

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

	Three Months Ended			Nine Months Ended	
	September 30,	June 30,	September 30,	September 30,	September 30,
	2022	2022	2021	2022	2021
Net revenue	\$ 30,996	\$ 27,857	\$ 29,097	\$ 83,914	\$ 75,252
Cost of revenue	19,808	17,647	17,979	53,550	47,602
Gross profit	11,188	10,210	11,118	30,364	27,650
Operating expenses:					
Research and development	2,625	2,479	2,088	7,633	6,556
Selling and marketing	5,326	5,273	4,471	15,709	12,682
General and administrative	2,639	2,496	2,400	7,623	7,120
Restructuring and severance	49	223	99	132	761
Total operating expenses	10,639	10,471	9,058	31,097	27,119
Income (loss) from operations	549	(261)	2,060	(733)	531
Non-operating income (expense):					
Interest expense, net	(39)	(37)	(62)	(101)	(451)
Gain on forgiveness of Paycheck Protection Program note	—	—	—	—	2,946
Gain on investment	—	6	611	30	611
Foreign currency gains (losses), net	(3)	95	(48)	111	(2)
Income (loss) before income tax benefit (provision)	507	(197)	2,561	(693)	3,635
Income tax benefit (provision)	12	(54)	(21)	(38)	(94)
Net income (loss)	519	(251)	2,540	(731)	3,541
Cumulative dividends on Series B convertible preferred stock	(304)	(300)	(289)	(902)	(859)
Net income (loss) available to common stockholders	\$ 215	\$ (551)	\$ 2,251	\$ (1,633)	\$ 2,682
Net income (loss) per common share:					
Basic	\$ 0.01	\$ (0.02)	\$ 0.10	\$ (0.07)	\$ 0.13
Diluted	\$ 0.01	\$ (0.02)	\$ 0.09	\$ (0.07)	\$ 0.12
Weighted average shares used in computing net income (loss) per common share:					
Basic	22,682	22,639	22,448	22,632	20,948
Diluted	23,315	22,639	29,330	22,632	21,861

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

	<u>September 30, 2022</u>	<u>June 30, 2022</u>	<u>March 31, 2022</u>	<u>December 31, 2021</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 21,202	\$ 25,016	\$ 27,614	\$ 28,553
Restricted cash	698	905	1,074	1,254
Accounts receivable, net of allowances	23,588	20,951	19,452	19,963
Inventories	25,060	22,235	20,493	19,924
Prepaid expenses and other current assets	3,908	3,495	2,673	3,032
Total current assets	<u>74,456</u>	<u>72,602</u>	<u>71,306</u>	<u>72,726</u>
Property and equipment, net	6,189	5,153	4,341	4,066
Operating lease right-of-use assets	3,997	1,498	1,780	2,088
Intangible assets, net	5,533	5,869	6,182	6,445
Goodwill	10,179	10,250	10,288	10,268
Other assets	1,046	1,055	1,012	1,070
Total assets	<u>\$ 101,400</u>	<u>\$ 96,427</u>	<u>\$ 94,909</u>	<u>\$ 96,663</u>
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable	\$ 15,074	\$ 13,809	\$ 11,335	\$ 10,502
Operating lease liabilities	941	949	1,143	1,269
Deferred revenue	2,072	2,035	1,489	2,153
Accrued compensation and related benefits	2,753	2,671	2,675	3,150
Other accrued expenses and liabilities	2,917	2,343	3,316	3,774
Total current liabilities	<u>23,757</u>	<u>21,807</u>	<u>19,958</u>	<u>20,848</u>
Long-term operating lease liabilities	3,185	645	748	938
Long-term deferred revenue	474	444	295	280
Other long-term liabilities	24	25	74	85
Total liabilities	<u>27,440</u>	<u>22,921</u>	<u>21,075</u>	<u>22,151</u>
Total stockholders' equity	<u>73,960</u>	<u>73,506</u>	<u>73,834</u>	<u>74,512</u>
Total liabilities and stockholders' equity	<u>\$ 101,400</u>	<u>\$ 96,427</u>	<u>\$ 94,909</u>	<u>\$ 96,663</u>

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

	Three Months Ended			Nine Months Ended	
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Reconciliation of GAAP gross profit margin and non-GAAP gross profit margin					
GAAP gross profit	\$ 11,188	\$ 10,210	\$ 11,118	\$ 30,364	\$ 27,650
Reconciling items included in GAAP gross profit:					
Stock-based compensation	38	44	49	138	130
Amortization and depreciation	335	344	259	949	740
Total reconciling items included in GAAP gross profit	373	388	308	1,087	870
Non-GAAP gross profit	\$ 11,561	\$ 10,598	\$ 11,426	\$ 31,451	\$ 28,520
Non-GAAP gross profit margin	37%	38%	39%	37%	38%
Reconciliation of GAAP operating expenses to non-GAAP operating expenses					
GAAP operating expenses	\$ 10,639	\$ 10,471	\$ 9,058	\$ 31,097	\$ 27,119
Reconciling items included in GAAP operating expenses:					
Stock-based compensation	(814)	(774)	(523)	(2,427)	(1,897)
Amortization and depreciation	(253)	(232)	(243)	(724)	(720)
Restructuring and severance	(49)	(223)	(99)	(132)	(761)
Total reconciling items included in GAAP operating expenses	(1,116)	(1,229)	(865)	(3,283)	(3,378)
Non-GAAP operating expenses	\$ 9,523	\$ 9,242	\$ 8,193	\$ 27,814	\$ 23,741
Reconciliation of GAAP net income (loss) to non-GAAP adjusted EBITDA					
GAAP net income (loss)	\$ 519	\$ (251)	\$ 2,540	\$ (731)	\$ 3,541
Reconciling items included in GAAP net income (loss):					
Income tax provision (benefit)	(12)	54	21	38	94
Interest expense, net	39	37	62	101	451
Gain on forgiveness of Paycheck Protection Program note	—	—	—	—	(2,946)
Gain on investment	—	(6)	(611)	(30)	(611)
Foreign currency gains (losses), net	3	(95)	48	(111)	2
Stock-based compensation	852	818	572	2,565	2,027
Amortization and depreciation	588	576	502	1,673	1,460
Restructuring and severance	49	223	99	132	761
Total reconciling items included in GAAP net income (loss)	1,519	1,607	693	4,368	1,238
Non-GAAP adjusted EBITDA	\$ 2,038	\$ 1,356	\$ 3,233	\$ 3,637	\$ 4,779