Synaptics to Acquire Rights to Broadcom’s Wireless IoT Connectivity Business

July 7, 2020
Safe Harbor Statement

This presentation contains forward-looking statements that are subject to the safe harbors created under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business, including our expectations regarding the proposed transaction between Synaptics and Broadcom, the expected timetable for completing the transaction and the potential benefits of the transaction, 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: the possibility that various conditions to the consummation of the proposed transaction between Synaptics and Broadcom will not be satisfied or waived; the ability to successfully integrate the acquired business into our portfolio; the failure to realize the anticipated benefits of the transaction; the ability to successfully integrate the acquired business into our portfolio; the risk that our business, results of operations and financial condition and prospects may be materially and adversely affected by the COVID-19 pandemic and that significant uncertainties remain related to the impact of COVID-19 on our business operations and future results, including our fourth quarter fiscal 2020 business outlook; the risks as identified in the “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business” sections of our Annual Report on Form 10-K for the fiscal year ended June 29, 2019 (including that the impact of the COVID-19 pandemic may also exacerbate the risks discussed therein); 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.
Strategically Compelling Transaction

Adds best-in-class Wi-Fi, Bluetooth, and GPS solutions
- Strong existing business with tier-one OEMs and broad base customers

Immediate footprint and leadership in the fast growing wireless IoT connectivity market
- Well-positioned to capitalize on 10%+ CAGR market opportunity

Highly complementary with current Synaptics IoT portfolio and customer base
- Significantly strengthens Synaptics’ footprint, customer, and end-market engagements

Financially compelling transaction with immediate earnings accretion
- $250 million all-cash transaction
- Co-develop roadmap IoT products without additional OPEX investment

Source: Industry analysts, Omdia Research, and Synaptics management estimates; Growth from 2019 - 2023
The IoT Design Opportunity

CONNECTIVITY
- Wi-Fi
- Bluetooth
- GPS

EDGE SoC
- Voice
- Video
- Vision

Display Driver
Touch Controller
Audio Codec
Extend and Deepen Leadership in IoT Markets

Existing Synaptics IoT Portfolio

<table>
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<tr>
<th>High-Performance Solutions and SoCs</th>
<th>Synergistic Opportunities</th>
<th>Best-in-Class Wireless Connectivity</th>
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<tr>
<td>Edge Computing SoCs</td>
<td>Smart Assistants</td>
<td>Wi-Fi 4, 5, 6 &amp; 6E</td>
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<tr>
<td>High-Speed Video Interface</td>
<td>Smart Display</td>
<td>Bluetooth 5 &amp; BLE</td>
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<tr>
<td>Digital Audio Processing</td>
<td>Media Streamers</td>
<td>GPS L5 / GNSS</td>
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<tr>
<td>Voice Processing</td>
<td>Docking Station</td>
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<tr>
<td>Video Processing</td>
<td>TV</td>
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<td></td>
<td>Automotive</td>
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<td>Printers</td>
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<td>Surveillance</td>
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<td>Wireless Speakers</td>
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<td>Cameras</td>
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<td>Home Automation</td>
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Target Applications

- Smart Assistants
- Smart Display
- Media Streamers
- Docking Station
- TV
- Automotive
- Gaming
- Printers
- Surveillance
- Wireless Speakers
- Cameras
- Home Automation
Significant Addressable Market Expansion with Room to Grow

Synaptics SAM Today

- $5B SAM 2019
- $6B+ SAM 2023

7% CAGR

Proforma SAM with Wireless IoT

- $8B SAM 2019
- $11B+ SAM 2023

9% CAGR

Source: Industry analysts, Omdia Research, and Synaptics management estimates
Technology Competitive Landscape

- Focused on IoT
- Best-in-class Performance
- Integrated Connectivity w/ GPS
- Lowest BOM

Synaptics

- Focused on IoT
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Full Suite Wi-Fi Bluetooth GPS

Wi-Fi
Bluetooth GPS

Silicon Labs
NXP
Infineon
Qualcomm
MediaTek
Long Technology Runway

Increasing Addressable Market

Wireless IoT Connectivity Portfolio

- Wi-Fi 4, 5, 6 & 6E
- Bluetooth 5 & BLE
- GPS L5 / GNSS
- Co-developed IoT roadmap products


Maintain Technology Leadership & First-to-Market Advantage

Source: IEEE Standards Association
### Transaction Overview

<table>
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<th><strong>Transaction</strong></th>
<th><strong>Consideration</strong></th>
<th><strong>Timing</strong></th>
<th><strong>Financials</strong></th>
<th><strong>Funding</strong></th>
<th><strong>Teams</strong></th>
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</table>
| • Acquiring certain Broadcom Wireless IoT Connectivity rights and assets  
• Additional co-developed roadmap products purpose-built for IoT  
• Limited exclusivity for three years | • $250M total consideration at closing | • Expected to close during Synaptics fiscal Q1’21; no expected regulatory filings  
• Subject to customary closing conditions | • Immediately accretive to Synaptics’ non-GAAP EPS, margins, and cash flow  
• ~$65M of current annualized sales with strong future growth potential | • Funded from Synaptics existing on-hand cash balance | • Transferring engineering support team of approximately 60 people to Synaptics |
Redeploying Capital to Accelerate Growth

Q3'20 Ending Cash balance $472

Available Balance $711

- TDDI Divestiture $139
- Revolver Draw $100

Post-Transaction Cash balance $250

- Wireless IoT Connectivity Transaction
- Remaining cash balance Post-Transaction

See 10Q for F3Q20 filed on May 7, 2020. All values are stated in millions.
### Accretive to our Financial Model

<table>
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<th>Long-Term Model</th>
<th>Wireless IoT Connectivity</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>+4-6%</td>
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<tr>
<td>Non-GAAP</td>
<td>&gt;50%</td>
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<tr>
<td>Gross Margin</td>
<td></td>
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<tr>
<td>Non-GAAP</td>
<td>~20%</td>
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<tr>
<td>Operating Margin</td>
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Long-term financial model as presented on June 9, 2020

*Accelerates Synaptics Ability to Achieve Long-Term Financial Model*
Accelerating Synaptics Transformation to an IoT Leader

YTD Synaptics Revenue Mix

IoT 28%

Pro Forma with Wireless IoT

IoT 33%

Long-Term Model

IoT 40%

Connectivity

YTD Synaptics: Q1-Q3'20 FY2020 Net Revenue less divested LCD TDDI Net Revenue
Pro Forma: Expected Net Revenue from transaction in addition to Synaptics Q1-Q3'20 FY2020 Net Revenue
Long Term: Management's current long-term model as presented on June 9, 2020
Closing Summary

Accelerates Synaptics’ IoT growth and long-term diversification strategy

Adding $3 billion SAM opportunity at 10%+ CAGR

Best-in-class solutions today and roadmap tailored to IoT applications

Immediately accretive to non-GAAP earnings

Source: Industry analysts, Omdia Research, and Synaptics management estimates; Growth from 2019 - 2023