



QuickLogic Investor Presentation

January 2019
NASDAQ: QUIK



Safe Harbor Statement

This press release contains forward-looking statements regarding our future business expectations, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are only predictions and may differ materially from actual results due to a variety of factors including: delays in the market acceptance of the Company's new products; the ability to convert design opportunities into customer revenue; our ability to replace revenue from end-of-life products; the level and timing of customer design activity; the market acceptance of our customers' products; the risk that new orders may not result in future revenue; our ability to introduce and produce new products based on advanced wafer technology on a timely basis; our ability to adequately market the low power, competitive pricing and short time-to-market of our new products; intense competition, including the introduction of new products by competitors; our ability to hire and retain qualified personnel; changes in product demand or supply; capacity constraints; and general economic conditions. These and other potential factors and uncertainties that could cause actual results to differ from the results predicted are described in more detail in the Company's public reports filed with the Securities and Exchange Commission (the "SEC"), including the risks discussed in the "Risk Factors" section in the Company's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and in the Company's prior press releases, which are available on the Company's Investor Relations website at <http://ir.quicklogic.com/> and on the SEC website at www.sec.gov. QuickLogic expressly disclaims any obligation to update or revise any forward-looking statements found herein to reflect any changes in Company expectations or results or any change in events.


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Battery Life for Immersive User Experiences and Artificial Intelligence at the Endpoint

*Smartphone, Wearable, Hearable, Tablet, Consumer Electronics & IoT devices
Always-on, Always-Listening*



Investment Rationale

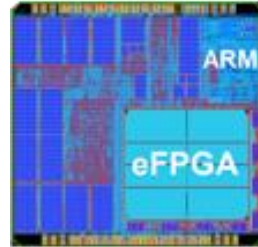
| | |
|---|--|
| Addressing Critical Needs | <ul style="list-style-type: none">▪ Enabling significantly longer battery life, immersive user experience & BOM integration for Smartphones, Wearables, Hearables, Tablets, Consumer Electronics, Industrial & IoT▪ Through SensiML acquisition, now delivering a practical end-to-end solution for localized AI |
| Top Tier Customers & Ecosystem Partners |  |
| Competitive Advantages | <ul style="list-style-type: none">▪ 50+ patents in core IP▪ eFPGA hardware accelerators optimize endpoint AI applications▪ Ultra-low power always-on functionality at 70% less power than competing solutions▪ Practical end-to-end AI solution, from semiconductor IP through SaaS software |
| Driving to Profitable Growth | <ul style="list-style-type: none">▪ Secured numerous SoC design wins for Smartphone, Wearable, Hearable, Tablet, Consumer Electronics, Industrial and IoT markets▪ Executing license agreements for eFPGA IP▪ Expanding market for technology with QuickAI™ platform for endpoint AI applications - forecasting first material QuickAI revenue for Q4 2018▪ SensiML acquisition expands Served Available Market |

Product Lines



Voice / Sensor Processing System-on-Chip

- Multi-core SoC for sensor processing, Endpoint Devices, Artificial Intelligence, immersive user experience of sensor fusion and always-on deeply embedded voice recognition



Embedded FPGA IP Licensing (eFPGA) & devices

- Enables pre-processing for Artificial Intelligence in Edge and Endpoint Devices



SensiML AI Software Platform

- SaaS AI software Tool Kit that makes building intelligent endpoint IoT products practical by democratizing the application of AI to Software Developers



Display Bridges & Connectivity

- Solves interface mismatches between Application Processors and Displays

Sensor Processing System-on-Chip Business



EOS™ S3

Always-on / Always-listening

Ultra-low power

Product design
flexibility

ArcticPro™

eFPGA IP

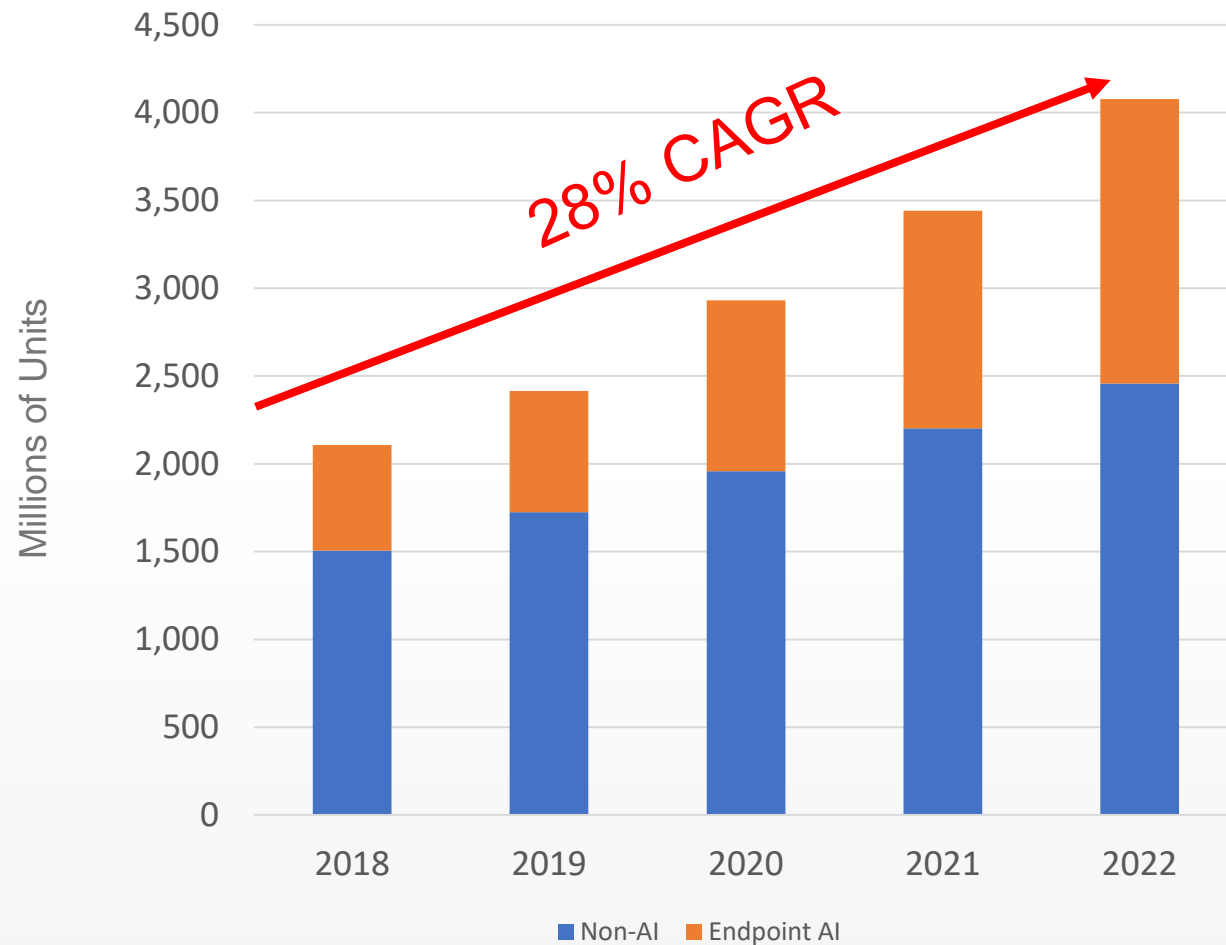
eFPGA compiler

eFPGA place and
route tools

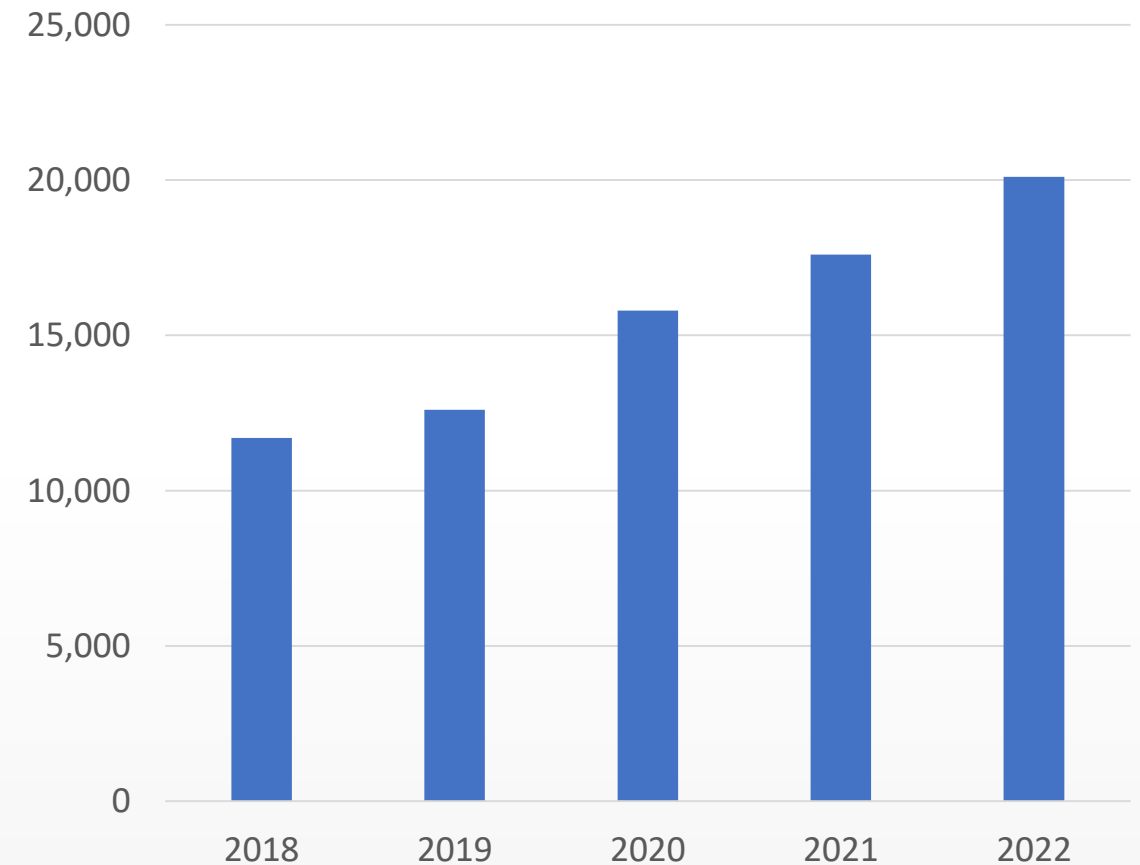
Foundry partners

Serving High Growth, High Volume Markets

Served Available Market



Connected Devices TAM



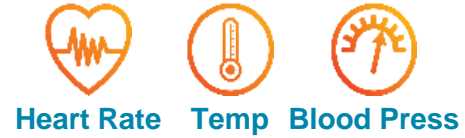
Source: ABI Research, Company Estimates, 2018

Immersive User Experience Requires More Sensors

Motion Sensors



Biological Sensors



Environmental Sensors



Gesture Sensors



Always-Listening Driven by Cloud Platform Providers

Driven by Voice-Enabled Experience



Expanding Ecosystem Partnerships With Industry Leaders

Immersive User Experience & Artificial Intelligence at the Endpoint



Leading supplier of deeply embedded voice recognition technology



Global developer of embedded audio digital signal processing solutions



World leading vendor of Bluetooth® low energy Systems-on-Chip (SoCs)



Produces the NM500, a NeuroMem-based IC that enables artificial & intelligence in endpoint solutions



Leading-edge software tools that enable the quick and easy generation of application-specific pattern recognition code.



Leading supplier of Android-compliant sensor fusion algorithms for Chinese OEMs



A total solution company for audio products



Rapidly growing leading enterprise provider of Artificial Intelligence (AI) speech technology



The inventor of NeuroMem, a scalable neural network technology

Sensor Processing SoC Market Adoption

Ramping Now

Platform Wins

- Japanese OEM – standardizing on EOS S3 SoC for all MCU applications in smartphones, feature phones & IoT products
- Large CE product win launched at CES 2019
- EOS S3 engagement with a leading Consumer Goods company for a high volume AC powered always-on / always-listening application

Wearables

- Naver Labs in Korea (\$20B market cap) – Smartwatch Korea Telecom (KT)



Tablets

- Large Chinese OEM, EEBBK – Shipping in two Design Wins - new high-volume product scheduled for release in 2019



Hearables

- Hearable Design Wins shown at CES 2019 including:
 - Cleer, Inc. STAGE Bluetooth Speaker with Amazon Alexa integration
 - 1More's Always-On Always-Listening Bluetooth Headset associated with large Chinese company to start shipping in Q1'2019.
 - SF Express Bluetooth Headset for B2B applications



Ecosystem

- Murata introduced battery-powered WiFi Smart Speaker in May at Japan IoT Show
- Ultra-low power Amazon Alexa support for products using Qualcomm Bluetooth audio SoCs

Embedded FPGA Semiconductor IP Licensing Business

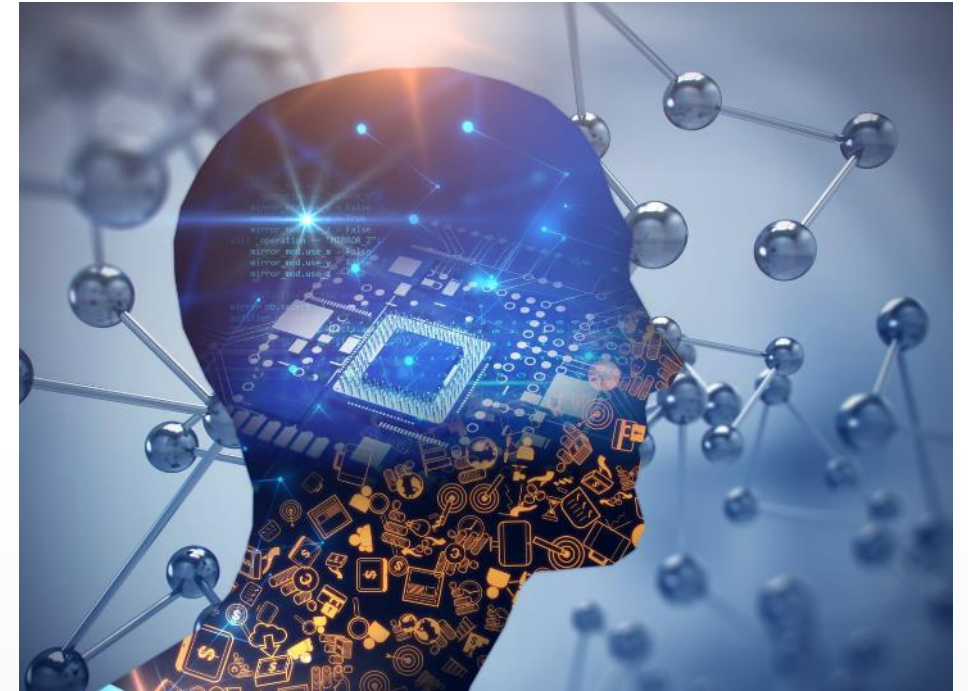


Licensing Model Brings New High Margin Business

eFPGA IP Licensing Positioning

ArcticPr

- Targets significant financial potential
 - \$10M+ potential annual licensing revenue with upside on royalty revenue in 2+ years
- Creates new, high gross margin manufacturing licenses revenue streams
- Delivers flexibility and reduced R&D costs for SoC vendors



The embedded semiconductor intellectual property (IP) market is expected to grow from \$3.09B to over \$7B by 2022, according to Markets&Markets.

eFPGA Benefits

Programmable Hardware Accelerators for SoCs / ASICs

- Enable Artificial Intelligence in Endpoint Applications
- Ultra-Low Power Consumption
- Increase System Perf – Offload MIPS-intensive tasks from CPU
- Lower R&D Costs – Reduces development time & cost
- Faster Time to Market – Supports post-fabrication changes



eFPGA – Market Momentum

- ETH Zurich has taped out Parallel Ultra Low Power (PULP) platform targeting GLOBALFOUNDRIES' 22FDX using QuickLogic eFPGA
- Strategic eFPGA Partnership with C-SKY Microsystems for C-SKY's ultra-low power common CPU platform
- Joined RISC-V Foundation to broaden the adoption of open-source architecture and ecosystems and to leverage the eFPGA IP
- Increased number of significant ArcticPro eFPGA engagements and expect to sign license agreements in 1H'2019

ETH zürich

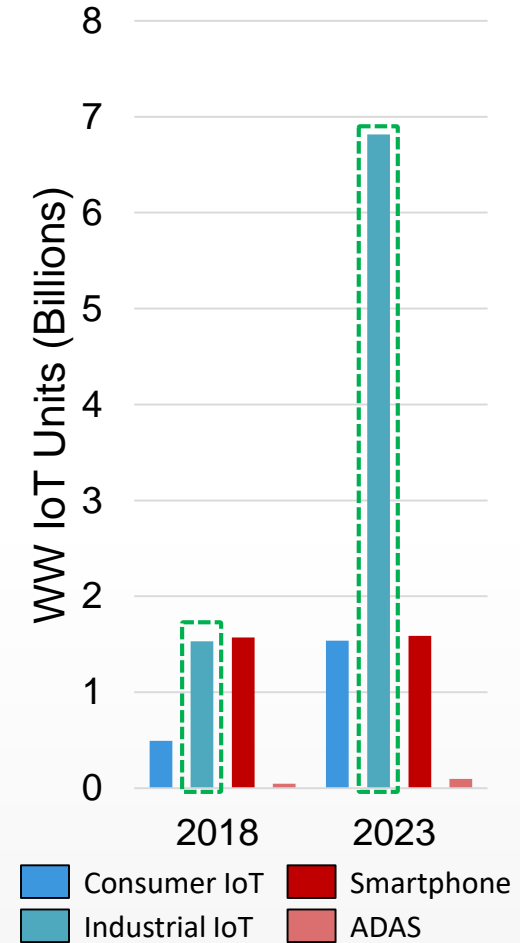


QuickAI

Bringing AI to The Endpoint



Endpoint IoT SAM for QuickAI



Source: IHS 2017

QuickAI Applications and Market Momentum

- Industrial Predictive Maintenance
- Structural Health Monitoring



- Vision Inspection for Smart Agriculture



- Forecasting first material QuickAI revenue for Q4 2018
- mtes Neural Networks Selects QuickLogic's QuickAI HW/SW Platform for AI-Enabled Endpoint Devices

Enabling Artificial Intelligence at the Endpoint - QuickAI



Introducing a Complete AI Platform Solution

- Supported by an Ecosystem of partners
- Enables AI at the Endpoint device

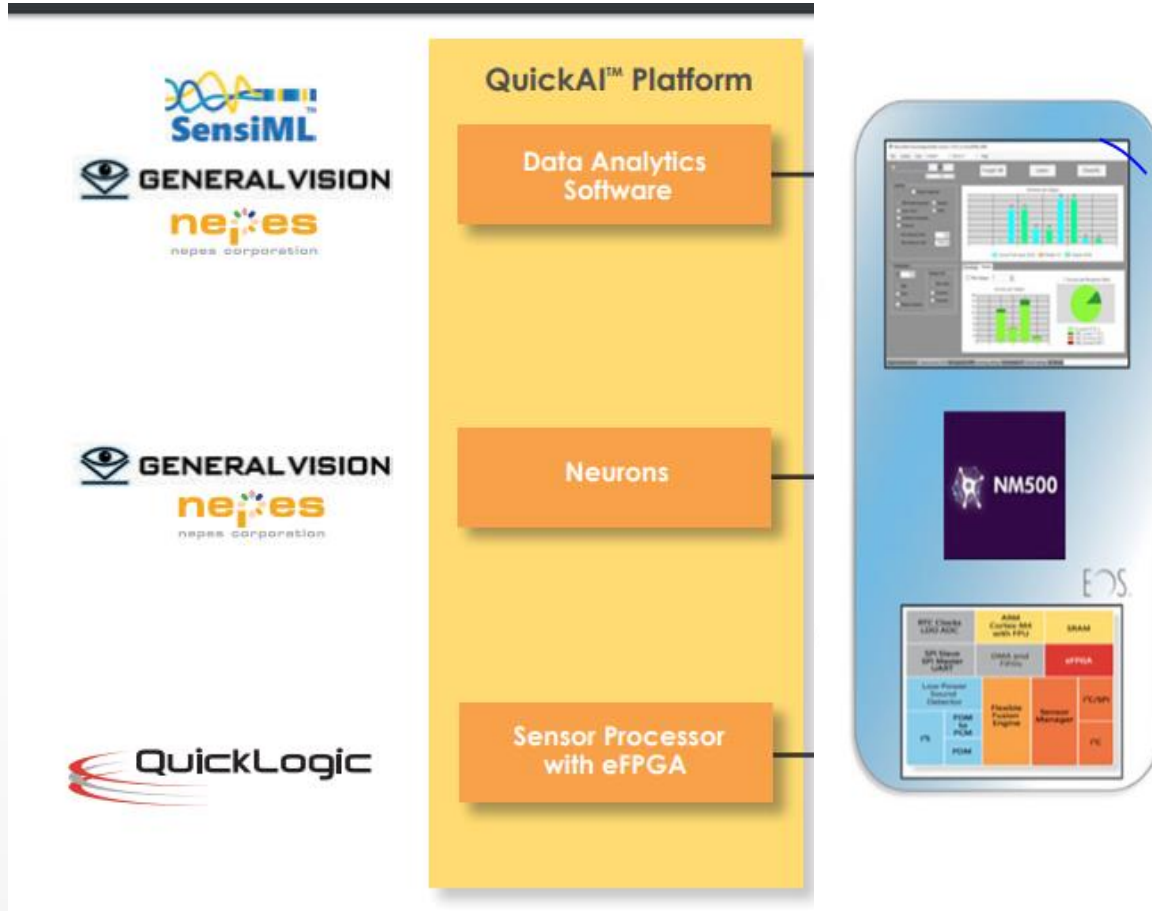
Benefits

- Includes Sensor Processing platform, Neurons for AI computing, and Application SW for Knowledge building of data and classification
- Scaling across bigger AI systems
- No need for in-house expertise of data analytics, DSP Processing, App Coding

Target Applications

- Industrial IoT
- Predictive Maintenance applications
- Vision Inspection System

QuickAI Platform



■ Addressing the Challenges of Endpoint Applications

- Lack of data science and data modeling know-how
- Diversity of different applications and use cases makes defining model and algorithms for every use case difficult to buy off the shelf
- Development cost and complexity of managing deployed models on distributed devices



TM

SensiML

MAKING SENSOR DATA SENSIBLE

The SensiML Team

Former Intel[™] Curie and Quark AI Software Team

- Acquired Intel Knowledge Builder IP as spin-out in 2017
- Core competence in ML/AI on low-power embedded HW
- Intact core product team in Portland, Oregon formed in 2012

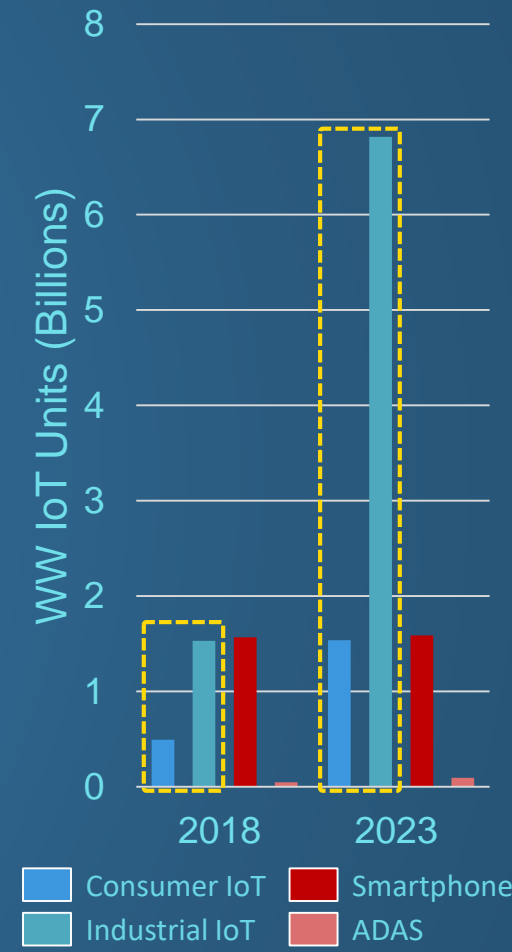
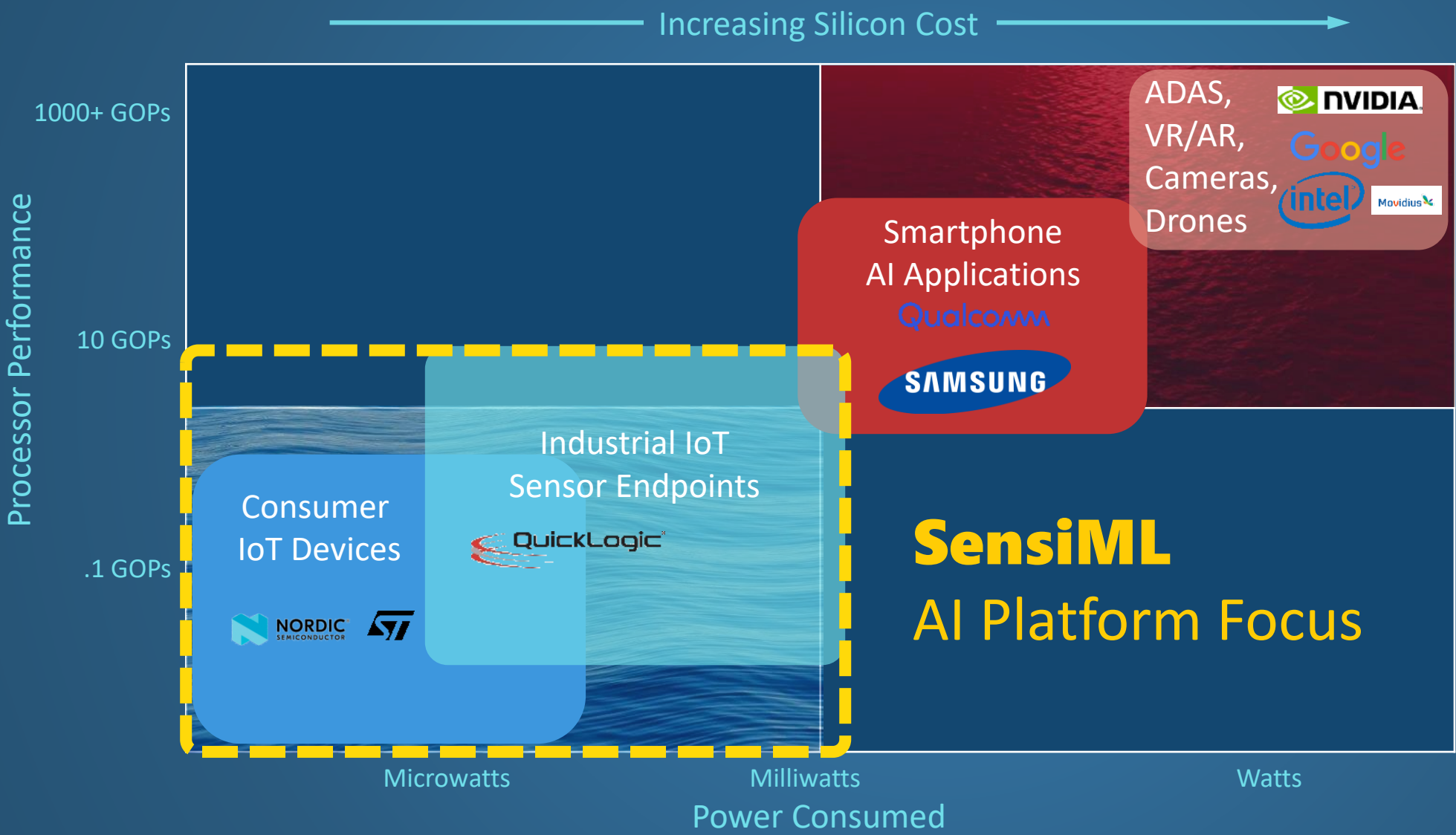


Intel Curie[™]
KNOWLEDGE
BUILDER



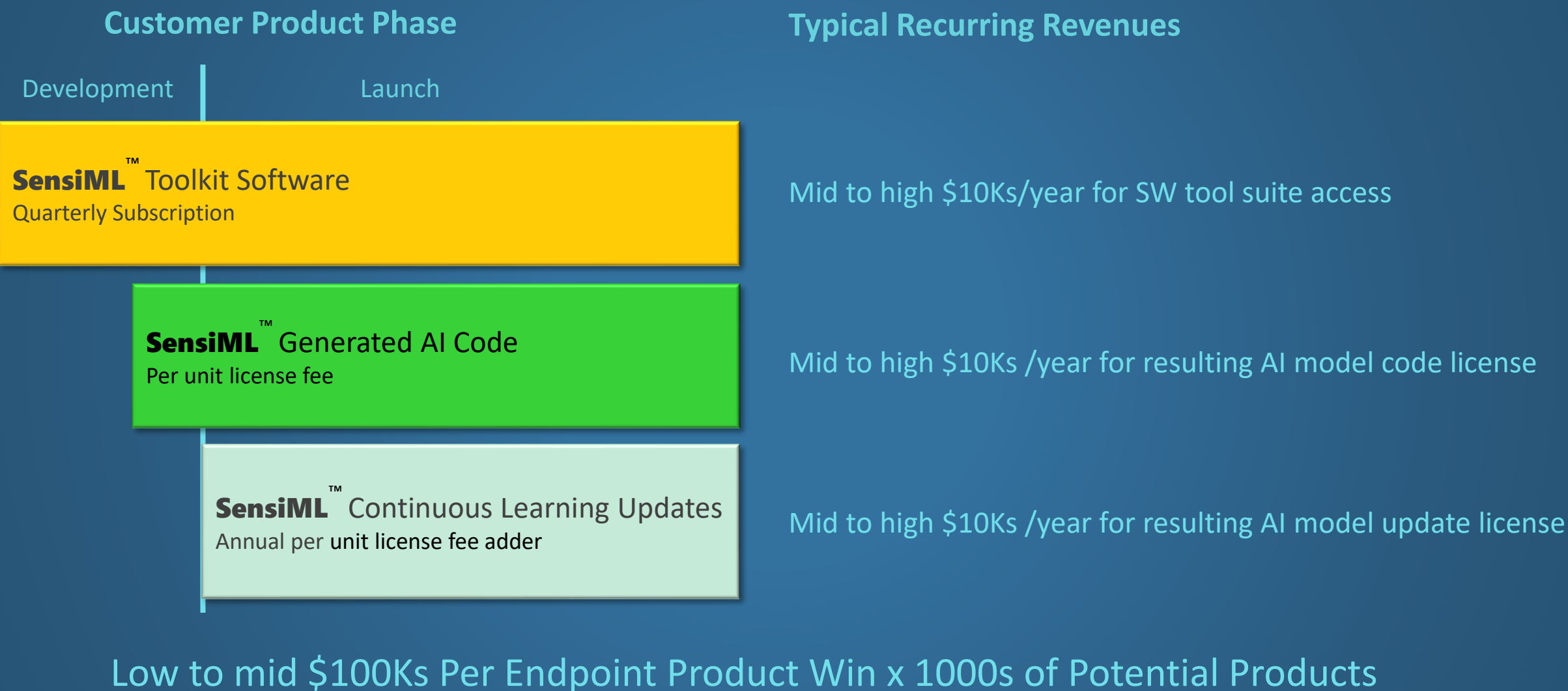
Intel Curie[™] KNOWLEDGE BUILDER
IDF16 INTEL DEVELOPER FORUM
THE FUTURE IS WHAT YOU
MAKE

Edge and Endpoint AI: Platform Segments



Source: IHS 2017

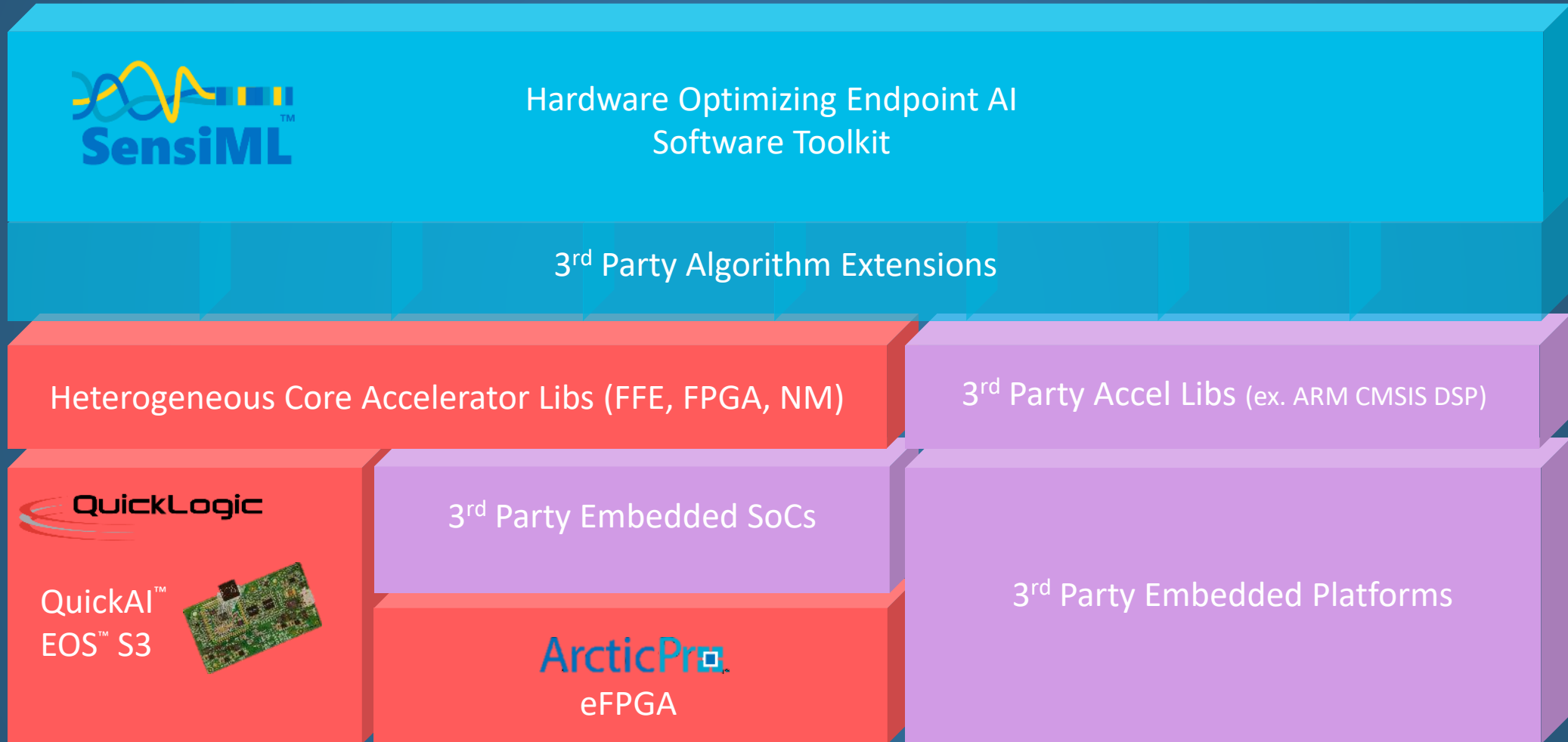
SensiML Business Model and Pricing



QuickLogic and SensiML

Highly Aligned Visions, Complementary HW / SW

Complete Solution
Intelligent IoT Endpoints

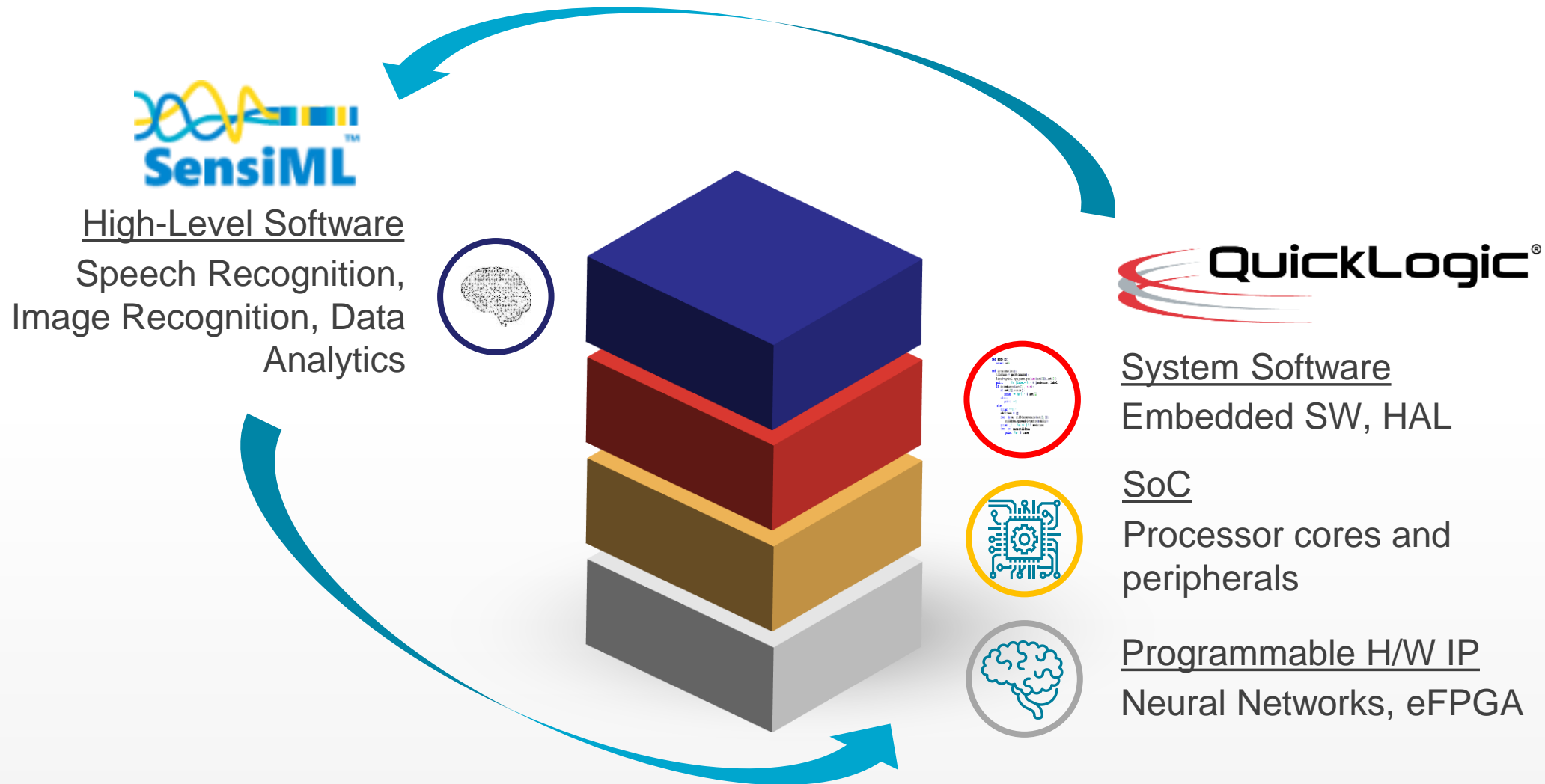


FFE – QuickLogic Flexible Fusion Engine
NM – General Vision Neuromorphic Memory

CMSIS DSP – Arm DSP functions optimized for Cortex-M processor cores

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Cross-Leverage of the Full-Stack Solution



Operating Model and Financials



Target Operating Model

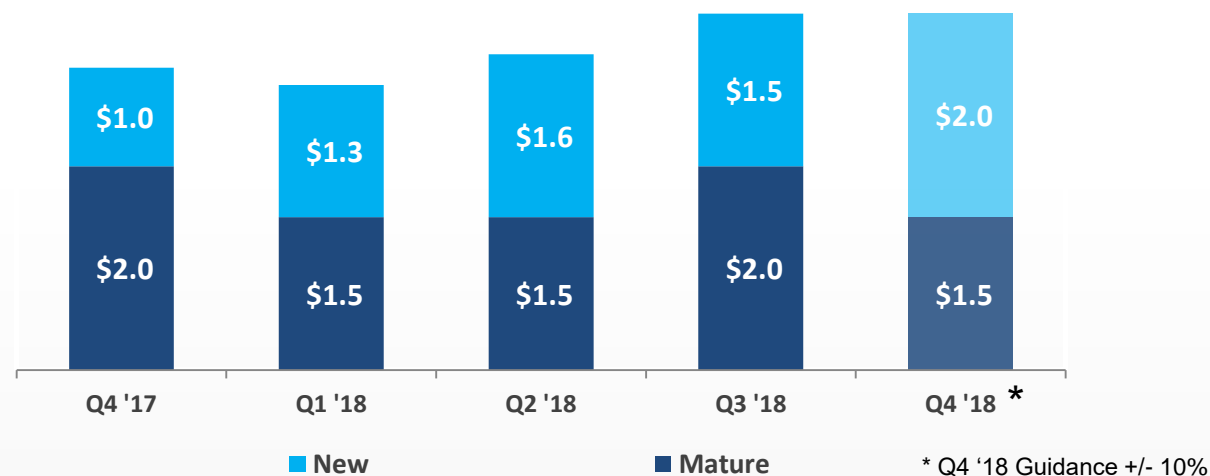
| Targets | Mid Term (2 year) | Long Term (>2 year) |
|---------------------------|-------------------|---------------------|
| Revenue Growth | >50% | >50% |
| Non-GAAP Gross Margin | ≥50% | >50% |
| Non-GAAP Operating Margin | 0 - 10 % | 10 - 15% |

* Non-GAAP: See Appendix for GAAP reconciliation.
Does not include SensiML.

NOTE: These projections are subject to a number of assumptions, risks, uncertainties and other factors that may cause our actual results to differ materially from such projections

Historical Quarterly Financial Highlights

Revenue (\$ in Ms)



Balance Sheet Data (Millions)

09/30/2018

Total Cash \$24.2

Bank Debt – **5.75% Int.** \$9.0

Closed Secondary Offering on May 29, 2018, with net proceeds of \$13.9M.

Q4 2018 Financial Forecast

| Non-GAAP | Q1'18 | | Q2'18 | | Q3'18 | | Q4'18 | |
|--------------------------------|--------|-----|--------|-----|--------|-----|----------|-----|
| (\$ in millions, except noted) | Actual | | Actual | | Actual | | Guidance | |
| New Product Revenue | \$ | 1.3 | \$ | 1.6 | \$ | 1.5 | \$ | 2.0 |
| Mature Product Revenue | \$ | 1.5 | \$ | 1.5 | \$ | 2.0 | \$ | 1.5 |
| Total Revenue | \$ | 2.8 | \$ | 3.1 | \$ | 3.5 | \$ | 3.5 |

| | | | | |
|------------------------------|------------|------------|------------|-------------------|
| Non-GAAP Gross Margin | 52% | 50% | 51% | 50% +or-3% |
|------------------------------|------------|------------|------------|-------------------|

| | | | | | | | | |
|---------------|----|-----|----|-----|----|-----|----|-----|
| R&D | \$ | 2.5 | \$ | 2.2 | \$ | 2.2 | \$ | 2.6 |
| SG&A | \$ | 2.3 | \$ | 2.3 | \$ | 2.2 | \$ | 2.3 |
| Total Expense | \$ | 4.9 | \$ | 4.5 | \$ | 4.5 | \$ | 4.9 |

| | | | | | | | | |
|----------------------------|----|-------|----|-------|----|-------|----|-------|
| Other Income/expense/taxes | \$ | (99)k | \$ | (38)k | \$ | (33)k | \$ | (60)k |
|----------------------------|----|-------|----|-------|----|-------|----|-------|

| | | | | | | | | |
|------------------|-----------|--------------|-----------|--------------|-----------|--------------|-----------|--------------|
| Net Loss* | \$ | (3.5) | \$ | (3.0) | \$ | (2.7) | \$ | (3.0) |
|------------------|-----------|--------------|-----------|--------------|-----------|--------------|-----------|--------------|

| | | | | | | | | |
|---------------------|----|------|----|------|----|------|----|------|
| Net Loss Per Share* | \$ | 0.04 | \$ | 0.04 | \$ | 0.03 | \$ | 0.03 |
|---------------------|----|------|----|------|----|------|----|------|

Q4'18 cash usage is expected to range between \$3.5M to \$4M.

* at the midpoint

Actual results may vary significantly due to things that are beyond the company's control, such as schedule variations from customers, schedule changes and projected production start dates could push or pull shipments.

Forecast as of Nov. 7, 2018, Q3 2018 conference call.

QuickLogic Leadership

Executives

Brian Faith

Chief Executive Officer, Director

- Joined in 1996
- CEO in 2016
- VP of Worldwide Marketing/ VP of Worldwide Sales & Marketing 2008-2016
- Rising managerial & executive positions, including engineering, product line management, marketing and sales

Sue Cheung, Ph.D.

Chief Financial Officer

- Joined in 2007
- CFO in 2017
- VP of Finance/CAO since 2015, Corporate Controller 2007-2015
- Sr. Accounting management positions at Dell SonicWALL, VeriFone and other publicly traded and privately held companies
- Certified Public Accountant (CPA)
- Doctorate in Business Administration

Timothy Saxe, Ph.D.

Chief Technology Officer & SVP Engineering

- Joined in 2001
- CTO in 2008, SVP of Eng. in 2016
- Rising executive positions including VP of Eng. and VP of Software Eng.
- VP of FLASH Engineering at Actel Corp. and founder/CEO of semiconductor mfg. division at GateField Corp. (Zycad)
- Doctorate in Electrical Engineering

Rajiv Jain

VP Worldwide Operations

- Joined in 1992
- VP Worldwide Ops in 2014
- Sr. Dir. of Operations & Development Eng., Sr. Dir. of System Solutions & Process Technology, Dir. of Process Technology, and Sr. Process Technologist 1992-2014
- Sr. Engineering positions at National Semiconductor and Monolithic Memories

Board of Directors

E. Thomas Hart

Chairman

- QuickLogic CEO 1994-2009
- VP & GM of Advanced Networking Division at National Semiconductor Corp.
- Senior Manager, Motorola, Inc.

Michael R. Farese

Director

- 35 years in executive roles in telecomm & semiconductor industry including Antenna29; Entropic Comm. Inc.; BitWave Semicon, Palm; WJ Comm; Tropian Inc.; Motorola Corp.; Ericsson Inc.; Nokia Corp.; ITT Corp.; AT&T Corp.; and Bell Labs

Arturo Krueger

Director

- Over 40 years leadership in systems architecture, semiconductor design & development, operations and marketing
- Executive roles at Motorola, Inc. semiconductor products; Director, Marvell Technology Group Ltd

Andrew J. Pease

Director

- QuickLogic CEO/President 2009-2016, VP Worldwide Sales 2006-2009
- Executive roles at Broadcom Corp.; Syntricity, Inc.
- Various sales positions at Advanced Micro Devices; Integrated Systems Inc.; and Vantis Corp.

Daniel A. Rabinovitsj

Director

- VP of Connectivity, Facebook
- COO, Ruckus Wireless, Inc.
- Executive roles at Qualcomm Atheros, Inc.; Atheros Communications; NXP Semiconductors; ST Ericsson; and Silicon Labs

Christine Russell

Director

- CFO, PDF Solutions, Inc.
- CFO, UniPixel, Inc., Vendavo, Inc.,
- CFO positions at Evans Analytical Group; Virage Logic Corp.; OuterBay; Ceva, Inc.; and Persistence Software, Inc.

Gary H. Tauss

Director

- Exec. Director & CEO, BizTech
- Executive roles at Mobidia Technology, Inc.; InfiniRoute Networks, Inc.; LongBoard, Inc.; and TollBridge Technologies

Thank You!



Appendix



Non-GAAP Measures

QuickLogic reports financial information in accordance with GAAP, but believes that non-GAAP financial measures are helpful in evaluating its operating results and comparing its performance to comparable companies. Accordingly, the Company excludes charges related to stock-based compensation, restructuring, the effect of the write-off of long-lived assets and the tax effect on other comprehensive income in calculating non-GAAP (i) income (loss) from operations, (ii) net income (loss), (iii) net income (loss) per share, and (iv) gross margin percentage. The Company provides this non-GAAP information to enable investors to evaluate its operating results in a manner similar to how the Company analyzes its operating results and to provide consistency and comparability with similar companies in the Company's industry. Management uses the non-GAAP measures, which exclude gains, losses and other charges that are considered by management to be outside of the Company's core operating results, internally to evaluate its operating performance against results in prior periods and its operating plans and forecasts. In addition, the non-GAAP measures are used to plan for the Company's future periods, and serve as a basis for the allocation of the Company's resources, management of operations and the measurement of profit-dependent cash and equity compensation paid to employees and executive officers. Investors should note, however, that the non-GAAP financial measures used by QuickLogic may not be the same non-GAAP financial measures, and may not be calculated in the same manner, as that of other companies. QuickLogic does not itself, nor does it suggest that investors should, consider such non-GAAP financial measures alone or as a substitute for financial information prepared in accordance with GAAP. A reconciliation of GAAP financial measures to non-GAAP financial measures is included in the financial statements portion of this press release. Investors are encouraged to review the related GAAP financial measures and the reconciliation of non-GAAP financial measures with their most directly comparable GAAP financial measures.

P&L – Non-GAAP

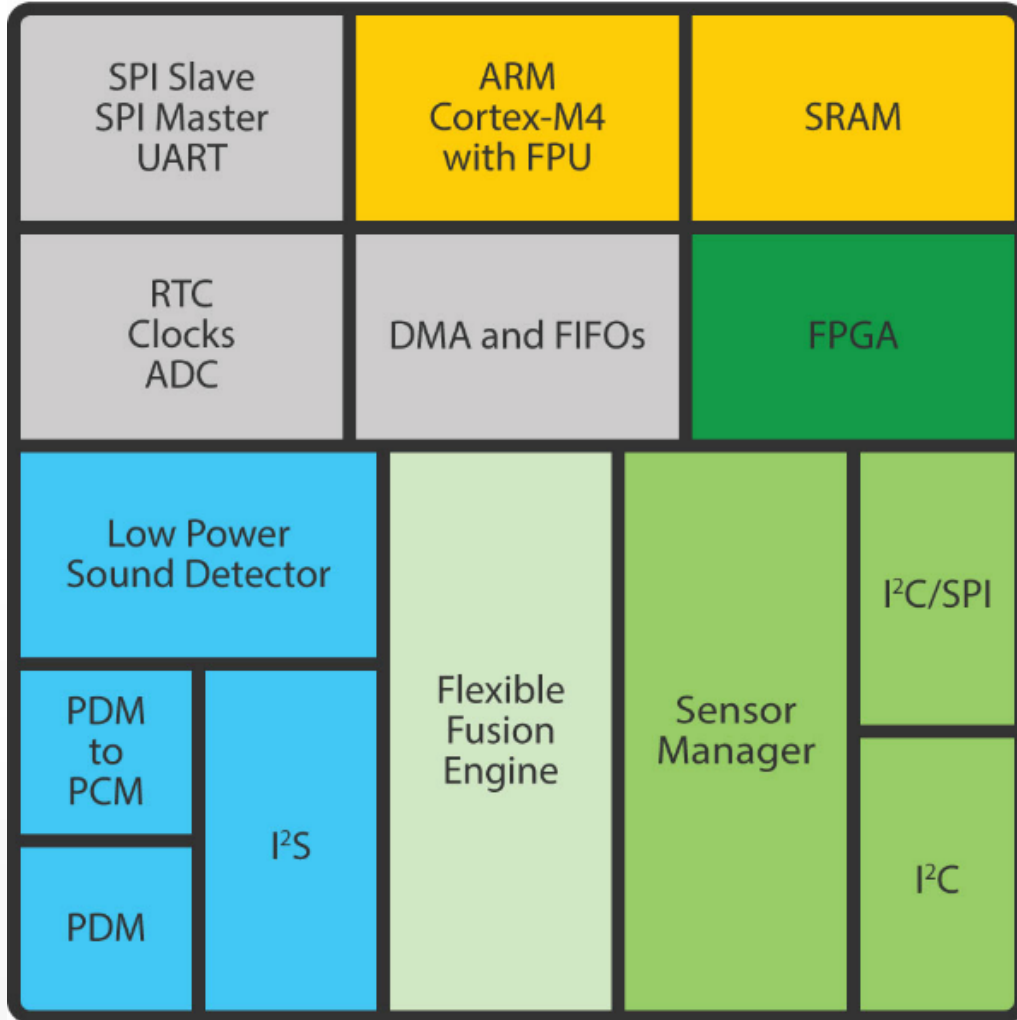
| Non-GAAP Results Millions (except for EPS) | Q1'18 Actual | Q2'18 Actual | Q3'18 Actual |
|---|-----------------|-----------------|-----------------|
| New Product Revenue | \$1.3 | \$1.6 | \$1.5 |
| Mature Revenue | \$1.5 | \$1.5 | \$2.0 |
| Total Revenue | \$2.8 | \$3.1 | \$3.5 |
| Gross Margin % | 52% | 50% | 51% |
| Research & Development | \$2.5 | \$2.2 | \$2.2 |
| SG&A | \$2.3 | \$2.3 | \$2.2 |
| Total Operating Expense | \$4.9 | \$4.5 | \$4.5 |
| Operating Income (Loss) | (\$3.4) | (\$3.0) | (\$2.7) |
| Net Income (Loss) | (\$3.5) | (\$3.0) | (\$2.7) |
| EPS | (\$0.04) | (\$0.04) | (\$0.03) |

GAAP to Non-GAAP Reconciliation

| | Q1'18 | Q2'18 | Q3'18 |
|--------------------------------|------------|------------|------------|
| (In \$ '000) | Actual | Actual | Actual |
| Non-GAAP Operating Loss | \$ (3,434) | \$ (2,967) | \$ (2,711) |
| Stock-based Compensation | (432) | (479) | (516) |
| Restructuring Costs | - | - | - |
| FA impairment and/or write-off | (5) | - | - |
| GAAP Operating Loss | \$ (3,871) | \$ (3,446) | \$ (3,227) |

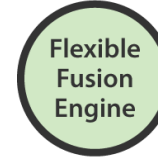
| | | | |
|--------------------------------|------------|------------|------------|
| Non-GAAP Net Loss | \$ (3,533) | \$ (3,005) | \$ (2,744) |
| Adjustments: | | | |
| Stock-based Compensation | (432) | (479) | (516) |
| FA impairment and/or write-off | (5) | - | - |
| GAAP Net Loss | \$ (3,970) | \$ (3,484) | \$ (3,260) |

EOS S3 Multi-Core SoC Platform



Sensor Manager

Autonomously handles management and control of all sensors



Flexible Fusion Engine

10 MHz μ DSP-like processor for always-on, real-time sensor data



FPGA

Allows implementation of additional FFE and other customer-specific IP



Voice Processing

Digital mic interfaces and Low Power Sound Detection* (LPSD)
*LPSD optimized for Sensory TrueHandsFree™ Voice Control



Cortex M4-F

80 MHz and 512 KB SRAM for general purpose processing and running O/S



Serial I/O

SPI Master/Slave, I²C, UART



System

DMA, Integrated RTC, Oscillators, ADC, and LDO