



Second Quarter Fiscal 2025 Earnings & New Broadcom Agreement

Supplemental Slides

February 6, 2025

Safe Harbor Statement

This presentation contains forward-looking statements that are subject to the safe harbor provisions under the Private Securities Litigation Reform Act of 1995 and the Federal Securities laws. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, including our financial guidance for third quarter fiscal 2025 plans, objectives, future performance and business, including the expected benefits from the transaction with Broadcom, and can be identified by the fact that they do not relate strictly to historical or current facts. Such forward-looking statements may include words such as “expect,” “anticipate,” “intend,” “believe,” “estimate,” “plan,” “target,” “strategy,” “continue,” “may,” “will,” “should,” variations of such words, or other words and terms of similar meaning. All forward-looking statements reflect our best judgment and are based on several factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Such factors include, but are not limited to, risks related to our ability to realize anticipated benefits from the transaction with Broadcom and our ability to grow sales and expand into the serviceable wireless market as expected, and other risks as identified in the “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business” sections of our most recent Annual Report on Form 10-K and our most recent Quarterly Report on Form 10-Q; and other risks as identified from time to time in our Securities and Exchange Commission reports. Forward-looking statements are based on information available to us on the date hereof, and we do not have, and expressly disclaim, any obligation to publicly release any updates or any changes in our expectations, or any change in events, conditions, or circumstances on which any forward-looking statement is based. Our actual results and the timing of certain events could differ materially from the forward-looking statements.

Non-GAAP Financial Information

This presentation also includes non-GAAP financial measures. These non-GAAP financial measures are in addition to, and not as a substitute for or superior to measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the Company’s non-GAAP financial measures as tools for comparison. Further information regarding these non-GAAP financial measures, including a reconciliation of each of these measures to the most directly comparable GAAP measure, is included in the Appendix to this presentation.

New Broadcom Agreement Summary

Strategically Compelling Transaction

1

Accelerates Edge AI Strategy

Strengthens leadership in IoT connectivity

2

Helps to Secure Wireless Product Roadmap for the Next 5+ Years

Adds Wi-Fi 8 combo, UWB, GPS as well as additional Wi-Fi 7 combo products

3

Increases Addressable Market

Expands field of use to include AR/VR, smartphones, and consumer audio

4

Further Strengthens World-Class Wireless Engineering Team

Adds highly-qualified engineers

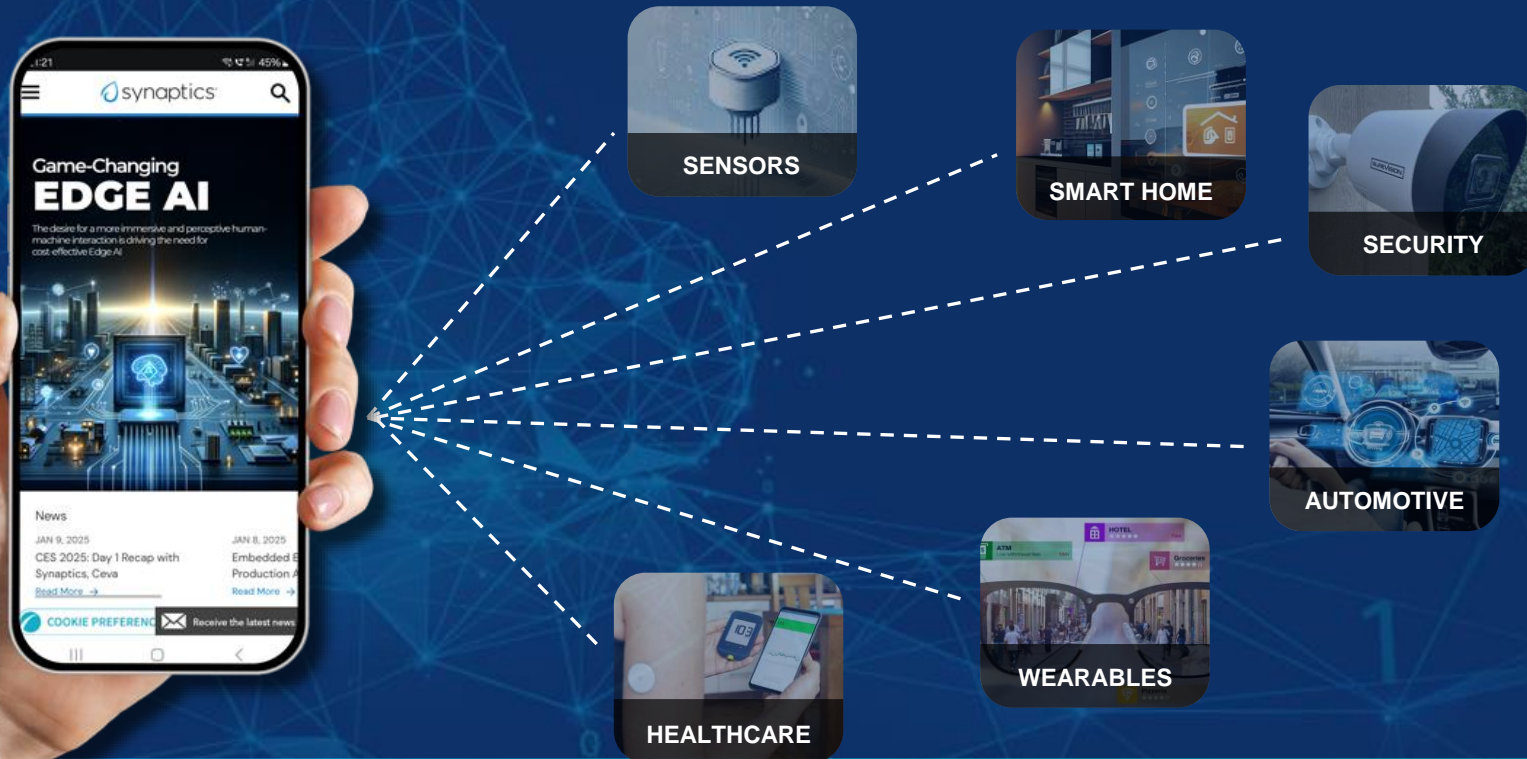
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Adds \$40M+ in Annualized Revenue

Anticipated to be slightly accretive to Non-GAAP EPS

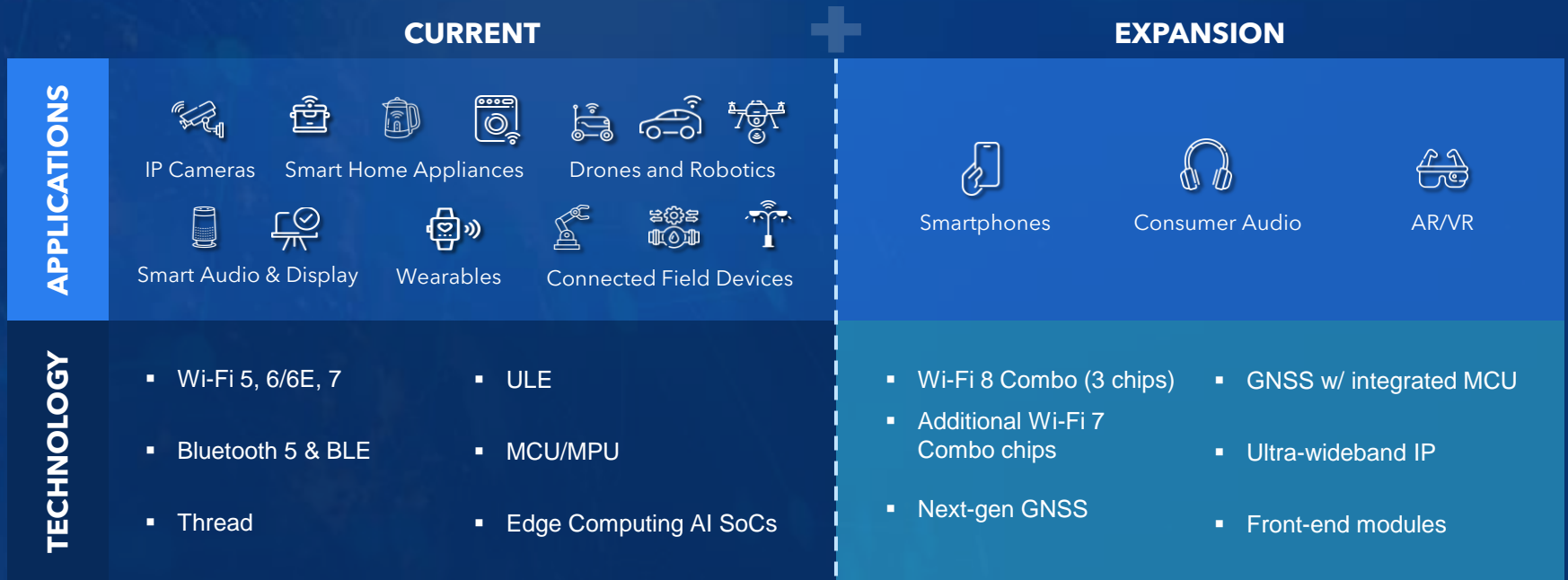
Enabling an Ecosystem for AI at the Edge

- Provides centralized control for an ecosystem of edge AI devices
- Delivers end-to-end seamless connectivity at the edge



Broaden IoT Product Portfolio & Technology

- Strengthens **leadership in IoT Wi-Fi** with high-performance & broad market Wi-Fi 8 devices
- Expands portfolio to include **next-gen GNSS products and ultra-wideband intellectual property**
- Increases addressable market



Expand IoT Wireless Engineering Team

Establishes one of the largest and most highly-qualified teams in cutting-edge wireless research and development



Transaction Summary

TRANSACTION

- New licensing agreement with Broadcom
- Multiple Wi-Fi 8 roadmap products
- Additional Wi-Fi 7 products
- Next-gen GNSS products
- Ultra-wideband intellectual property
- Front-end modules

CONSIDERATION

- \$198 million in total cash consideration

FINANCIALS

- \$40+ million in annual revenue with significant future growth potential

FUNDING

- Financed using existing balance sheet cash

TEAM

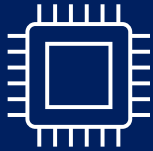
- Transferring employees and contractors to Synaptics



Q2 Fiscal 2025 Financials

A High-Performance IoT Semiconductor Solutions Leader

Analog Mixed Signal
Semiconductors



Broad Product
Portfolio

Core IoT Product
Applications



Targeting \$33B
SAM in FY28

Strong Margin
Profile



Non-GAAP Gross
Margin 53.6% in Q2'25⁽¹⁾

Revenue



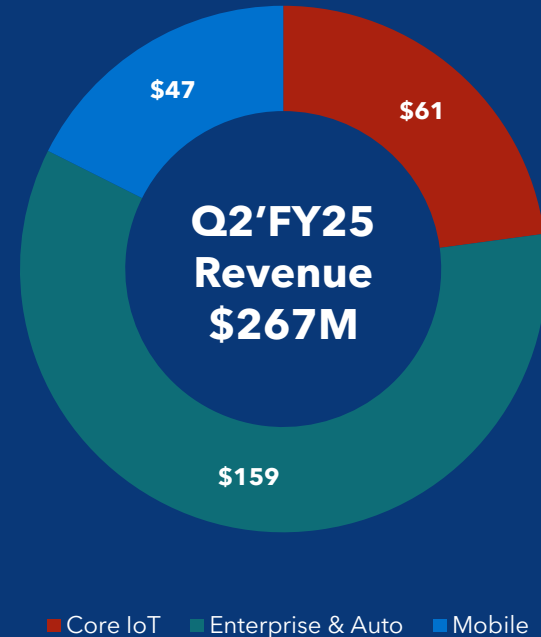
Q2'25 Revenue
up 13% YoY

Note: As-reported Q2 fiscal year 2025, not pro forma for any acquisition/divestiture activity over this timeframe

⁽¹⁾ Non-GAAP gross margin is a non-GAAP measure. For a reconciliation to the most directly comparable financial measure prepared in accordance with GAAP, please see the appendix of this presentation

Q2'FY25 Financial Highlights

- Revenue of **\$267 million**, up 13% YoY
- Revenue was up 4% QoQ. Growth in Core IoT and Enterprise & Automotive
- Gross margins were slightly above the mid-point of guide
 - GAAP gross margin of 45.7%
 - Non-GAAP gross margin of 53.6%
- GAAP earnings per share of \$0.05
- Non-GAAP diluted **earnings per share of \$0.92**
- Cash flow from operations of \$24 million
- Repurchased ~1 million shares for \$74.5 million



Non-GAAP gross margin and non-GAAP diluted earnings per share are non-GAAP measures. See the tables at the end of this presentation for a reconciliation of GAAP results to non-GAAP financial measures

Solid YoY Growth

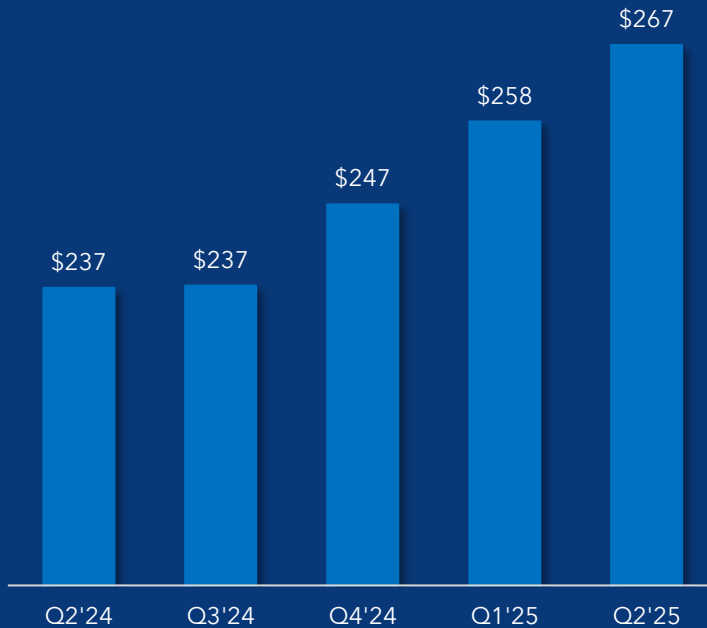
- Revenue up 13% YoY
- Core IoT revenue increased 63%
- Non-GAAP EPS growth of 61%⁽¹⁾



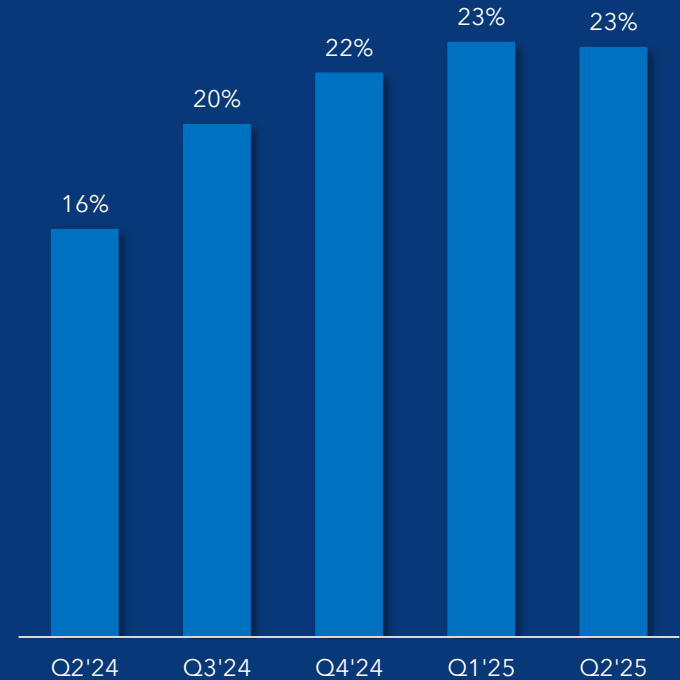
⁽¹⁾ Non-GAAP EPS is a non-GAAP measure. For a reconciliation to the most directly comparable financial measure prepared in accordance with GAAP, please see the appendix of this presentation

Quarterly Revenue Trend

Total Revenue (\$M)



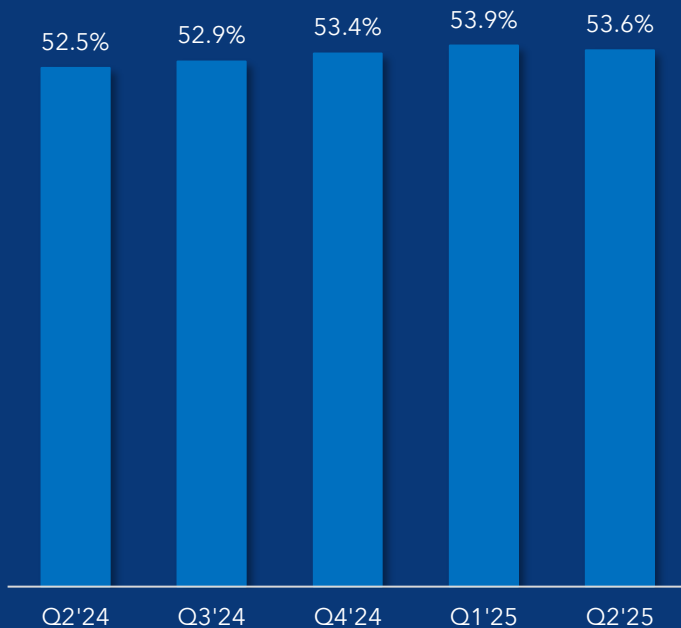
Core IoT Revenue Mix



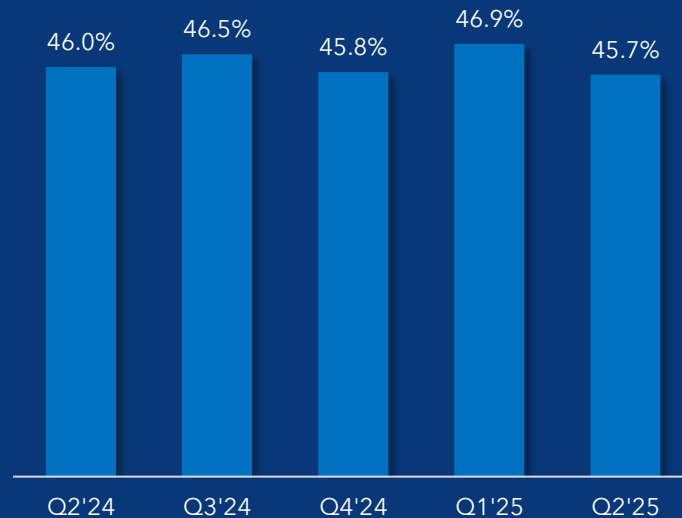
Note: As-reported, not pro forma for any acquisition/divestiture activity over this timeframe
Prior period is reclassified to current Core IoT presentation

Quarterly Gross Margin Trend

Non-GAAP Gross Margin⁽¹⁾



GAAP Gross Margin



Note: As-reported, not proforma for any acquisition/divestiture activity over this timeframe

⁽¹⁾Non-GAAP gross margin is a non-GAAP measure. See the tables at the end of this presentation for a reconciliation of GAAP results to non-GAAP financial measures

Q2'FY25 Financial Results

\$M (except percentages & EPS)	Q2'24	Q1'25	Q2'25	QoQ	YoY
Revenue	\$237.0	\$257.7	\$267.2	4%	13%
GAAP Gross Margin %	46.0%	46.9%	45.7%	-120 bps	-30 bps
GAAP Operating Expenses	\$126.9	\$149.3	\$137.4	(8%)	8%
GAAP Operating Margin	-7.5%	-11.0%	-5.7%	531 bps	181 bps
GAAP EPS	(\$0.23)	(\$0.58)	\$0.05	109%	122%
Non-GAAP Gross Margin %	52.5%	53.9%	53.6%	-30 bps	110 bps
Non-GAAP Operating Expenses	\$92.0	\$95.9	\$97.1	1%	6%
Non-GAAP Operating Margin	13.7%	16.7%	17.3%	59 bps	359 bps
Non-GAAP EPS Diluted	\$0.57	\$0.81	\$0.92	14%	61%

See the tables at the end of this presentation for a reconciliation of GAAP results to non-GAAP financial measures

Q2'FY25 Balance Sheet

In Millions	Q4'24	Q1'25	Q2'25
Cash & ST Investments	\$876.9	\$853.6	\$596.1
AR	\$142.4	\$135.8	\$146.5
Inventory	\$114.0	\$119.6	\$119.5
PP&E	\$75.5	\$79.5	\$75.3
Other	\$1,616.2	\$1,602.7	\$1,590.1
Total Assets	\$2,825.0	\$2,791.2	\$2,527.5
Current Liabilities (excluding debt)	\$271.2	\$247.9	\$229.8
Debt, net	\$972.9	\$971.9	\$832.5
Other Liabilities	\$114.1	\$104.1	\$89.1
Shareholder's Equity	\$1,466.8	\$1,467.3	\$1,376.1
Total Liabilities & Equity	\$2,825.0	\$2,791.2	\$2,527.5

Balances are as of the end of each quarter presented
Debt, net balance reflects debt net of discount and debt issuance costs

Q3'FY25 Guidance

\$M (except EPS)	GAAP	Non-GAAP
Revenue	\$265M ± \$15M	NA
Gross Margin*	45.2% ± 2.0%	53.5% ± 1.0%
Operating Expenses**	\$141M ± \$3M	\$101M ± \$2M
EPS***	(\$0.47) ± \$0.30	\$0.85 ± \$0.20
Revenue mix		
Core IoT	25%	NA
Enterprise & Auto	58%	NA
Mobile	17%	NA

*Projected Non-GAAP gross margin excludes \$20.0 to \$22.0 million acquisition and integration-related costs and \$1.0 million share-based compensation.

**Projected Non-GAAP operating expense excludes \$34.0 to \$35.0 million share-based compensation, \$1.0 to \$2.0 million restructuring costs, and \$4.0 million acquisition and integration related costs.

***Projected Non-GAAP earnings (loss) per share excludes \$0.89 to \$0.92 share-based compensation, \$0.03 to \$0.05 restructuring costs, \$0.60 to \$0.65 acquisition and integration related costs, and (\$0.20) other non-cash and Non-GAAP tax adjustments.

Our outlook incorporates the effects of the company's recent asset acquisition from Broadcom. However, the company has not completed its assessment of the provisional fair values of the assets and liabilities, and therefore, our GAAP outlook does not reflect the impact of any differences between the carrying values and fair values of Broadcom's assets or liabilities, including share-based compensation and the impact of amortization of any identifiable intangible assets.

Appendix

GAAP to Non-GAAP Reconciliation Tables

	Q2'25 Actual	Q1'25 Actual	Q4'24 Actual	Q3'24 Actual	Q2'24 Actual	Q1'24 Actual	Q4'23 Actual	Q3'23 Actual	Q2'23 Actual
GAAP gross margin	\$ 122.2	\$ 120.9	\$ 113.4	\$ 110.3	\$ 109.0	\$ 107.1	\$ 101.2	\$ 172.3	\$ 186.7
Acquisition & integration related costs	20.8	20.8	17.8	14.3	14.4	17.8	24.5	23.7	23.3
Share-based compensation	0.3	(2.7)	1.0	1.0	1.1	1.1	1.0	0.9	1.0
Non-GAAP gross margin	\$ 143.3	\$ 139.0	\$ 132.2	\$ 125.6	\$ 124.5	\$ 126.0	\$ 126.7	\$ 196.9	\$ 211.0
GAAP gross margin - percentage of revenue	45.7%	46.9%	45.8%	46.5%	46.0%	45.1%	44.5%	52.8%	52.9%
Acquisition & integration related costs - percentage of revenue	7.8%	8.1%	7.2%	6.0%	6.1%	7.5%	10.8%	7.3%	6.6%
Share-based compensation - percentage of revenue	0.1%	-1.1%	0.4%	0.4%	0.4%	0.4%	0.4%	0.2%	0.3%
Non-GAAP gross margin - percentage of revenue	53.6%	53.9%	53.4%	52.9%	52.5%	53.0%	55.7%	60.3%	59.8%
GAAP operating expense	\$ 137.4	\$ 149.3	\$ 144.5	\$ 127.7	\$ 126.9	\$ 142.3	\$ 139.2	\$ 138.1	\$ 140.6
Share-based compensation	(34.3)	(29.9)	(25.6)	(28.9)	(28.1)	(32.1)	(29.2)	(28.9)	(29.0)
Acquisition & integration related costs	(5.2)	(7.1)	(3.9)	(4.0)	(3.9)	(5.5)	(8.5)	(8.5)	(10.7)
Restructuring costs	(0.8)	(14.2)	(1.4)	0.2	(1.3)	(8.0)	-	-	-
Site remediation accrual	-	-	-	-	(1.6)	-	-	-	-
Intangible asset impairment	-	-	(16.0)	-	-	-	-	-	-
Legal settlements, vendor settlement accrual and other	-	(2.2)	(1.1)	-	-	-	(4.0)	-	-
Amortization of prepaid development costs	-	-	-	-	-	-	-	(0.8)	(2.5)
Non-GAAP operating expense	\$ 97.1	\$ 95.9	\$ 96.5	\$ 95.0	\$ 92.0	\$ 96.7	\$ 97.5	\$ 99.9	\$ 98.4

	Q2'25 Actual	Q1'25 Actual	Q4'24 Actual	Q3'24 Actual	Q2'24 Actual	Q1'24 Actual	Q4'23 Actual	Q3'23 Actual	Q2'23 Actual
GAAP operating income (loss)	\$ (15.2)	\$ (28.4)	\$ (31.1)	\$ (17.4)	\$ (17.9)	\$ (35.2)	\$ (38.0)	\$ 34.2	\$ 46.1
Acquisition & integration related costs	26.0	27.9	21.7	18.3	18.3	23.3	33.0	32.2	34.0
Share-based compensation	34.6	27.2	26.6	29.9	29.2	33.2	30.2	29.8	30.0
Restructuring costs	0.8	14.2	1.4	(0.2)	1.3	8.0	-	-	-
Intangible asset impairment	-	-	16.0	-	-	-	-	-	-
Site remediation accrual	-	-	-	-	1.6	-	-	-	-
Amortization of prepaid development costs	-	-	-	-	-	-	-	0.8	2.5
Legal settlements, vendor settlement accrual and other	-	2.2	1.1	-	-	-	4.0	-	-
Non-GAAP operating income	\$ 46.2	\$ 43.1	\$ 35.7	\$ 30.6	\$ 32.5	\$ 29.3	\$ 29.2	\$ 97.0	\$ 112.6

GAAP to Non-GAAP Reconciliation Tables - continued

	Q2'25 Actual	Q1'25 Actual	Q4'24 Actual	Q3'24 Actual	Q2'24 Actual	Q1'24 Actual	Q4'23 Actual	Q3'23 Actual	Q2'23 Actual
GAAP net income (loss)	\$ 1.8	\$ (23.1)	\$ 208.3	\$ (18.1)	\$ (9.0)	\$ (55.6)	\$ (23.4)	\$ 10.4	\$ 22.0
Acquisition & integration related costs	26.0	27.9	21.7	18.3	18.3	23.3	33.0	32.2	34.0
Share-based compensation	34.6	27.2	26.6	29.9	29.2	33.2	30.2	29.8	30.0
Restructuring costs	0.8	14.2	1.4	(0.2)	1.3	8.0	-	-	-
Intangible asset impairment	-	-	16.0	-	-	-	-	-	-
Site remediation accrual	-	-	-	-	1.6	-	-	-	-
Amortization of prepaid development costs	-	-	-	-	-	-	-	0.8	2.5
Legal settlements, vendor settlement accrual and other	-	2.2	1.1	-	-	-	4.0	-	-
Other non-cash items	7.1	0.6	0.7	0.6	0.7	0.6	0.6	0.7	0.7
Non-GAAP tax adjustments	(33.7)	(16.5)	(250.2)	(9.5)	(19.6)	10.8	(24.9)	1.4	(0.7)
Non-GAAP net income	\$ 36.6	\$ 32.5	\$ 25.6	\$ 21.0	\$ 22.5	\$ 20.3	\$ 19.5	\$ 75.3	\$ 88.5
GAAP net income (loss) per share	\$ 0.05	\$ (0.58)	\$ 5.22	\$ (0.46)	\$ (0.23)	\$ (1.43)	\$ (0.59)	\$ 0.26	\$ 0.55
Acquisition & integration related costs	0.65	0.70	0.54	0.47	0.47	0.60	0.84	0.81	0.84
Share-based compensation	0.87	0.68	0.67	0.76	0.74	0.86	0.77	0.74	0.75
Restructuring costs	0.02	0.36	0.04	(0.01)	0.03	0.21	-	-	-
Intangible asset impairment	-	-	0.40	-	-	-	-	-	-
Site remediation accrual	-	-	-	-	0.04	-	-	-	-
Amortization of prepaid development costs	-	-	-	-	-	-	-	0.02	0.06
Legal settlements, vendor settlement accrual and other	-	0.06	0.03	-	-	-	0.10	-	-
Other non-cash items	0.18	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Non-GAAP tax adjustment	(0.85)	(0.41)	(6.28)	(0.24)	(0.50)	0.28	(0.64)	0.04	(0.02)
Non-GAAP share adjustment	-	(0.02)	-	(0.01)	-	(0.02)	(0.01)	-	-
Non-GAAP net income per share - diluted	\$ 0.92	\$ 0.81	\$ 0.64	\$ 0.53	\$ 0.57	\$ 0.52	\$ 0.49	\$ 1.89	\$ 2.20

Economic dilutive impact of a Convertible and Capped call

Stock Price	Dilution from Convertible (mm)	(Accretion) from Capped Call (mm)	Net Dilution (mm)
\$75.24	0	0	0
\$80.00	0	0	0
\$90.00	0	0	0
\$100.00	0.0	-0.0	0
\$110.00	0.4	-0.4	0
\$120.00	0.8	-0.8	0
\$130.00	1.1	-1.1	0
\$140.00	1.3	-1.3	0
\$150.00	1.5	-1.5	0
\$160.00	1.7	-1.4	0.3
\$170.00	1.9	-1.4	0.5
\$180.00	2.0	-1.3	0.7
\$190.00	2.1	-1.2	0.9
\$200.00	2.3	-1.2	1.1