



# The New Heartbeat of Electronics

March 3 2020

**SiTime**



# Forward-Looking Statements

This presentation regarding SiTime Corporation (the “Company”) contains forward-looking statements. All statements other than statements of historical facts contained in this presentation, including statements regarding future results of the operations of the Company, including financial position, strategy and plans, and the Company’s expectations for its future operations and the timing market, are forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including, but not limited to: the Company’s ability to retain and expand its customer relationships and to achieve design wins; the Company’s ability to address market and customer demands and to timely develop new or enhanced solutions to meet those demands; anticipated trends, challenges and growth in the Company’s business and the markets in which it operates; the Company’s expectations regarding its revenue, gross margin and expenses; the size and growth potential of the markets for the Company’s solutions, and the Company’s ability to serve those markets; the Company’s expectations regarding competition in its existing and new markets; the Company’s ability to execute business plans and general economic factors; regulatory developments in the United States and foreign countries; the performance of the Company’s third-party suppliers and manufacturers; the Company’s and its customers’ ability to respond successfully to technological shifts or market demands; the Company’s ability to attract and retain key personnel; the accuracy of the Company’s estimates regarding capital requirements and needs for additional financing; change in industry standards to which the Company’s solutions conform; the Company’s expectations regarding its ability to obtain and maintain intellectual property protection for its technology.

Moreover, the Company operates in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for the Company’s management to predict all risks, nor can the Company assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied. Except as required by law, neither the Company nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. The Company undertakes no obligation to update publicly any forward-looking statements for any reason after the date of this presentation to conform these statements to actual results or to changes in the Company’s expectations.

This presentation and the accompanying oral presentation include certain non-GAAP financial measures as defined by the Securities and Exchange Commission (the “SEC”) rules. These non-GAAP financial measures are provided in addition to, and not as a substitute for or superior to measures of, financial performance prepared in accordance with U.S. GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the presented non-GAAP financial measures as tools for comparison.

The Company has filed a registration statement with the SEC in connection with the stock offering that occurred on November 21 2019. Before you invest, you should read documents the Company has filed with the SEC for more complete information about the Company. You can obtain these documents for free by visiting EDGAR on the SEC website at [www.sec.gov](http://www.sec.gov).

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# SiTime at a Glance – A Timing Leader

## Key Facts



Siliconizing Timing  
Using Silicon MEMS



Fabless Analog  
Semiconductors



Santa Clara, CA  
with global presence



IPO on November 21 2019



# SiTime IPO - November 21 2019



# Investment Highlights – Diversified Timing Pureplay

## Large Growing Market

Total timing market is \$8 Billion, growing to \$10 Billion in 5 years <sup>(2)</sup>

## Technology Leader

Leader in Silicon MEMS & analog timing – with differentiated products

## Large customer base

10,000 customers, 65 products and 200 applications <sup>(1)</sup>

## Fabless semiconductor business

Fabless analog semiconductor company – leveraged model, strong barriers to entry

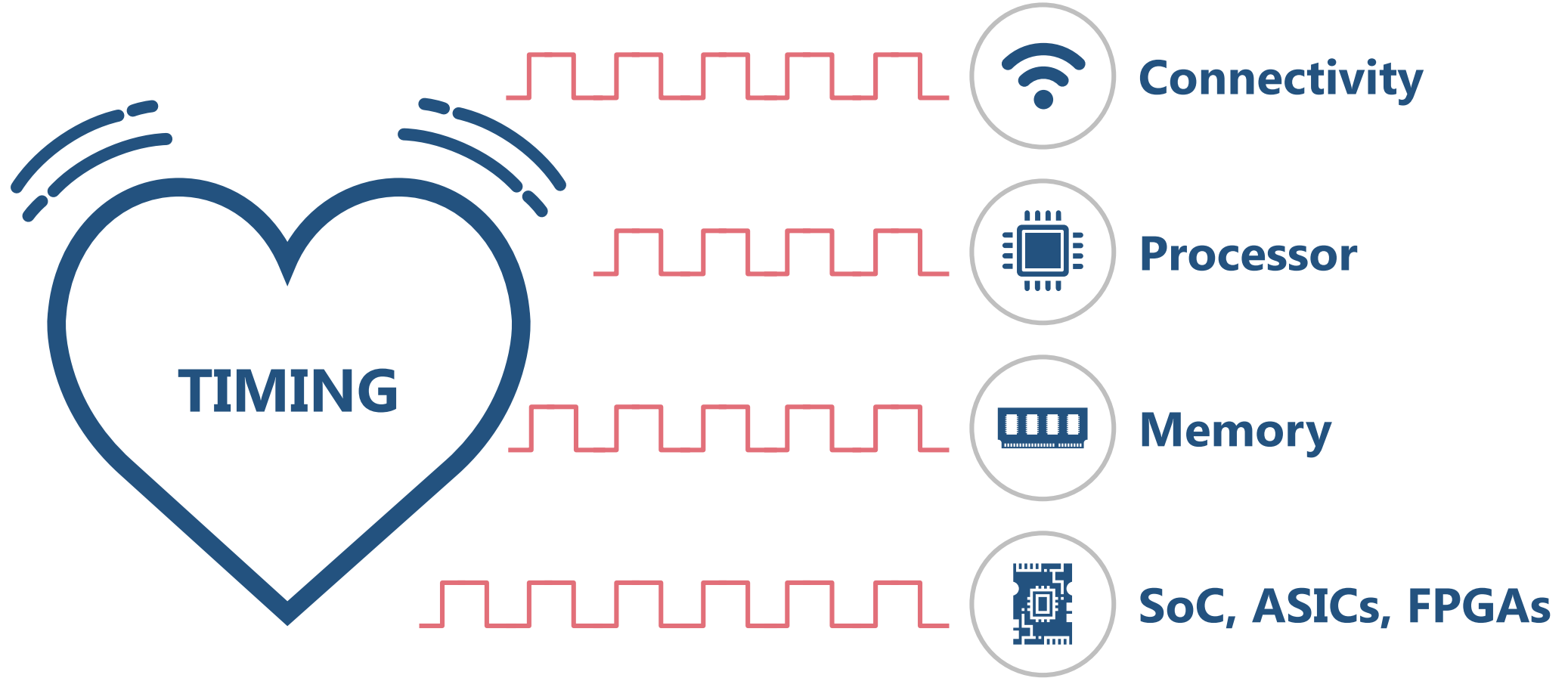
## Experienced Management

Proven management team with a track record of growing public companies

1. As of September 30, 2019

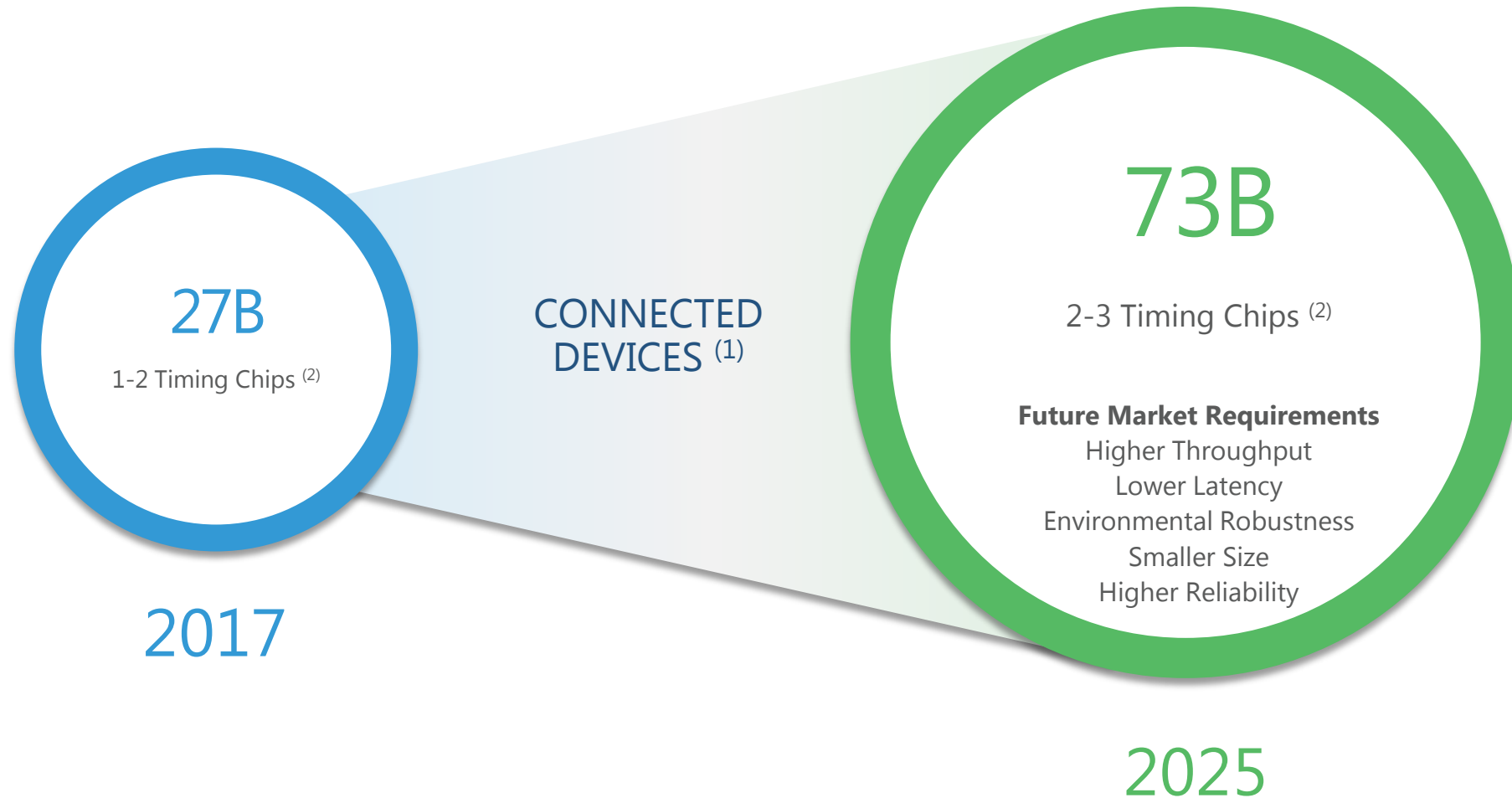
2. As of 2018, Dedalus Consulting Global Markets, Applications & Competitors: 2016-2022 Analysis & Forecasts; SiTime management estimates for Clock IC market size and growth

# Timing is the Heartbeat of Every Electronic System





# Universal Connectivity Requires Improved Timing



1. IHS Markit "8 in 2018: The top transformative technologies to watch this year"
2. SiTime estimates

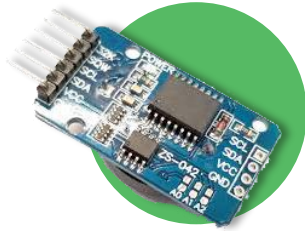
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# SiTime Addresses a Large Market

## SiTime's Products

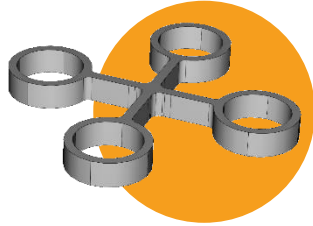
### Clock IC

Future Opportunity



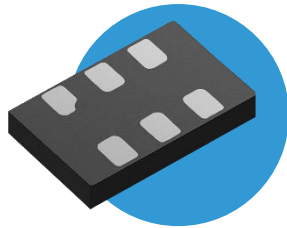
### Standalone Resonator

Future Opportunity



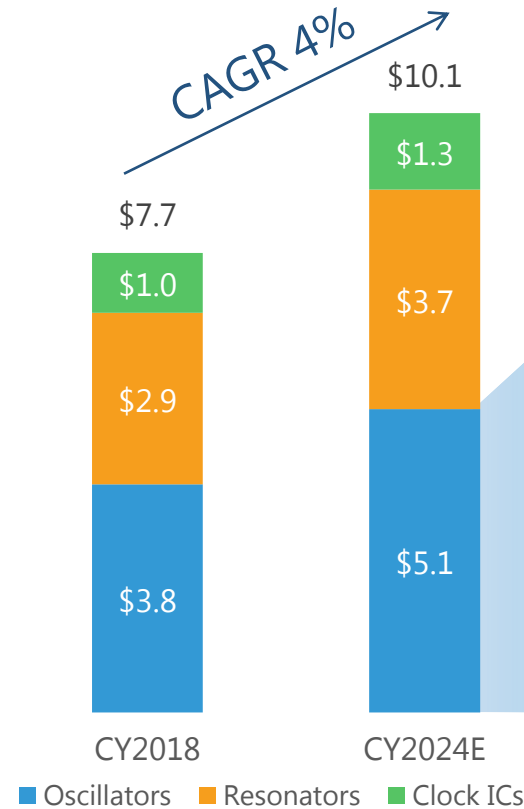
### Oscillator

Substantially All of SiTime Revenue to Date



## Total Timing Market Opportunity <sup>(1)</sup>

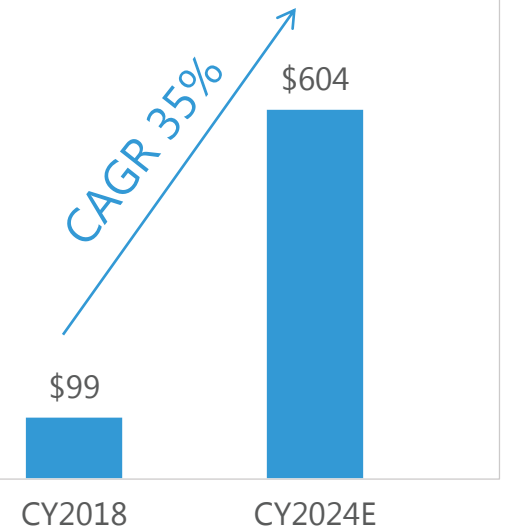
(\$ in billions)



## Silicon MEMS Oscillator Opportunity <sup>(2)</sup>

(\$ in millions)

### Silicon MEMS Oscillator Forecast



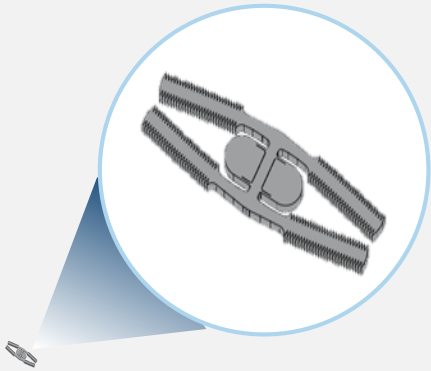
1. Dedalus Consulting, April 2019; SiTime management estimates for Clock IC market size and growth
2. Yole Développement, July 2019



# SiTime Core Technologies

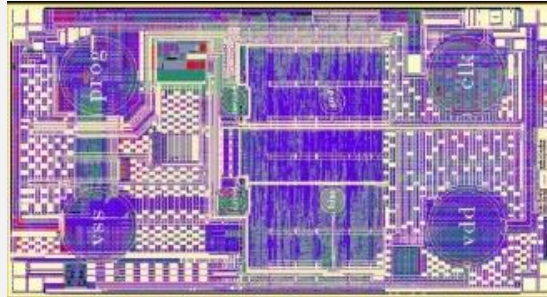
## Significant Barriers to Entry

### Silicon MEMS



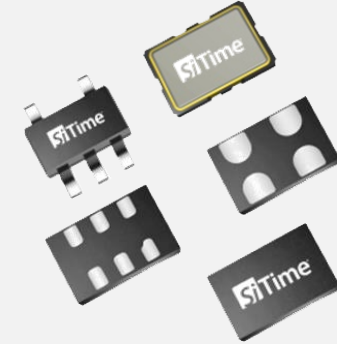
- 3<sup>rd</sup> gen MEMS
- Proprietary MEMS process
- SiTime MEMS Simulation tools
- Fabrication: BOSCH

### Programmable Analog



- 4<sup>th</sup> gen MEMS drive circuits
- Revolutionary temp sensors
- Smallest low-power high-perf circuits
- Fabrication: TSMC

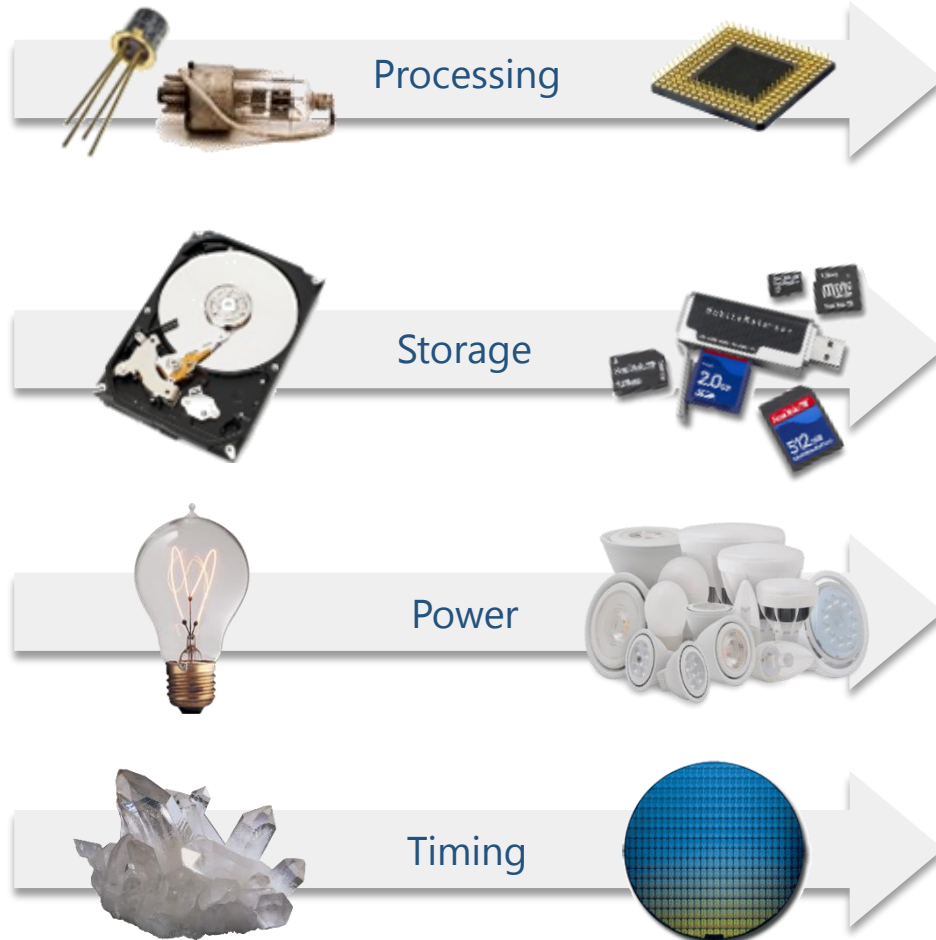
### Systems



- 10x performance improvement
- Materials science expertise
- Thermo-mechanical co-design
- Fabrication: ASE, UTAC, Carsem

# Silicon MEMS is Disrupting Timing

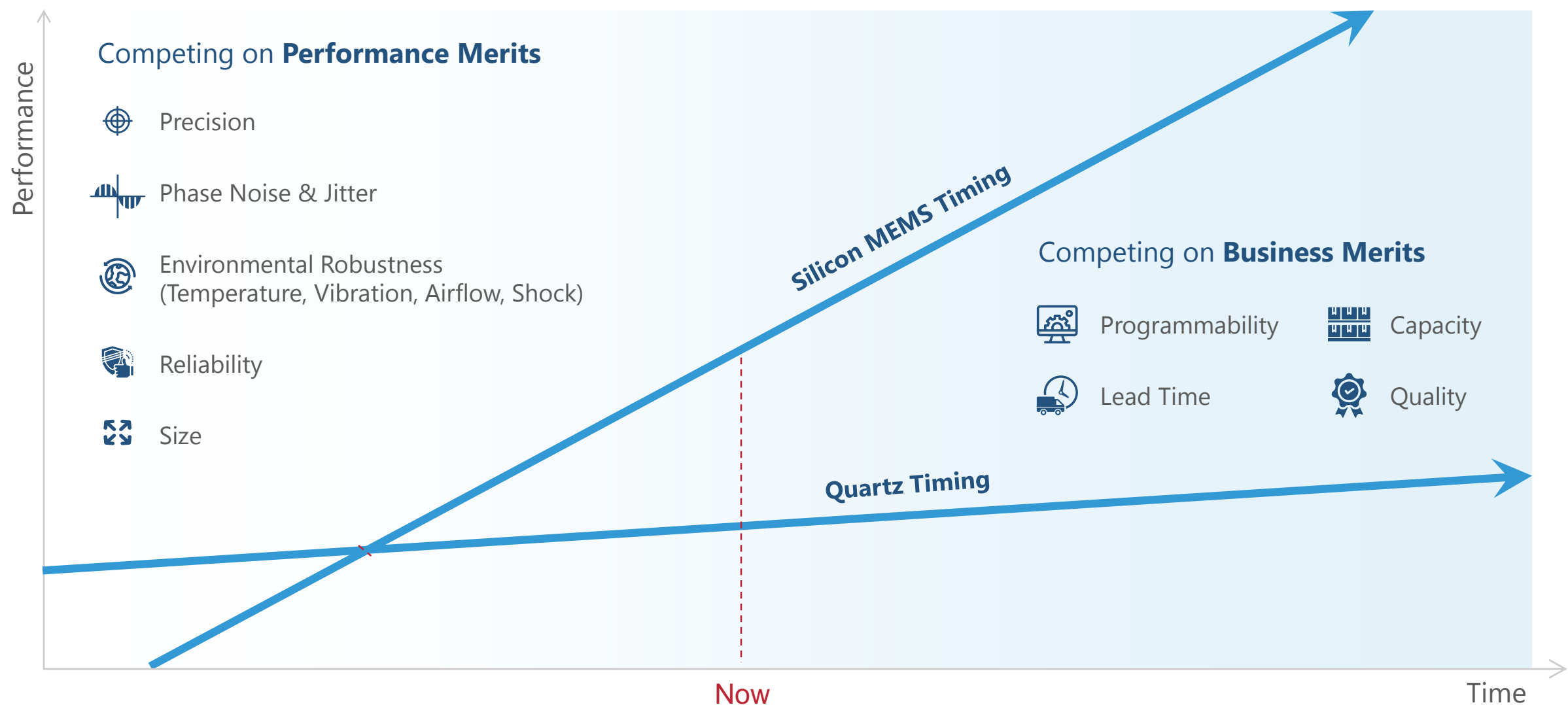
## Silicon Historically Wins



## Why Silicon MEMS Wins in Timing

- ✓ Higher performance
- ✓ Lower power
- ✓ Smaller size
- ✓ Programmable
- ✓ Environmentally robust

# Silicon MEMS Allows for Rapid Innovation in Timing

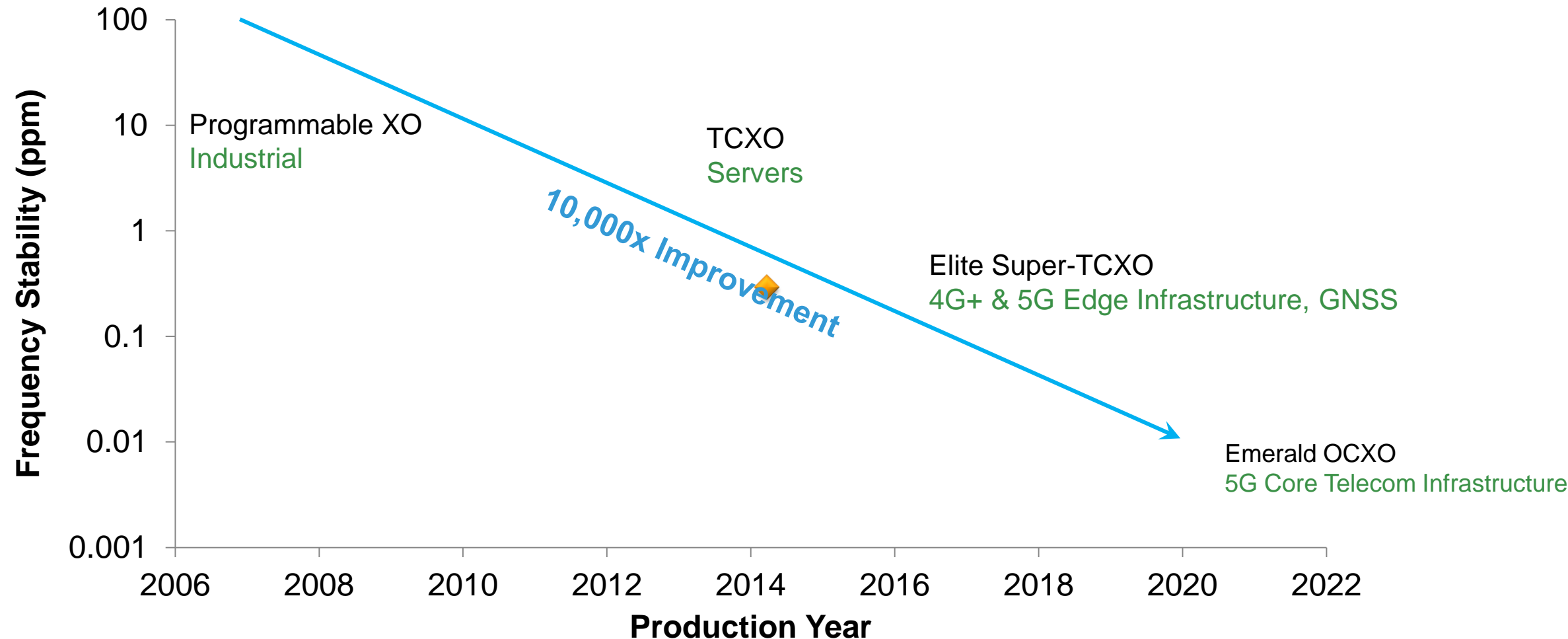


For illustrative purposes only. The time axis does not point to a specific time period nor does the performance axis imply a specific rate of innovation.



# SiTime Frequency Stability History

## Semiconductor Technology Drives Innovation



# End Market Overview: Consumer-IoT-Mobile

Billions of Internet Connected Devices,  
Increasing Functionality, Smaller Size

Drivers



Requirements

Small Size, High Availability

Why we win?

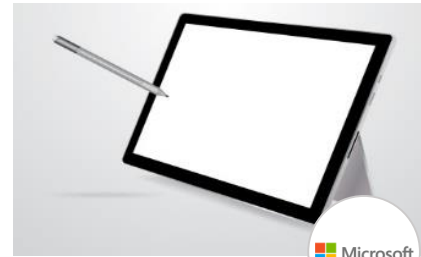
Fabless Semi Process & Supply Chain:  
Small Size, High Availability



WEARABLE



EARBUDS



TABLET  
STYLUS



MOBILE

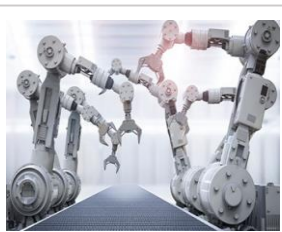
# End Market Overview: Industrial-Automotive-Aero-Defense

Industry 4.0 (Connectivity, Sensing)  
Automotive: 10,000x Increase in Data Volume <sup>(1)</sup>



High Performance in Demanding Environments  
(Temp., Shock , Vibration), Reliability

Up to 40x Better Stability  
Under Vibration



INDUSTRIAL  
MACHINERY



MEDICAL  
ELECTRONICS



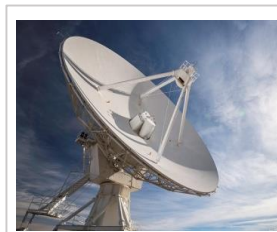
TRANSPORT



AUTOMOTIVE  
CAMERAS



ADAS  
COMPUTER



SATELLITE  
COMMUNICATIONS



GNSS



AIRBORNE

1. Toyota Motor Corporation: "Industry Leaders to Form Consortium for Network and Computing Infrastructure of Automotive Big Data" 2017



# End Market Overview: Communications and Enterprise

4G+/5G Transition: 10x-1000x <sup>(1)</sup>,  
Faster Expansion of Cloud

Drivers



Requirements

High Performance in Demanding Environments (Vibration,  
Shock, Temp.), Network Time Synchronization

Why we win?

Silicon MEMS: High Temperature Performance,  
High Reliability



WIRED INFRASTRUCTURE



ENTERPRISE SWITCH



WIRELESS BACKHAUL



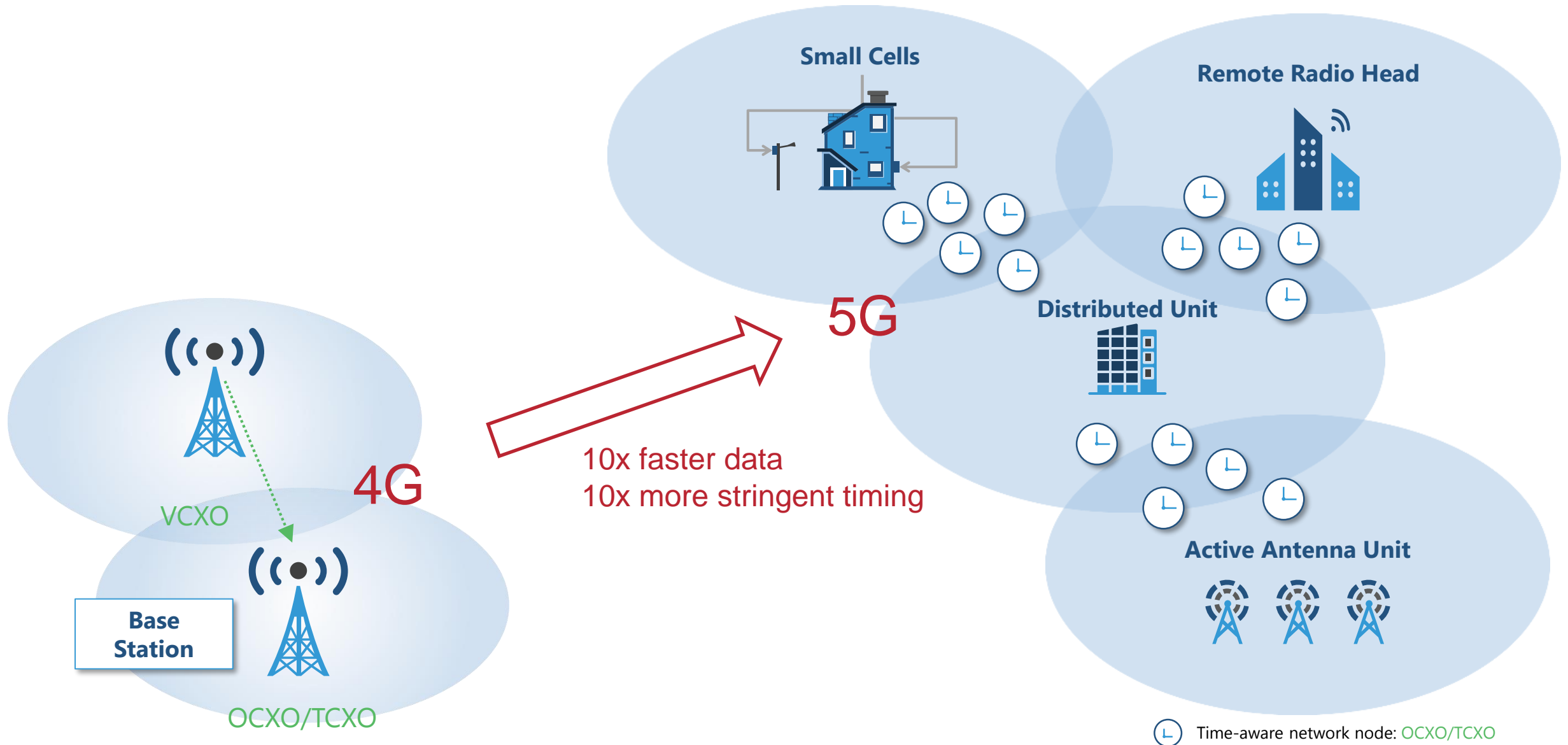
5G  
REMOTE RADIO HEAD (RRH)



CLOUD DATA  
CENTERS

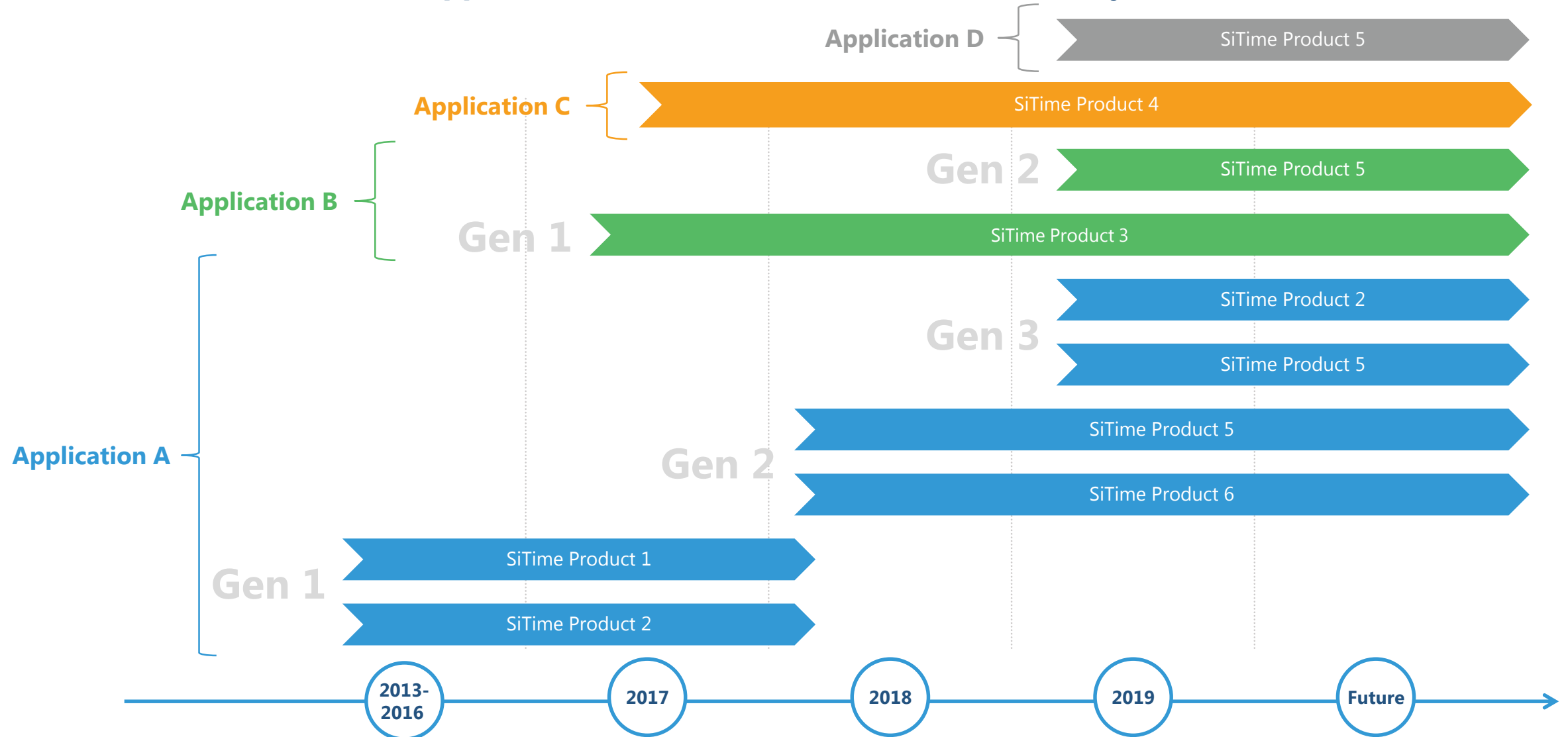
1. Gartner, "Starting Now, Supply Chain Leaders Should Assess the Potential for 5G Mobile Communications Networks", May 2019

# 5G Requires 10x Better Timing and 10x More Nodes



# "Land and Expand" Customer Case Study

## 4 Applications, 6 SiTime Products, 2-4 Year Lifecycle

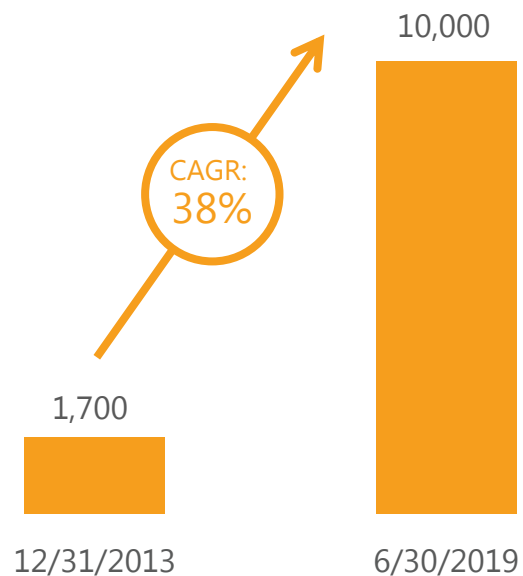




# Diverse Customer Base with 10,000 Individual Customers Since Inception

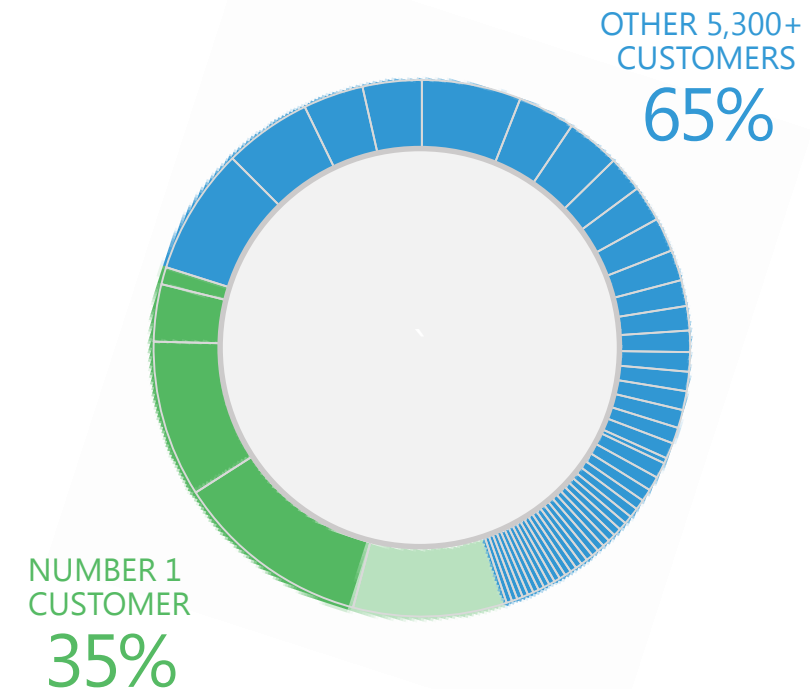
## End Customer Base

Expansion of end customer base  
(cumulative since inception)



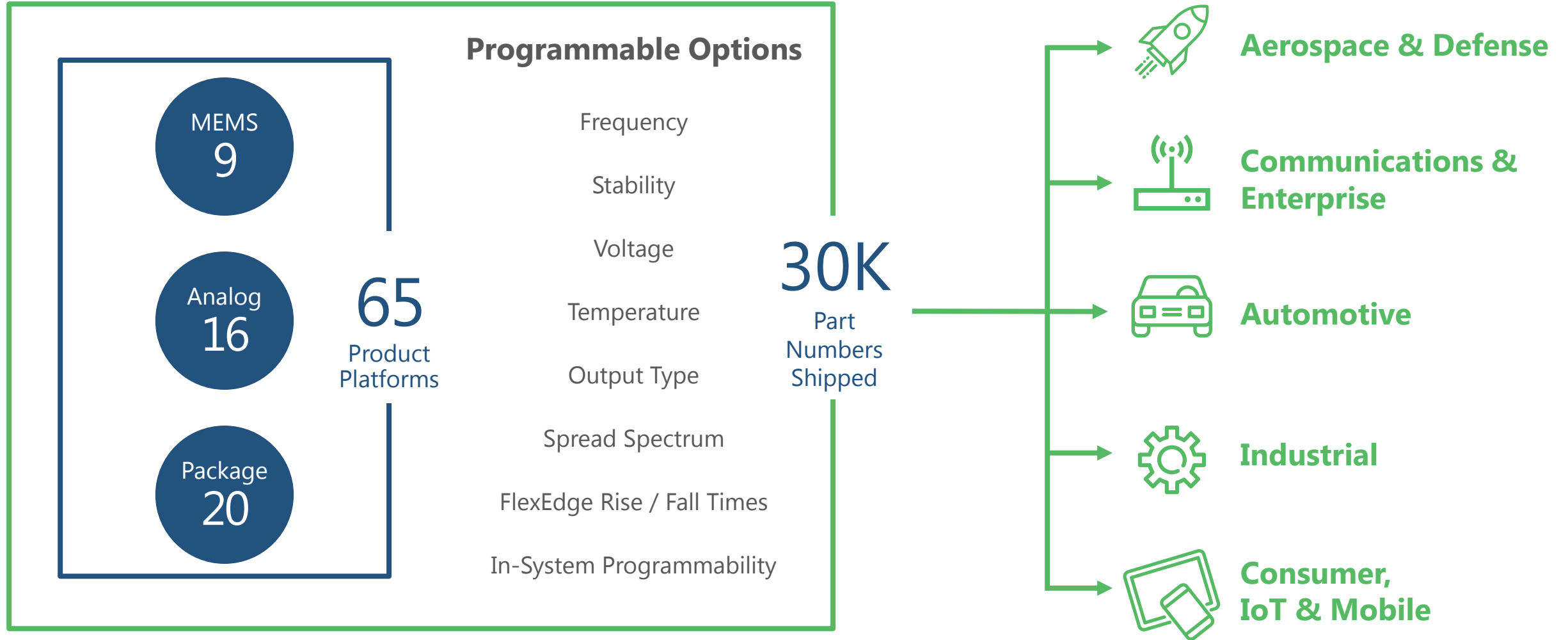
## 2019 Customers

Long tail of individual customers beyond top customer

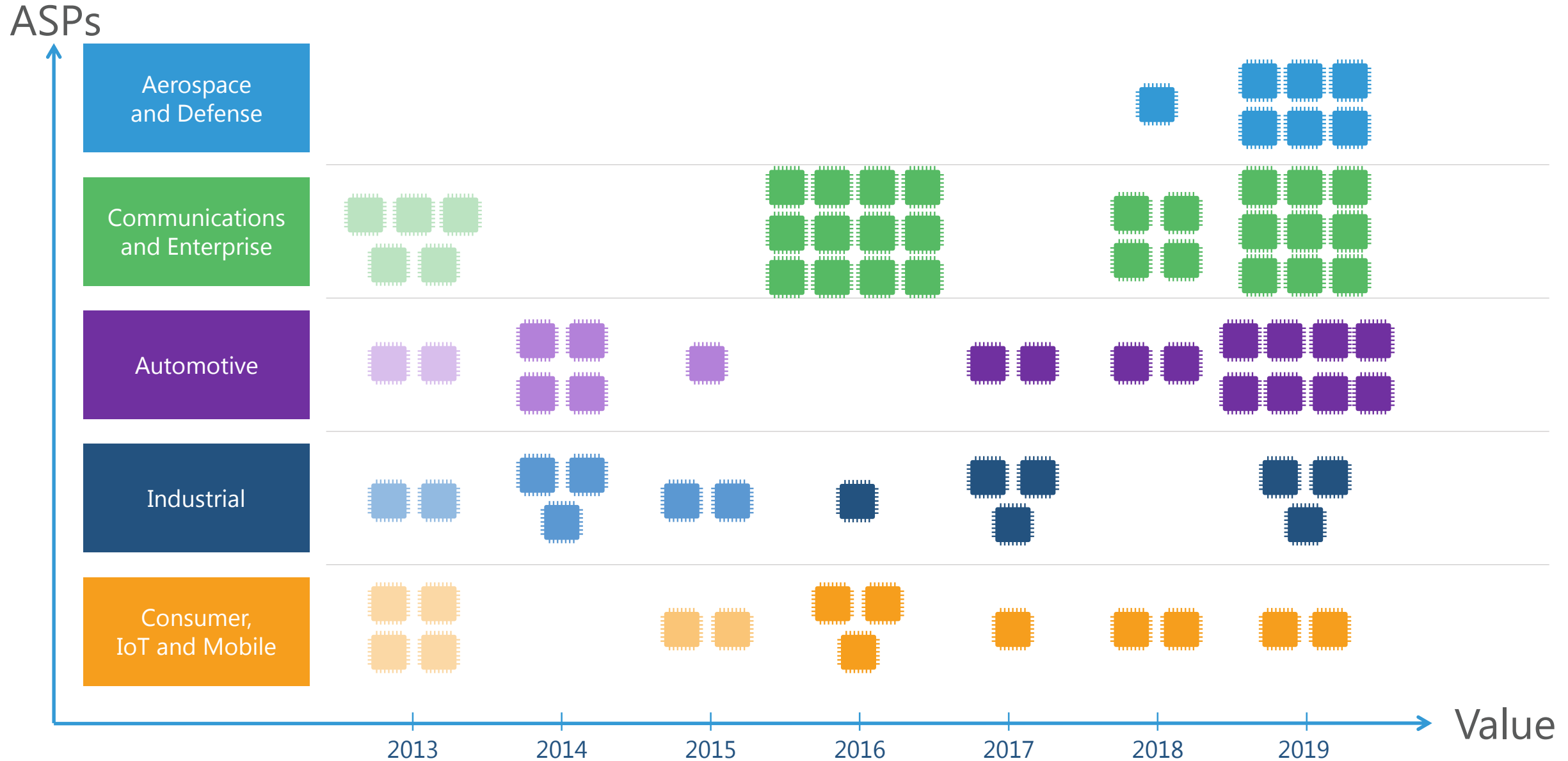


# Programmability Drives Operating Leverage

## One Part Services Many Applications


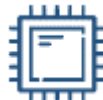





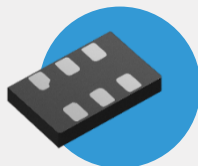





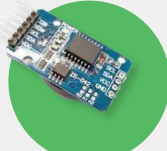





# Roadmap Focused on Solving the Most Difficult Timing Problems





# Competitive Landscape: SiTime Provides the Full Timing Solution

		 Quartz (No MEMS Silicon)	 Analog Timing
		 <b>NDK</b>  <b>EPSON</b>	 <b>SILICON LABS</b>  <b>IDT</b>
 Oscillator		Buy Analog	Buy Quartz
 Resonator	 (Future)		
 Clock IC	 (Future)		

# Proven Management Team

**RAJESH VASHIST**  
Chief Executive Officer



- 35 years of technology
- 20 years of CEO experience

**ART CHADWICK**  
Chief Financial Officer



- 30 years as CFO, completed 3 IPOs

**LIONEL BONNOT**  
EVP, Sales and  
Business Development



- 18 years of semiconductor and sales experience

**PIYUSH SEVALIA**  
EVP, Marketing



- 28 years of semiconductor and marketing experience

**NARAYANAN  
BHARATH**  
EVP, Systems



- 17 years of semiconductor and systems experience

**VINOD MENON**  
EVP, Engineering



- 36 years of semiconductor and engineering experience

**MARKUS LUTZ**  
Founder and CTO



- 20 years of MEMS semiconductor experience

**DIVYESH SHAH**  
EVP, Operations



- 35 years of semiconductor and operations experience





Financials

**Si**Time®

# Non-GAAP Financial Results and Long-Term Model

	2019 <sup>(1)</sup>	Q4' 2019 <sup>(1)</sup>	Long-Term Model <sup>(2)</sup>
Sales	\$84.1M	\$28.1M	
Gross Margin %	47%	48%	55% - 60%
R&D %	28%	20%	16% - 20%
SG&A %	23%	20%	10% - 14%
Operating Margin %	(4%)	9%	25% - 30%

1. Non-GAAP excludes stock-based compensation of \$1.4M and \$1.4M in 2019 and Q4' 2019, respectively.

2. Represents longer-term financial objectives of the Company and does not constitute estimates of the Company's future performance, financial, or otherwise. There is no assurance that the Company will ever achieve any of these objectives. See forward-looking statements.



# Balance Sheet Highlights

Q4' 2019  
Balance Sheet

Cash and Cash Equivalents

\$63.4M

Total Assets

\$123.4M

Total Debt

\$41.0M

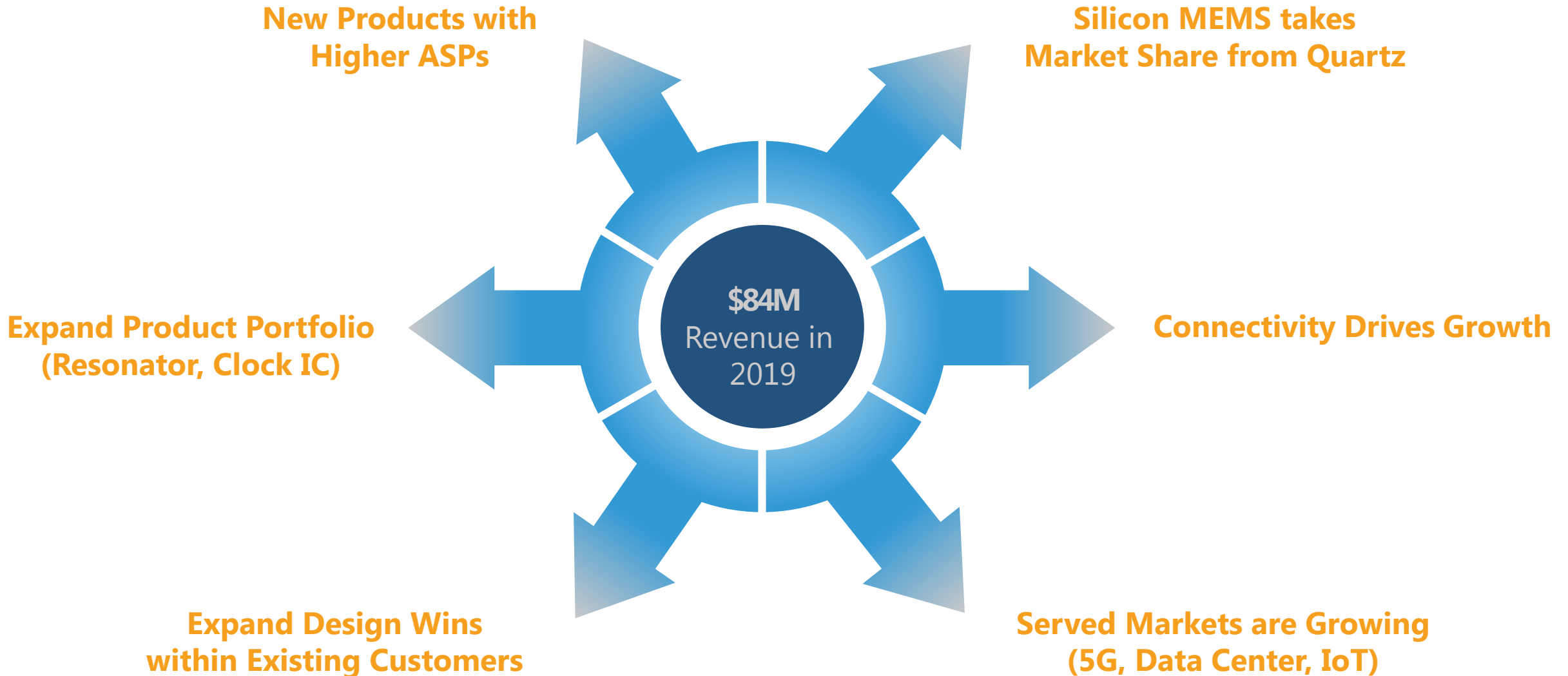
Total Liabilities

\$61.3M

Total Stockholders' Equity

\$62.1M

# Revenue Growth Strategy



# Summary – We are a Pure Silicon Focused timing company

## Large Growing Market

Total timing market is \$8 Billion, growing to \$10 Billion in 5 years <sup>(2)</sup>

## Technology Leader

Leader in Silicon MEMS & analog timing – with differentiated products

## Large customer base

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