SMITHMICRO

SOFTWARE

INVESTOR OVERVIEW

August 2021

FORWARD-LOOKING STATEMENTS

This presentation includes, and any related discussion may include, forward-looking statements regarding future events or results. All statements other than statements of historical fact may be forward-looking statements, including but not limited to statements regarding the Company's plans or statements of expectation or belief. 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 customer concentration, given that the majority of our sales depend on a few large customer relationships, the impact of the COVID-19 pandemic on our business and financial results, changes in demand for our products from our customers and their end-users, changes in requirements for our products imposed by our customers or by the third party providers of software and/or platforms that we use, our ability to effectively integrate, market and sell acquired product lines, new and changing technologies, customer acceptance and timing of deployment of those technologies, and our ability to compete effectively with other software and technology companies. The forward-looking statements contained in this presentation and in any related discussion are made on the basis of the views and assumptions of management regarding future events and business performance as of the date of this presentation, 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
402 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

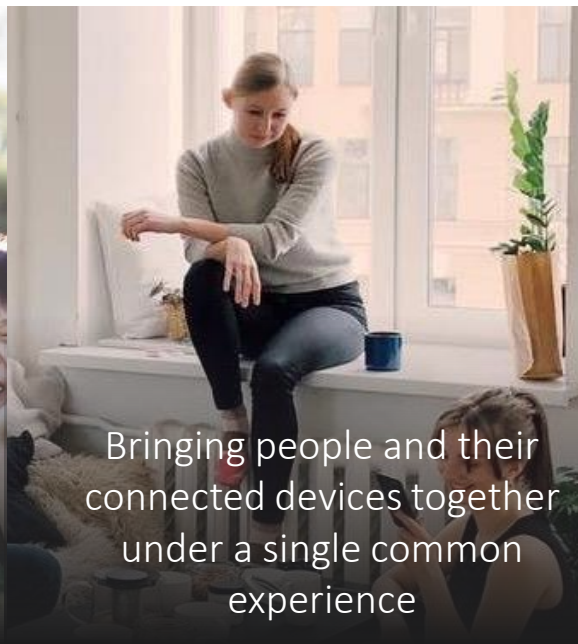# PRODUCT LINEUP

SmithMicro SOFTWARE

SafePath®   CommSuite®   ViewSpot®

INNOVATIVE PRODUCT PLATFORM

SmithMicro SOFTWARE

SafePath® FAMILY

SafePath® IOT

SafePath® HOME

Location and Parental Controls made easy for the whole family

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

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

MARKET LEADER – BEST-IN-CLASS SOLUTION

Acquired Circle Media Carrier Business – February 2020

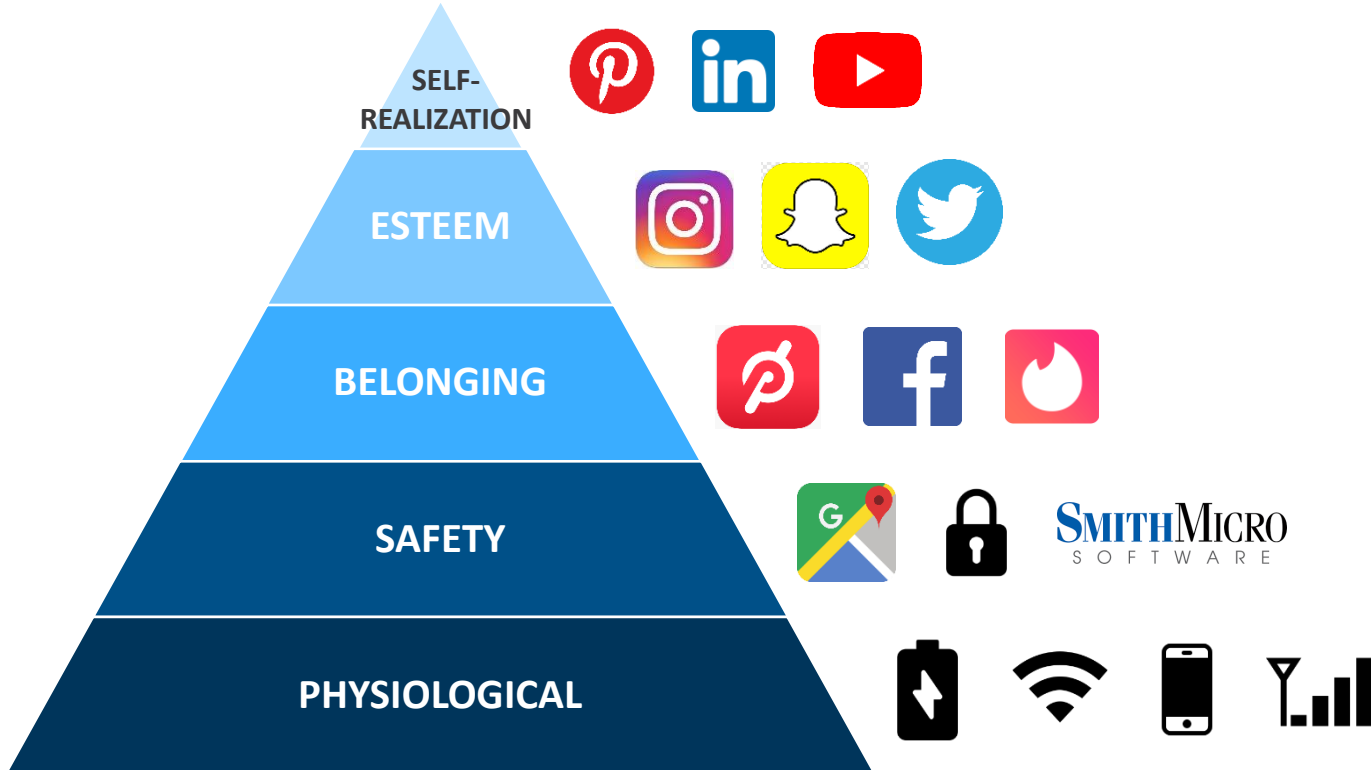**Acquired Avast Family Safety (Location Labs) – April 2021**

Added Major Multiple Carrier Customers with Transactions Worldwide

Added Leading Acquired Technology to Deliver SafePath 7 to the Market

FAMILY SAFETY IS A PRIMAL NEED

Maslow's Hierarchy of Needs in a digital world and the companies that fulfill them

MULTI-GENERATIONAL 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 G2M AND SUCCESS STRATEGY

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®

- 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
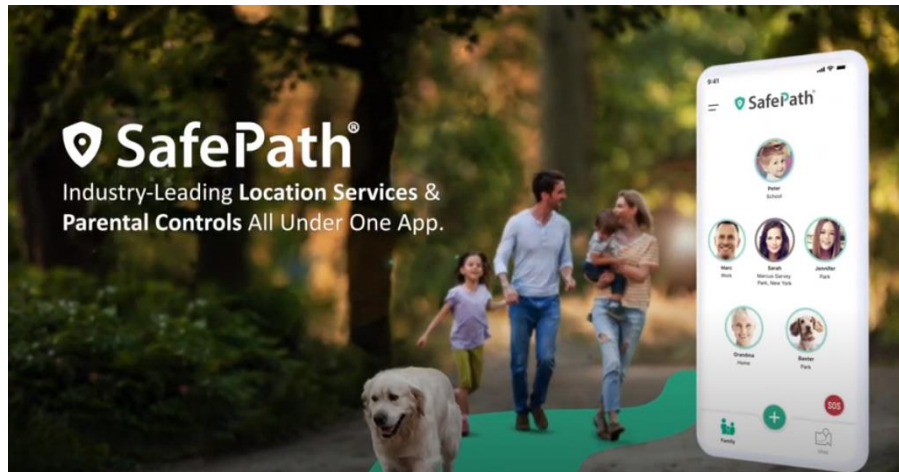
INTRODUCING SAFEPATH DRIVE

NEW

SmithMicro SOFTWARE

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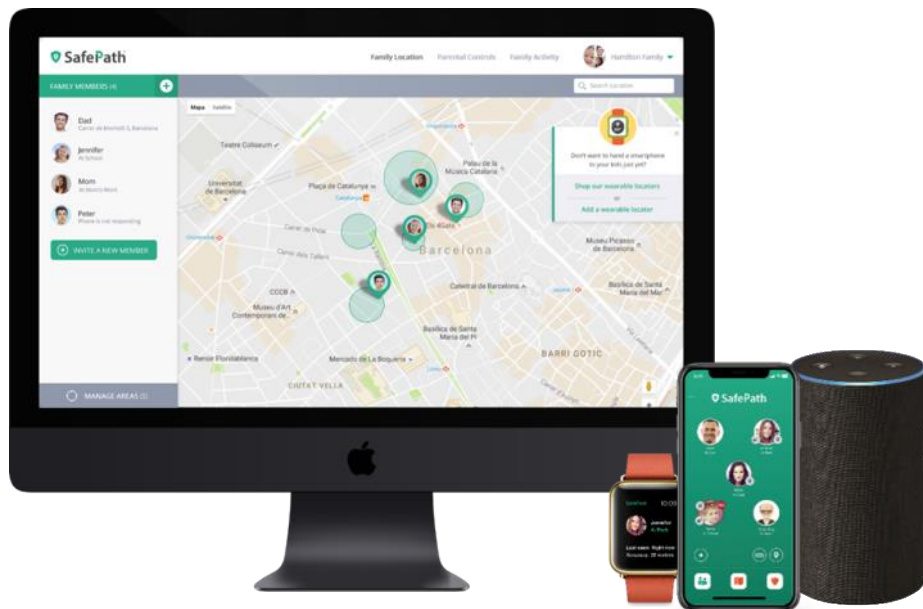
- Safety Areas
- Notifications
- Family Alert
- Parental Controls
- Phone Security

SAFEPATH IoT: A PLATFORM FOR ALL THINGS CONNECTED

SmithMicro
SOFTWARE

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

CommSuite®

The Next Generation of Visual Messaging

SmithMicro
SOFTWARE

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.

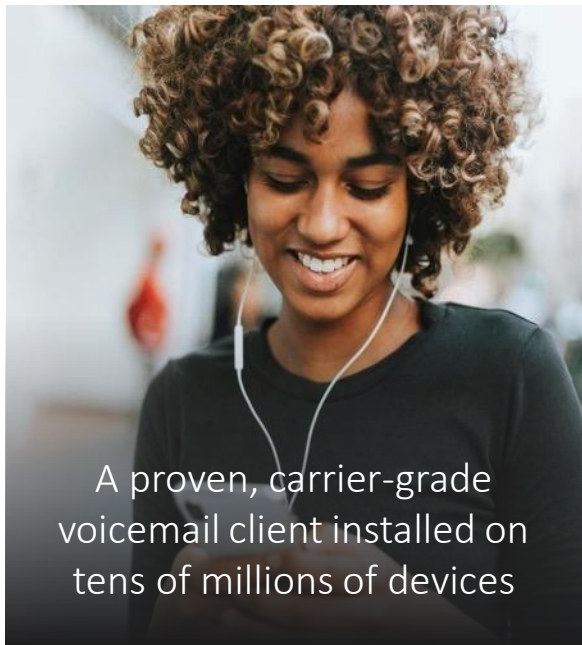Deliver voice-to-text to empower users and provide anywhere access.

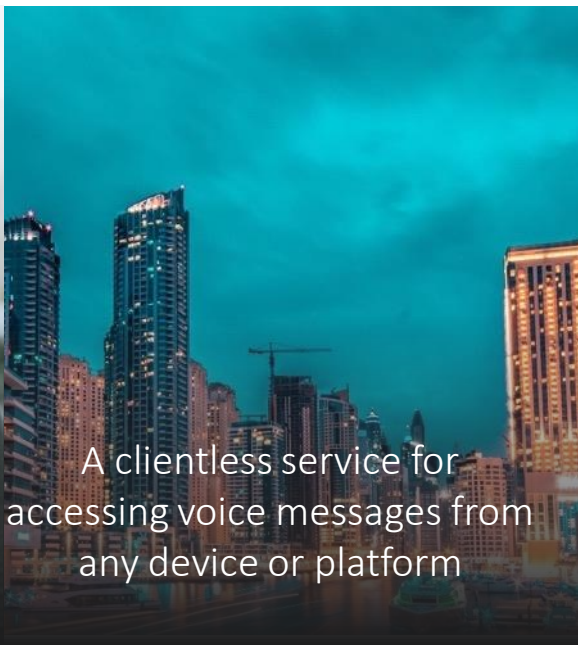Create additional revenue with targeted ads or in-app purchases.

Synchronize mobile messaging across multiple devices

NEXT-GEN VISUAL MESSAGING

SmithMicro SOFTWARE

CommSuite® VOICE

CommSuite® ANYWHERE

CommSuite® CLOUD
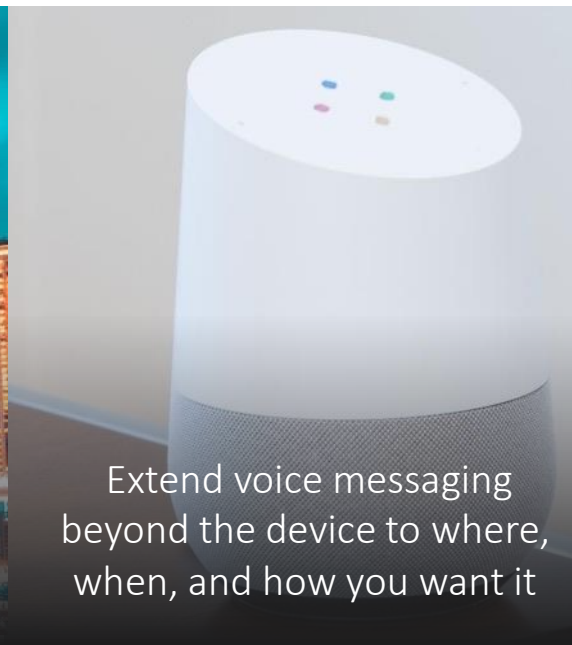
A proven, carrier-grade voicemail client installed on tens of millions of devices

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

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SOFTWARE

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.
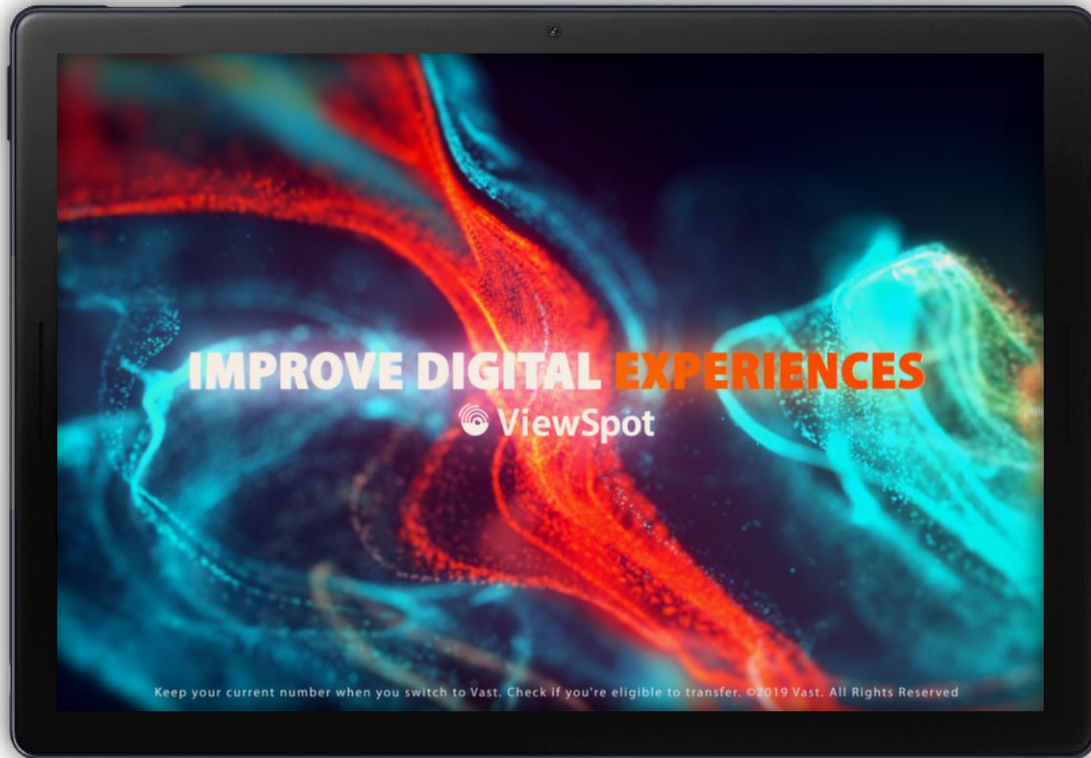
Increase Customer Engagement

Deliver Consistent and Compelling Content

Behavior-based Business Intelligence

UNLEASH THE POWER
OF IN-STORE DEVICES

SmithMicro SOFTWARE

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
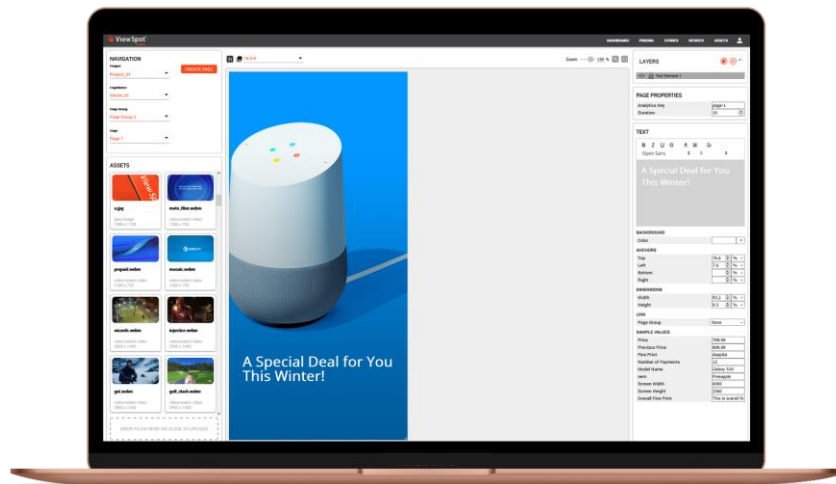
ViewSpot®

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

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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
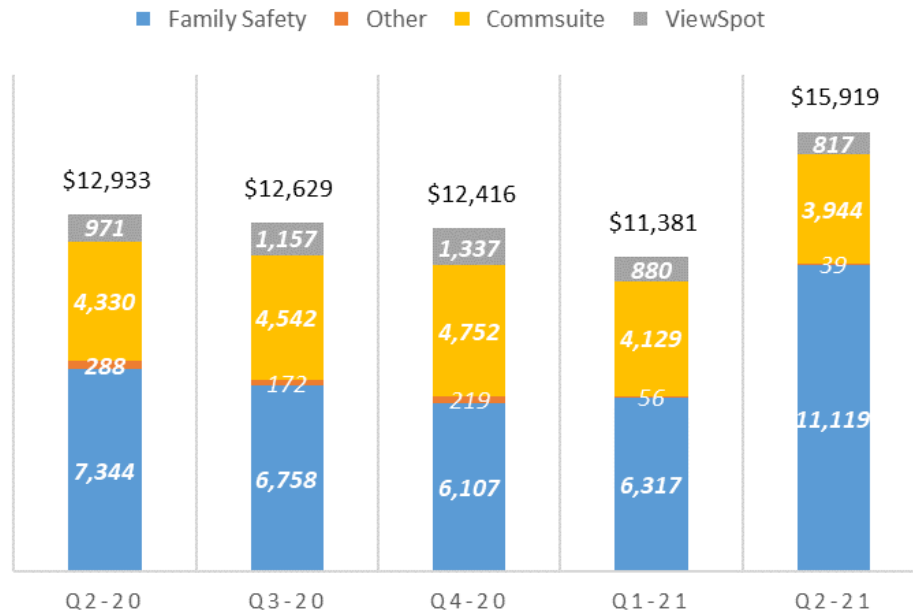
Sanitization Notifications

FINANCIAL TRENDS

($ in thousands, except earnings per share)
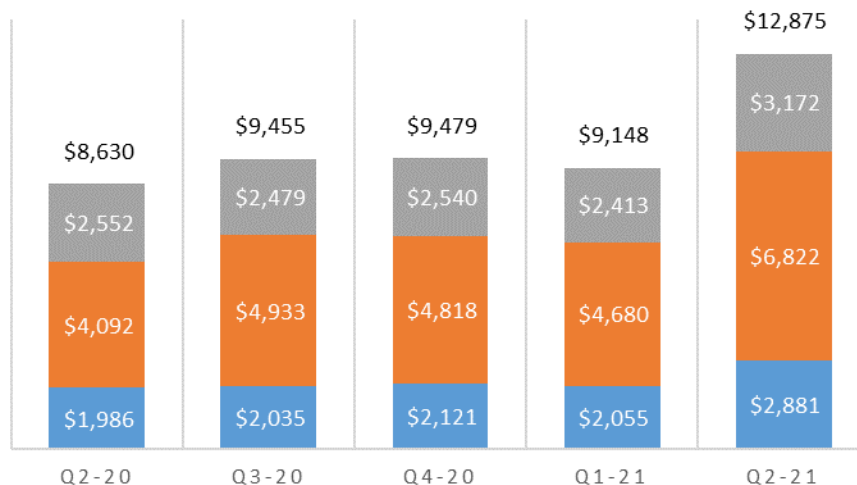
OPERATING EXPENSE TRENDS

OPERATING EXPENSES- NON GAAP

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

	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21
Total	$8,630	$9,455	$9,479	$9,148	$12,875
General & Administrative	$2,552	$2,479	$2,540	$2,413	$3,172
Research & Development	$4,092	$4,933	$4,818	$4,680	$6,822
Selling & Marketing	$1,986	$2,035	$2,121	$2,055	$2,881

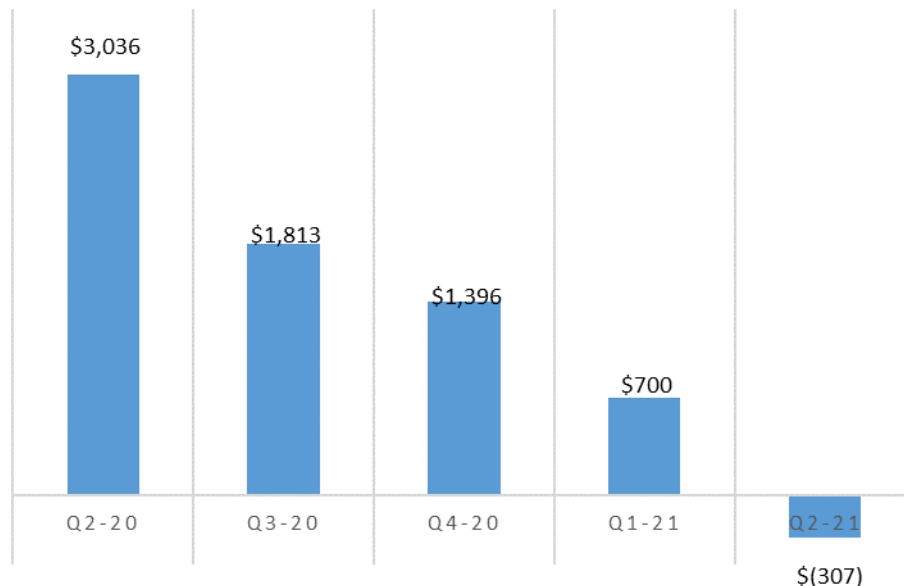**Predictable Expenses / Investing** →

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

OPERATING EXPENSE RECONCILIATION

	GAAP	Stock Compensation	Intangibles Amortization	Acquisition Costs	Non-GAAP
Q2-21					
Selling and marketing expenses	$ 4,853	$ (236)	$ (1,736)	$ -	$ 2,881
Research and development expenses	7,972	(241)	(909)	-	6,822
General and administrative expenses	4,946	(802)	-	(972)	3,172
Restructuring expense	-		-	-	-
Total operating expenses	$ 17,771	$ (1,279)	$ (2,645)	$ (972)	$ 12,875
Q1-21					
Selling and marketing expenses	$ 4,232	$ (189)	$ (1,988)	$ -	$ 2,055
Research and development expenses	5,183	(193)	(310)	-	4,680
General and administrative expenses	3,658	(634)	-	(611)	2,413
Restructuring expense	-		-	-	-
Total operating expenses	$ 13,073	$ (1,016)	$ (2,298)	$ (611)	$ 9,148
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

OPERATING PROFIT

OPERATING PROFIT

$3,036 (Q2-20)
$1,813 (Q3-20)
$1,396 (Q4-20)
$700 (Q1-21)
$(307) (Q2-21)

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-GAAP
Q2-21					
Total operating profit	$ (5,210)	$ 1,279	$ 2,645	$ 972	$ (314)
Q1-21					
Total operating profit	$ (3,237)	$ 1,016	$ 2,298	$ 611	$ 688
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

CASH / EQUITY

- Q2-21 Cash Balance of $29.9 million

- Generated $1.5 million of Net Cash provided by operating activities

- Balance Sheet is strong and ready for growth