



# Zoom Telephonics & Motorola

Q2 Earnings Call



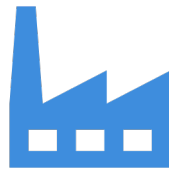
# Safe Harbor Forward Looking Thoughts

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# Zoom Telephonics – Q2



Transformation  
underway



Manufacturing  
diversification



New product  
launches



Software

## Mission

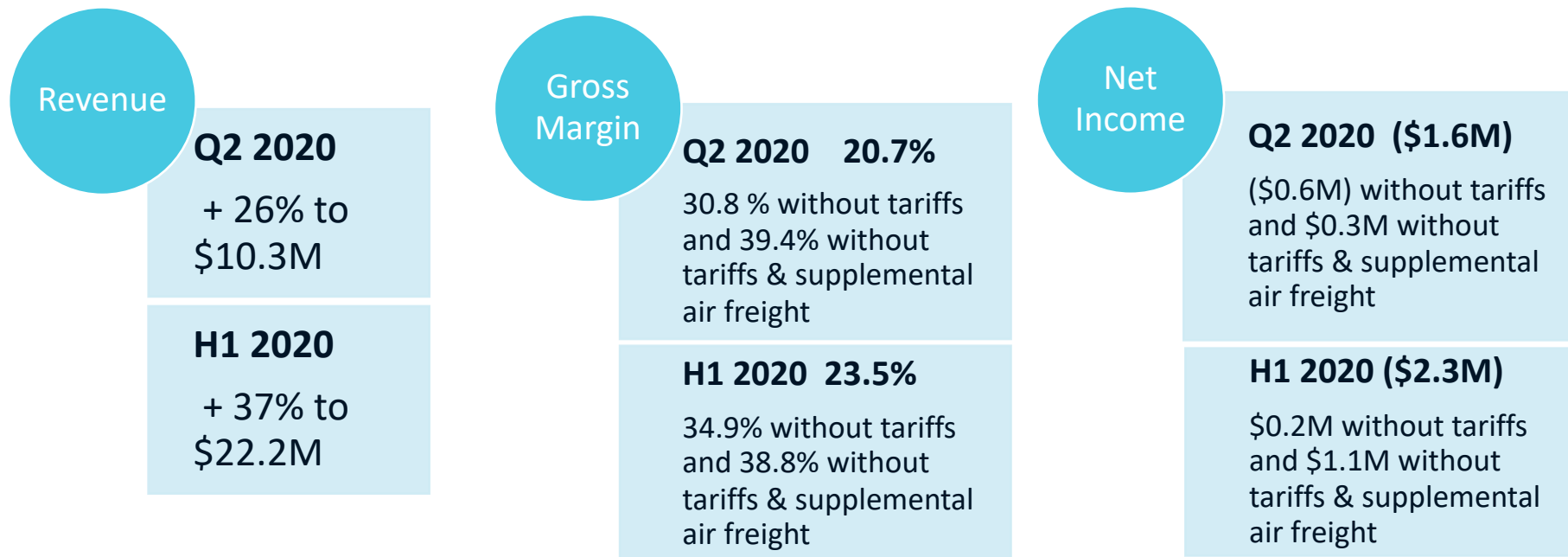
Leading the way in home connectivity through the innovative and customer-focused design.

# Key Highlights Q2

- Manufacturing Diversification and Migration Completed to VN
- Motorola License Expanded and Extended Through 2025
- Value Added Service through MotoManage
- Complete Development of Mesh Whole Home WiFi
- MotoManage App approved by Apple Store and Google Play Store
- Hit revenue plan on Q2 forecast (demand is strong)
- Q3/Q4 product pipeline, software revenue

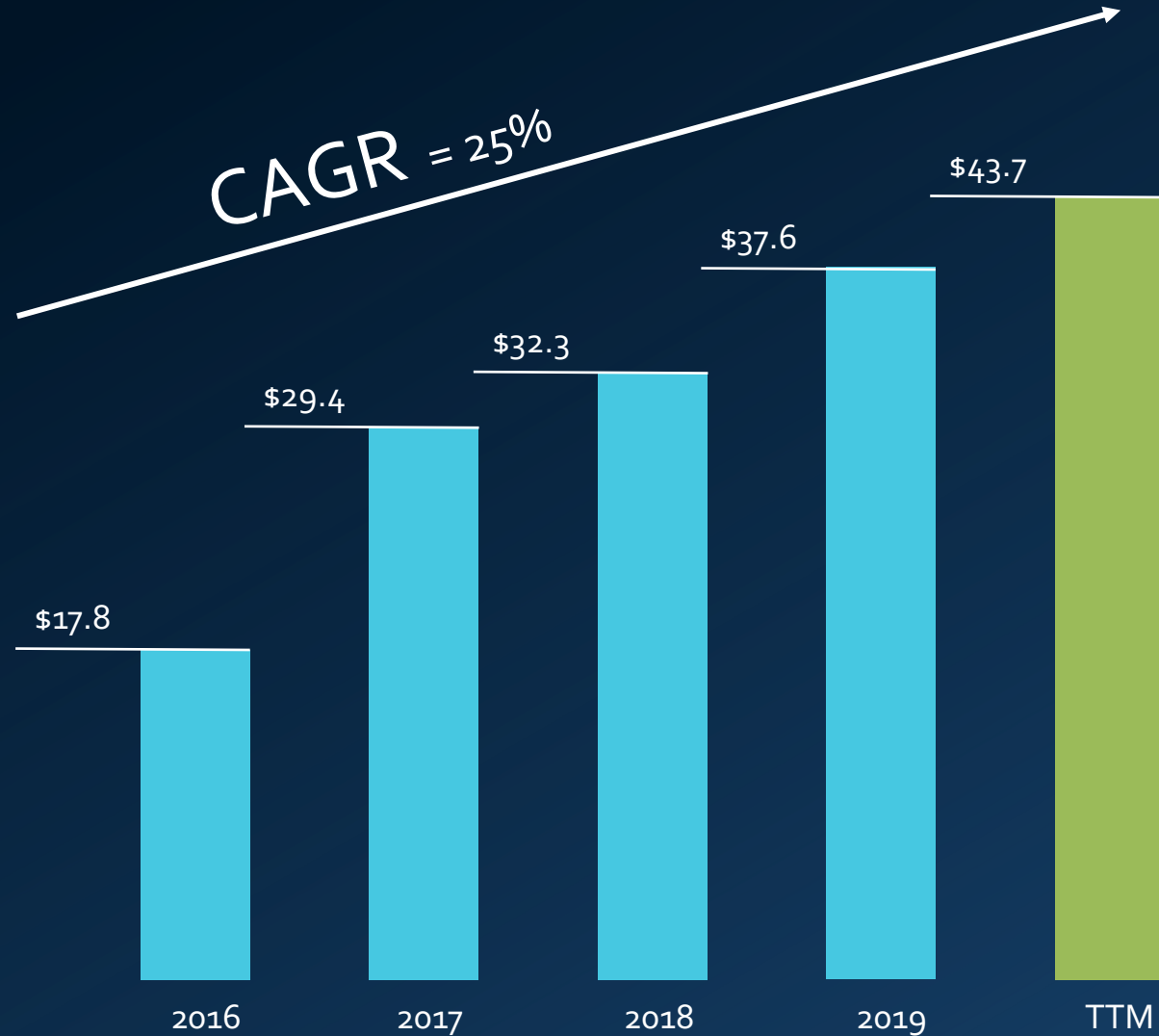
# Key Highlights

- ✓ Continued Robust Top Line Growth Supported by Macro Trends
- ✓ Migration of Manufacturing from China to Vietnam Completed
- ✓ Tariffs Continue to Impact Results
- ✓ Supplemental Air Freight Used in Q2 to counter COVID Supply disruptions
- ✓ Margins Strong Excluding Tariffs & Supplemental Air Freight

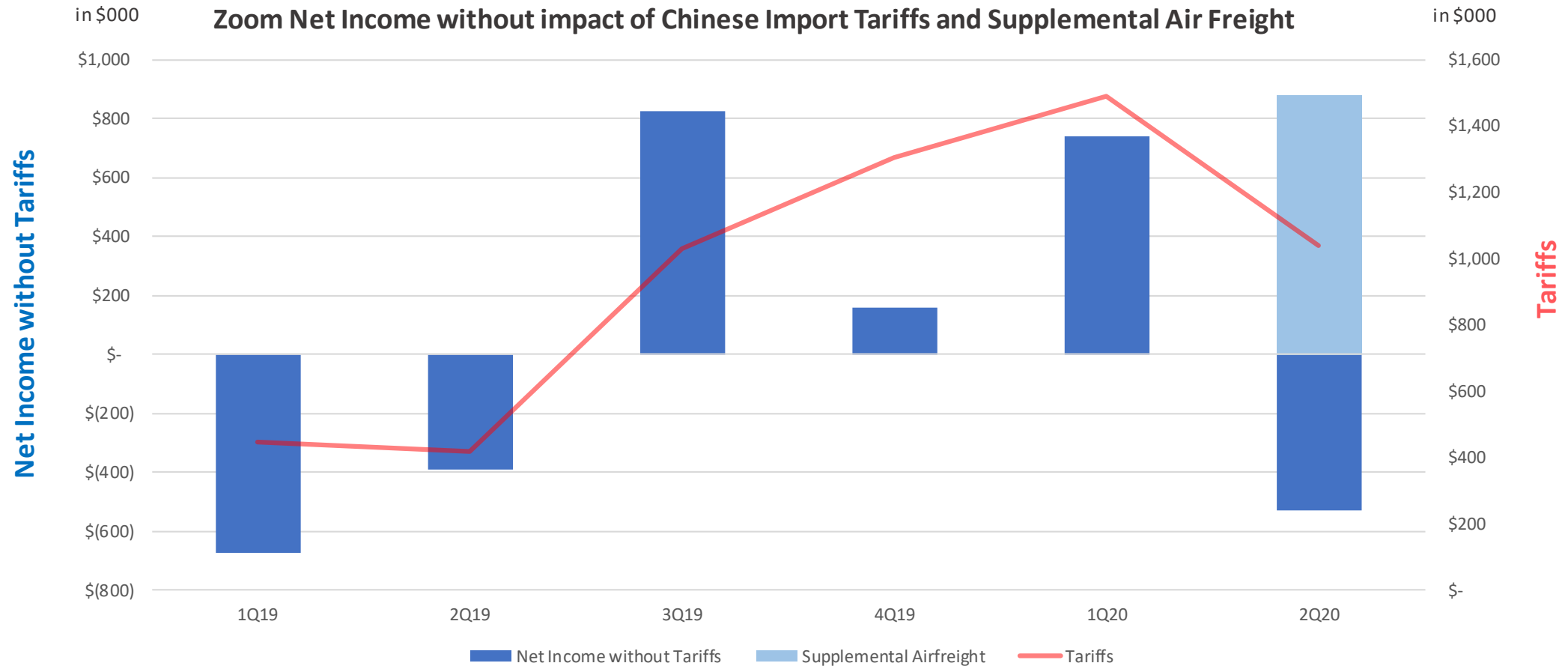


# Annual Revenue Growth Trend

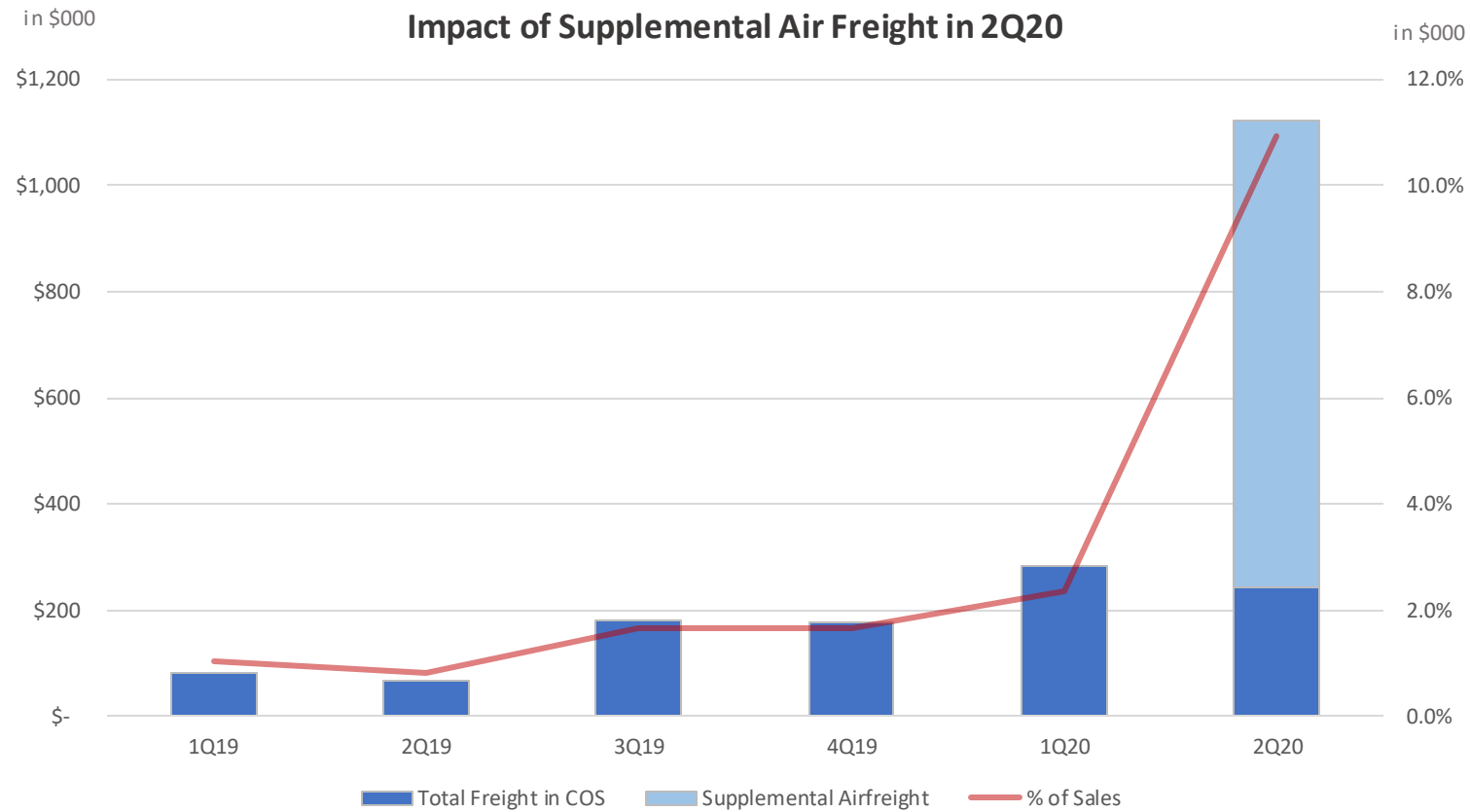
Revenue in  
\$ millions



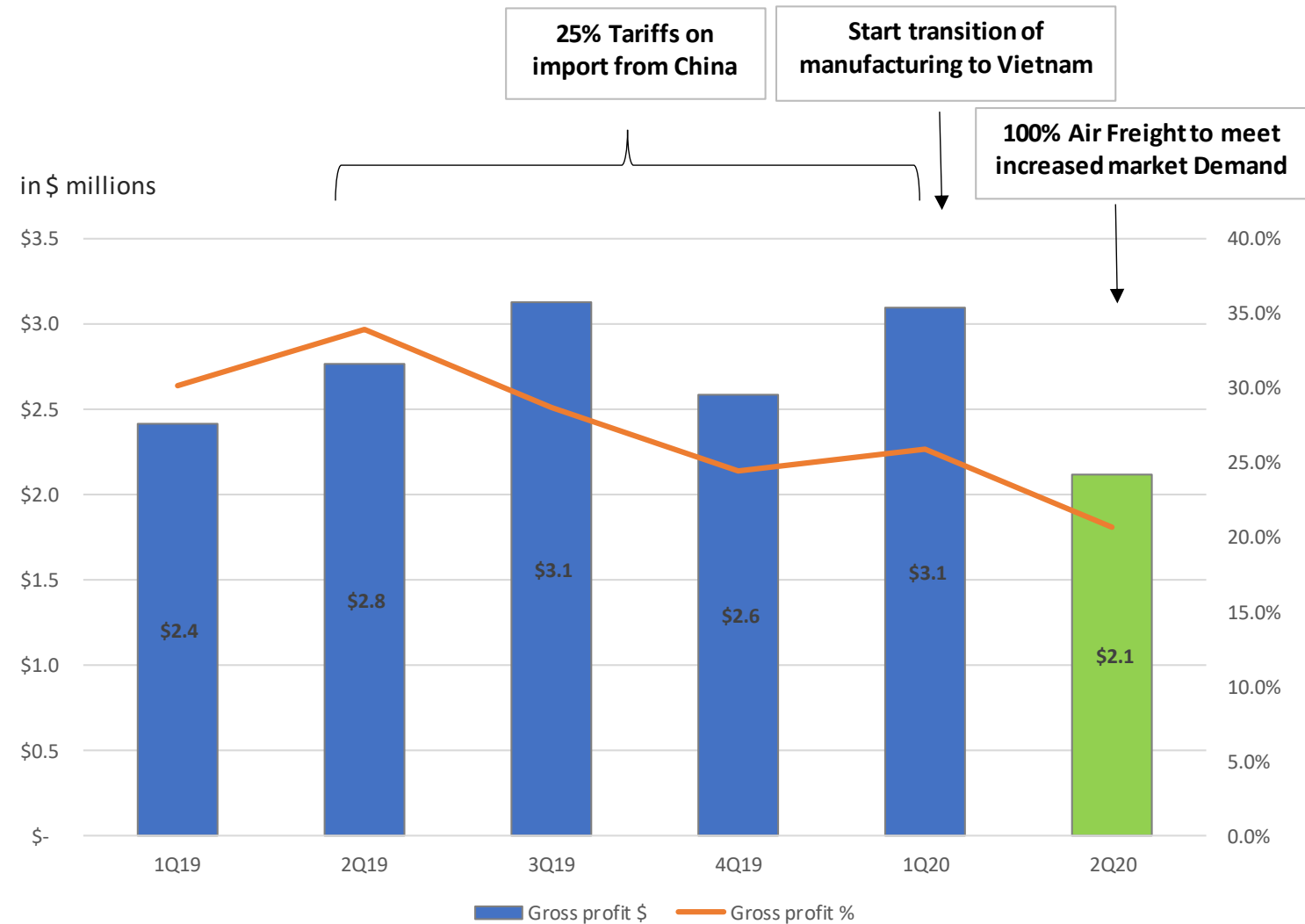
# Tariffs and Non-GAAP Net Income



# Air Freight in 2Q20



# Gross profit \$ and %



# Balance Sheet Highlights

- Working capital of \$6.5M at June 30, 2020
- Strong cash position with closing of \$3.4M PIPE investment in May
- Favorable payment terms with key vendors negotiated in 2Q20, at height of COVID-19 uncertainty

in \$000	6/30/2020	12/31/2019	6/30/2019
Cash	\$ 8,352	\$ 1,367	\$ 1,791
Total Current Assets	\$ 18,200	\$ 13,148	\$ 13,727
Total Assets	\$ 19,280	\$ 13,903	\$ 14,402
Short Term Debt	\$ 258	\$ -	\$ -
Total Current Liabilities	\$ 11,307	\$ 7,794	\$ 7,130
Non Current Liabilities	\$ 373	\$ -	\$ 52
Total Liabilities	\$ 11,681	\$ 7,794	\$ 7,182
Current Ratio	1.61	\$ 1.69	\$ 1.93
Working Capital	\$ 6,893	\$ 5,354	\$ 6,545
Stockholders' Equity	\$ 7,599	\$ 6,109	\$ 7,220

# Upcoming in Q3

- Launch Whole Home WiFi System (routers)
- Expand/refresh/launch product families (D3.1, cell modems)
- Retail SKU expansion (more shelf space)
- Migrating to sea-based logistics
- CEO search – stalled, still planning on a 1-2 quarter process
- LD Micro 500 conference (virtual)

# Refreshingly Simple All-In-One Mesh WiFi System\*

A main router, satellite(s) placed strategically around your home and the MotoManage App for ultimate network performance and control.



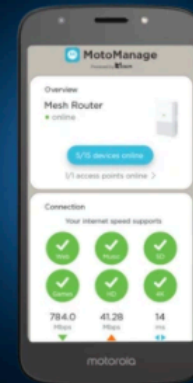
**Router**

Connects your wireless devices to the internet



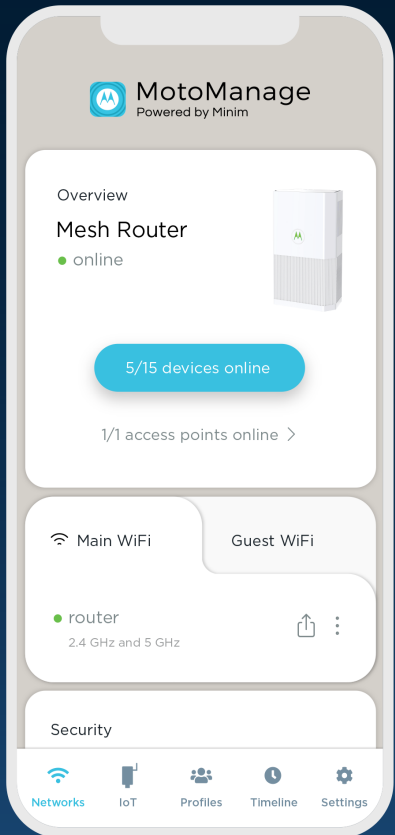
**Satellite**

Expands your wireless reach throughout your home

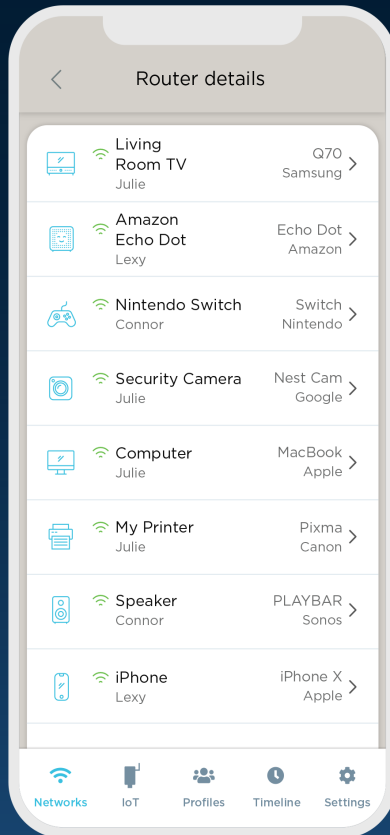


MotoManage App  
Basic Included  
to control your network\*\*

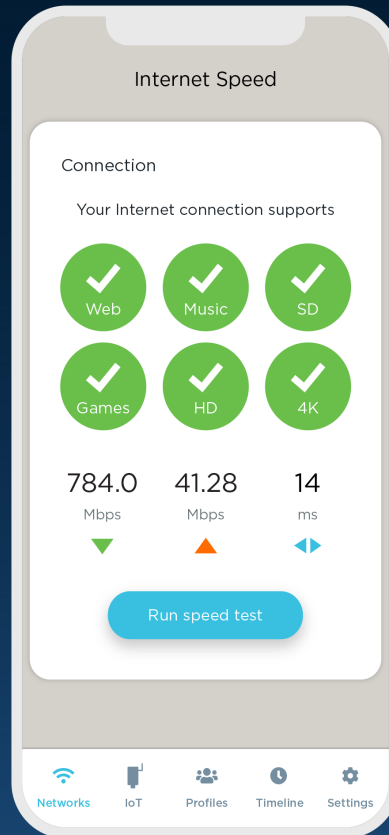
Easily manage your home network from anywhere.



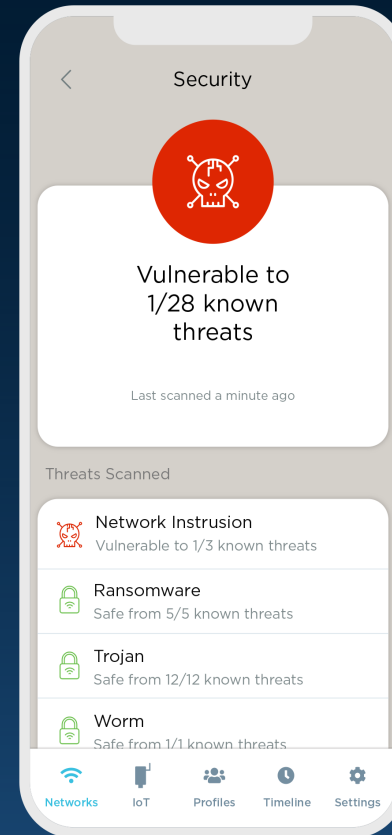
Always know who is on your network.



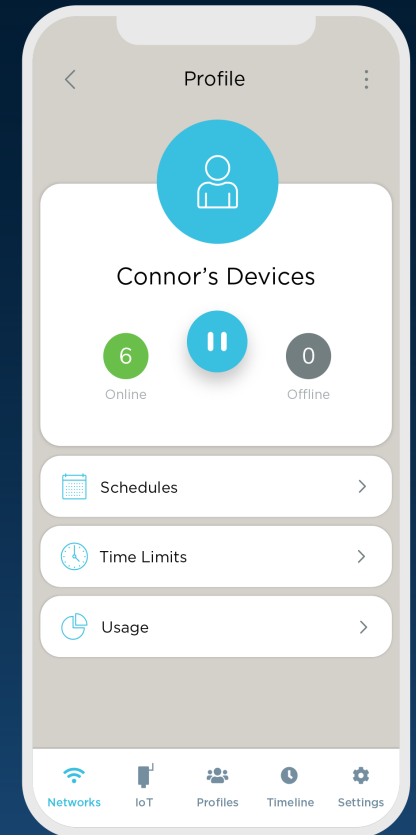
Test your internet speeds and signal strength.



Receive instant security alerts for malware threats to **all** your home devices.



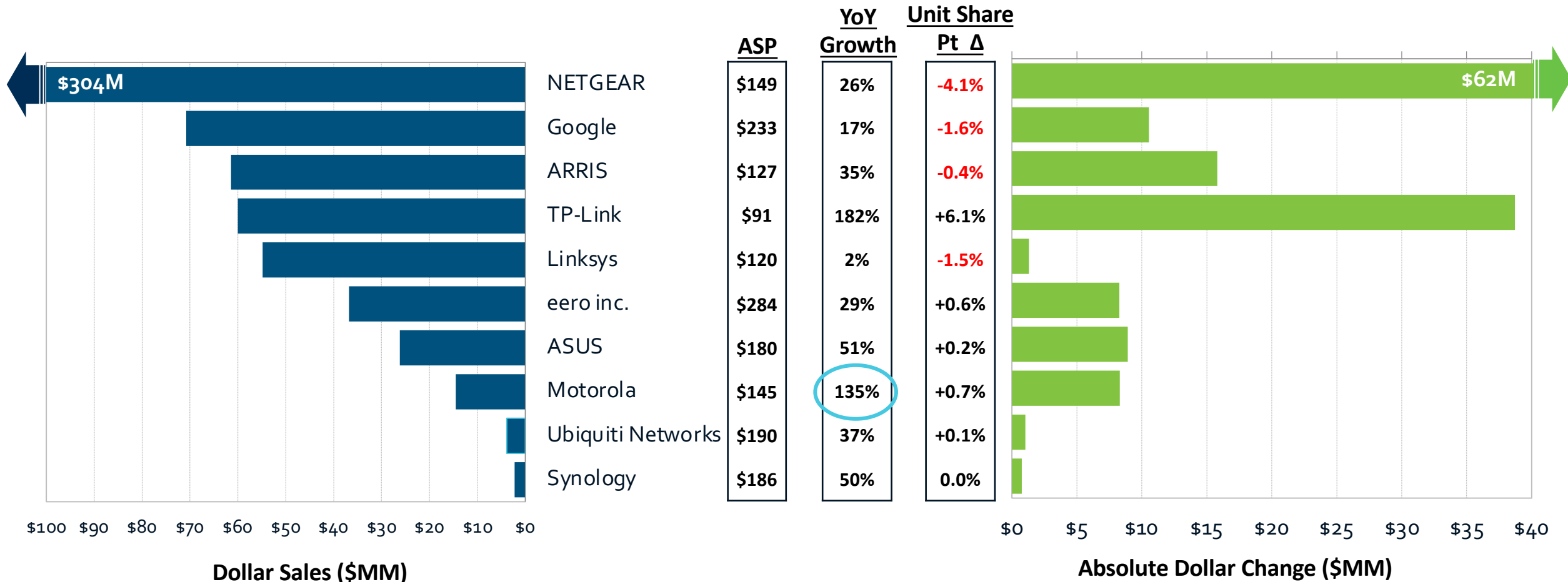
Schedule or pause internet access for any device or user.



# MotoManage

# Routers/Modems/Gateways Brand Size and Growth

Motorola is seeing a 135% YOY Growth



## Team



[Jeremy Hitchcock](#)

Executive Board Chair



[Jackie Barry Hamilton](#)

CFO



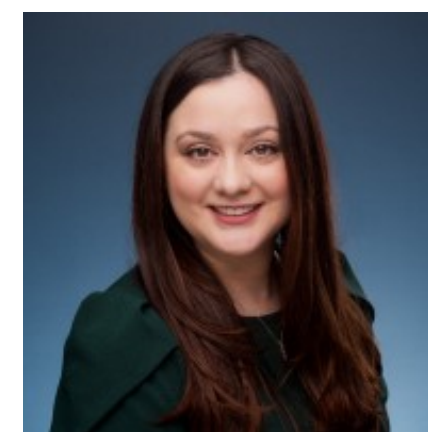
[Phil Stanhope](#)

CTO



[John Lauten](#)

COO



[Marlana Trombley](#)

Interim CMO



## Board of Directors

### **Jeremy Hitchcock**

[Chairman of the Board of Directors](#)

Founder/Chairman of Minim

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[Director](#)

Retired Chief Executive Officer of Zoom Telephonics, Inc.

### **Joseph J. Donovan**

[Director](#)

Adjunct Professor Suffolk University's Sawyer School of Management

### **Philip Frank**

[Director](#)

President, CEO, and Director of VUI

### **Peter R. Kramer**

[Director](#)

Artist

### **Jonathan Seelig**

[Director](#)

Chief Executive Officer of Tectonic

### **Peter Sykes**

[Director](#)

Personal Investor

### **Dave Allen**

[Director](#)

Vice President, Operations & Strategy at Oracle

### **Josh Horowitz**

[Director](#)

Portfolio Manager at Palm Management