



SMITHMICRO
SOFTWARE

Proven solutions since 1982

INVESTOR OVERVIEW

November 2023

FORWARD-LOOKING STATEMENTS



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This presentation includes, and any related discussion may include, forward-looking statements regarding future events or results within the meaning of the Private Securities Litigation Reform Act. All statements other than statements of historical fact may be forward-looking statements, including but not limited to statements related to our financial prospects and other projections of our outlook or performance and our future business plans, and statements using such words as “expect,” “anticipate,” “believe,” “plan,” “intend,” “could,” “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 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, delays in adoption of our products and services by our customers and their end users, 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, our ability to compete effectively with other software and technology companies, and the existence and terms of our outstanding convertible notes and related agreements. These and other factors discussed in our filings with the Securities and Exchange Commission, including our filings on Forms 10-K and 10-Q, 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 and in any related discussion are made on the basis of the views and assumptions of management as of the date of such statements are made, and we do not undertake any obligation to update these statements to reflect events or circumstances occurring after the date of this presentation.

SMITH MICRO (NASDAQ: SMSI)



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Over 40 Years of Mobile Software Expertise

Powerful innovation engine trusted by mobile network operators worldwide. Developed deep expertise in mobile platform and operating systems, highly scalable architecture and mobile industry standards.



CUSTOMERS

- Global service providers
- OEMs
- Wireless & Cable Service Providers

SOLUTIONS

- Family location & digital parenting
- Consumer IoT management
- Retail engagement & analytics platform
- Next generation voice messaging

LEADERSHIP

- Millions of Smith Micro device agents or apps deployed worldwide
- Worldwide hosting of SaaS platforms



USA



PORTUGAL



SERBIA



SWEDEN

WHAT WE DO



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- ✓ **Deliver** world class carrier grade software solutions
- ✓ **Implement** strategies and tactics to lead a successful implementation and launch
- ✓ **Provide expertise** in all aspects of the program from launch through all stages of life
- ✓ **Processes and execution** to exceed expectations of our partners
- ✓ **Support** to make the program a success from training to marketing to customer care in collaboration with our partners

OUR CUSTOMERS



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verizon[✓]

T-Mobile



dish

vodafone



alcatel

sky



PRODUCT LINEUP



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Digital Family Lifestyle™



Bring Devices to Life



Next Generation Messaging

WHY DIGITAL FAMILY SAFETY SOLUTIONS?



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Safety in the Physical and Digital World. Today's active families are always on the go and often going in multiple directions. Connected families- especially parents, **need better tools to rely on** to know the whereabouts and activities of their family members.

Put Parents in Control. Smartphones and screens offer more opportunities for communication and entertainment than ever; **but with opportunity comes some risk.** Digital family safety solutions allow parents to use these same screens to **monitor and manage** these risks and threats before they cause harm.

Solutions that Parents Can Trust. Parents want peace of mind and ease of use. Kids want autonomy and freedom. The right digital safety solution provides both- **SafePath is that tool.**



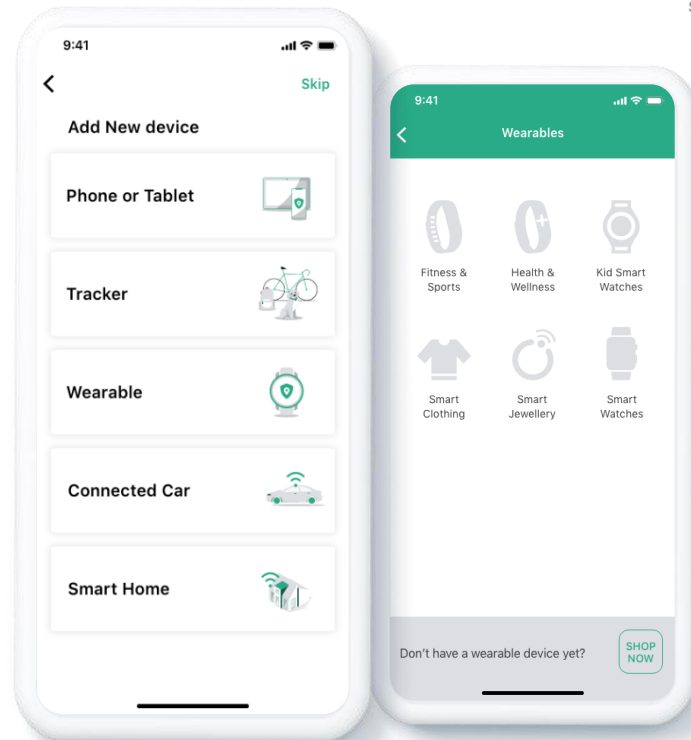
SINGLE PANE OF GLASS

The SafePath Platform provides a comprehensive connected life experience by connecting SafePath Family, IoT, Home and Drive solutions under a single pane of glass.

The breadth and depth of SafePath allows carriers and service providers to adopt the entire platform or select individual components and match different offerings to create their own service offering.



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BEST-IN-CLASS UX/UI DESIGN



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We work closely with our partners to rebrand SafePath screens to create stunning designs that give their customers a premier and branded experience they've come to expect.



EXPERTISE FOR GROWTH



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**Partnership
Focused on
Mutual
Success**



Direct Marketing/CRM



Promotion on Carrier-Owned Assets



Digital Marketing B2B2C Direct to Carrier Customers



Customer Care Support/Care SPIFFS



Store Collateral/Employee Training



Indirect Retailer



Bundling



Retail SPIFFS



Education Segment



Service Portfolio Expansion - Home, IOT, Drive

THE TREMENDOUS OPPORTUNITY



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FOCUS ON FAMILY ...

Families – most profitable,
long-term subscribers

They depend on/trust our customers

Tremendous value and upside
anticipating and serving their
needs before OTT players

You anchor families' investment in –
and management of – new devices,
lines and data plans.

... VALUE ADDED SERVICES ARE STICKY ...

Family services are sticky

Family should be the mechanism that
moves those relationships from
transactional to "trusted adviser"

Bridge the inevitable
network transitions

SafePath users network churn less
than overall customer network churn

... ACHIEVING GREATER VALUE

We believe the total market
opportunity can generate between
\$300M and \$500M per annum
per carrier customer

By penetrating ~20% of Families ...

... and by adding new services
to the portfolio

VIEWSPOT STUDIO – AUTONOMOUS NEW DELIVERY MEDIUM



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Easily Create Dynamic Content

- Bold content delivered to devices and display screens
- Consistent branding
- Engaging to customers
- Drive increased sales



Make Immediate Pricing Updates

- Ensure pricing compliance
- Deliver consistent and reliable pricing information
- Eliminate paper waste and labor
- Deploy a quick and simple solution



Deliver Meaningful Analytics

- Provides immediate operational data and customer feedback
- Delivers actionable insights for swift action
- Drives analysis and actions to support acquisition and retention efforts



GLOBAL FOOTPRINT



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15K+ Retail Locations
150M+ Audience

Smith Micro Offices



Pittsburgh PA – USA HQ
Aliso Viejo CA – USA



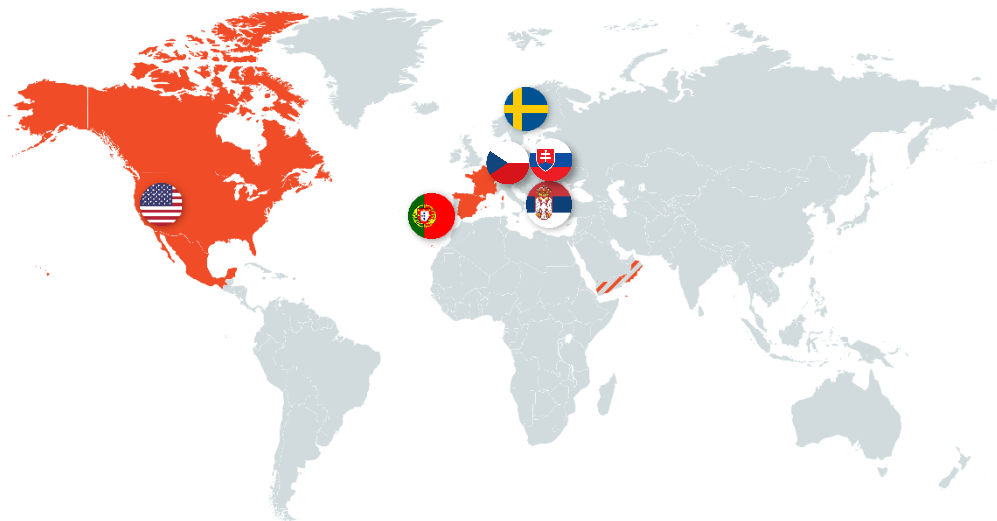
Belgrade - Serbia



Braga - Portugal



Stockholm - Sweden



cricket
wireless

verizon✓

 **vodafone**

alcatel

Tracfone®

COMMSUITE – THE NEXT GENERATION



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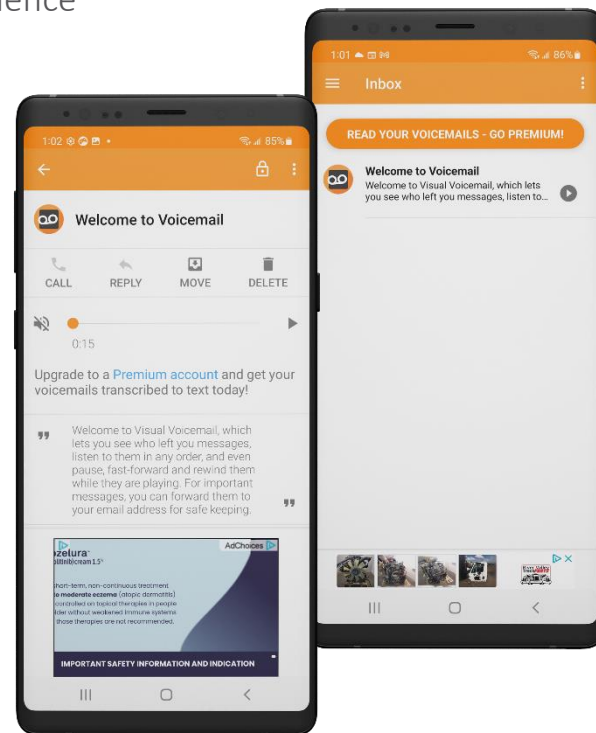
Monetize, modernize and brand the voice messaging experience

Support SMS and MMS messages on any device

Provides best in class Spam capabilities

Retrieve messages on Voice Assistants

Deliver users ads for other products or promotions

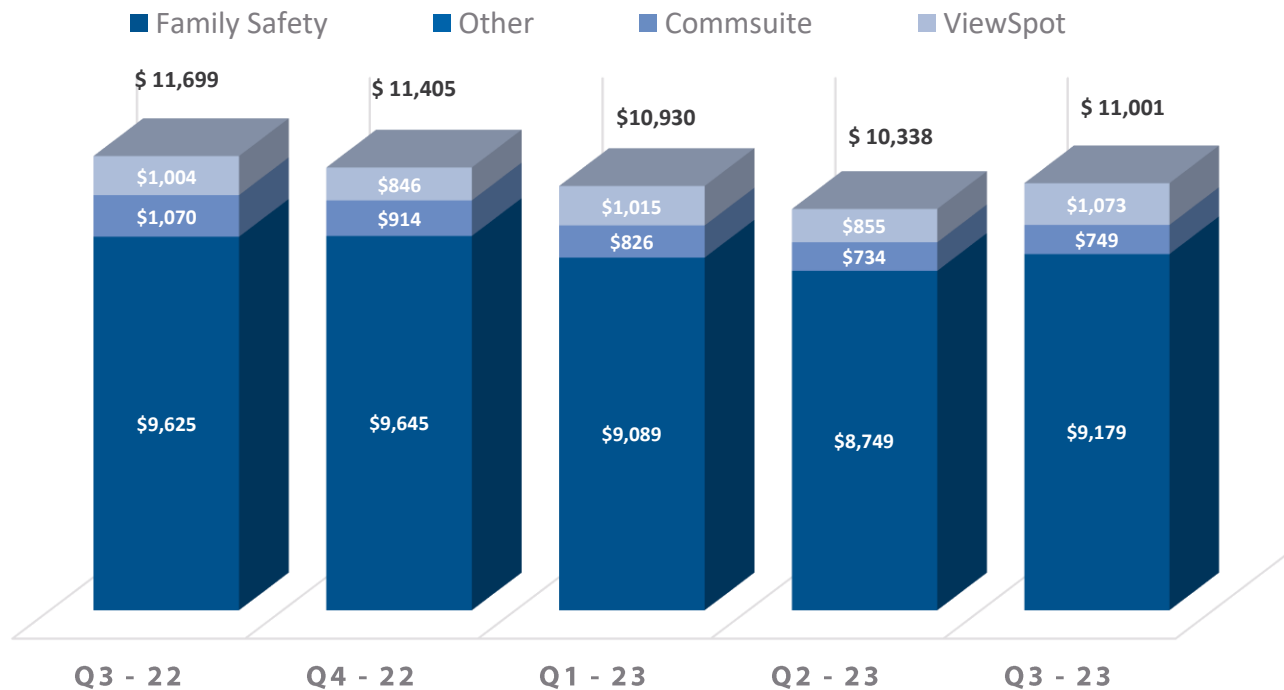


REVENUE TRENDS



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REVENUE

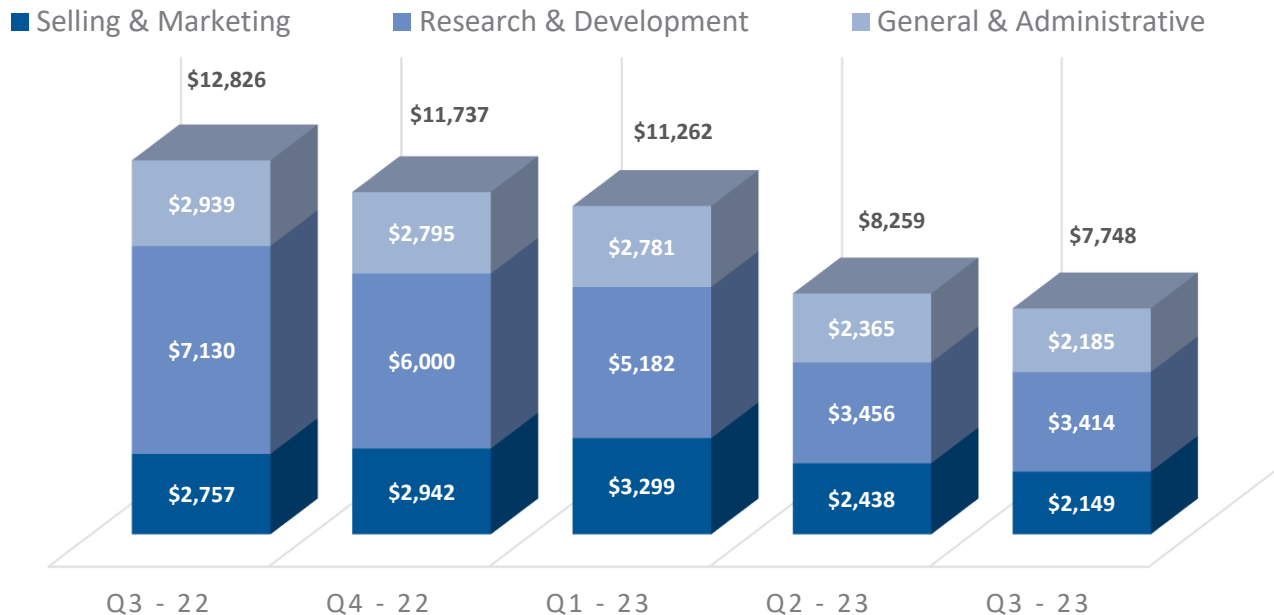


OPERATING EXPENSE TRENDS



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OPERATING EXPENSES – NON GAAP



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

INVESTMENT THESIS



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- Dominant Player in white-label Family Safety Mobile application space
- Existing contracts with two Tier One Wireless Carriers in the United States
- Significant untapped available market will allow for significant growth potential
- Recurring revenue stream with ~70% Gross Margins



Appendix

OPERATING EXPENSE RECONCILIATION



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	GAAP	Stock Compensation	Depreciation Amortization	Offering / Acquisition Costs	Other (Severance/etc.)	Non- GAAP
Q3-23						
Selling and marketing expenses	\$ 2,449	\$ (300)	\$ -	\$ -	\$ -	\$ 2,149
Research and development expenses	3,704	(290)	-	-	-	3,414
General and administrative expenses	2,934	(749)	-	-	-	2,185
Depreciation & Amort. of intangible assets	1,567	-	(1,567)	-	-	-
Total operating expenses	<u>\$ 10,654</u>	<u>\$ (1,339)</u>	<u>\$ (1,567)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,748</u>
Q2-23						
Selling and marketing expenses	\$ 2,628	\$ (190)	\$ -	\$ -	\$ -	\$ 2,438
Research and development expenses	3,705	(240)	-	-	(9)	3,456
General and administrative expenses	3,040	(600)	-	-	(75)	2,365
Depreciation & Amort. of intangible assets	1,620	-	(1,620)	-	-	-
Total operating expenses	<u>\$ 10,993</u>	<u>\$ (1,030)</u>	<u>\$ (1,620)</u>	<u>\$ -</u>	<u>\$ (84)</u>	<u>\$ 8,259</u>
Q1-23						
Selling and marketing expenses	\$ 3,554	\$ (162)	\$ -	\$ -	\$ (93)	\$ 3,299
Research and development expenses	5,868	(224)	-	-	(462)	5,182
General and administrative expenses	3,475	(559)	-	-	(135)	2,781
Depreciation & Amort. of intangible assets	1,686	-	(1,686)	-	-	-
Total operating expenses	<u>\$ 14,583</u>	<u>\$ (945)</u>	<u>\$ (1,686)</u>	<u>\$ -</u>	<u>\$ (690)</u>	<u>\$ 11,262</u>
Q4-22						
Selling and marketing expenses	\$ 3,196	\$ (186)	\$ -	\$ -	\$ (68)	\$ 2,942
Research and development expenses	6,633	(274)	-	-	(359)	6,000
General and administrative expenses	3,618	(639)	-	-	(184)	2,795
Depreciation & Amort. of intangible assets	1,786	-	(1,786)	-	-	-
Total operating expenses	<u>\$ 15,233</u>	<u>\$ (1,099)</u>	<u>\$ (1,786)</u>	<u>\$ -</u>	<u>\$ (611)</u>	<u>\$ 11,737</u>
Q3-22						
Selling and marketing expenses	\$ 2,986	\$ (180)	\$ -	\$ -	\$ (49)	\$ 2,757
Research and development expenses	7,409	(279)	-	-	-	7,130
General and administrative expenses	4,208	(636)	-	(630)	(3)	2,939
Depreciation & Amort. of intangible assets	1,822	-	(1,822)	-	-	-
Total operating expenses	<u>\$ 16,425</u>	<u>\$ (1,095)</u>	<u>\$ (1,822)</u>	<u>\$ (630)</u>	<u>\$ (52)</u>	<u>\$ 12,826</u>



MULTI-GENERATIONAL CONNECTED LIFE VISION



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Family is more than just people – it's also **every connected device** that is a part of the **everyday Digital Family Lifestyle™**

