
Universal Electronics Company Overview

May 2022



This presentation and accompanying schedules contain "forward-looking statements" within the meaning of federal securities laws, including net sales, profit margin and earnings trends, estimates and assumptions; our expectations about new product introductions; and similar statements concerning anticipated future events and expectations that are not historical facts. We caution you that these statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including those we identify below and other risk factors that we identify in our most recent annual report on Form 10-K for the year ended December 31, 2021. Risks that could affect forward-looking statements in this press release include: customer and project wins shipping when and in the quantities anticipated by management; supply chain issues and materials shortages growing in magnitude greater than that expected by management; our customers continuing to limit its ordering of our products due to their own supply chain issues and materials shortages; our ability to continue anticipating the needs and wants of our customers, and timely develop and deliver products and technologies that will be accepted by our customers; the continued commitment of our customers to their product development and ordering strategies and patterns that translate into greater demand for our technologies and products as anticipated by management, particularly during the second half of 2022; management's ability to manage its business to achieve its net sales, margins, and earnings through its operating efficiencies, product mix, and gross margin improvement initiatives as guided and as anticipated; our ability to manage our supply chain and logistics interruptions and delays, including the periodic lockdowns occurring in China due to the COVID-19 pandemic; our ability to enhance and protect the value of our intellectual properties, including our patents and trade secrets, through our licensing and litigation efforts; the effects that natural disasters and public health crises, including the COVID-19 pandemic, have on our business and management's ability to anticipate and mitigate those effects, including the duration, severity and scope of the COVID-19 pandemic, and the actions and restrictions that may be imposed on us and our operations by federal, state, local and international public health and governmental authorities to contain and combat the outbreak and spread of COVID-19, each of which may exacerbate one or more of the aforementioned risks; effects and uncertainties and other factors more fully described in our reports filed with the SEC; and the effects that changes in or enhanced use of laws, regulations and policies may have on our business including the impact of trade regulations pertaining to importation of our products and the tariffs imposed upon them. Since it is not possible to predict or identify all of the risks, uncertainties and other factors that may affect future results, the above list should not be considered a complete list. Further, any of these factors could cause actual results to differ materially from the expectations we express or imply in this press release. We make these forward-looking statements as of May 5, 2022, and we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

OUR SOLUTIONS



Universal Electronics - Confidential

UEI at a glance

Universal Electronics - Confidential

Market Share Leader in Home Control

- More than three decades of experience designing and developing wireless entertainment and home control solutions
- Worldwide leader in the growing market for entertainment (voice) remote controls
- Broad portfolio of connected sensing and control solutions for the home

Focus on Technology, Product Innovation, and Sustainability

- Industry leading QuickSet™ Cloud for entertainment and smart home control
- Innovate in sustainable design with energy harvesting
- Innovator in smart thermostat and sensing technology
- More than 600 issued and pending patents

Global Scale and Reach

- Vertically integrated across design, development, and manufacturing
- R&D teams in U.S., Europe, China, and India
- Globally diversified manufacturing in China, Mexico, Brazil and Vietnam
- 3,900 employees worldwide

Top Tier Customer Base

- Technology licensing with leading consumer electronics brands
- Development partner for world's largest television, telecommunications, and security service providers, and climate control and home automation brands

Strong Financial Performance

- Long term delivery of revenue and earnings growth



Agenda

1 About Universal Electronics

2 Our Markets

3 Our Solutions

4 Our Achievements

UEI is the global leader in wireless universal control solutions for home entertainment and smart home devices.

For over 35 years, , UEI designs, develops, manufactures, ships and supports wireless universal control technology solutions and a broad line of home entertainment, climate control, automation, and security products.

OUR MISSION

Create smarter living

To create products and technologies that help everyday people easily discover and interact with the devices and services in their home.

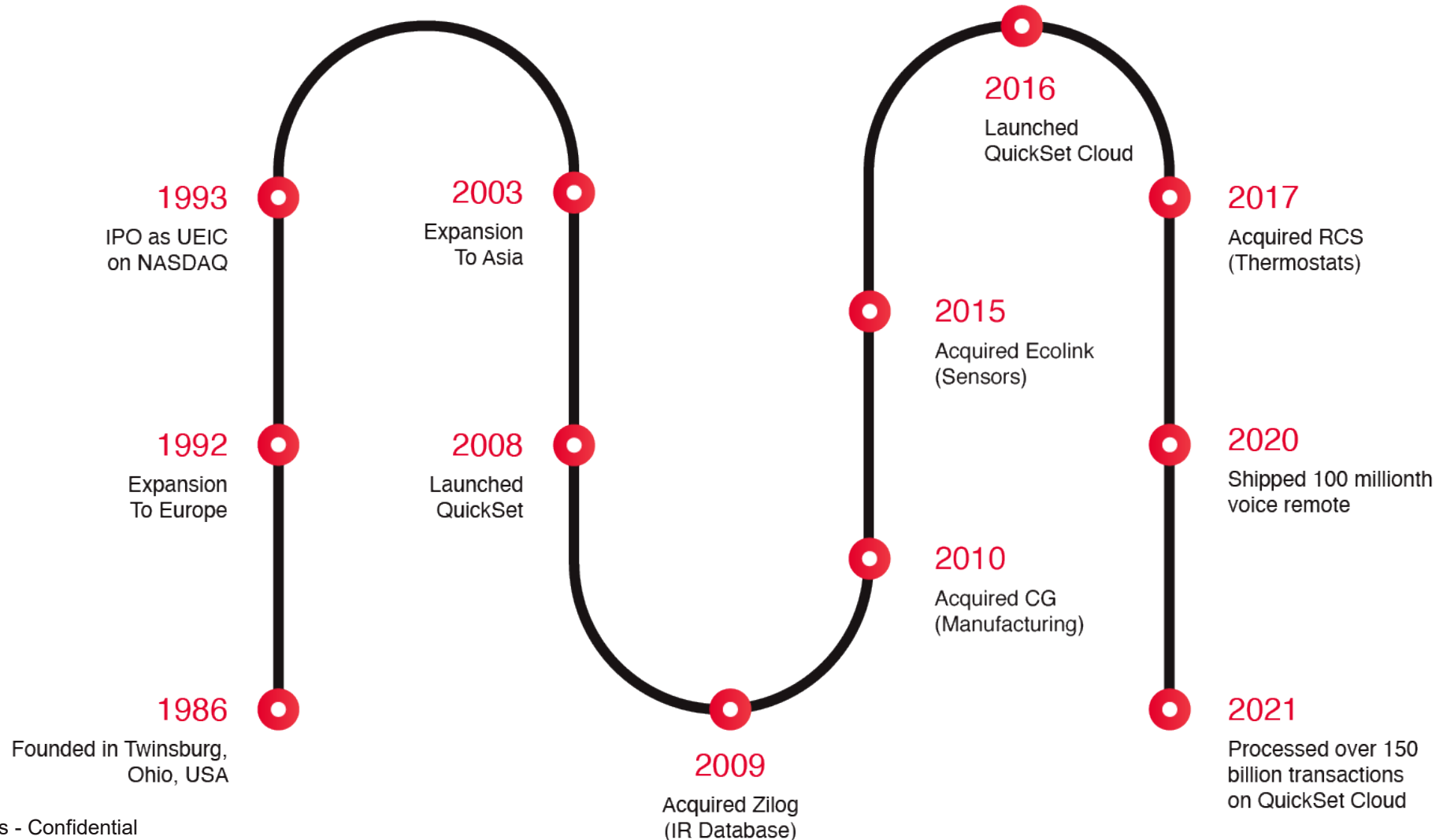


OUR VISION

Connecting the home

To be the most knowledgeable company on the planet about the entertainment, smart devices and services that people have in their home.

Over 35 years of continuous success in building a world-class company



Experienced management team with long-term industry experience, company tenure, and a track record of innovation, delivery and performance



Paul Arling
Chairman & CEO



Menno Koopmans
Sales & Marketing



Ramzi Ammari
Product & Strategy



Norm Sheridan
Engineering



Rick Carnifax
Operations

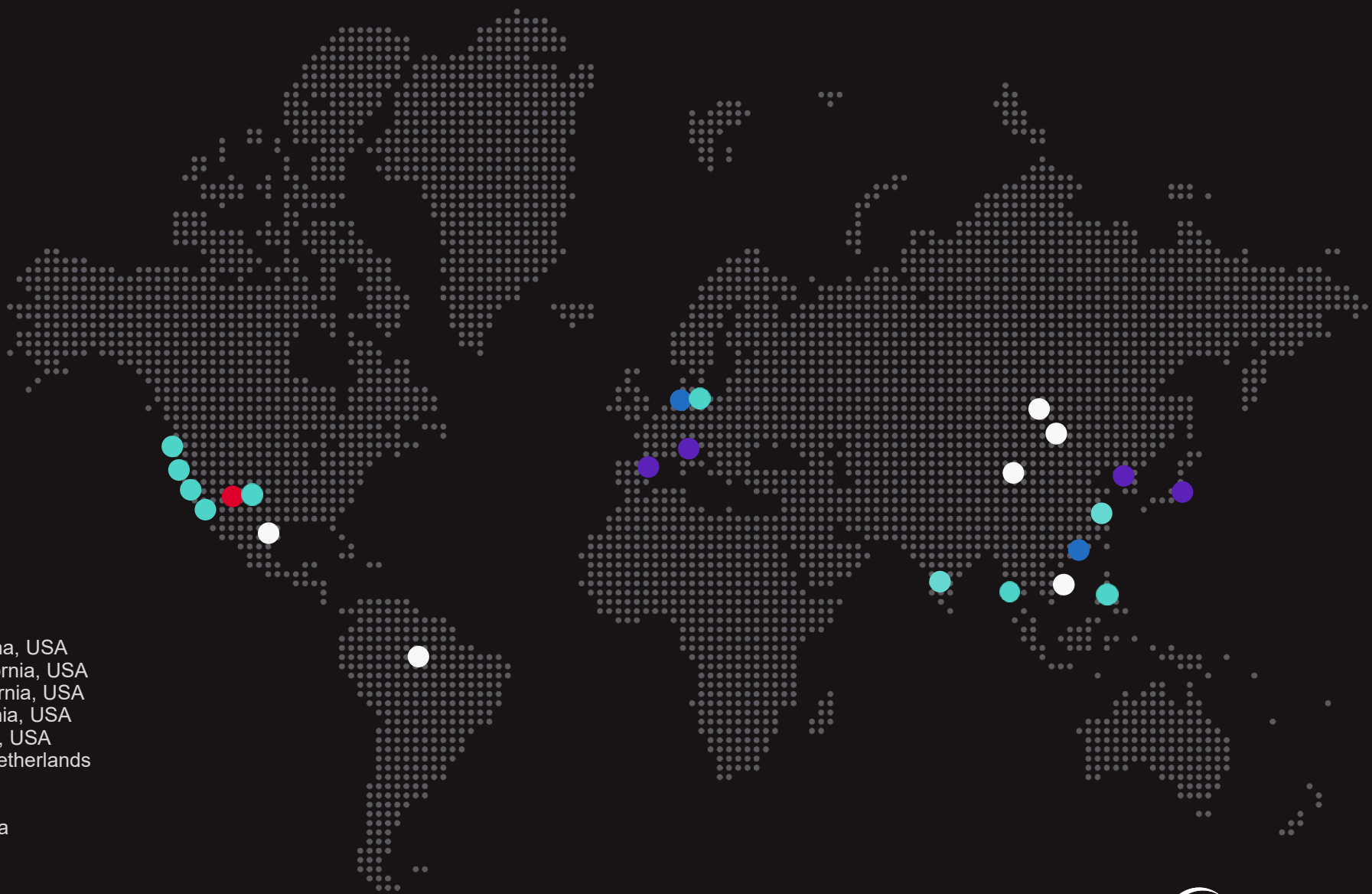


Bryan Hackworth
CFO



Rick Firehammer
General Counsel

More than 3,900 employees in 30 countries

- 
- Global HQ**
Scottsdale, Arizona, USA
 - Regional HQ**
Enschede, The Netherlands
Hong Kong
 - Manufacturing sites**
Monterrey, Mexico
Manaus, Brazil
Yangzhou, China
Qinzhou, China
Hai Duong, Vietnam
 - Sales offices**
Barcelona, Spain
Milan, Italy
Seoul, Korea
Tokyo, Japan
 - R&D sites**
Scottsdale, Arizona, USA
San Mateo, California, USA
Santa Ana, California, USA
Carlsbad, California, USA
Poway, California, USA
Enschede, The Netherlands
Bangalore, India
Suzhou, China
Guangzhou, China

Technology
leader

World leader in universal control technology

- Creator of the industry leading control platform, QuickSet, that allows consumers to easily discover and interact with devices in the home
- Design our own wireless connectivity platforms supported with our own firmware, software and services to ensure end-to-end control.
- Experts in wireless communication protocols including WiFi, Bluetooth, Zigbee, Z-Wave, sub-gig and Infrared
- Innovator on extreme low-power wireless connectivity solutions with energy harvesting capabilities to significantly reduce battery waste
- Innovator in voice control with over 100 million units shipped

Vertically integrated manufacturing

- High-volume manufacturing of wireless electronics with efficient supply chain and quality processes
- High-quality surface mount technology, zero-gap, plastic injection, acoustic design, painting, keypad, robot soldering and laser etching, automated assembly and testing
- Diversified, reliable manufacturing across six facilities in China, Mexico, Brazil and Vietnam
- Deeply integrated production and product development that ensures efficient delivery of more than 200 new products and shipping more than 100 million units per year

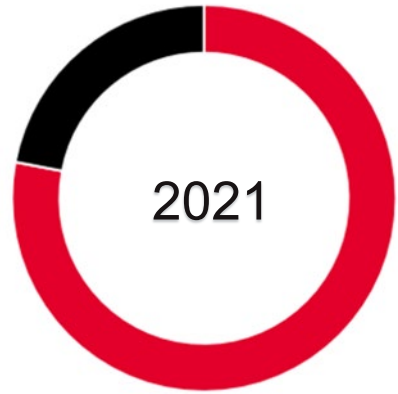


Quality, reliability
and speed

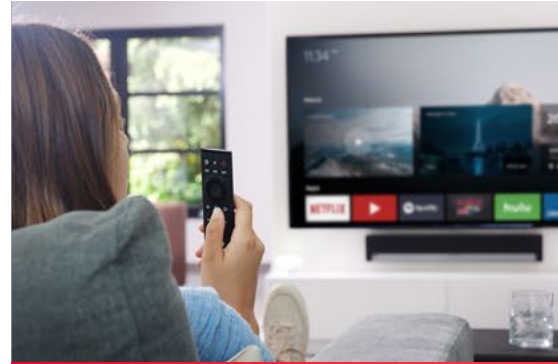
Our Markets



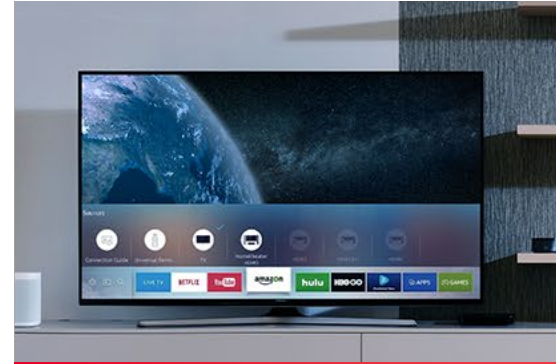
Diverse, scalable sales channels



■ Home Entertainment ■ Connected Home



Video Service Providers



Consumer Electronics



Retail



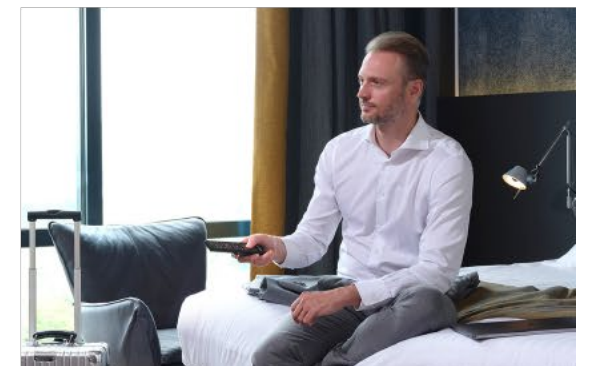
Climate Control



Home Security

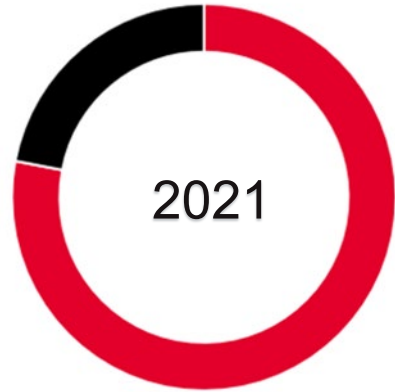


Home Automation



Hospitality

OUR CUSTOMERS



■ Home Entertainment ■ Connected Home



Video Service Providers



Consumer Electronics



Retail



Security, Automation and Hospitality



Home Climate Control



Home automation



Video Service Providers

Global market leader with many firsts

- 70% market share in the U.S. and 50% in Europe
- Leader in advanced TV and streaming controllers
- Offerings include control products and technology licenses for set-top box, TV and audio control
- First to launch mass market voice control with over 100 million units shipped
- Expanding with smart home enabled products such as smart hubs, sensors and thermostats, as well as digital assistants and smart home services
- Customers include many of the world's largest companies in cable, satellite, telecommunications and streaming services, and set-top box vendors

Consumer Electronics

Home Entertainment Control technology leader

- Powering over 40% of the world's TVs with control technology
- Leading provider of voice remotes, modules, chips and/or software with cloud services for leading TV and game console manufacturers
- Only provider of concurrent multi-radio-frequency protocols for TVs and Set-Top-Boxes
- Innovator in control software and cloud connectivity for managed services in entertainment control and smart home applications
- Technology is licensed by all leading Japanese and Korean brands across their smart TV platforms



TV Accessory Consumers



One For All, our consumer brand, is number one in universal audio video accessories

- Channel leader in universal remote controls, digital television antennas, television wall mounts and designed television stands
- More than 50% market share in universal remote controls in Europe
- Leader in streaming solutions including digital TV antennas for cord cutting and universal streamer remotes
- One For All products are sold in over 15,000 electronics stores, mass merchant retailers and online stores



Home Climate Control

Leader in heating, ventilation and air conditioning control

- Over 20 years of experience as OEM, ODM and technology solutions provider to leading brands in the HVAC industry
- Acquired RCS Technology in 2017, a leading designer and manufacturer of energy management and control products
- Offerings include programmable and smart thermostats, advanced handheld and wall controls, and energy monitoring and control devices for residential, light commercial and hospitality markets
- Customers include leading Japanese and US brands such as Daikin, Trane, Toshiba Carrier, Panasonic, Fujitsu, and Mitsubishi



Security, Automation and Hospitality

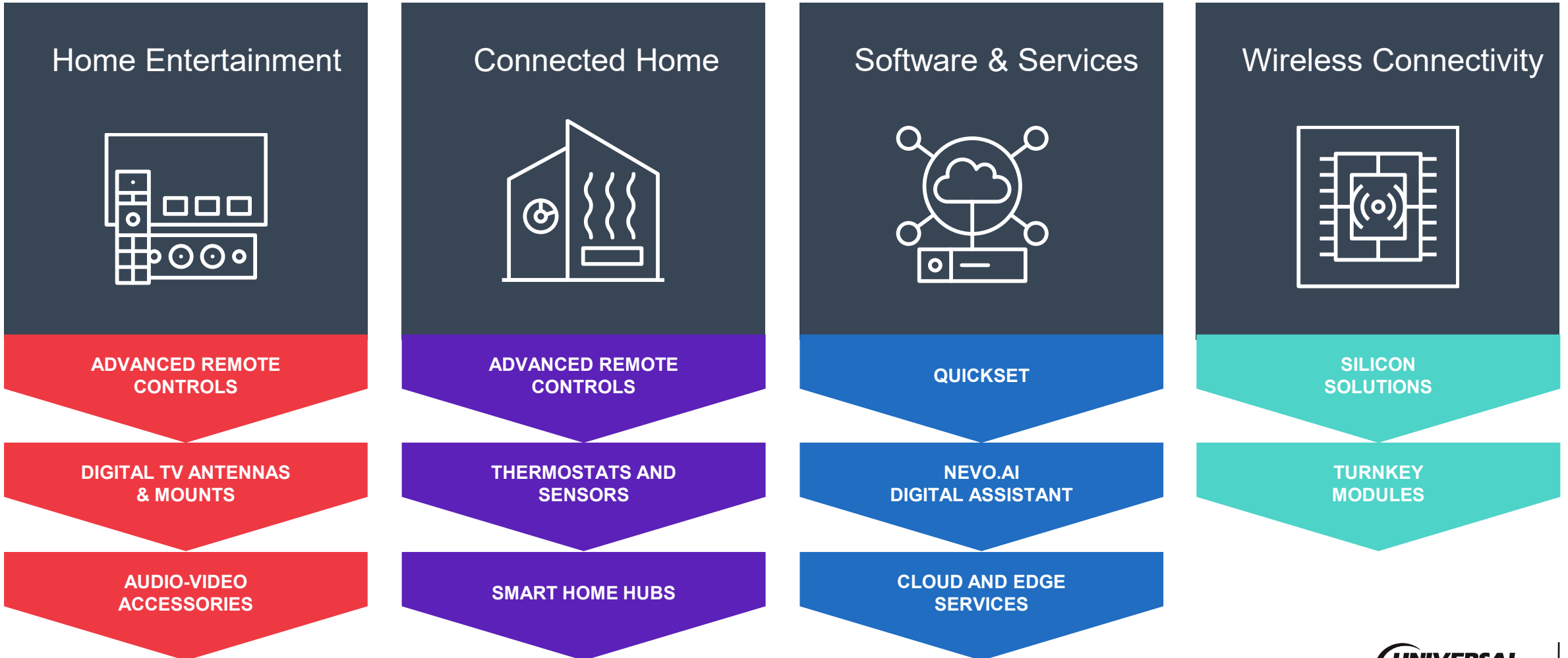
Leading developer of wireless security and smart home sensors

- Acquired Ecolink in 2015, a leading developer of wireless security and smart home technology with more than 20 years of experience
- Offerings include sensors, switches, thermostats, remote controls and control gateways, as well as chips, modules and software services
- Customers include leading security providers, Vivint and Ring, and Home Automation brands, Somfy and Hunter Douglas
- Experts in Automation and Security-grade wireless protocols including Sub Gg, Zigbee, Z-Wave, Z-Wave Long Range, and WiFi

Our Solutions

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Innovating in four areas





Home entertainment control solutions

OUR SOLUTIONS

Home entertainment control solutions made easy

- Complete portfolio of control devices for all types and market segments
 - Infrared and RF remotes for television, audio receivers, soundbars, set-top boxes, streaming sticks and other audio video devices
 - Bluetooth and RF4CE remotes for voice streaming and integration with QuickSet
 - Recent features include energy harvesting, adaptive control, and rechargeable batteries
 - Platform remotes for Android TV and RDK systems
 - Turnkey solutions for Tivo, Xfinity and Apple TV
- Extensive selection of digital TV antennas for free to air broadcasting as well as award-winning television mounts and stands, and complementary accessories such as HDMI cables, senders, and signal boosters



Towards a NetZero
control experience

OUR SOLUTIONS

Best in Class sustainable solutions that minimize the Carbon Footprint

- Announced UEI Eterna Remote Control platform which reduces carbon footprint with over 80% and dramatically reduces batteries waste
- Launched Extreme Low Power wireless connectivity platform that reduces power consumption up to 80% while offers 2.5 times more compute
- Integrated Energy Harvesting capabilities allows remotes to generate power from ambient light and WiFi signals
- High Density Solar Panel capture three more energy and works in indoor (low) light conditions.
- Includes Recycled and Recycleable Plastics, Made for Refurbishment, and EcoFriendly Packaging

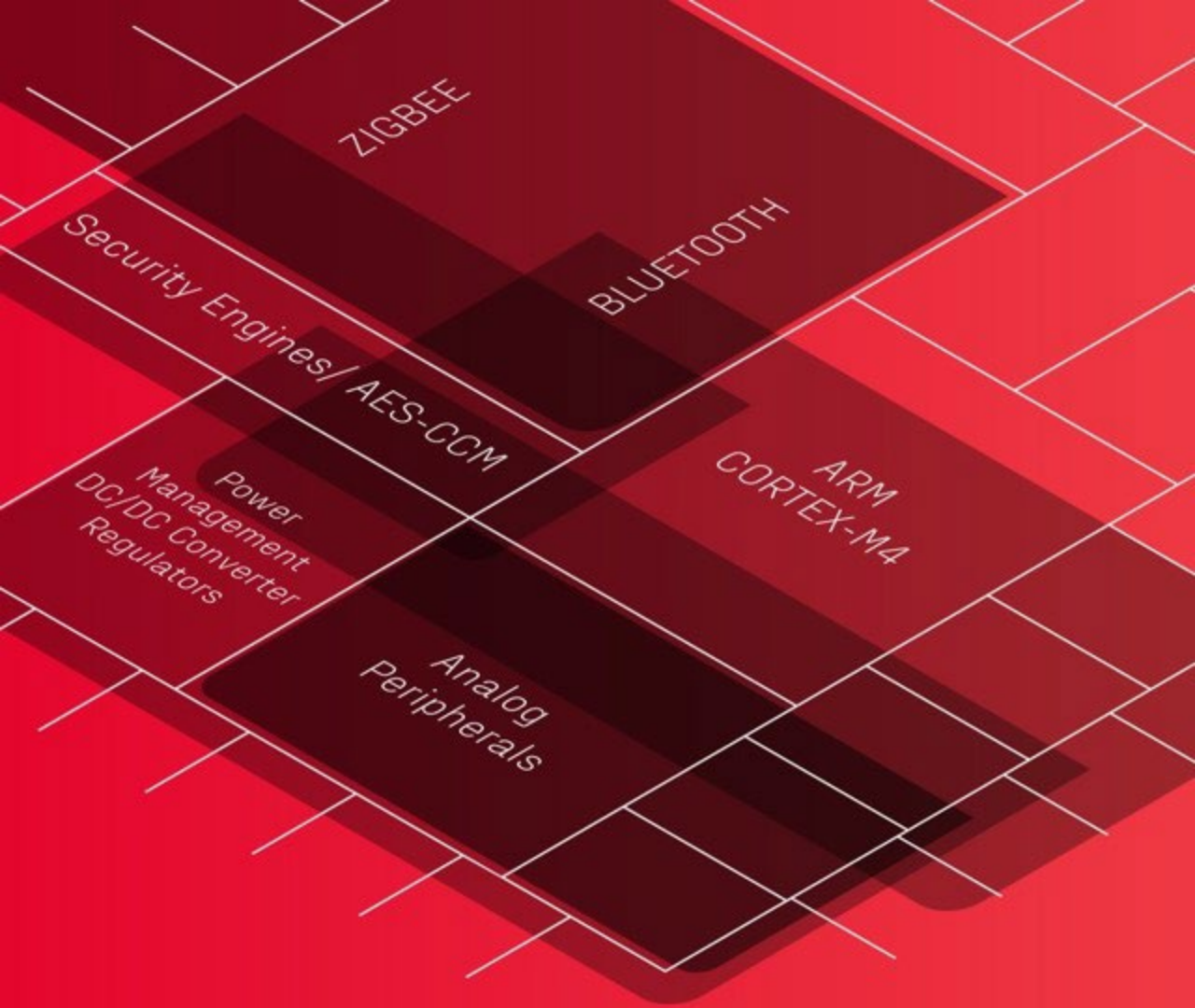


Connected Home sense and control solutions

OUR SOLUTIONS

Connecting thermostats, sensors and smart home hubs

- Unique smart home hub with voice control, IP, Zigbee, Bluetooth and infrared control capabilities and interoperability services including Matter protocol
- Complete portfolio of security grade and home automation qualified sensors including contact, motion, occupancy, tilt, flood, freeze, temperature, humidity and audio sensors. Complementary accessories such as keypads, key fobs, handheld controllers, light switches and smart power plugs.
- Range of connected and smart thermostats with different interface and screen types as well as multiple protocols and sensing capabilities
- Sensor and thermostat solutions that support multiple protocols for smart home and security applications



Wireless control connectivity

OUR SOLUTIONS

Turnkey, optimized silicon and modules

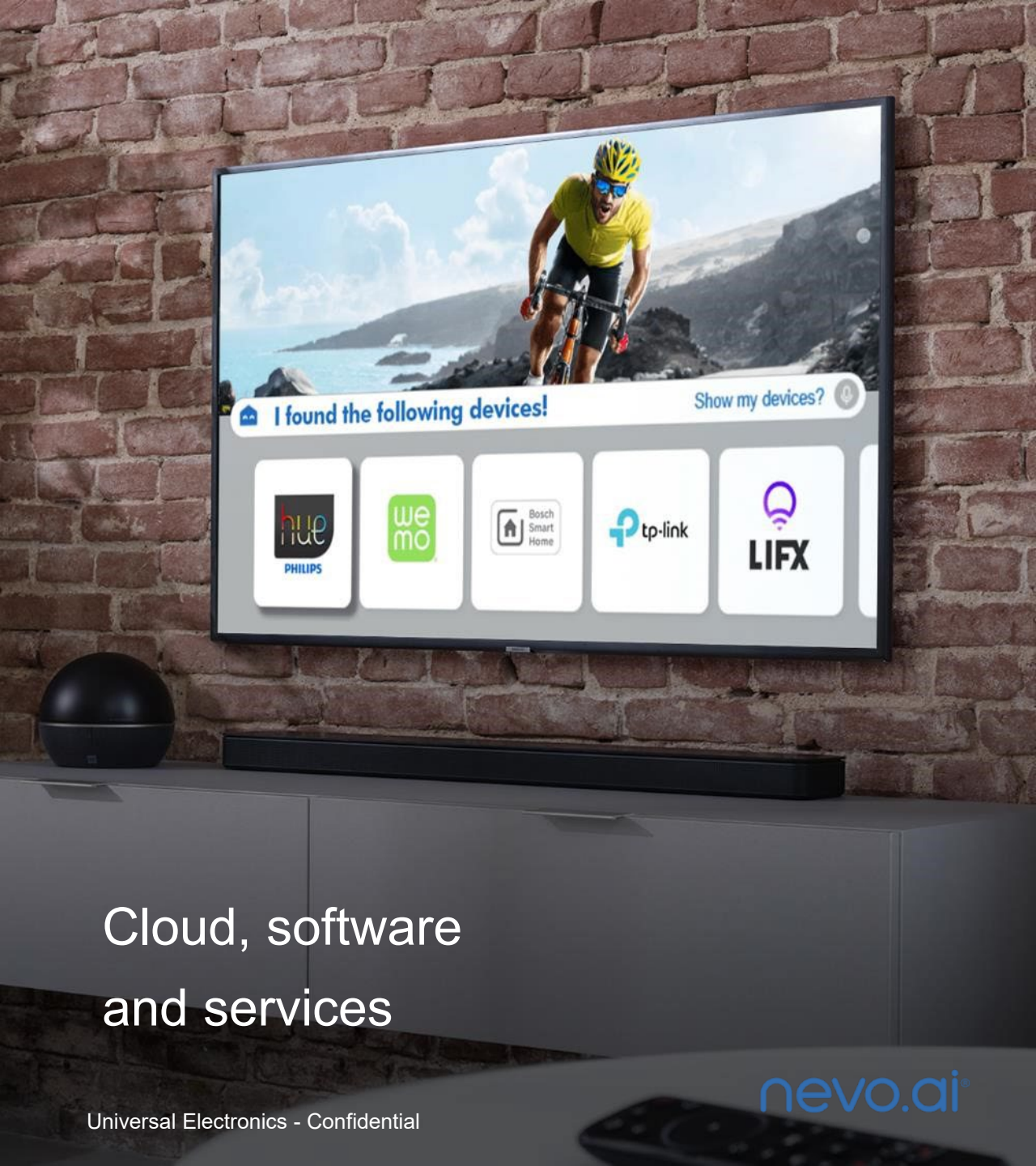
- Complete portfolio of uniquely designed low power silicon types for a wide range of in-home applications including entertainment, climate control, automation and security
- Newly launched extreme low power wireless silicon with energy harvesting capabilities to dramatically reduce battery consumption
- Multiple platforms with turnkey firmware and compatible with QuickSet Cloud
- Includes Wifi, Bluetooth, Bluetooth Smart, Zigbee, RF4CE, Z-Wave, Infrared and Sub Gig solutions available as silicon as well as module
- Shipped more than 200 million units of our wireless platform, designed for Bluetooth, Zigbee and Infrared and optimized for voice streaming and low power



OUR SOLUTIONS

QuickSet is the industry standard for home control

- Launched in 2008, QuickSet has been deployed in over 600M devices and is providing the worlds' most comprehensive knowledge graph for discovery and control of entertainment and smart home devices.
- QuickSet Cloud is continuous expanding and already processed over 150 billion transactions in 2021.
- Our knowledge graph includes 25 million unique fingerprints across nearly 1 million devices from 12,800 consumer brands, offering true interoperability between home entertainment and smart home devices, and ecosystems such as Alexa, Assistant, and Smart Things
- QuickSet Cloud architecture is built with control engines and discovery, automation and remote management frameworks with a control and discovery capability for IP, Zigbee, Bluetooth and Infrared controlled devices



Cloud, software
and services

nevo.ai

OUR SOLUTIONS

Digital assistant platform optimized for home entertainment and smart home devices

- White label digital assistant platform to connect services with devices and people in the home
- Built on QuickSet Cloud, nevo.ai supports built-in services including UEI's interoperability and virtual agent service and integrates third-party services
- Multimodal digital assistant using voice and/or visual interaction between the assistant and the consumer
- Works with QuickSet program guarantees customer interoperability, smart home management and virtual agent support for customer and third-party brands



Nevo Butler and Nevo Voice Companion

OUR SOLUTIONS

Blending home entertainment and smart home control experiences

- Turnkey Nevo Butler smart home hub with a built-in digital assistant providing far-field voice technology to enable control of smart home devices
- Nevo Voice Companion allows for far-field voice control of existing Advanced TV platforms
- Unifies entertainment control and home automation experiences and enables interoperability across fragmented ecosystems
- Offered as a white label solution to accelerate introduction of new smart home services, as well as a managed hardware platform with built-in security
- Powered by QuickSet Cloud and nevo.ai

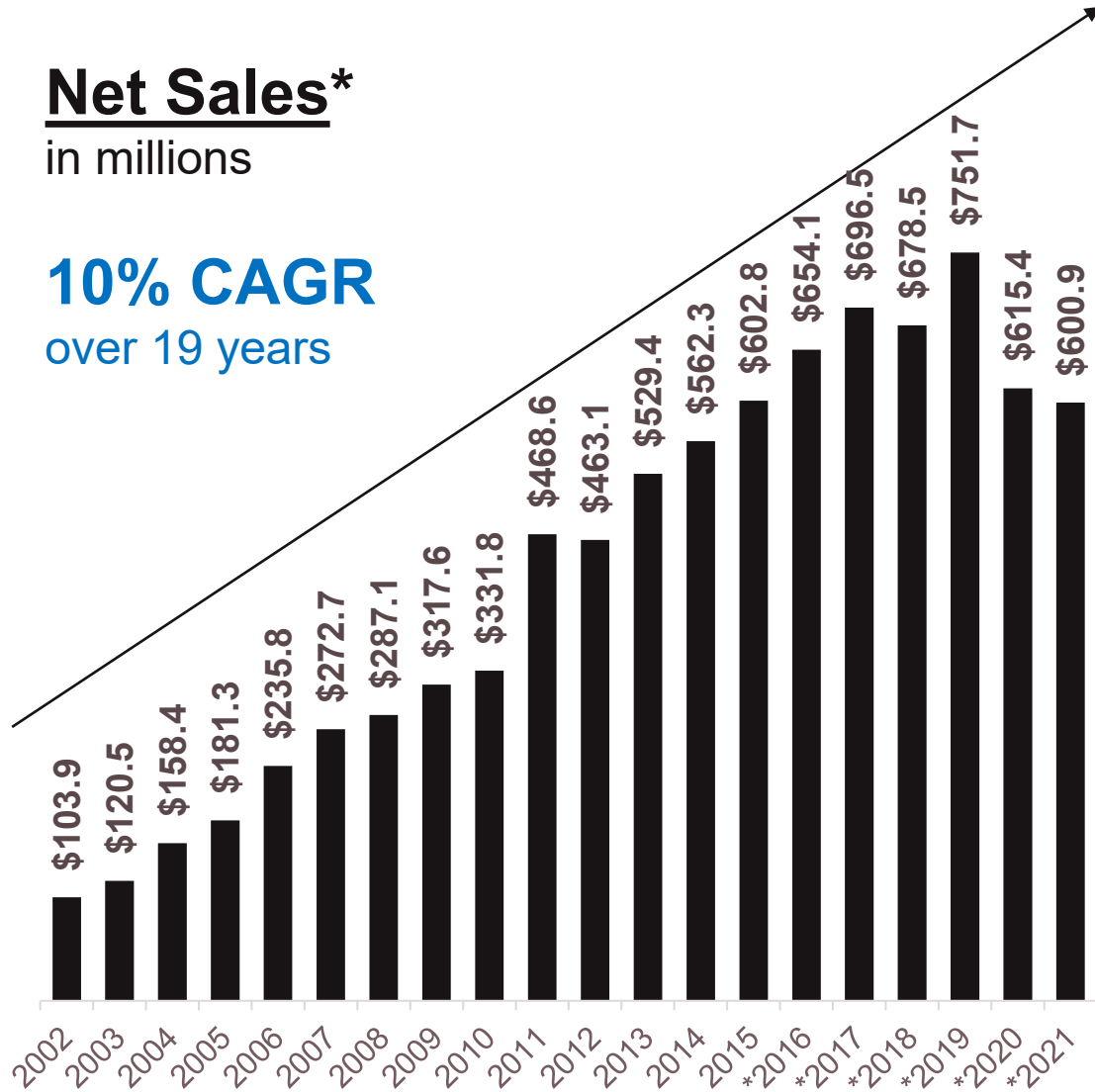
Our Achievements

An abstract graphic consisting of multiple thin, white, curved lines that originate from the bottom left and fan out towards the right side of the slide, creating a sense of motion and complexity.

Net Sales*

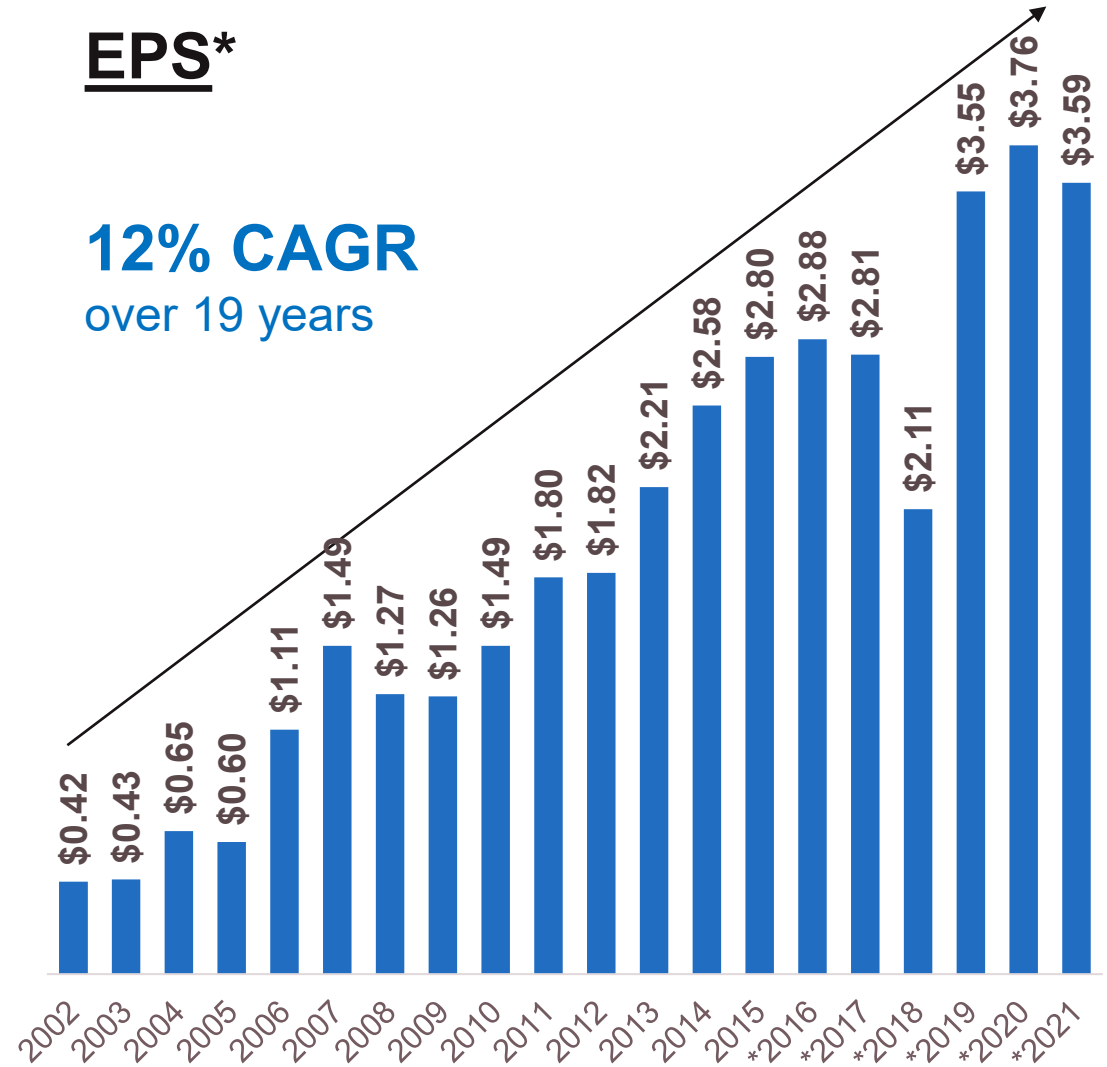
in millions

10% CAGR
over 19 years



EPS*

12% CAGR
over 19 years

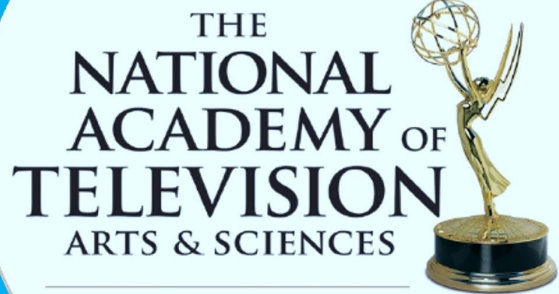


* Non-GAAP reporting – for reconciliation of Adjusted non-GAAP to GAAP please see UEI.com.

High customer satisfaction

- Growing customer base of top-tier accounts across all channels
- High levels of customer loyalty and retention; average customer life span is 10+ years and growing
- Long term partnership with leading global accounts
- 20+ years: Comcast, DirecTV
- 15+ years: Sky, Sony, Charter, Dish
- 10+ years: Samsung, Daikin, TiVo, Liberty

R&D investments that pay off



- Consistent spend of >5% on R&D annually
- Annual growth of patent portfolio with more than 600 patents in control and sensing technology filed around the world
- Awarded Technology Emmy for groundbreaking work in interaction design for television systems by means of voice
- Consistent growth in technology sales since 2018 leading to 30% gross margin

Active Corporate Social Responsibility agenda

- Management commitment to a sustainable future with an active ESG agenda
- Factory compliance validation with many accredited CSR standards: Ecovadis, Responsible Business Alliance, Ethical Trading Initiative and others. UEI is signed on as a corporate Member of RBA since 2022
- Active R&D agenda toward sustainable product, technology and supply chain design





OUR ACHIEVEMENTS

Many prestigious design awards

- Our Designation team has created many award-winning product based on deep user insights, and combining innovative technologies with sustainable and aesthetically pleasing designs
- In last three years, the team was recognized with **seven** Red Dot Awards, one of the most prestigious international design awards
- 2022 – TIDE Dial Smart Thermostat, Universal Quadpod TV Stand and the Smart Streamer Remote

Thank you!

Questions?