

# SECOND QUARTER 2020 RESULTS

“Our second quarter performance reflects prudent execution while navigating through a disrupted business environment brought about by the COVID-19 pandemic. We ended the quarter with revenues of \$28.3 million, above the mid-point of our guidance range, driven by solid performance in our IoT businesses (formerly "growth initiatives") that grew by 4% year over year to a total of \$18.4 million and comprised 65% of total revenues. Our performance benefited from solid results in our SmartHome and Unified Communications segments. Moreover, during the quarter, we announced our entry into the rapidly growing hearables market and strengthened our offerings with the acquisition of SoundChip.”

Ofer Elyakim, Chief Executive Officer

## FINANCIAL HIGHLIGHTS

**\$28.3M**  
REVENUES

**\$0.06**  
EPS (NON-GAAP)

**\$18.4M**  
IoT REVENUES  
("GROWTH INITIATIVES")

**50.8%**  
GROSS MARGINS  
(NON-GAAP)

## IoT BUSINESSES HIGHLIGHTS

### SMARTHOME

- SmartHome \$4.3 million, a year-over-year increase of 18%
- A leading European service provider selected our DECT/ULE technology for its new smart home gateway product
- Deutsche Telecom and Orange each launched a new smart speaker that leverages our DECT/ULE solution to offer reliable, high-performance, two-way voice support



### UNIFIED COMMUNICATIONS

- Unified Communications segment revenues of \$10.1 million, a year-over-year increase of 15%
- A tier 1 OEM launched a premium conference phone with high-quality audio for smart meetings and sharing based on our DVF platform.
- A tier 1 European networking OEM launched a new family of SIP desktop IP phones that provides enterprise grade communication experience based on our DVF97 and DVF99 SoCs

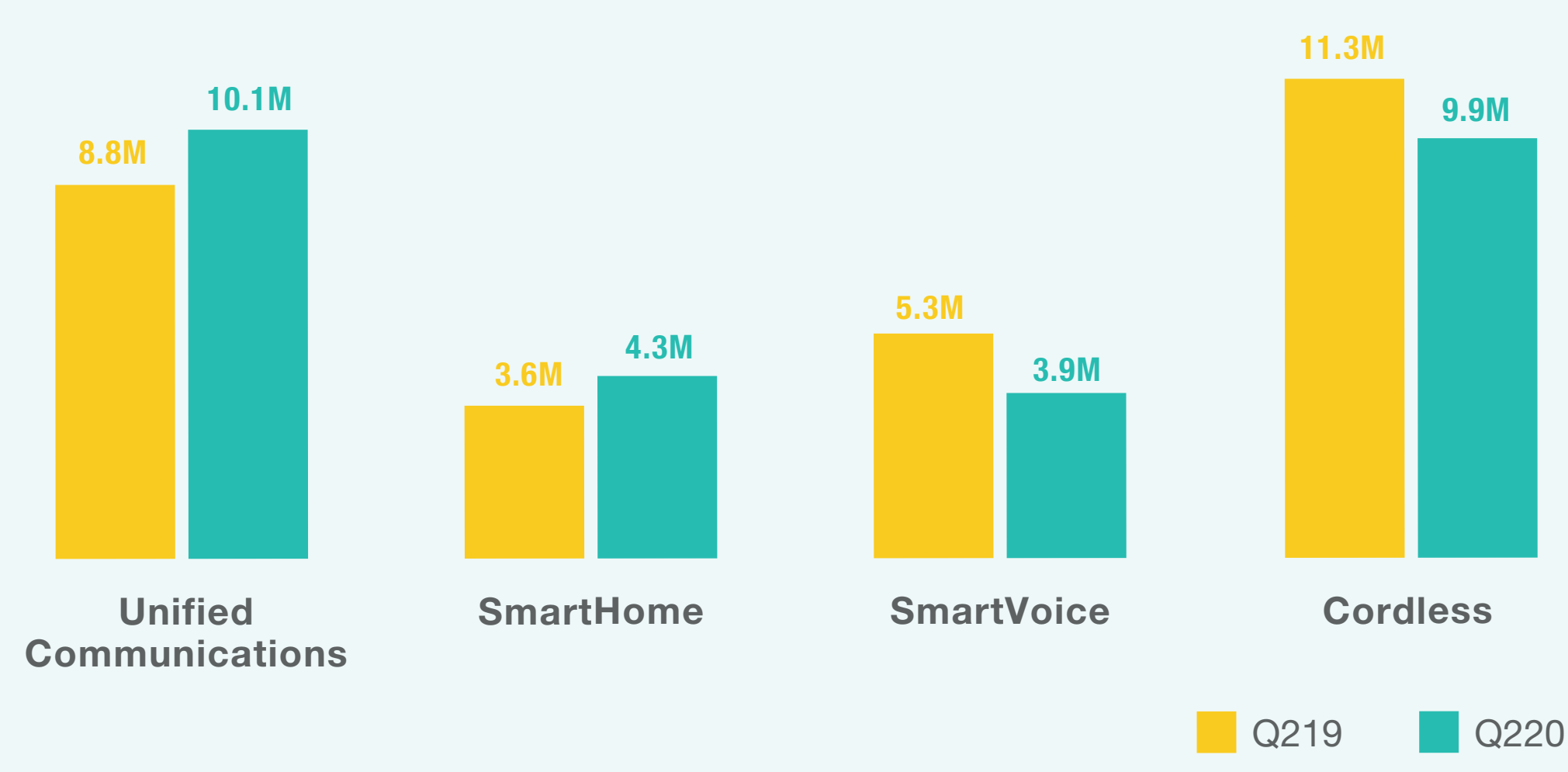


### SMARTVOICE

- SmartVoice segment revenues of \$3.9 million, a year-over-year decrease of 26%
- A leading Korean OEM launched an innovative always-on remote control based on our SmartVoice SoC which enables multiple simultaneous wake-word detection, including Alexa Voice Services (AVS) support
- Leading Japanese and U.S. retail brands launched true wireless stereo (TWS) headset products based on our best-in-class Smart ANC Codec solution



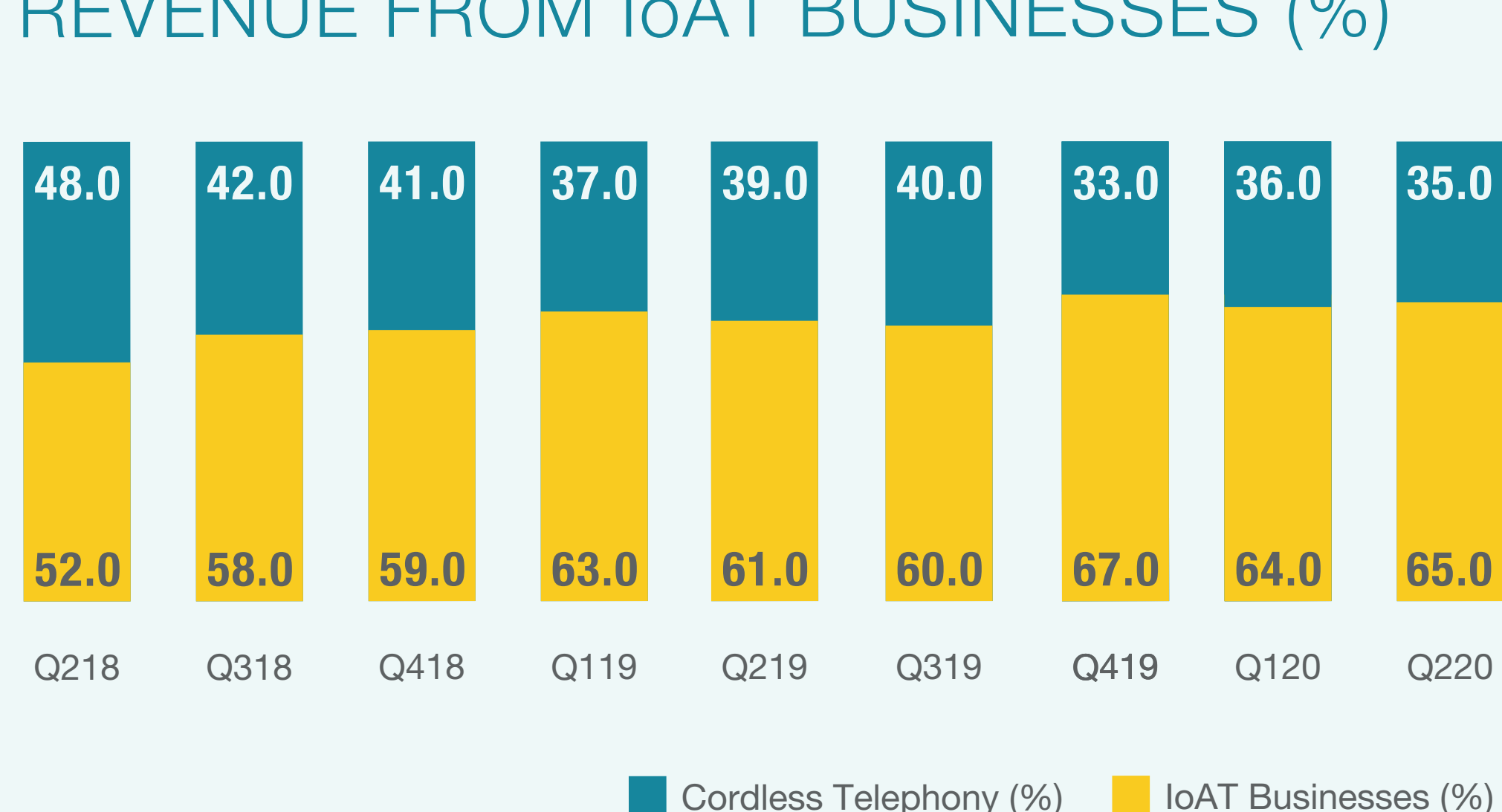
## REVENUES BY PRODUCT LINE (\$)



## GROSS MARGINS (NON-GAAP)



## REVENUE FROM IoT BUSINESSES (%)



## FAST FACTS



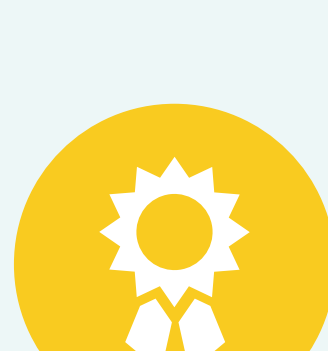
**\$137.5M**

Q2 CASH



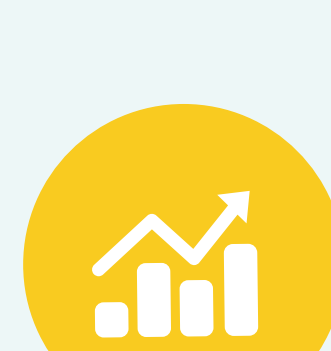
**\$8.0M**

Q2 OPERATING CASH FLOW



**\$1.0M**

Q2 OPERATING PROFIT  
(NON-GAAP)



**\$5.51**

Q2 CASH PER SHARE