SMITHMICRO SOFTWARE

INVESTOR OVERVIEW

April 2021

FORWARD-LOOKING STATEMENTS

Certain statements in this presentation are forward-looking statements regarding future events or results, including statements related to our financial prospects, the anticipated impact of our announced acquisition of the Family Safety Mobile Business from Avast, the successful launch of our underwritten public offering of common stock, the proceeds of which will be used to fund the acquisition from Avast, the benefits that we believe our products will offer to our customers, and other statements using such words as "expect," "anticipate," "believe," "plan," "intend," "could," "may," "will" and other similar expressions. Forward-looking statements involve risks and uncertainties, which could cause actual results to differ materially from those expressed or implied in the forward-looking statements. Among the important factors that could cause or contribute to such differences are: our continued customer concentration and ability to establish and maintain strategic relationships with customers and manufacturers; our ability to retain key personnel; possible harm to our business from future security and privacy breaches; effective operation with operating systems; devices and networks that we do not control; the existence of undetected software defects in our products; competition in our industry and the core vertical markets in which we operate; changes resulting from or relating to the ongoing COVID-19 pandemic; the rapid technological evolution in our market; risks inherent with international operations; compliance with applicable laws and regulations; our ability to protect our intellectual property and operate without infringing on the intellectual property of others; any failure to meet the continued listing requirements of NASDAQ; our ability to continue to raise adequate capital; maintaining ongoing profitability; ability to continue as a going concern; changes in operating income due to shifts in our sales mix and variability in our operating expenses; our reliance on third-party intellectual property and licenses; the difficulty of predicting our quarterly revenues and operating results; fluctuation in our stock price, including as a result of the announcement of the Avast acquisition and/or our announced public offering; the dilutive impact of potential equity offerings; potential non-accretive impacts of the Avast acquisition; unexpected changes in our financial position or results of operations following the Avast acquisition; and a failure to consummate the Avast acquisition. These and other factors discussed in our filings with the Securities and Exchange Commission, including our filings on Forms 10-K and 10-Q, and the preliminary prospectus with respect to our public offering, could cause actual results to differ materially from those expressed or implied in any forward-looking statements. The forward-looking statements contained in this presentation are made on the basis of the views and assumptions of management, and we do not undertake any obligation to update these statements to reflect events or circumstances occurring after the date of this presentation.

ABOUT SMITH MICRO

OUR CUSTOMERS

Wireless Service Providers and OEMs around the world

39 Years
NASDAQ: SMSI
HQ: Pittsburgh, PA
Global Operations
415 Employees

TECHNOLOGY LEADERSHIP

Smith Micro device agents or apps deployed worldwide

SOLUTIONS

Family Location & Parental Controls
Consumer IoT & Monetization
Next-Gen Visual Messaging
Smart Retail & Analytics

SMITH MICRO'S MISSION

Enriching Connected Lifestyles with Carrier-Grade Solutions

PROTECT ● ● ● Digital Lifestyle

MANAGE ● ● ● Connected IoT Devices

ENHANCE ● ● ● Voice Messaging

OPTIMIZE ● ● ● Smart Retail Experience

PRODUCT LINEUP

ACQUISITION HIGHLIGHTS

Build upon leading position as provider of mobile software solutions that enable wireless service providers (WSPs) to maximize subscriber lifetime value

Grows core mobile family safety business and firmly positions Smith Micro as the #1 vendor of white-label family safety SaaS services to WSPs

Acquisition adds four new carrier contracts to customer portfolio as well as approximately 160 highly experienced and talented employees

Augments Smith Micro's go-to-market (G2M) and user acquisition experience and reinforces our hands-on approach to customer success
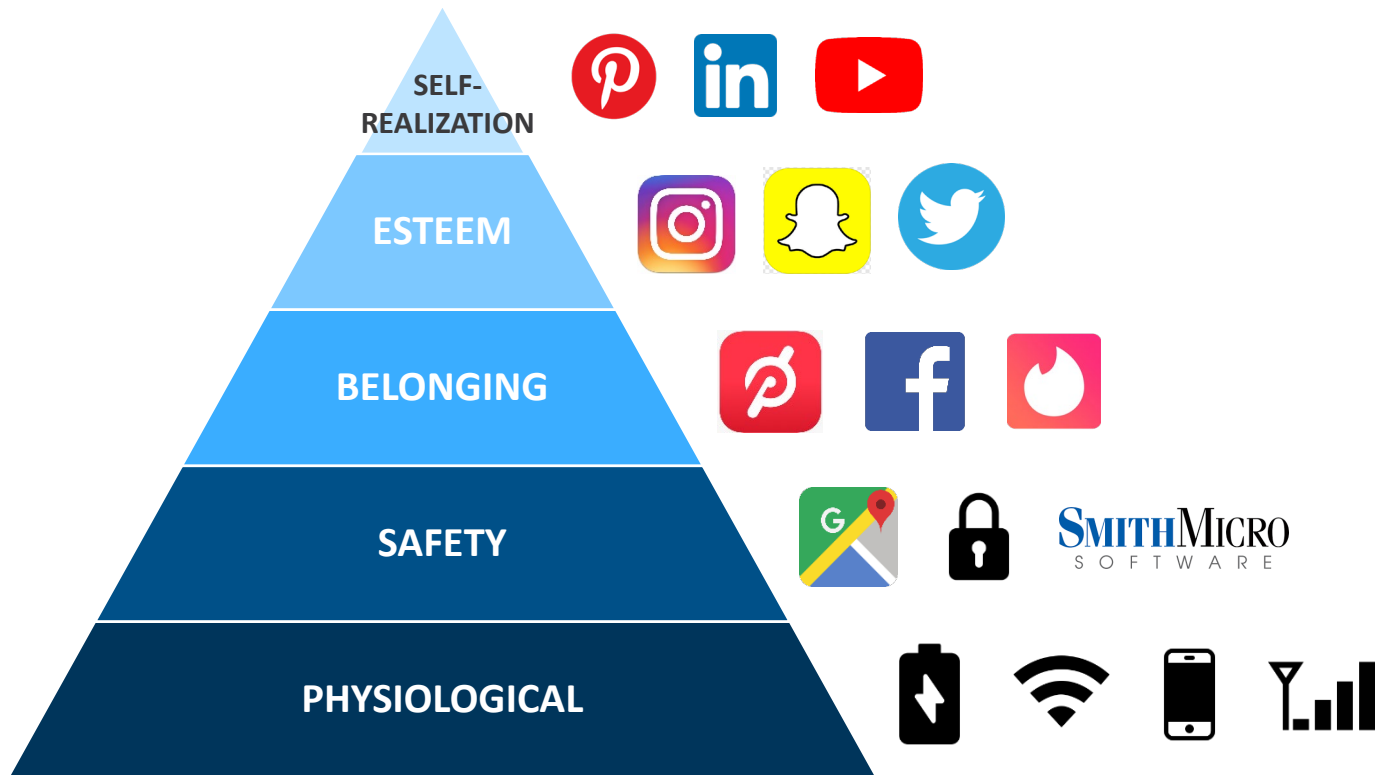
Go-forward collaboration agreement with Avast creates significant new opportunities for Smith Micro

SMITH MICRO
SOFTWARE

SAFEPATH G2M AND SUCCESS STRATEGY

SmithMicro
SOFTWARE

Key Family Safety Use Cases

Location Features

Screen Time Management

Content Filters

Driver Safety

Go-To-Market Strategy

Partnership Strategy

White Label

Co-Branding

Monetization Strategy

Revenue Share Model

Free Trials

Digital Marketing Expertise

Multi-channel marketing approach accelerates product growth

Decades of partner marketing experience

Research-driven product-market fit and value propositions

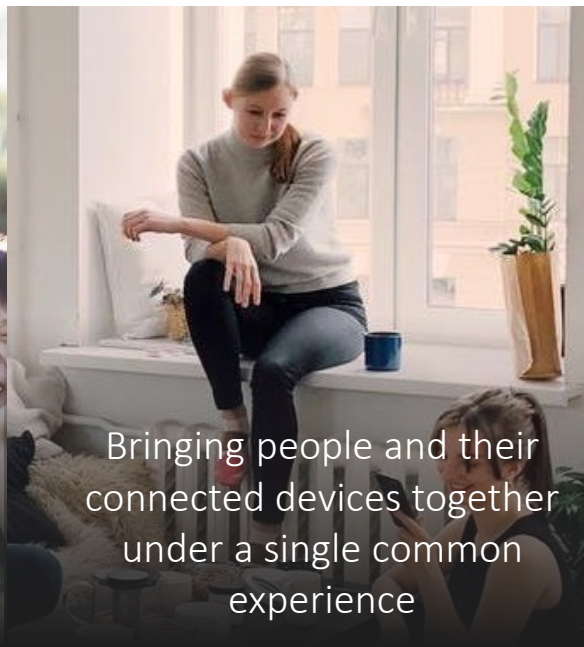**DIGITAL MARKETING**

PHYSICAL MARKETING

PAID MARKETING

SafePath®

INNOVATIVE PRODUCT PLATFORM

SafePath® FAMILY

Location and Parental Controls made easy for the whole family

SafePath® IOT

Bringing people and their connected devices together under a single common experience

SafePath® HOME

Parental Controls and Screen Time management extended to in-home devices

SAFEPATH 7 KEY TAKEAWAYS

- Robust Parental Controls with full feature parity between Android and iOS

- Parental controls extended to in-home Wi-Fi devices such as gaming consoles, tablets, smart TVs, and laptops

- New location-based features

- Support for additional consumer IoT devices
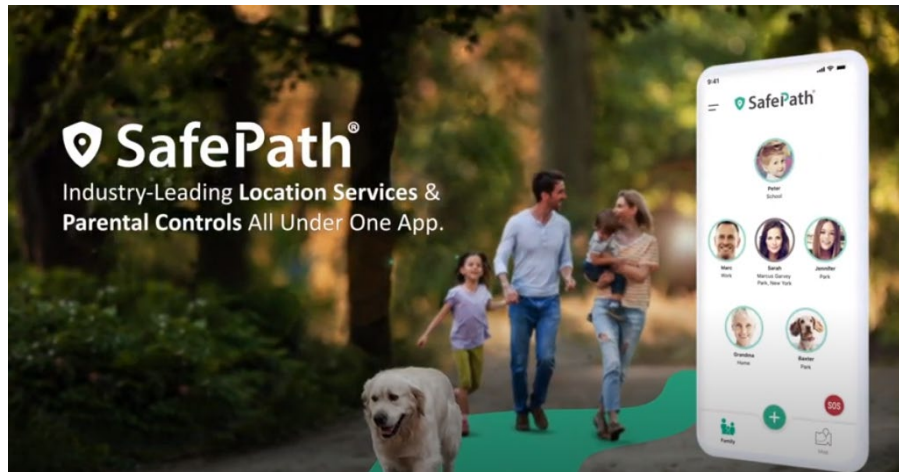
INTRODUCING SAFEPATH DRIVE

NEW

Helps Parents of Young Drivers Encourage Safer Driving Habits

- Device-less connected car solution

- Multiple deployment options – as add-on for SafePath Family or as stand-alone, white-label driver safety app

- Provides automatic collision detection, high-speed alerts, personal driver scores, gamification, and more

- Increases driver awareness, helps limit phone use while driving, and monitors family safety

- Currently in discussions with multiple Tier 1 operators

THOSE WHO MAY WANDER WON'T BE LOST WITH SAFEPATH® FAMILY

Location and parental controls made easy for the entire family
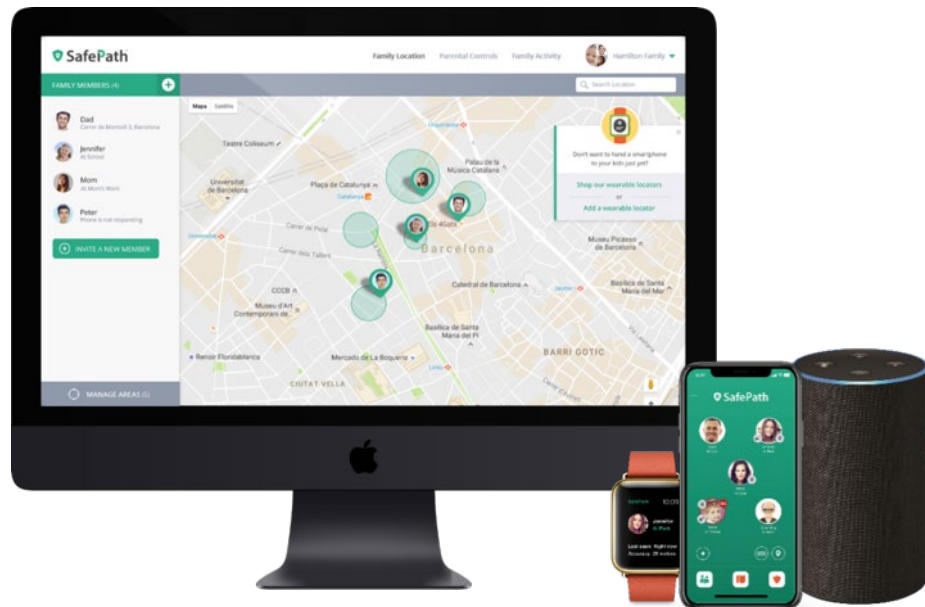
SafePath®
FAMILY

- Safety Areas
- Notifications
- Family Alert
- Parental Controls
- Phone Security

SAFEPATH IoT: A PLATFORM FOR ALL THINGS CONNECTED

SafePath IoT brings people and their devices together under a **single common experience**.

Children	Wearables
Elder Care	Home
Pets	Vehicles

SAFEPATH HOME: EXTEND PARENTAL CONTROLS AND SCREEN TIME MANAGEMENT TO IN-HOME DEVICES

- Manage and control internet traffic at network level

- Profile-based approach enables uniform parental controls inside and outside the home

- Powerful management capabilities via smartphone app or web-based dashboard

CONNECTED LIFE VISION

Family is more than just people – it's also **every connected device** that is a part of the **everyday family digital lifestyle**

Children

Elderly

Pets/Things

Car

Home Network

SafePath®

SmithMicro
SOFTWARE

CommSuite®

The Next Generation of Visual Messaging

CommSuite®

- 18M+ Devices in the Field
- 150+ Device Models
- 1B Messages Per Quarter
- Amazon Alexa Integration
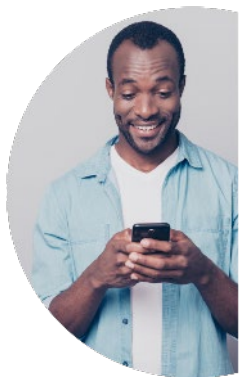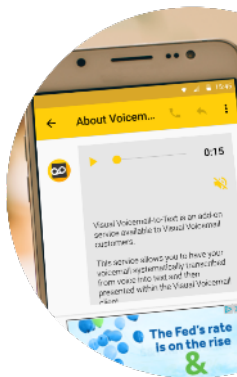- Branded UI Experience
- Proven Revenue Generator

COMMSUITE HARMONIZES WITH THE NEW
CONNECTED LIFESTYLE OF TODAY'S CONSUMER

We know what the next generation of users want and expect from voice message services.

Deliver voice-to-text to empower users and provide anywhere access.

Create additional revenue with targeted ads or in-app purchases.

Synchronize mobile messaging across multiple devices

NEXT-GEN VISUAL MESSAGING

CommSuite® VOICE

CommSuite® ANYWHERE

CommSuite® CLOUD
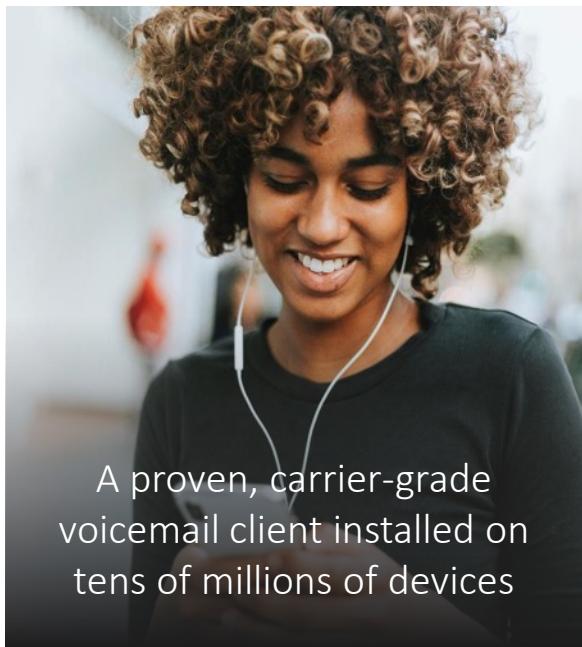
A proven, carrier-grade voicemail client installed on tens of millions of devices
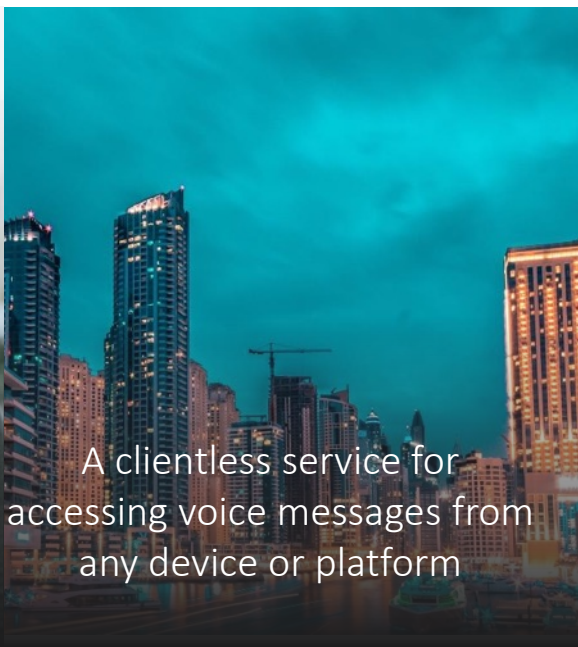
A clientless service for accessing voice messages from any device or platform
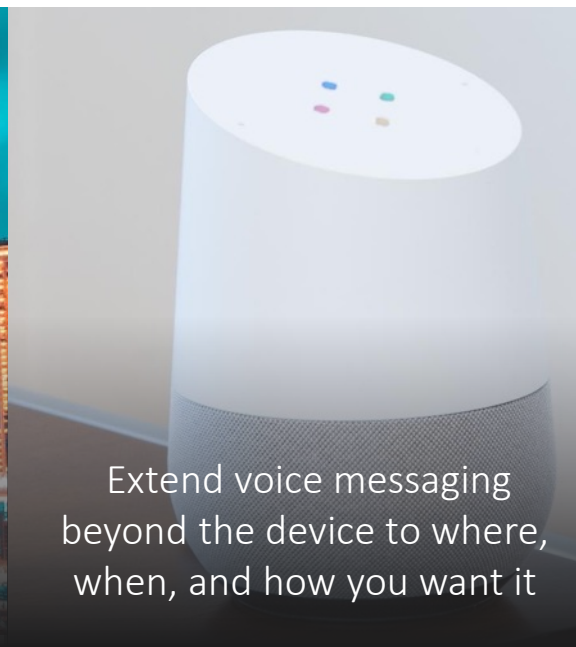
Extend voice messaging beyond the device to where, when, and how you want it

ViewSpot®

Smart Retail for Mobile Carriers

BRING IN-STORE DEVICES TO LIFE WITH VIEWSPOT

ViewSpot enables consumer brands to deliver compelling in-store retail experiences through interactive dynamic pricing, digital content management, and data analytics.

Increase Customer Engagement

Deliver Consistent and Compelling Content

Behavior-based Business Intelligence

UNLEASH THE POWER
OF IN-STORE DEVICES

SMITH MICRO
S O F T W A R E

Samsung S9

Android 8.0 (Oreo)
4GB RAM
Quad HD+ SUPER AMOLED 5,8"
12 MP / 8 MP selfie Camara
64GB
10nm 64-bit
Octa-Core Processor

IMPROVE DIGITAL EXPERIENCES
ViewSpot

Keep your current number when you switch to Vast. Check if you're eligible to transfer. ©2019 Vast. All Rights Reserved

ViewSpot®

VIEWSPOT STUDIO

NEW

Centrally Manage and Update On-Device Content

ViewSpot Studio simplifies retail display management (RDM) for wireless carriers by streamlining the design and customization of demo device experiences on both smartphones and tablets.
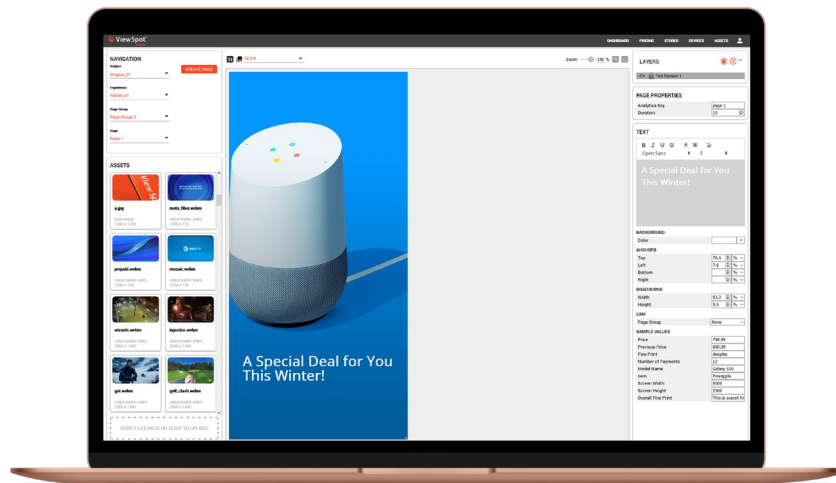
ViewSpot® STUDIO

VIEWSPOT TOUCHLESS SOLUTION

NEW

SmithMicro
SOFTWARE

ViewSpot is quickly evolving and leveraging patent-pending smart retail technology to support mobile operators as they reopen retail stores across the globe.

Touchless Price Cards

Face Detection

Sanitization Notifications

FINANCIAL TRENDS

($ in thousands, except earnings per share)

REVENUE TRENDS

REVENUE

Legend: ■ SafePath ■ Other ■ Commsuite ■ ViewSpot

	Q4-19	Q1-20	Q2-20	Q3-20	Q4-20
Total	$12,278	$13,322	$12,933	$12,629	$12,416
ViewSpot	$555	$745	$971	$1,157	$1,337
Commsuite	$4,756	$4,539	$4,330	$4,542	$4,752
Other	$292	$189	$288	$172	$219
SafePath	$6,674	$7,849	$7,344	$6,758	$6,107
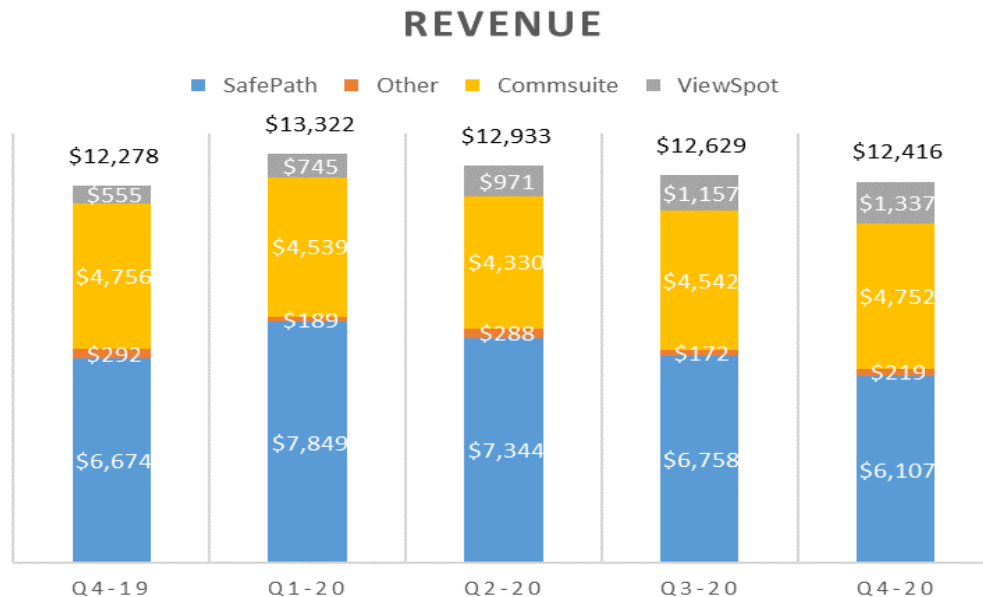
Predictable Revenue →

OPERATING EXPENSE TRENDS

OPERATING EXPENSES- NON GAAP

■ Selling & Marketing   ■ Research & Development   ■ General & Administrative

	Q4-19	Q1-20	Q2-20	Q3-20	Q4-20
Total	$6,967	$8,125	$8,630	$9,455	$9,479
General & Administrative	$2,111	$2,350	$2,552	$2,479	$2,540
Research & Development	$2,969	$3,363	$4,092	$4,933	$4,818
Selling & Marketing	$1,847	$2,406	$1,986	$2,035	$2,121
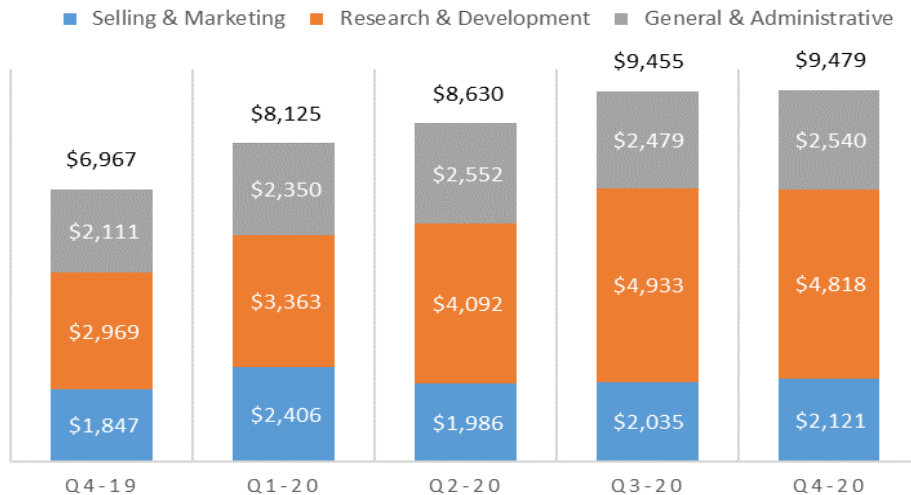
Predictable Expenses / Investing in R&D

Note: Non-GAAP expense excludes restructuring, amortization (noncash), stock compensation (noncash) and acquisition expenses. For a full reconciliation see the Operating Expense Reconciliation slide and the most recent earnings report filed on Form 8-K.
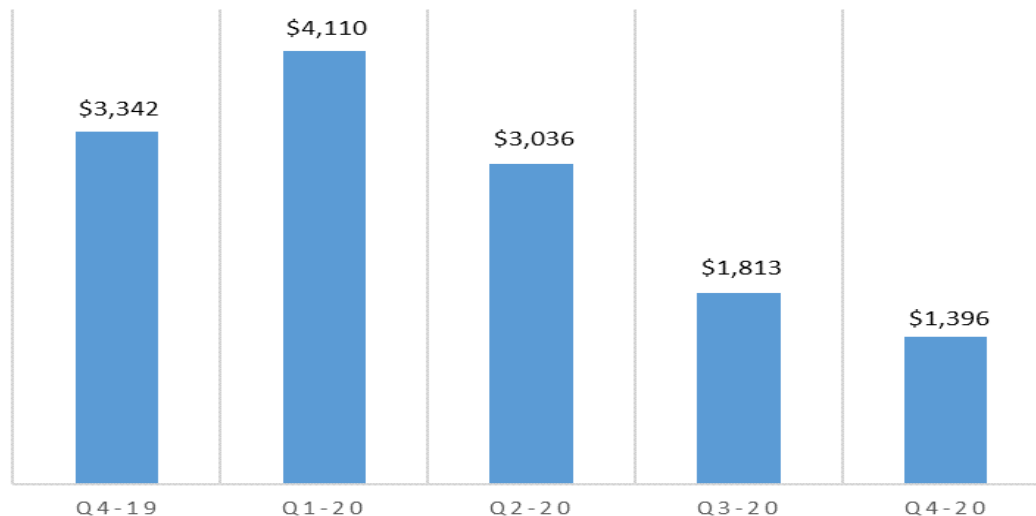
OPERATING EXPENSE RECONCILIATION

	GAAP	Stock Compensation	Intangibles Amortization	Acquisition Costs	Non-GAAP
Q4-20					
Selling and marketing expenses	$ 2,649	$ (145)	$ (383)	$ -	$2,121
Research and development expenses	5,297	(147)	(332)	-	4,818
General and administrative expenses	3,060	(520)	-	-	2,540
Restructuring expense	-	-	-	-	-
Total operating expenses	$ 11,006	$ (812)	$ (715)	$ -	$9,479
Q3-20					
Selling and marketing expenses	$ 2,655	$ (146)	$ (475)	$ -	$2,034
Research and development expenses	5,446	(147)	(366)	-	4,933
General and administrative expenses	2,997	(518)	-	-	2,479
Restructuring expense	9	-	-	-	9
Total operating expenses	$ 11,107	$ (811)	$ (841)	$ -	$9,455
Q2-20					
Selling and marketing expenses	$ 2,613	$ (144)	$ (483)	$ -	$1,986
Research and development expenses	4,604	(146)	(366)	-	4,092
General and administrative expenses	3,070	(518)	-	-	2,552
Restructuring expense	-	-	-	-	-
Total operating expenses	$ 10,287	$ (808)	$ (849)	$ -	$8,630
Q1-20					
Selling and marketing expenses	$ 2,787	$ (114)	$ (267)	$ -	$2,406
Research and development expenses	3,729	(118)	(248)	-	3,363
General and administrative expenses	3,668	(400)	-	(918)	2,350
Restructuring expense	6	-	-	-	6
Total operating expenses	$ 10,190	$ (632)	$ (515)	$ (918)	$8,125
Q4-19					
Selling and marketing expenses	$ 1,988	$ (67)	$ (74)	$ -	$1,847
Research and development expenses	3,194	(72)	(153)	-	2,969
General and administrative expenses	2,400	(215)	-	(74)	2,111
Restructuring expense	40	-	-	-	40
Total operating expenses	$ 7,622	$ (354)	$ (227)	$ (74)	$6,967

OPERATING PROFIT

OPERATING PROFIT - NON GAAP

Quarter	Operating Profit
Q4-19	$3,342
Q1-20	$4,110
Q2-20	$3,036
Q3-20	$1,813
Q4-20	$1,396

Operating Profit / Investing in R&D →

Note: Non-GAAP profit excludes restructuring, amortization (noncash), stock compensation (noncash) and acquisition expenses. For a full reconciliation see the Operating Profit Reconciliation Slide and the most recent earnings report filed on Form 8-K.

OPERATING PROFIT RECONCILIATION

	GAAP	Stock Compensation	Intangibles Amortization	Acquisition Costs	Non-Cash Exp / Tax	Non-GAAP
Q4-20						
Total operating profit	$ 580	$ 812	$ 715	$ (711)	$ -	$1,396
Q3-20						
Total operating profit	$ 161	$ 811	$ 841	$ -	$ -	$1,813
Q2-20						
Total operating profit	$ 1,379	$ 808	$ 849	$ -	$ -	$3,036
Q1-20						
Total operating profit	$ 2,045	$ 632	$ 515	$ 918	$ -	$4,110
Q4-19						
Total operating profit	$ 3,671	$ 354	$ 227	$ 74	$ (984)	$3,342

CASH / EQUITY

- Q4-20 Cash Balance of $25.8 million

- Generated annual Net Cash provided by operating activities of $7.9 million

- Balance Sheet is strong and ready for growth