

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

	Three Months Ended		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Net revenue	\$ 6,532	\$ 11,732	\$ 19,931	\$ 32,097
Cost of revenue	6,294	10,413	18,596	27,928
Gross profit	238	1,319	1,335	4,169
Operating expenses:				
Research and development	1,102	1,019	2,965	3,150
Selling and marketing	1,657	1,404	4,654	4,525
General and administrative	7,032	2,215	15,052	6,577
Restructuring and severance	—	—	—	46
Total operating expenses	9,791	4,638	22,671	14,298
Loss from continuing operations	(9,553)	(3,319)	(21,336)	(10,129)
Non-operating income (expense):				
Interest income (expense), net	244	(211)	8	(351)
Gain on investment	—	132	—	132
Foreign currency gains (losses), net	340	(249)	55	(187)
Loss from continuing operations before income tax provision	(8,969)	(3,647)	(21,273)	(10,535)
Income tax provision	(360)	(13)	(361)	(15)
Net loss from continuing operations	(9,329)	(3,660)	(21,634)	(10,550)
Income from discontinued operations, net of tax:				
Income (loss) from Physical Security Business, net of tax	(4,268)	3,638	(2,737)	6,665
Gain on sale of Physical Security Business, net of tax	99,546	-	99,546	-
Total income from discontinued operations, net of tax	95,278	3,638	96,809	6,665
Net income (loss)	85,949	(22)	75,175	(3,885)
Cumulative dividends on Series B convertible preferred stock	(201)	(319)	(682)	(947)
Net income (loss) available to common stockholders	\$ 85,748	\$ (341)	\$ 74,493	\$ (4,832)
Net income (loss) per common share:				
Basic and diluted - continuing operations	\$ (0.40)	\$ (0.17)	\$ (0.95)	\$ (0.50)
Basic and diluted - discontinued operations	\$ 4.03	\$ 0.16	\$ 4.12	\$ 0.29
Basic and diluted - net income (loss)	\$ 3.62	\$ (0.01)	\$ 3.17	\$ (0.21)
Weighted average common shares outstanding:				
Basic and diluted	23,660	23,174	23,496	23,008

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

	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 145,361	\$ 23,312
Restricted cash	384	1,072
Accounts receivable, net of allowances	4,848	7,404
Inventories	10,710	13,560
Prepaid expenses and other current assets	4,700	1,222
Current assets held-for-sale	—	32,916
Total current assets	166,003	79,486
Property and equipment, net	8,203	8,472
Operating lease right-of-use assets	2,110	2,289
Other assets	713	678
Non-current assets held-for-sale	—	18,798
Total assets	\$ 177,029	\$ 109,723
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 6,035	\$ 4,652
Financial liabilities	—	9,949
Operating lease liabilities	880	782
Accrued compensation and related benefits	1,321	1,376
Accrued income taxes payable	7,180	104
Other accrued expenses and liabilities	3,595	917
Current liabilities held-for-sale	—	13,002
Total current liabilities	19,011	30,782
Long-term operating lease liabilities	1,251	1,507
Other long-term liabilities	27	26
Non-current liabilities held-for-sale	—	3,136
Total liabilities	20,289	35,451
Total stockholders' equity	156,740	74,272
Total liabilities and stockholders' equity	\$ 177,029	\$ 109,723

Identiv, Inc.
Reconciliation of GAAP to Non-GAAP Financial Information - Continuing Operations

(in thousands)
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Reconciliation of GAAP gross margin to non-GAAP gross margin				
GAAP gross profit	\$ 238	\$ 1,319	\$ 1,335	\$ 4,169
Reconciling items included in GAAP gross profit:				
Stock-based compensation	5	8	17	27
Amortization and depreciation	362	314	1,130	823
Total reconciling items included in GAAP gross profit	367	322	1,147	850
Non-GAAP gross profit	\$ 605	\$ 1,641	\$ 2,482	\$ 5,019
Non-GAAP gross margin	9%	14%	12%	16%
Reconciliation of GAAP operating expenses to non-GAAP operating expenses				
GAAP operating expenses	\$ 9,791	\$ 4,638	\$ 22,671	\$ 14,298
Reconciling items included in GAAP operating expenses:				
Stock-based compensation	(1,090)	(506)	(2,583)	(1,478)
Amortization and depreciation	(64)	(52)	(154)	(132)
Strategic review-related costs	(3,551)	—	(6,120)	—
Restructuring and severance	—	—	—	(46)
Total reconciling items included in GAAP operating expenses	(4,705)	(558)	(8,857)	(1,656)
Non-GAAP operating expenses	\$ 5,086	\$ 4,080	\$ 13,814	\$ 12,642
Reconciliation of GAAP net loss from continuing operations to non-GAAP adjusted EBITDA				
GAAP net loss	\$ (9,329)	\$ (3,660)	\$ (21,634)	\$ (10,550)
Reconciling items included in GAAP net loss:				
Income tax provision	360	13	361	15
Interest income (expense), net	(244)	211	(8)	351
Foreign currency gains (losses), net	(340)	249	(55)	187
Stock-based compensation	1,095	514	2,600	1,505
Amortization and depreciation	426	366	1,284	955
Strategic review-related costs	3,551	—	6,120	—
Restructuring and severance	—	—	—	(46)
Total reconciling items included in GAAP net loss from continuing operations	4,848	1,353	10,302	2,967
Non-GAAP adjusted EBITDA	\$ (4,481)	\$ (2,307)	\$ (11,332)	\$ (7,583)