



INVESTOR OVERVIEW

May 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



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**[®]

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

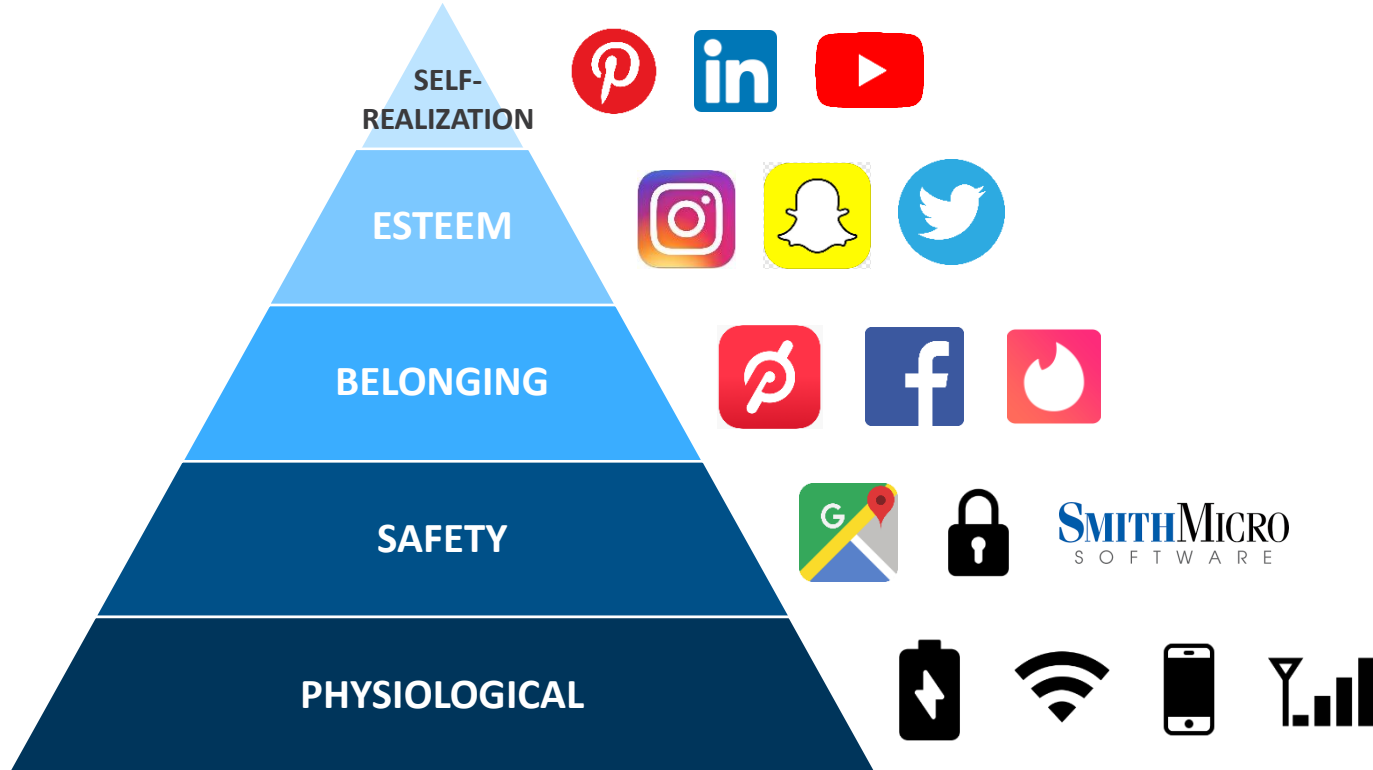


Go-forward collaboration agreement with Avast creates significant new opportunities for Smith Micro

SMITHMICRO
SOFTWARE

FAMILY SAFETY IS A PRIMAL NEED

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

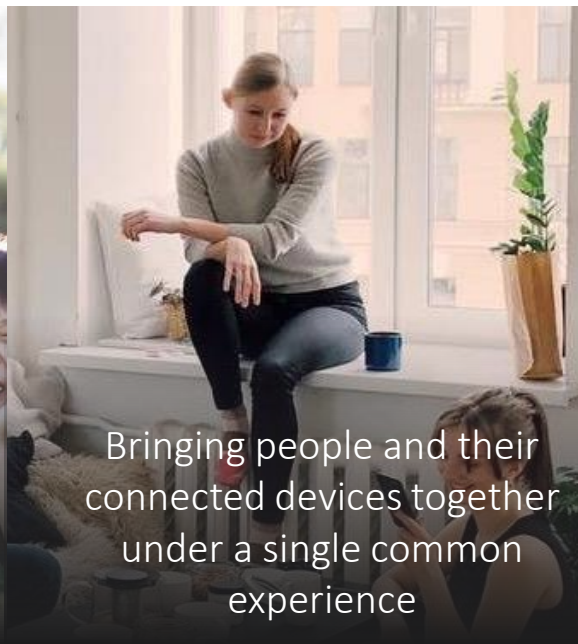


INNOVATIVE PRODUCT PLATFORM

SMITHMICRO
SOFTWARE



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

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**

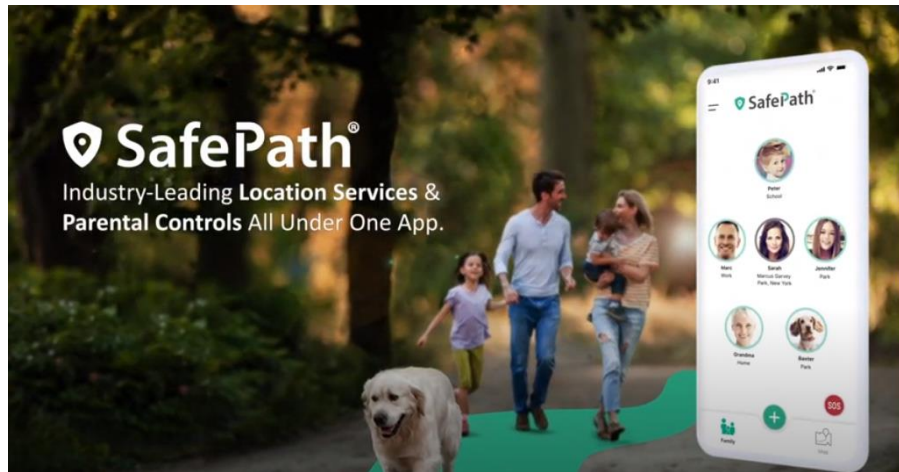
**PHYSICAL
MARKETING**

**PAID
MARKETING**



SAFEPath 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

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

SMITHMICRO
SOFTWARE

Location and parental controls made easy for the entire family



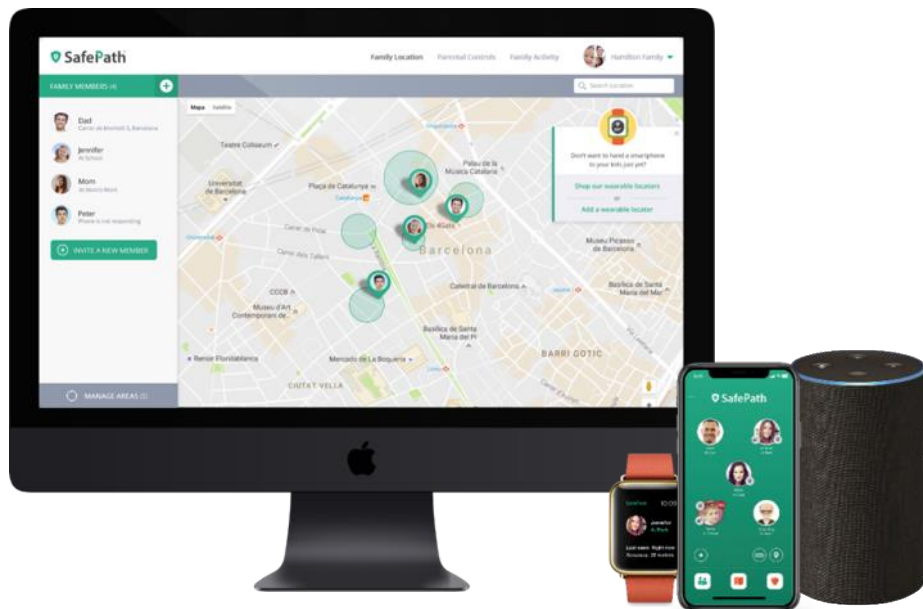
Safety Areas

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**





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

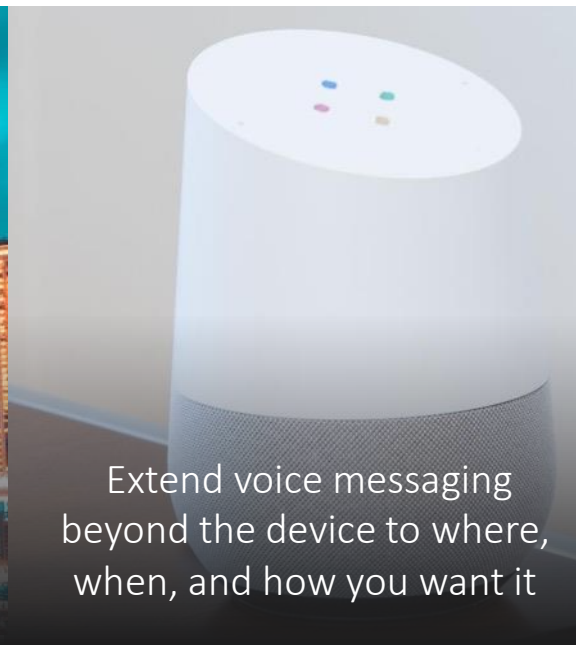
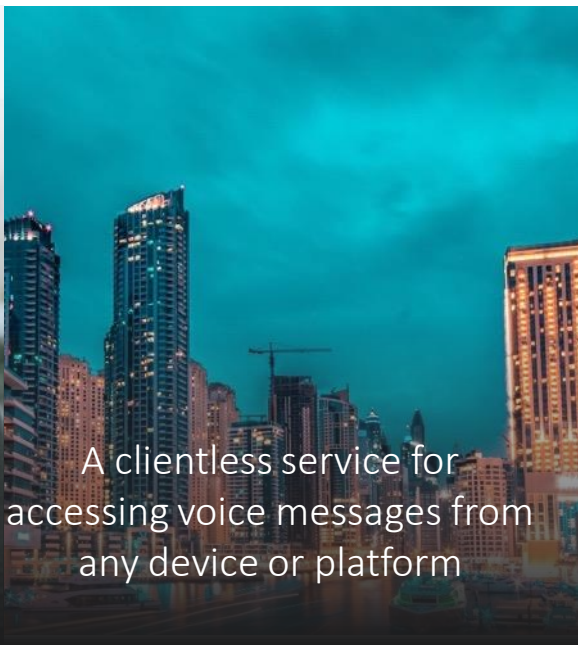
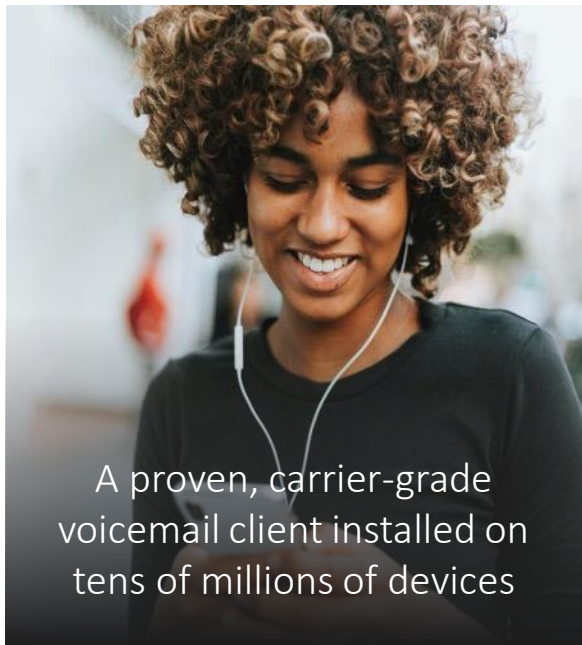
NEXT-GEN VISUAL MESSAGING

SMITHMICRO
SOFTWARE

 **CommSuite**[®]
VOICE

 **CommSuite**[®]
ANYWHERE

 **CommSuite**[®]
CLOUD





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

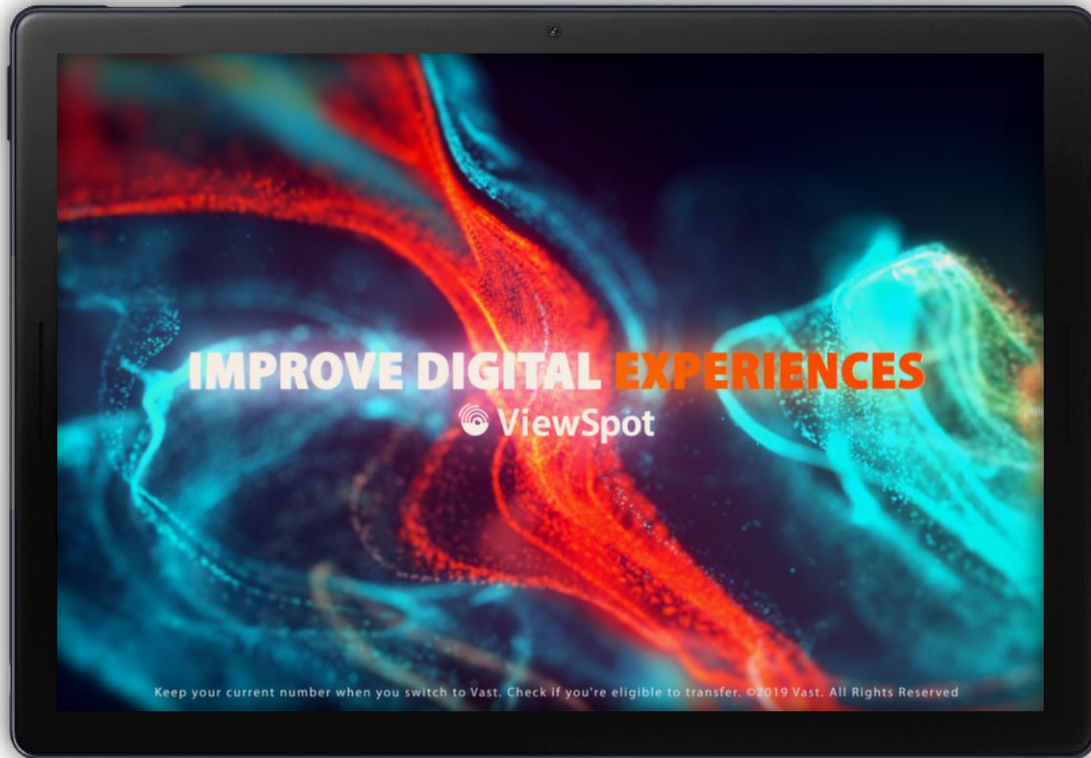


Deliver
Consistent and
Compelling
Content



Behavior-based
Business
Intelligence

UNLEASH THE POWER OF IN-STORE DEVICES

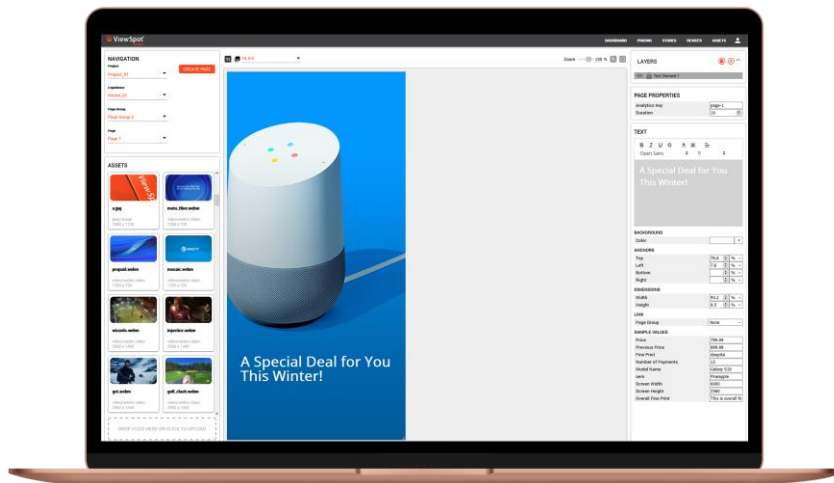


VIEWSPOT STUDIO

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SOFTWARE

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



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



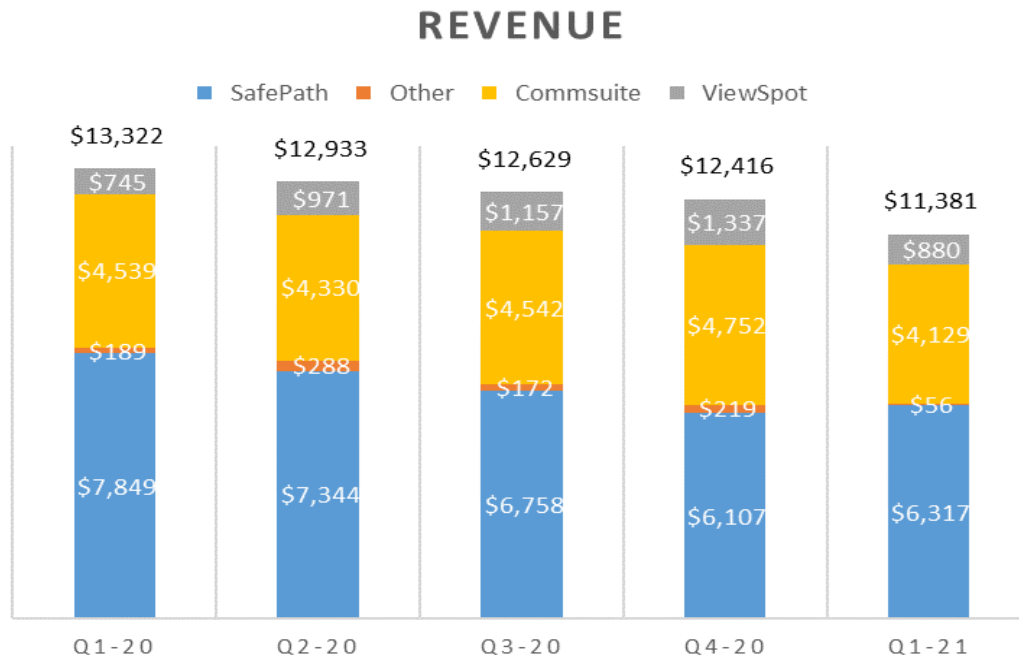
Sanitization Notifications



FINANCIAL TRENDS

(\$ in thousands, except earnings per share)

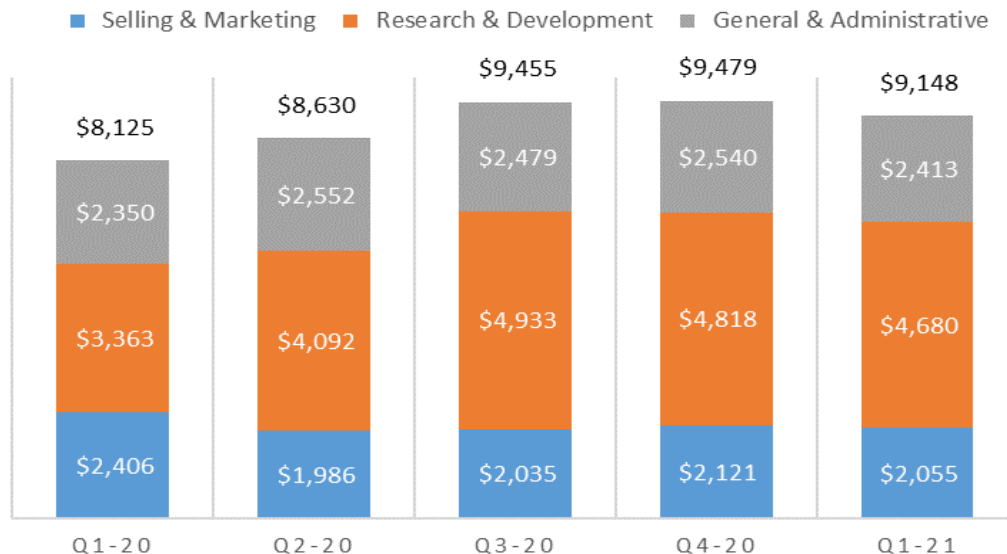
REVENUE TRENDS



Predictable Revenue

OPERATING EXPENSE TRENDS

OPERATING EXPENSES- NON GAAP



Predictable Expenses / Investing

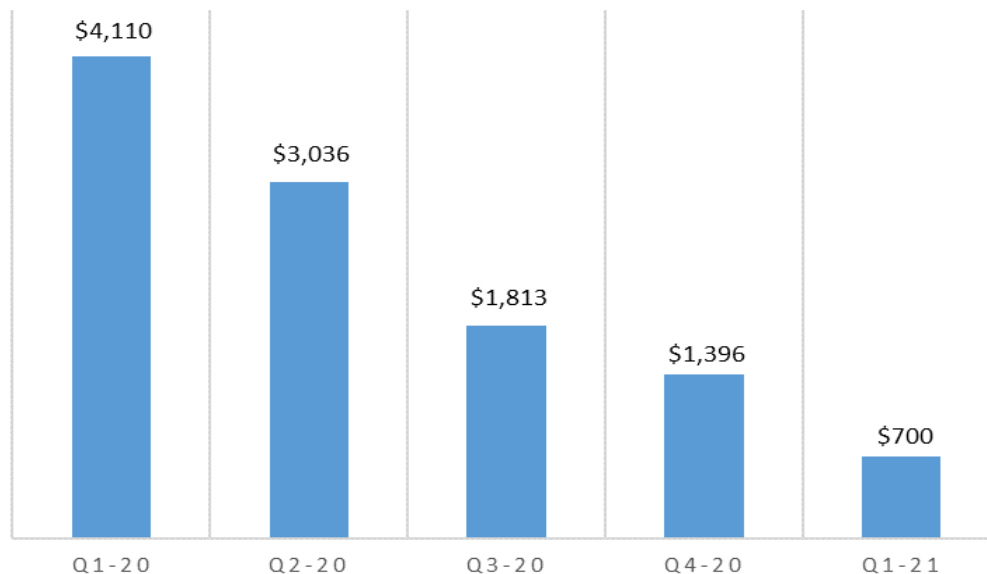
Note: Non-GAAP expense excludes restructuring, amortization (noncash), stock compensation (noncash) and acquisition expenses. For a full reconciliation see the most recent earnings report filed on Form 8-K.

OPERATING EXPENSE RECONCILIATION

	GAAP	Stock Compensation	Intangibles Amortization	Acquisition Costs	Non- GAAP
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	<u>\$ 13,073</u>	<u>\$ (1,016)</u>	<u>\$ (2,298)</u>	<u>\$ (611)</u>	<u>\$9,148</u>
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	<u>\$ 11,006</u>	<u>\$ (812)</u>	<u>\$ (715)</u>	<u>\$ -</u>	<u>\$9,479</u>
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	<u>\$ 11,107</u>	<u>\$ (811)</u>	<u>\$ (841)</u>	<u>\$ -</u>	<u>\$9,455</u>
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	<u>\$ 10,287</u>	<u>\$ (808)</u>	<u>\$ (849)</u>	<u>\$ -</u>	<u>\$8,630</u>
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	<u>10,190</u>	<u>(632)</u>	<u>(515)</u>	<u>(918)</u>	<u>8,125</u>

OPERATING PROFIT

OPERATING PROFIT



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
Q1-21					
Total operating profit	<u>\$ (3,225)</u>	<u>\$ 1,016</u>	<u>\$ 2,298</u>	<u>\$ 611</u>	<u>\$ 700</u>
Q4-20					
Total operating profit	<u>\$ 580</u>	<u>\$ 812</u>	<u>\$ 715</u>	<u>\$ (711)</u>	<u>\$1,396</u>
Q3-20					
Total operating profit	<u>\$ 161</u>	<u>\$ 811</u>	<u>\$ 841</u>	<u>\$ -</u>	<u>\$1,813</u>
Q2-20					
Total operating profit	<u>\$ 1,379</u>	<u>\$ 808</u>	<u>\$ 849</u>	<u>\$ -</u>	<u>\$3,036</u>
Q1-20					
Total operating profit	<u>\$ 2,045</u>	<u>\$ 632</u>	<u>\$ 515</u>	<u>\$ 918</u>	<u>\$4,110</u>

CASH / EQUITY

- Q1-21 Cash Balance of \$89.2 million
- Generated \$3.7 million of Net Cash provided by operating activities
- Balance Sheet is strong and ready for growth