

Identiv, Inc.
Condensed Consolidated Statements of Operations
(in thousands, except per share data)
(unaudited)

	Three Months Ended			Six Months Ended	
	June 30, 2023	March 31, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Net revenue	\$ 29,555	\$ 25,997	\$ 27,857	\$ 55,552	\$ 52,918
Cost of revenue	18,707	16,786	17,647	35,493	33,742
Gross profit	10,848	9,211	10,210	20,059	19,176
Operating expenses:					
Research and development	3,015	2,707	2,479	5,722	5,008
Selling and marketing	5,879	6,097	5,273	11,976	10,383
General and administrative	2,903	2,948	2,496	5,851	4,984
Restructuring and severance	81	191	223	272	83
Total operating expenses	11,878	11,943	10,471	23,821	20,458
Loss from operations	(1,030)	(2,732)	(261)	(3,762)	(1,282)
Non-operating income (expense):					
Interest expense, net	(90)	(50)	(37)	(140)	(62)
Gain on investment	—	—	6	—	30
Foreign currency gains (losses), net	(9)	89	95	80	114
Loss before income tax provision	(1,129)	(2,693)	(197)	(3,822)	(1,200)
Income tax provision	(15)	(26)	(54)	(41)	(50)
Net loss	(1,144)	(2,719)	(251)	(3,863)	(1,250)
Cumulative dividends on Series B convertible preferred stock	(315)	(313)	(300)	(628)	(598)
Net loss available to common stockholders	\$ (1,459)	\$ (3,032)	\$ (551)	\$ (4,491)	\$ (1,848)
Net loss per common share:					
Basic	\$ (0.06)	\$ (0.13)	\$ (0.02)	\$ (0.20)	\$ (0.08)
Diluted	\$ (0.06)	\$ (0.13)	\$ (0.02)	\$ (0.20)	\$ (0.08)
Weighted average shares used in computing net loss per common share:					
Basic	23,051	22,794	22,639	22,924	22,606
Diluted	23,051	22,794	22,639	22,924	22,606

Identiv, Inc.
Condensed Consolidated Balance Sheets
(in thousands)
(unaudited)

	<u>June 30,</u> <u>2023</u>	<u>March 31,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 21,905	\$ 20,804	\$ 16,650
Restricted cash	300	363	487
Accounts receivable, net of allowances	22,911	21,136	24,826
Inventories	31,092	30,609	28,958
Prepaid expenses and other current assets	5,136	4,361	4,177
Total current assets	<u>81,344</u>	<u>77,273</u>	<u>75,098</u>
Property and equipment, net	8,237	7,595	6,719
Operating lease right-of-use assets	5,952	4,344	4,373
Intangible assets, net	4,760	4,999	5,265
Goodwill	10,218	10,192	10,190
Other assets	1,186	1,148	1,120
Total assets	<u>\$ 111,697</u>	<u>\$ 105,551</u>	<u>\$ 102,765</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 12,827	\$ 9,926	\$ 14,760
Financial liabilities	9,951	9,941	—
Operating lease liabilities	1,695	1,199	1,190
Deferred revenue	2,428	1,798	2,068
Accrued compensation and related benefits	2,538	2,395	2,757
Other accrued expenses and liabilities	2,746	2,648	2,618
Total current liabilities	<u>32,185</u>	<u>27,907</u>	<u>23,393</u>
Long-term operating lease liabilities	4,481	3,371	3,366
Long-term deferred revenue	711	647	587
Other long-term liabilities	25	25	25
Total liabilities	<u>37,402</u>	<u>31,950</u>	<u>27,371</u>
Total stockholders' equity	<u>74,295</u>	<u>73,601</u>	<u>75,394</u>
Total liabilities and stockholders' equity	<u>\$ 111,697</u>	<u>\$ 105,551</u>	<u>\$ 102,765</u>

Identiv, Inc.
Reconciliation of GAAP to Non-GAAP Financial Information
(in thousands)
(unaudited)

	Three Months Ended			Six Months Ended	
	June 30, 2023	March 31, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Reconciliation of GAAP gross margin to non-GAAP gross margin					
GAAP gross profit	\$ 10,848	\$ 9,211	\$ 10,210	\$ 20,059	\$ 19,176
Reconciling items included in GAAP gross profit:					
Stock-based compensation	45	45	44	90	100
Amortization and depreciation	403	385	344	788	614
Total reconciling items included in GAAP gross profit	448	430	388	878	714
Non-GAAP gross profit	<u>\$ 11,296</u>	<u>\$ 9,641</u>	<u>\$ 10,598</u>	<u>\$ 20,937</u>	<u>\$ 19,890</u>
Non-GAAP gross margin	<u>38%</u>	<u>37%</u>	<u>38%</u>	<u>38%</u>	<u>38%</u>
Reconciliation of GAAP operating expenses to non-GAAP operating expenses					
GAAP operating expenses	\$ 11,878	\$ 11,943	\$ 10,471	\$ 23,821	\$ 20,458
Reconciling items included in GAAP operating expenses:					
Stock-based compensation	(949)	(945)	(774)	(1,894)	(1,613)
Amortization and depreciation	(242)	(238)	(232)	(480)	(471)
Restructuring and severance	(81)	(191)	(223)	(272)	(83)
Total reconciling items included in GAAP operating expenses	(1,272)	(1,374)	(1,229)	(2,646)	(2,167)
Non-GAAP operating expenses	<u>\$ 10,606</u>	<u>\$ 10,569</u>	<u>\$ 9,242</u>	<u>\$ 21,175</u>	<u>\$ 18,291</u>
Reconciliation of GAAP net loss to non-GAAP adjusted EBITDA					
GAAP net loss	\$ (1,144)	\$ (2,719)	\$ (251)	\$ (3,863)	\$ (1,250)
Reconciling items included in GAAP net loss:					
Income tax provision	15	26	54	41	50
Interest expense, net	90	50	37	140	62
Gain on investment	—	—	(6)	—	(30)
Foreign currency gains (losses), net	9	(89)	(95)	(80)	(114)
Stock-based compensation	994	990	818	1,984	1,713
Amortization and depreciation	645	623	576	1,268	1,085
Restructuring and severance	81	191	223	272	83
Total reconciling items included in GAAP net loss	1,834	1,791	1,607	3,625	2,849
Non-GAAP adjusted EBITDA	<u>\$ 690</u>	<u>\$ (928)</u>	<u>\$ 1,356</u>	<u>\$ (238)</u>	<u>\$ 1,599</u>
Reconciliation of GAAP net cash provided by (used in) operating activities to non-GAAP free cash flow					
GAAP net cash provided by (used in) operating activities	\$ 1,406	\$ (4,698)	\$ (865)	\$ (3,292)	\$ (899)
Capital expenditures	(1,203)	(1,225)	(1,132)	(2,428)	(1,642)
Non-GAAP free cash flow	<u>\$ 203</u>	<u>\$ (5,923)</u>	<u>\$ (1,997)</u>	<u>\$ (5,720)</u>	<u>\$ (2,541)</u>