

# FOURTH QUARTER 2019 & FULL YEAR RESULTS

“2019 marks the year in which DSP Group succeeded in positioning itself as a leading Voice AI and IoT technology company, while maintaining solid engineering and financial discipline, with fourth quarter revenues from growth initiatives reaching a record \$19.6 million, representing two thirds of our business, propelling GAAP and non-GAAP gross margins to 50.9% and 51.2%, respectively, and generating \$10.8 million of cash flows from operations.”

Ofer Elyakim, Chief Executive Officer

## FINANCIAL HIGHLIGHTS

**\$29.3M**  
REVENUES

**\$0.06**  
EPS (NON-GAAP)

**\$19.6M**  
GROWTH INITIATIVES  
REVENUES

**51.2%**  
GROSS MARGINS  
(NON-GAAP)

## GROWTH INITIATIVES HIGHLIGHTS

### SMARTHOME

- SmartHome revenues of \$4.7 million, a year-over-year increase of 63%
- ADT launched its BLUE by ADT wireless security system, leveraging our ULE and SmartVoice solutions.
- Golden Mark selected our ULE technology for its new suite of wireless smart home devices.



### UNIFIED COMMUNICATIONS

- Unified Communications segment revenues of \$10 million, a year-over-year increase of 17%.
- A Tier 1 OEM and two ODMs launched new lines of IP phones with dual-color-displays.
- A Tier 1 OEM launched a new series of IP phones for the UCAAS market to complement its on-premise portfolio.

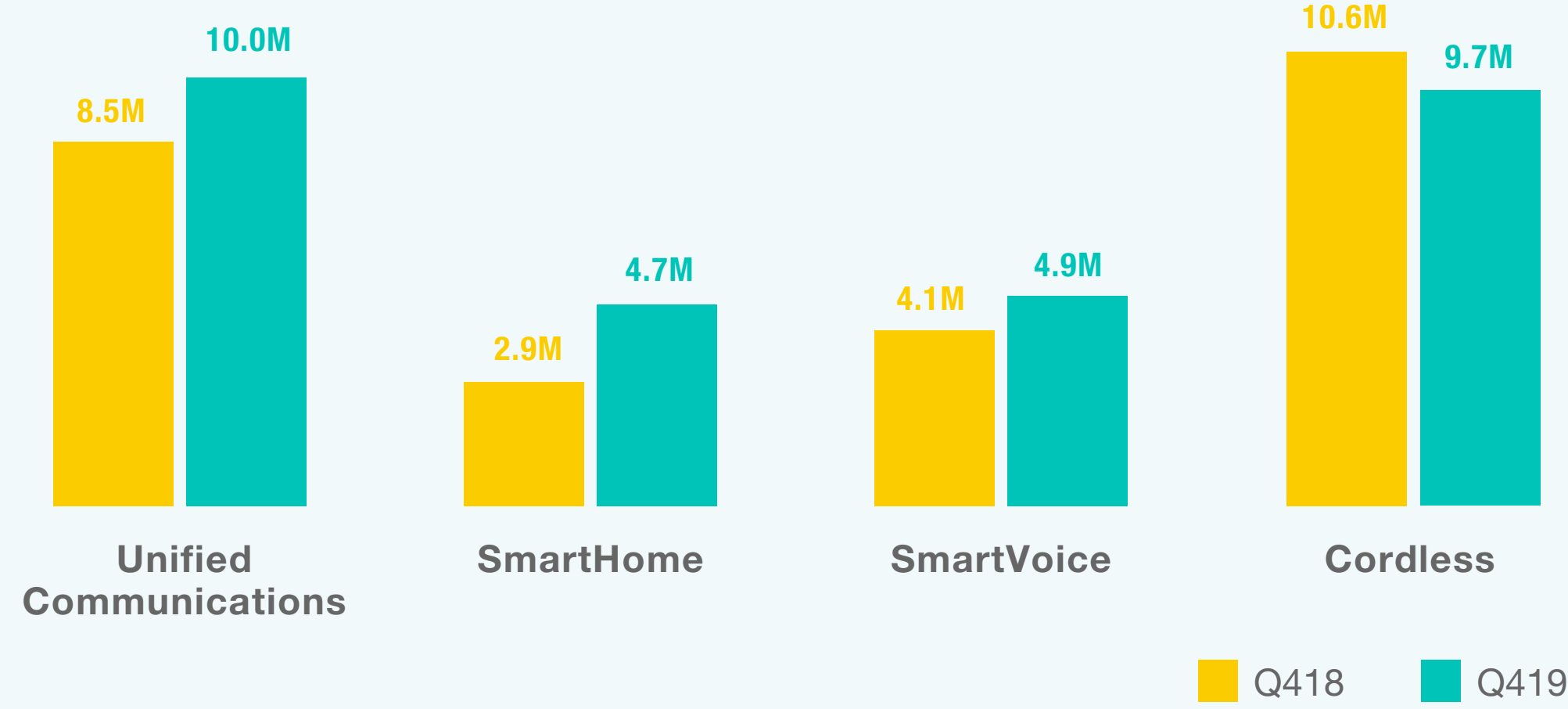


### SMARTVOICE

- SmartVoice segment revenues of \$4.9 million, a year-over-year increase of 21%
- Facebook launched its innovative Portal TV integrating our high-performance advanced audio and machine learning SoC.
- Leviton launched its Decora dimmer with AVS support leveraging our SmartVoice solution



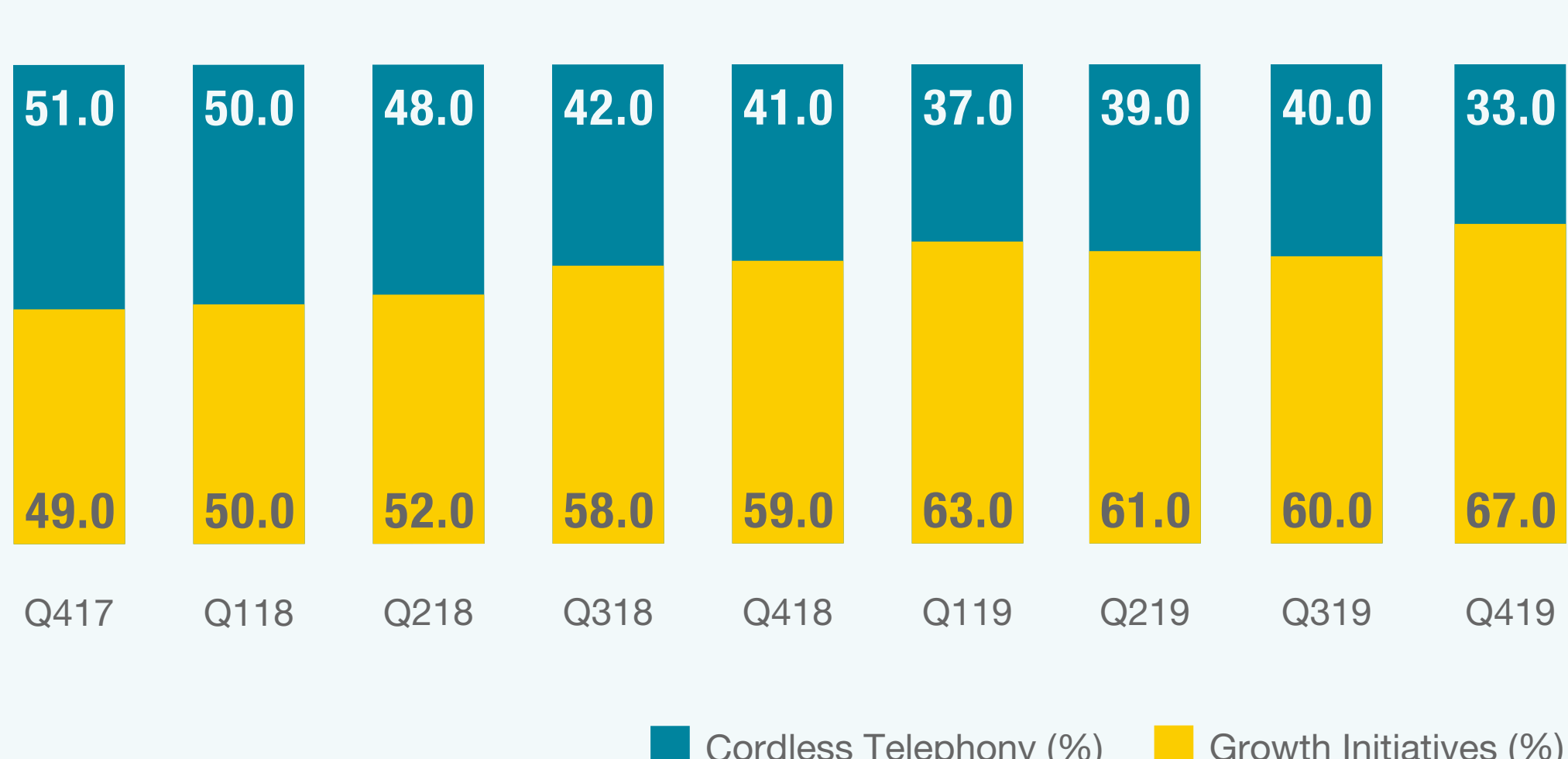
## REVENUES BY PRODUCT LINE (\$)



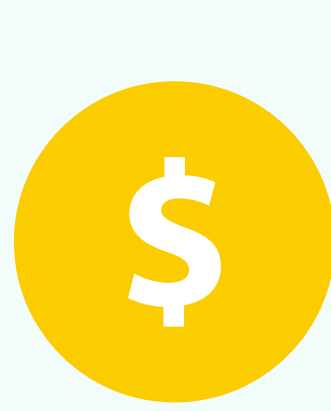
## GROSS MARGINS (NON-GAAP)



## REVENUE FROM GROWTH INITIATIVES (%)

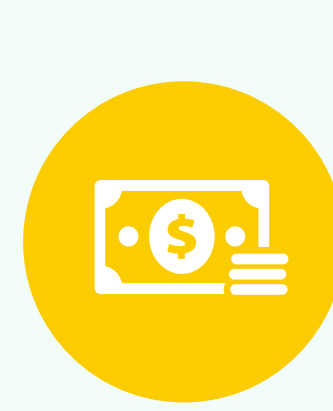


## FAST FACTS



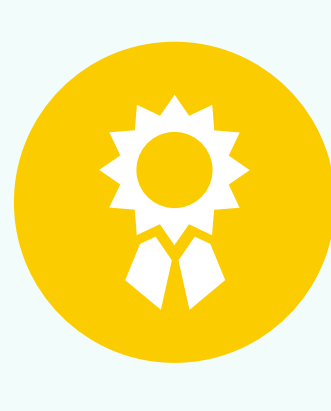
**\$131.3M**

Q4 CASH



**\$10.8M**

Q4 OPERATING CASH FLOW



**\$0.7M**

OPERATING MARGIN  
(NON-GAAP)



**\$5.38**

Q4 CASH PER SHARE