

FIRST QUARTER 2019 RESULTS

"We are pleased with our first quarter results that were ahead of our guidance on most financial metrics. Revenues from growth initiatives comprised 63% of total revenues and increased by 26% year-over-year, consequently driving record high GAAP and non-GAAP gross margins of 51.1% and 51.5%, respectively. In addition, we continued to execute on the transformation of our business into a growth company by securing strategic business wins across our growth initiatives."

Ofer Elyakim, Chief Executive Officer

FINANCIAL HIGHLIGHTS

\$28.3M
REVENUES

\$0.05
EPS NON-GAAP

\$17.7M
NEW PRODUCT REVENUES

51.5%
GROSS MARGINS NON-GAAP

NEW PRODUCT HIGHLIGHTS

SmartHome

- SmartHome revenues of \$4.2 million, a year-over-year increase of 2%.
- Network Thermostat, a leading U.S. connected thermostat company, selected our ULE technology for its next-generation of smart thermostats.
- Snips selected ULE technology to bring multi-room embedded voice recognition architecture for smart home and smart building verticals.
- Gigaset launched a smart speaker offering and integrated our DECT/ULE solution for HD two way voice.



Unified Communications

- Unified Communications segment revenues of \$9.4 million, a year-over-year increase of 13%.
- A new tier 1 OEM selected our DVF101 SoC for its high-end conferencing system.
- NEC, a leading Japanese networking OEM, launched a SIP phone based on our DVF97 SoC.

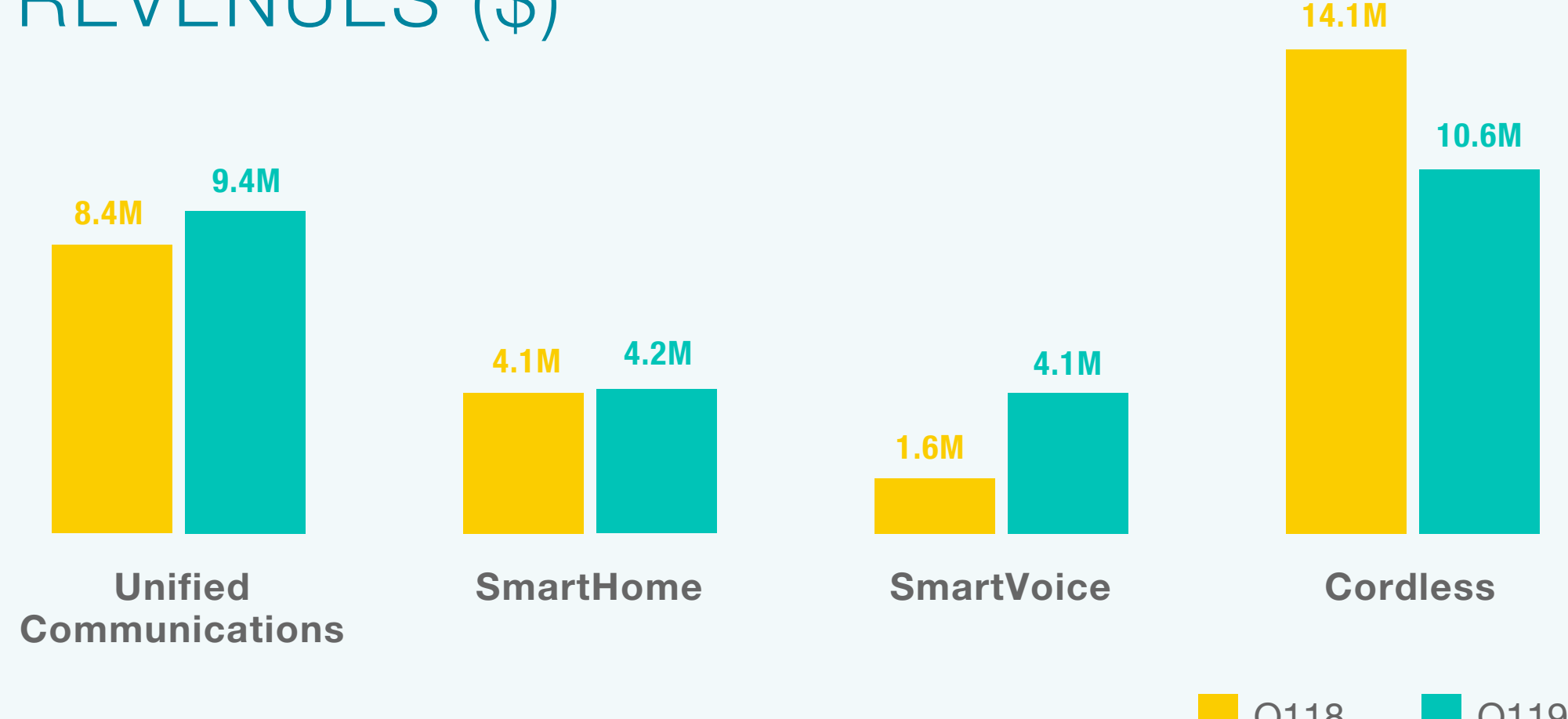


SmartVoice

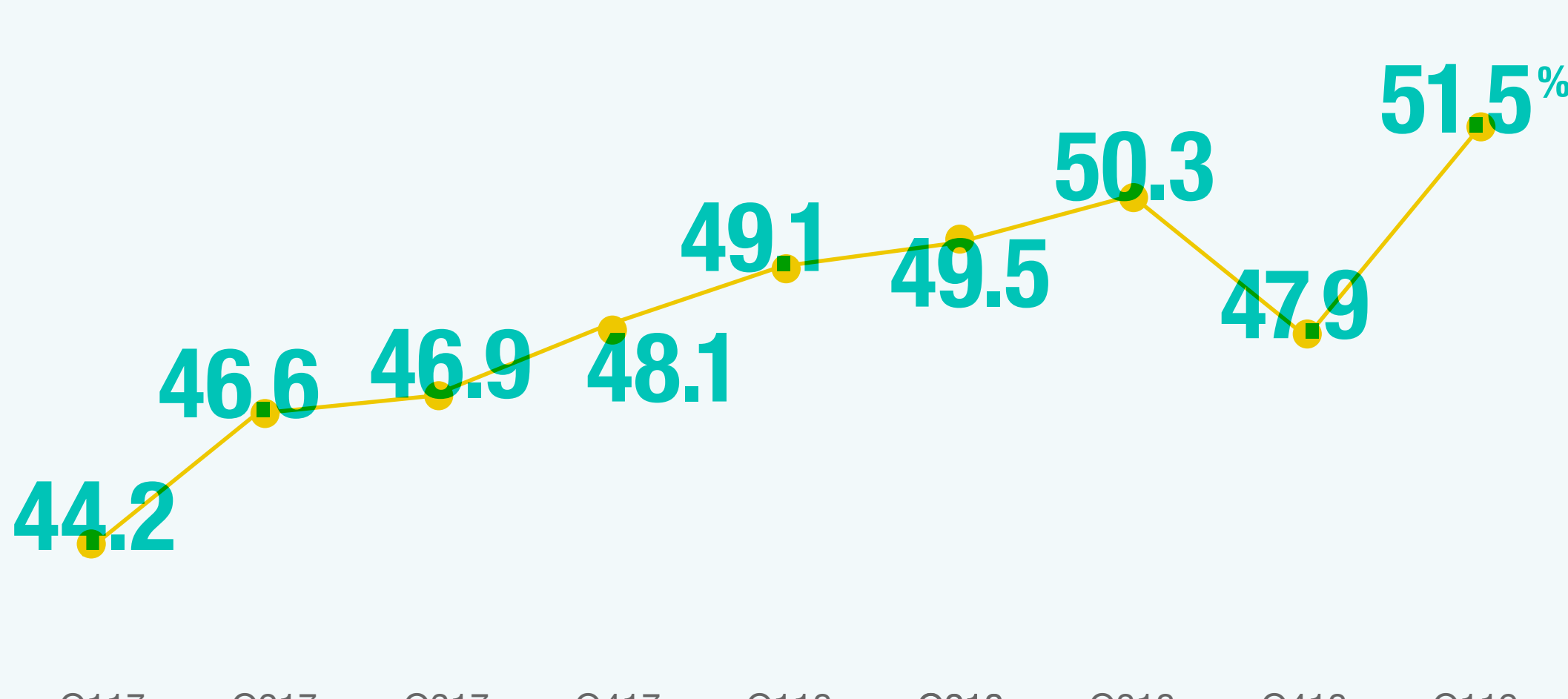
- SmartVoice segment revenues of \$4.1 million, a year-over-year increase of 162%.
- Oppo, a leading mobile OEM, launched its new Reno smartphone together with Breeno voice assistant based on our SmartVoice technology.
- A tier 1 OEM selected our SmartVoice solution for its high-end TV's smart remote control that integrates always-on voice.
- Arlo, America's leading connected camera brand, launched its Ultra 4K camera with our SmartVoice technology.



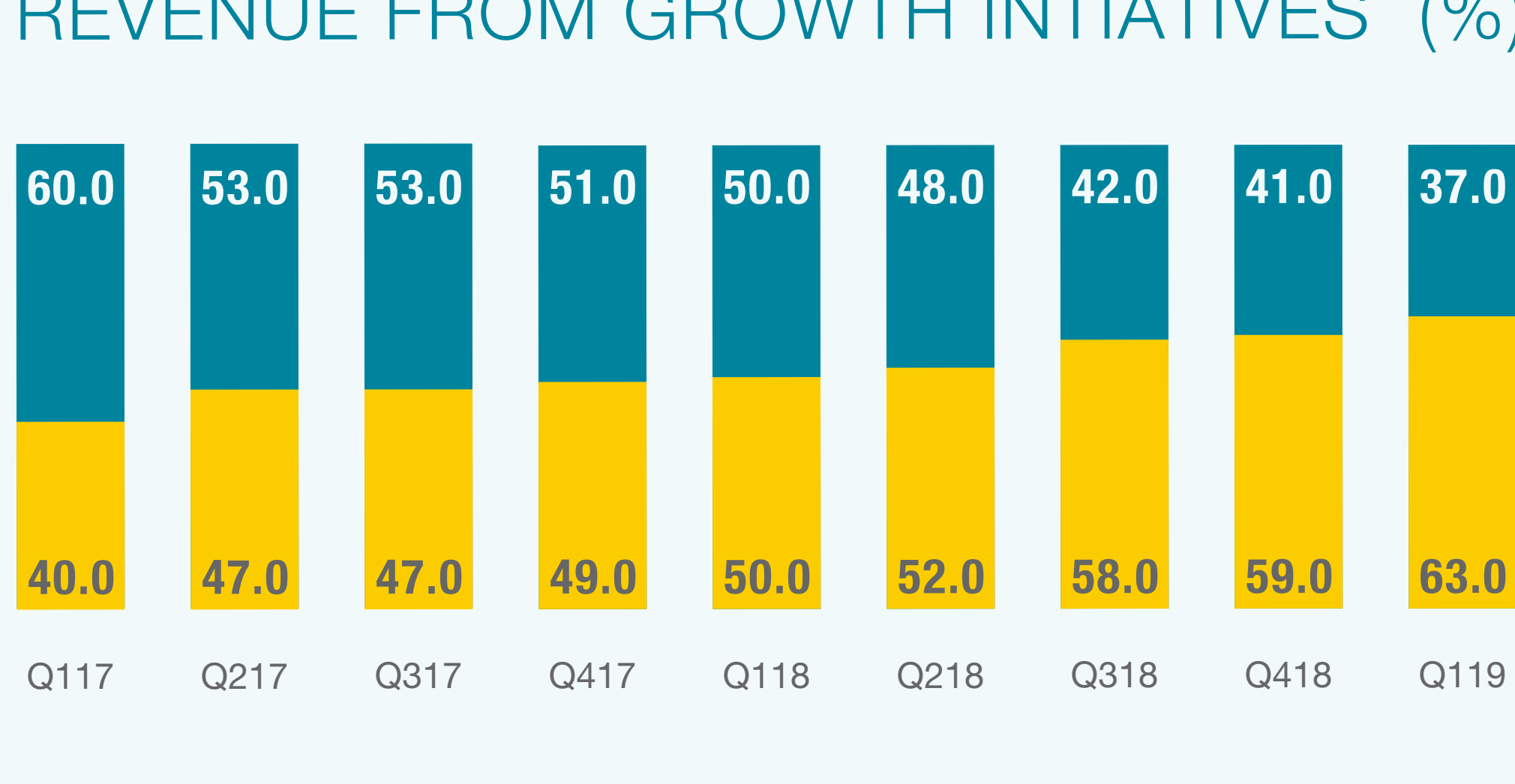
REVENUES (\$)



GROSS MARGINS NON-GAAP



REVENUE FROM GROWTH INITIATIVES (%)

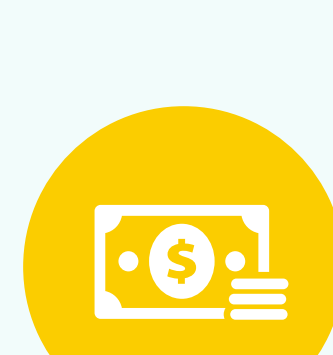


FAST FACTS



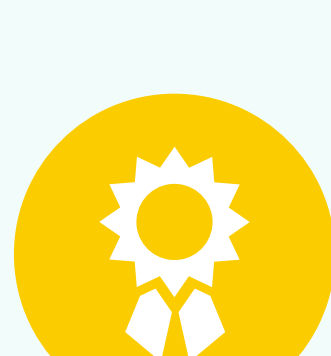
\$120.1M

Q1 CASH



\$(3.5)M

Q1 OPERATING CASH FLOW



1%

OPERATING MARGIN
NON-GAAP



\$5.02

Q1 CASH PER SHARE