimates only, they are subject to assumptions and risks which could cause this information to change and, accordingly, you should not place undue reliance on such information. The Company does not intend, and undertakes no obligation, to update any such information.
1) See adjusted EBITDA definition on slide titled Investment Highlights

Hollywood Strikes: Impact and Mitigation

History

- Writers Strike began early May, followed by the Actors Strike in mid-July
- Effectively shutdown film and television production in the U.S., the impact of which has been felt across the globe

Impact on Movella

- Q2 revenues impacted by ~\$2M
- No new film or TV production, impacting Mocap revenues
- Assumed reduction in revenue projections of \$1M per month until strikes are resolved
- Pushed out planned adjusted EBITDA breakeven from Q3 2023 until revenues recover

Mitigating Actions

- Prioritizing investments in key programs and initiatives expected to generate revenue in the near-term
- Eliminating management layers to accelerate time to market and decision making
- Reducing operating expenses, including an approximate 20% workforce reduction
- Lowering breakeven point to \$10-\$11M in revenue



Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

Business Model Summary

Integrated Full-Stack Solutions

- Movella's products are sold as integrated sensor / software solutions⁽¹⁾
- Full-stack non-GAAP gross margins 64%+ including sensors and software
- Sensor revenue recognized upfront
- Attractive and sustainable sensor gross margins driven by proprietary sensor technology and know-how
- Transitioning from one-time license to annual subscription model

Sales Channels

Direct Sales:



Land-and-expand strategy
with existing customers

(61% 1H 2023)

Indirect Sales:



100% channel partner
growth in CY2021A

(39% 1H 2023)



Proprietary and Confidential. © 2023 Movella Inc. All rights reserved. 1) Sales into Automation & Mobility applications are only comprised of sensor systems

Attractive Long-Term Financial Model (non-GAAP)

Key Growth Drivers

- Growth of Established Products
- Channel / International Expansion
- Ramp of Newer Products
- New Markets (vTuber, Metaverse, Workplace Ergonomics, Digital Health)

Key Profitability Drivers

- Scaling with revenue growth at high gross margins
- Recent cost reductions initiatives
- Capital-efficient, capex light financial model

	1H 2023A	Long-Term Model
Gross Margin	59%	75%
OpEx %	106%	40-45%
Adj EBITDA Margin	(47%)	25-30%



Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

Note: Projected figures reflect the Company's non-GAAP estimates solely. As these are estimates only, they are subject to assumptions and risks which could cause this information to change and, accordingly, you should not place undue reliance on such information. The Company does not intend, and undertakes no obligation, to update any such information.
1) See adjusted EBITDA definition on slide titled Investment Highlights

Investment Highlights



A global leader in digitization of movement with highly differentiated and integrated full-stack solutions



Critical, scalable enabling technology for multiple high-growth emerging end markets and applications



Proprietary technology protected by rich patent portfolio and decades of trade secrets & know-how



Multiple levers for margin expansion driven by growth, new revenue streams and expense management



Capital-efficient financial model and path to profitability^(*)



Experienced leadership team with track record of scaling global businesses organically and inorganically



Proprietary and Confidential. © 2023 Movella Inc. All rights reserved.

*Profitability is on an Adjusted EBITDA basis. Adjusted EBITDA is a non-GAAP financial measure that represents Movella's net loss adjusted to exclude (1) deemed dividends from the accretion of Series D-1 preferred stock (2) stock-based compensation expense (3) amortization of acquired intangibles (4) loss on debt extinguishment (5) change in fair value of warrant liabilities (6) debt issuance costs (7) revaluation of debt, net (8) impairment of intangible assets (9) interest expense (10) interest income (11) income tax expense (benefit) (12) depreciation and amortization (13) other expenses (income) (14) non-recurring transaction expenses and (15) other infrequent costs.

Thank You

Movella[™] Bringing meaning to movement



