
UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)

May 11, 2021

Lattice Semiconductor Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

000-18032

(Commission File Number)

93-0835214

(IRS Employer Identification No.)

5555 NE Moore Court

Hillsboro, Oregon 97124

(Address of principal executive offices, including zip code)

(503) 268-8000

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$.01 par value	LSCC	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

On May 11, 2021, Lattice Semiconductor Corporation (“Lattice”) held a previously announced meeting with investors and analysts in New York (“2021 Investor Day”), and made the 2021 Investor Day meeting publicly available via webcast for investors and the general public. At the 2021 Investor Day, management made presentations concerning Lattice’s strategy, markets, products, customers, and financial performance and targets, among other topics. A webcast replay of the event and copies of the presentation are available on the [Investor Relations](#) section of www.LatticeSemi.com.

Lattice also issued a press release summarizing highlights from the 2021 Investor Day presentation. Copies of the press release and the presentation are furnished (not filed) as Exhibits 99.1 and 99.2, respectively, to this Current Report on Form 8-K. The press release and presentation include forward-looking statements and cautionary statements identifying important factors that could cause actual results to differ materially from those anticipated. The information in Item 7.01 and Exhibits 99.1 and 99.2 of this report is furnished and shall not be treated as filed for purposes of the Securities Exchange Act of 1934, as amended.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are being furnished herewith:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release, dated May 11, 2021 (furnished herewith).
99.2	2021 Investor Day Presentation (furnished herewith).
104	Cover Page Interactive Data File (formatted as Inline XBRL).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LATTICE SEMICONDUCTOR CORPORATION

By: /s/ Byron W. Milstead

Byron W. Milstead
Corporate Vice President and General Counsel

Date: May 11, 2021

EXHIBIT INDEX

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For more information contact:

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 Bob.Nelson@latticesemi.com

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**LATTICE SEMICONDUCTOR DETAILS ACCELERATED GROWTH STRATEGY
 AND LONG-TERM MODEL AT 2021 INVESTOR DAY**

HILLSBORO, OR - May 11, 2021 - Lattice Semiconductor Corporation (NASDAQ: LSCC), the low power programmable leader, today detailed its leadership in growth markets, industry leading product portfolio, doubling of its addressable market, and raising of its financial targets at its 2021 Investor Day. A webcast replay of the event and copies of the presentation are available on the [Investor Relations](#) section of www.LatticeSemi.com.

Jim Anderson, president and CEO, said, "Over the past 3 years, we have rebuilt the foundation of the Company. We have tripled Lattice's new product introduction cadence and deepened our customer engagements. We have driven growth in our core strategic markets, expanded gross margin and achieved record operating profitability. As we look to the future, we believe Lattice is entering a new phase of growth. This will be led by the Lattice Nexus portfolio, which started ramping at the end of last year, with a further acceleration in the years to come from the Lattice Avant™ platform, our innovative new mid-range FPGA platform targeted to launch in the second half of next year. We expect to unlock additional value for the Company and shareholders, as we continue to execute to our strategy and deliver on our commitments."

Additional 2021 Lattice Investor Day Presentation Highlights:

- Steve Douglass, Corporate Vice President, R&D, highlighted the rebuilt product portfolio that puts Lattice in an industry leading position, with its new Nexus-based products and application-specific software solution stacks. Steve also summarized Lattice's new FPGA roadmap featuring the innovative Avant platform, which will significantly expand Lattice's product capabilities and allow it to address new applications in the mid-range FPGA market.
- Esam Elashmawi, Chief Strategy and Marketing Officer, detailed the doubling of Lattice's addressable market, with its SAM expanding to \$6 billion with the introduction of Lattice Avant. He provided details on ongoing and longer-term growth areas for the Company, including data center servers, client computing, 5G wireless infrastructure, industrial robotics, automotive electronics and consumer markets. He also talked about today's launch of Lattice's latest application specific solution stack, Lattice Automate™.
- Sherri Luther, CFO, recapped the strong financial results of the Company, with growth in its core strategic markets, and significant expansion in gross margin and EPS over the last 2 years. She outlined the Company's new financial model, which includes higher gross margin and operating income targets.

Forward-Looking Statements Notice:

The foregoing paragraphs contain forward-looking statements that involve estimates, assumptions, risks and uncertainties. Any statements about our expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. Such forward-looking statements include, but are not limited to, statements relating to: our belief that Lattice is entering a new phase of growth; that this will be led by the Lattice Nexus portfolio with a further acceleration in the years to come from the Lattice Avant™ platform; our expectation that we will unlock additional value for the Company and shareholders; that we will continue to execute to our strategy and deliver on our commitments; that our Avant platform will significantly expand Lattice's product capabilities and allow it to address new applications in the mid-range FPGA market; and that we will double the Company's addressable market. Other forward-looking statements may be indicated by words such as "will," "could," "should," "would," "may," "expect," "plan," "project," "anticipate," "intend," "forecast," "future," "believe," "estimate," "predict," "propose," "potential," "continue" or the negative of these terms or other comparable terminology.

Estimates of future revenue are inherently uncertain due to such factors such as global economic conditions which may affect customer demand, pricing pressures, competitive actions, and international trade disputes and sanctions. In addition, the COVID-19 pandemic has negatively impacted the overall economy and, as a result of the foregoing, may negatively impact our operating results for future periods. Actual gross margin percentage and operating expenses could vary from the estimates on the basis of, among other things, changes in revenue levels, changes in product pricing and mix, changes in wafer, assembly, test and other costs, variations in manufacturing yields, the failure to sustain operational improvements, and the actual amount of compensation charges due to stock price changes. Actual results may differ materially from our expectations and are subject to risks and uncertainties that relate more broadly to our overall business, including those risks more fully described in Lattice's filings with the SEC including its Annual Report on Form 10-K for the fiscal year ended January 2, 2021, and Lattice's quarterly reports filed on Form 10-Q. COVID-19 may increase or change the severity of our other risks reported in our Annual Report on Form 10-K for the fiscal year ended January 2, 2021. Lattice believes these and other risks and uncertainties could cause actual results to differ materially from the forward-looking statements. You should not unduly rely on forward-looking statements because actual results could differ materially from those expressed in any forward-looking statements. In addition, any forward-looking statement applies only as of the date on which it is made. The Company does not intend to update or revise any forward-looking statements, whether as a result of events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

About Lattice Semiconductor:

Lattice Semiconductor (NASDAQ: LSCC) is the low power programmable leader. We solve customer problems across the network, from the Edge to the Cloud, in the growing communications, computing, industrial, automotive, and consumer markets. Our technology, long-standing relationships, and commitment to world-class support let our customers quickly and easily unleash their innovation to create a smart, secure, and connected world.

For more information about Lattice, please visit www.latticesemi.com. You can also follow us via [LinkedIn](#), [Twitter](#), [Facebook](#), [YouTube](#), [WeChat](#), [Weibo](#) or [Youku](#).

###



Safe Harbor

Forward Looking Statements

This presentation contains forward-looking statements that involve estimates, assumptions, risks and uncertainties, including statements and graphs relating to our expectations that we are entering a new phase of accelerated growth and will expand our Nexus leadership, our software solutions and double our addressable market; our expectations about the growth of our addressable and end markets; our belief that we will launch new products during stated periods including Lattice Nexus, Lattice Avant and software and solution stacks; our belief that we will accelerate our revenue growth; our belief that our revenue may grow by double digits during the next three to four years; our belief that we will attain increasing content in the Server, 5G Next Wave, Industrial, Automotive and Consumer generations or markets; and our expectations regarding achievable results under the heading "Entering New Growth Phase," including revenue growth, gross margin improvement, OpEx discipline, cash generation and profit expansion.

Factors that may cause actual results to differ materially from the forward-looking statements in this presentation include those risks more fully described in Lattice's filings with the SEC including its annual report on Form 10-K for the fiscal year ended January 2, 2021 and quarterly filings.

You should not unduly rely on forward-looking statements because actual results could differ materially from those expressed in any forward-looking statements. In addition, any forward-looking statement applies only as of the date on which it is made. The Company does not intend to update or revise any forward-looking statements, whether as a result of events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

This presentation includes certain non-GAAP financial measures such as non-GAAP operating expenses, non-GAAP gross margin, non-GAAP operating income, non-GAAP IBITDA, non-GAAP earnings per share, non-GAAP R&D expense, and non-GAAP SG&A expense [Note to LSCC: add any additional non-GAAP figures in the presentation]. We present non-GAAP financial measures in addition to, and not as a substitute for, financial measures calculated in accordance with generally accepted accounting principles ("GAAP"). Non-GAAP measures should not be considered in isolation or as alternatives to GAAP measures. In addition, the non-GAAP measures we use, as presented, may not be comparable to similar measures used by other companies. See the Appendix of this presentation for definitions of our non-GAAP financial measures and for reconciliations to the most comparable GAAP financial measures.

Trademarks-General Notice

Lattice Semiconductor Corporation, Lattice Semiconductor (& design) and specific product designations are either registered trademarks or trademarks of Lattice Semiconductor Corporation or its subsidiaries in the United States and/or other countries.

Artix and Spartan are registered trademarks of Xilinx, Inc., Cyclone is a registered trademark of Intel Corporation in the United States and/or other countries.

Agenda



Jim Anderson
President & Chief Executive Officer

OVERVIEW



Steve Douglass
Corporate Vice President, R&D

PRODUCTS



Esam Elashmawi
Chief Strategy & Marketing Officer

MARKETS



Sherri Luther
Chief Financial Officer

FINANCIALS

2021
LATTICE INVESTOR DAY

OVERVIEW

JIM ANDERSON
PRESIDENT & CEO

4 - NASDAQ: LSCC



LATTICE
SEMICONDUCTOR

Our Mission

The Low Power Programmable Leader



5 - NASDAQ: LSCC

LATTICE
SEMICONDUCTOR

Positioned in Growing Markets

COMMUNICATIONS	COMPUTE	INDUSTRIAL	AUTOMOTIVE	CONSUMER
				
5G Wireless Switches/Routers	Servers Client	Industrial IoT Factory Automation	ADAS Infotainment	Smart Home Wearables

Leading the Industry in Low Power Programmability

Executing to Our Strategy

	WHAT WE SAID IN MAY 2019	WHAT WE DID
Drive Product Leadership	Faster Product Cadence	✓ Tripled the new product introduction cadence
	Rebuild Competitiveness	✓ Market-leading Nexus platform introduced Q4'19
	Expand Software Solutions	✓ Launched three new software solutions
	Improve Execution Fidelity	✓ Met or beat every product launch milestone
	Enable Faster Customer TTM	✓ Nexus first revenue 12 months after launch
Deliver Shareholder Value	Double-Digit Growth Starting 2021/2022	✓ On Track; Comms/Compute & Ind/Auto up 12% in 2020
	Gross Margin Expansion	✓ Increase of +450 bps since 2018
	Operating Expense Discipline	✓ Operating near our target of 35%
	Profit Growth	✓ 109% growth in EPS since 2018
	Strengthen the Balance Sheet	✓ Net cash positive for the first time in six years

Delivering on our Commitments

Faster Product Introduction Cadence

PRODUCT INTRODUCTIONS 2016 TO 2018

PRODUCT INTRODUCTIONS 2019 TO 2020

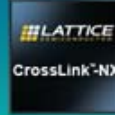
Software Solutions



Hardware Devices



LATTICE NEXUS

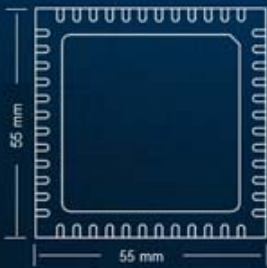


Rebuilt Product Portfolio

Solving Problems at the Edge

LATTICE MARKET FOCUS

OTHER FPGA COMPANIES



~200 W With Heat Sink

Competitors focused on Large High Power Devices



~1 W
(Small)

~1 mW
(Smallest)

Lattice is focused on Low Power, Smaller Form Factors

LATTICE APPLICATION EXAMPLES



AI Inference at the Edge



Embedded Vision



Hardware Platform Security



Control & Management



Industrial Automation

Strong Competitive Position

LATTICE APPLICATION EXAMPLES



AI Inference at the Edge



Embedded Vision



Hardware Platform Security



Control & Management



Industrial Automation

LATTICE MARKET LEADERSHIP

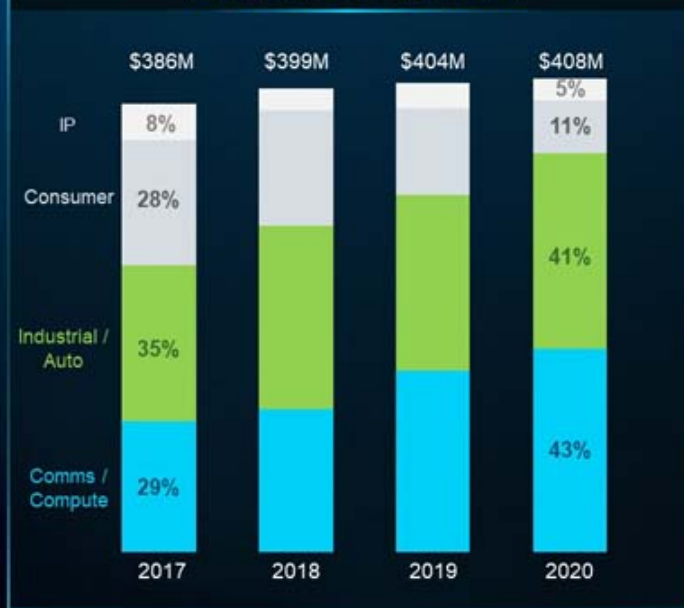


LATTICE NEXUS™



Growth in Our Core Strategic Markets

LATTICE REVENUE ACTUALS



BUILDING A STRONGER REVENUE PROFILE

- Shift to higher quality revenue streams
- Growth of 12% CAGR over past 3 years in our strategic markets (Comms/Compute & Industrial/Auto)
- Consumer headwind stabilized in late 2020; Rebuilt revenue base with multi-year applications
- HDMI royalty stream (IP) on slow steady decline
- Stronger foundation for future growth

Execution to Our May 2019 Financial Goals

GROSS MARGIN EXPANSION¹



Pricing Optimization and Product Cost Reductions

OPEX DISCIPLINE²



Driving SG&A Efficiency While Investing in Our Product Portfolio

OPERATING INCOME GROWTH³



Record Annual Operating Profit in 2020

1. Percentages based on non-GAAP gross margin. See appendix for reconciliation to most comparable GAAP measure.
 2. Percentages based on non-GAAP operating expenses. See appendix for reconciliation to most comparable GAAP measure.
 3. Percentages based on non-GAAP operating income. See appendix for reconciliation to most comparable GAAP measure.

Strategic Focus on Revenue Growth



Entering a New Phase of Accelerated Growth

Extend Our Nexus Leadership

LAUNCHED



CrossLink-NX

Q4 2019

*Best-in-class
Embedded Vision
FPGA*



Certus-NX

Q2 2020

*Reinvented
General Purpose
FPGA*



Mach-NX

Q4 2020

*2nd Generation
Security
FPGA*

COMING SOON



CertusPro-NX

JUNE 2021

*Advanced
General Purpose
FPGA*



Nexus #5

H1 2022

*Future
Nexus-based
FPGA*



Nexus #6

TBA

*Future
Nexus-based
FPGA*

LATTICE NEXUS

Enhance Our Software Solutions Portfolio

LAUNCHED



Q2 2018

LATTICE
sensAI

Low Power
Edge AI



Q1 2020

LATTICE
mVision

Low Power
Embedded Vision



Q3 2020

LATTICE
Sentro

Cyber Resilient
Root of Trust

COMING SOON



LAUNCHING TODAY

LATTICE
Automate

Accelerating Factory
Automation



H1 2022

5G ORAN
Solution Stack

Enabling ORAN
Deployment



TO BE ANNOUNCED

Future
Solution Stack

Under
Development

Growing Customer Momentum



EXPANDING SHARE
OF WALLET

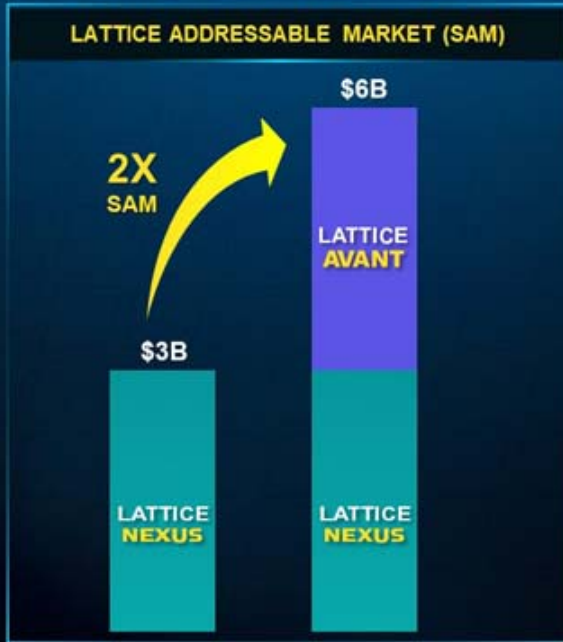


MULTI-GENERATIONAL
ROADMAP ENGAGEMENTS



CUSTOMERS ASKING FOR
PORTFOLIO EXPANSION

Doubling Our Addressable Market



LATTICE AVANT™

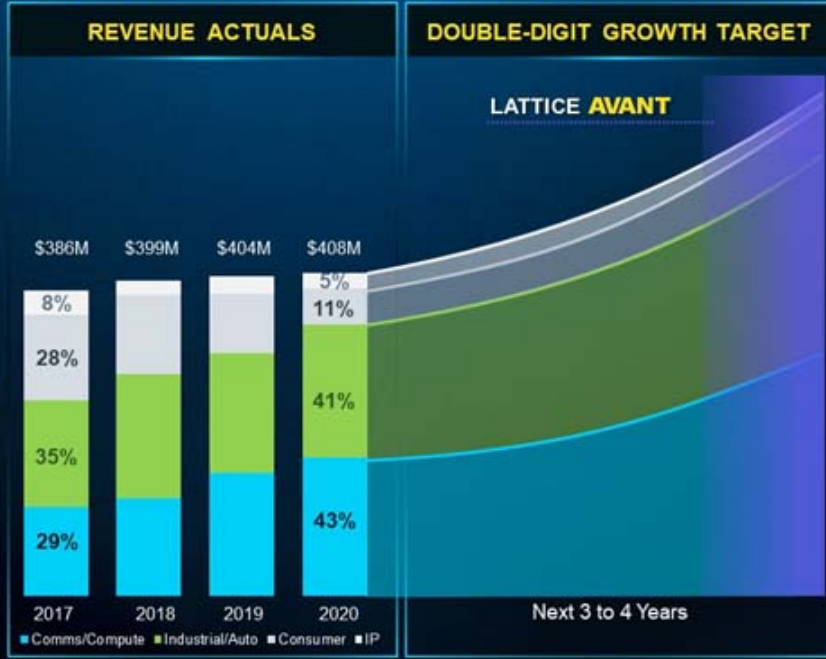


Target Launch in H2 of Next Year

NEXT GENERATION FPGA PLATFORM

- New FPGA platform based on our low power architecture
- Expands capability by 5X compared to Nexus
- Avant platform development began in late 2019
- Lead strategic customers engaged since the beginning

Entering a New Growth Phase



LATTICE AVANT

- Additional top line acceleration when Avant revenue ramp begins

CONSUMER DRIVERS

- More stability; modest growth potential

INDUSTRIAL & AUTOMOTIVE DRIVERS

- New industrial robotics programs
- Industrial automation and safety
- New automotive electronics programs

COMMS & COMPUTE DRIVERS

- Continued expansion in server \$ content
- Greenfield growth in client computing
- 5G infrastructure buildouts

Raising the Bar on Our Financial Targets



**GROSS MARGIN
EXPANSION**

**Raising Target to
65%**



**OPEX
DISCIPLINE**

**Maintain Target at
35%**



**OPERATING
PROFIT**

**Raising Target to
30%+**

Holding Ourselves to the Highest ESG Standards

CULTURE OF INNOVATION



ENVIRONMENTALLY CONSCIOUS



INCLUSION & SOCIAL WELLBEING

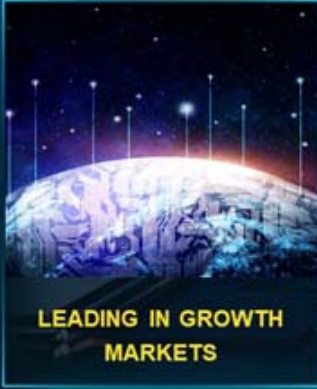


TRANSPARENCY & INTEGRITY



Delivering Shareholder Value with Sustainable Business Practices

Building Shareholder Value



Entering a New Growth Phase

2021
LATTICE INVESTOR DAY

PRODUCTS

STEVE DOUGLASS
CORPORATE VICE PRESIDENT,
RESEARCH & DEVELOPMENT



Product Roadmap Execution



**Faster Roadmap
Cadence**

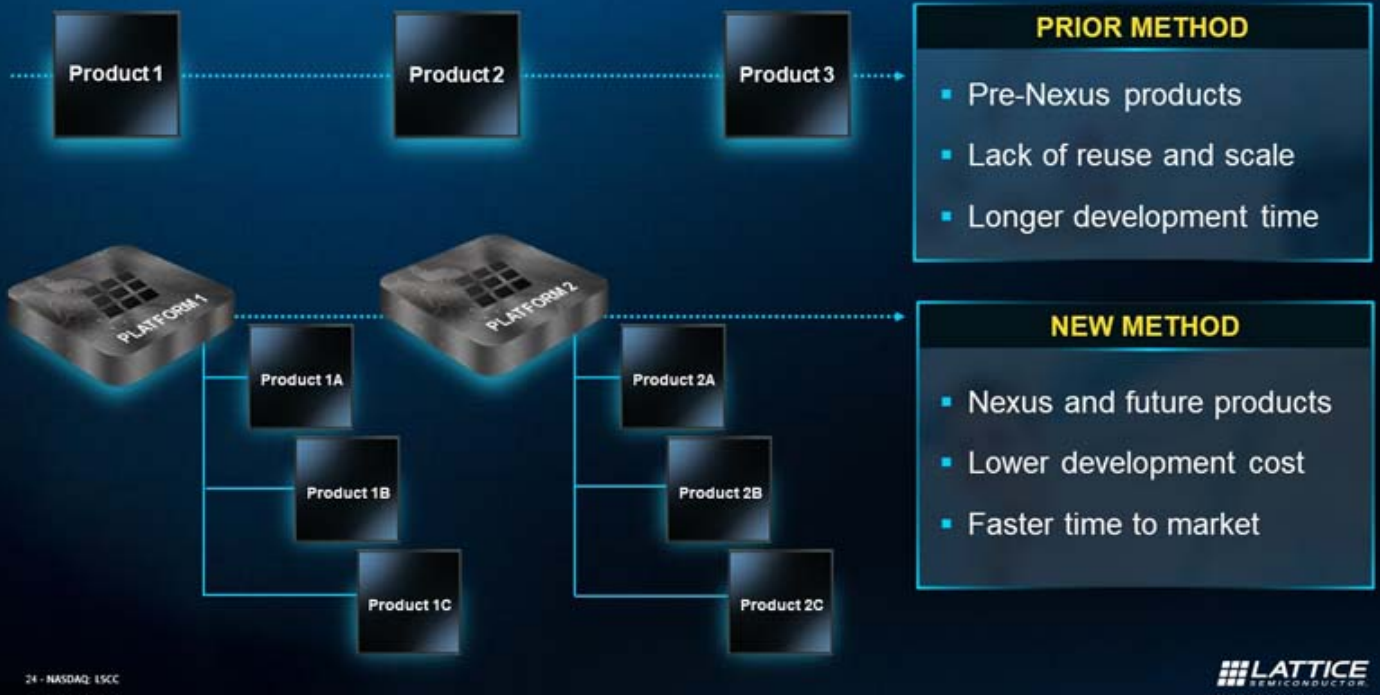


**Market Leading
Innovations**



**New Software
Solutions**

Platform Based Design



Faster Product Introduction Cadence

PRODUCT INTRODUCTIONS 2016 TO 2018

PRODUCT INTRODUCTIONS 2019 TO 2020

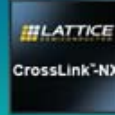
Software Solutions



Hardware Devices



LATTICE NEXUS



Rebuilt Product Portfolio

Market Leading Innovation



SOLUTIONS

Application Focused

A diagram showing a multi-layered chip structure with three colored blocks (brown, blue, green) on top and three yellow grid patterns on the bottom, representing application-focused solutions.

ARCHITECTURE

Optimized for Power Efficiency

A diagram illustrating the architecture for power efficiency. It features a central box labeled "Logic Cells Embedded Memory DSP Blocks". This central box is surrounded by several other components: "Hardened D-PHY" and "Fast Programmable I/O" at the top; "Industry Leading SER" on the left and "Ultra Fast Bus" on the right; and "Enhanced PLLs" and "Hardened PCIe" at the bottom.

CIRCUIT

Low Power Design

A diagram showing a 3D perspective of a chip with a green and blue circuit path on its surface, representing low power design.

CrossLink[®]-NX: Optimized for Embedded Vision

CROSSLINK-NX HIGHLIGHTS



Launched Q4 2019

Production Started Q4 2020

Solving the Challenges of Display and Sensor Deployments in Embedded Vision

COMPETITIVE COMPARISON

Display Connectivity Speed

Up to **2X**
Faster



Up to 2X Faster Display Connectivity with Up to 90% Smaller Form Factor

Certus-NX: Reinventing General Purpose FPGA

CERTUS-NX HIGHLIGHTS



Launched Q2 2020

Production Started Q1 2021

More Processing and Intelligence at the Edge

COMPETITIVE COMPARISON

Power Consumption (mW)

Up to **4X**
Lower Power



Up to 4X Lower Power with
Double the I/O Density

Mach[™]-NX: Second Generation Hardware Security

MACH-NX HIGHLIGHTS



Launched Q4 2020

Expected Production Late 2021

Industry Leading End-to-End Hardware Security

COMPETITIVE COMPARISON

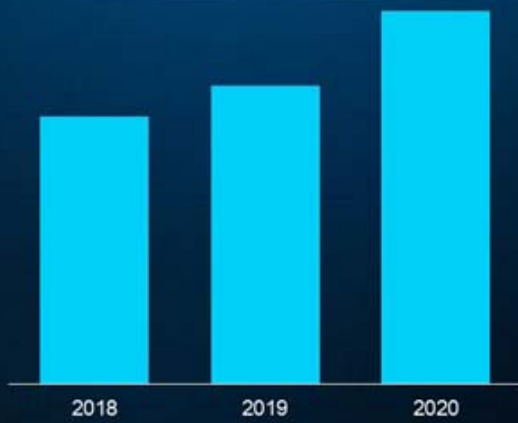
	Mach-NX	Other FPGAs	Microcontroller
DETECT Firmware Authentication*	1X	Up to 6X Slower	Up to 4X Slower
PROTECT Real-time SPI Monitoring	Supported	Supported	Not Supported
RECOVER Firmware Recovery	Microseconds	Up to Minutes	Up to Minutes

*Authenticating 64MB flash image @ 33MHz

Fastest Solution for Platform Firmware Resilience

Software Investment Strategy

FPGA SOFTWARE SPEND



Accelerating Investment in Software

EXPANDING OUR SOFTWARE CAPABILITY



New Application Solution Stacks and Embedded Development Tools

Enabling Our Customers with Application Solution Stacks



LATTICE
sensAI

Low Power Edge AI

LAUNCHED Q2 2018

LATTICE
mVision™

Low Power Embedded Vision

LAUNCHED Q1 2020

LATTICE
Sentri™

Resilient Root of Trust

LAUNCHED Q3 2020

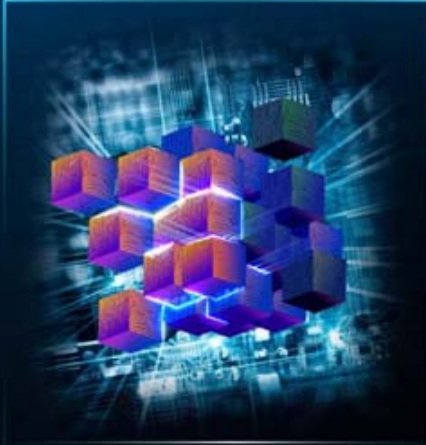
Innovation Focus Going Forward



**New Application
Solution Stacks**



**New Lattice Nexus
Products**



**New Lattice Avant
Platform**

New Automation Solution Stack

FOURTH SOLUTION STACK



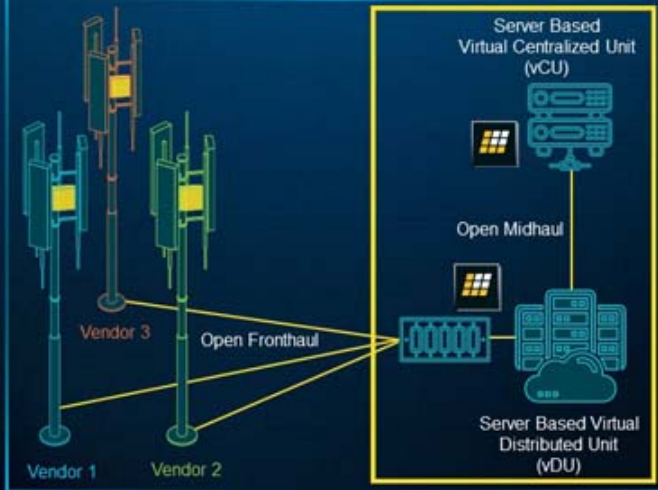
CUSTOMER BENEFITS

- Low power AI based predictive maintenance
- Deterministic performance for multi-axis motors
- Real-time networking for factory automation
- Functional safety certified design software

Launching Today

New 5G ORAN Solution Stack

FIFTH SOLUTION STACK



CUSTOMER BENEFITS

- Enabling customer trend towards ORAN*
- Leadership security & control for ORAN architecture
- Designed into early systems
- Growth opportunity as adoption increases

*Open Radio Access Network

Target Launch H1 2022

New Nexus Product Family: CertusPro™-NX

FOURTH NEXUS PRODUCT FAMILY



CUSTOMER BENEFITS

- Industry leadership in power efficiency
- Best in class system bandwidth
- New protocols for wide range of applications
- Advanced memory interface standards
- More to be announced at launch

Launching June 2021

Innovating for the Future with Avant

LATTICE **AVANT**

Target Launch H2 of Next Year

CUSTOMER BENEFITS

- Market leading power efficiency
- Advanced FPGA architecture
- Scalable to 5X the capacity of Nexus
- Higher system bandwidth
- Breakthrough system features
- Leverages existing software portfolio
- More to be announced at launch

Expanding Our Leadership Portfolio

SOFTWARE SOLUTIONS

LATTICE
sensAI

LATTICE
mVision

LATTICE
Sentro

LATTICE
Automate

LAUNCHING TODAY

Lattice 5G
ORAN Stack

LAUNCHING H1 2022

Next Solution
Stack

TO BE ANNOUNCED

HARDWARE DEVICES

LATTICE AVANT

LAUNCHING H2 OF 2022



LATTICE NEXUS

LATTICE
CrossLink-NX

LATTICE
Certus-NX

LATTICE
Mach-NX

LATTICE
CertusPro-NX

LATTICE
Nexus #5

LATTICE
Nexus #6

LAUNCHING JUNE 2021

LAUNCHING H1 2022

TO BE ANNOUNCED

Innovating to Accelerate Growth



**FASTER RELIABLE
EXECUTION**



**STRONGEST PORTFOLIO
EVER**



**LEADERSHIP PRODUCT
ROADMAP**

2021
LATTICE INVESTOR DAY

MARKETS

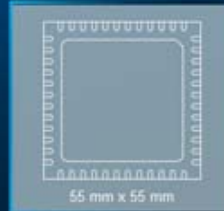
ESAM ELASHMAWI
STRATEGY & MARKETING



FPGA TAM Summary

FPGA 2024 TAM

\$7.7B*



LARGE FPGA

Datacenter Acceleration
and Communications



MID-RANGE FPGA

Applications in Communications,
Industrial and Automotive

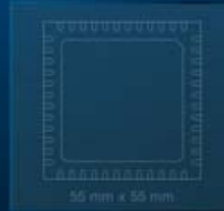


SMALL FPGA

Applications Across Many
End Markets

FPGA TAM Summary

FPGA 2024 TAM
\$7.7B*



LARGE FPGA

Data Center Acceleration
and Communications



LATTICE AVANT



LATTICE NEXUS

Doubling Our Addressable Market

■ Traditional Applications

▨ New Applications



LATTICE AVANT

- Based on Lattice low power architecture
- Bringing differentiation to mid-range FPGA
- Enabling new applications

LATTICE NEXUS

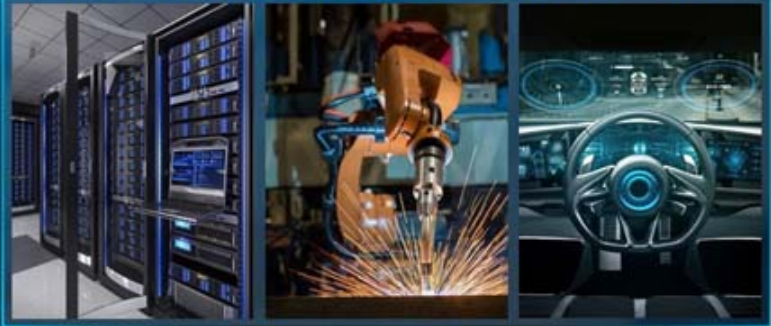
- Industry leadership with small FPGA
- Addressing traditional FPGA applications
- Driving growth from new applications

Lattice Avant Customer Engagement

LATTICE **AVANT**

Target Launch H2 of Next Year

WIDE CUSTOMER PARTICIPATION IN DEFINITION



CUSTOMER FEEDBACK

- Industry lacks a compelling mid-range FPGA
- Asking Lattice to extend low power architecture to mid-range
- Avant applications align with Lattice expertise

Positioned in Growing End Markets

Lattice End Market Opportunity
\$6B SAM



COMMS & COMPUTE



CLIENT



SERVER



5G

INDUSTRIAL & AUTOMOTIVE



FACTORY
AUTOMATION



ROBOTICS



AUTOMOTIVE
ELECTRONICS

CONSUMER



SMART HOME



PROSUMER



WEARABLE

Client Computing Next Generation Smart PC Trends

COMPUTE

AI Capable

Aware of surrounding
User detection & wellness

Seamless Interfacing

MIPI bridging
Sensor fusion

Enhanced Security

Platform Firmware Resilience

Small Form Factor

Single wire aggregation

Client Computing is a Greenfield Opportunity for Lattice

Enabling Next-Generation Smart PCs

IN PRODUCTION



Image Processing

- Started ramping new platforms in 2020
- Enhancing video image quality
- Enabling privacy features

IN DEVELOPMENT



User Presence Detection

- Power saving until user detected
- Leverage low power AI performance



Shoulder Surfing

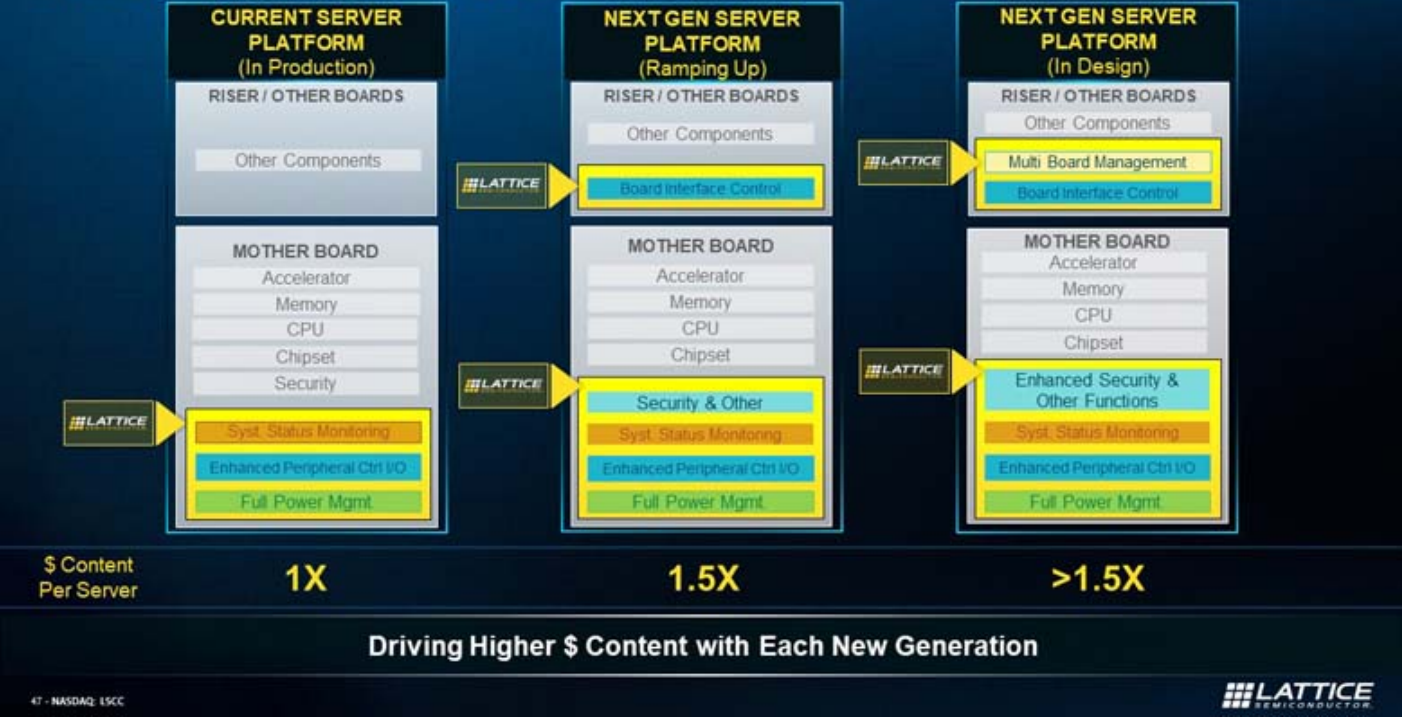
- Provides warning to user
- Offload CPU to enhance performance



Attention Tracking

- Multi-screen tracking & power savings
- Configurable for different use cases

Expanding Position in Server

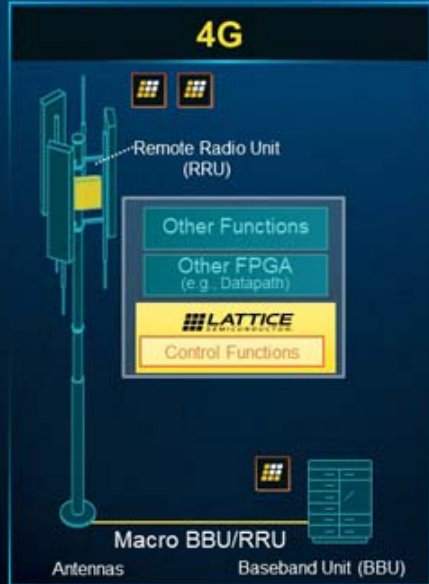


Expanding Position in Server



Driving Higher \$ Content with Each New Generation

Content Increasing in 5G



\$ Content Per Base Station

1X

>1.3X

>1.5X

Content Increasing in Industrial

INDUSTRIAL

The image shows a futuristic industrial factory floor with various pieces of machinery, including a yellow robotic arm, a worker in a safety vest, and a conveyor belt with a cardboard box. The scene is overlaid with several technology callouts, each accompanied by a small Lattice logo icon. The callouts are arranged in a way that suggests a flow of information or data across the factory floor. The background is a clean, modern industrial setting with blue and white tones.

- Industrial Networking
- Functional Safety
- Programmable Logic Controller
- Edge Computing
- Touchless Control
- Predictive Maintenance
- Machine Vision
- Package Detection
- Motor Control
- Sensor Bridging
- Collision Avoidance

50 - NASDAQ: LSCC

Current revenue drivers

Future revenue drivers

LATTICE
SEMICONDUCTOR

Example: Enabling Next Generation Robotics



- **Collision Avoidance:** Ability to aggregate multiple sensors & co-process information
- **Motor Control:** Ability to control multi axis motors with high precision & low power
- **Signal Aggregation:** Flexible, configurable interfaces allow for interoperability
- **Predictive Maintenance:** AI and processing efficiency



LATTICE
Automate
Launching Today

01 - NASDAQ: LSCC



Content Increasing in Automotive

INFOTAINMENT

De-Fog

360° Surround View

Display Bridging

ISP

ADAS

Radar Sensor Bridging & Aggregation

Image Sensor Bridging & Aggregation

Current revenue drivers

IN CABIN AI

Human Presence Detection

Driver Monitoring

SECURITY

Secure Battery Mgt.

Secure Boot

Future revenue drivers

Example: Automotive Display



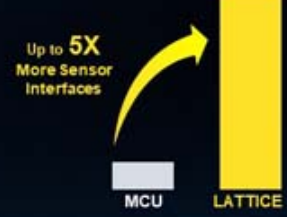
- **Automotive Grade:** Qualified to meet automotive standards
- **Display Connectivity:** Multi resolution and display size compatibility
- **Sensor Aggregation:** Ability to interface with multiple sensors simultaneously
- **Processing Data:** Ability to process or co-process data to offload CPU

WHY CUSTOMERS ARE CHOOSING LATTICE

Display Connectivity Speed



Independent Sensor Interfaces



New Growth Drivers in Consumer



Driving Accelerated Growth



**LATTICE
AVANT**

**EXPANDING
OUR SAM**



**DEEPER CUSTOMER
INTIMACY**



**NEW GROWTH
OPPORTUNITIES**

2021
LATTICE INVESTOR DAY

FINANCIALS

SHERRI LUTHER
CHIEF FINANCIAL OFFICER

55 - NASDAQ: LSCC



LATTICE
SEMICONDUCTOR

Entering a New Growth Phase



Accelerated Top Line Growth



Continued Gross Margin Improvement

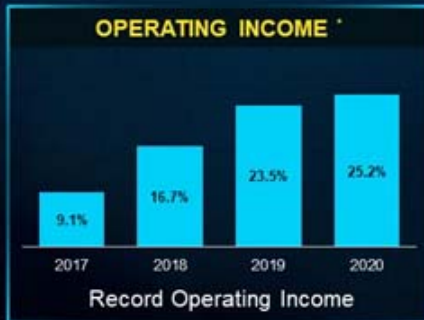


Investment In Portfolio Expansion

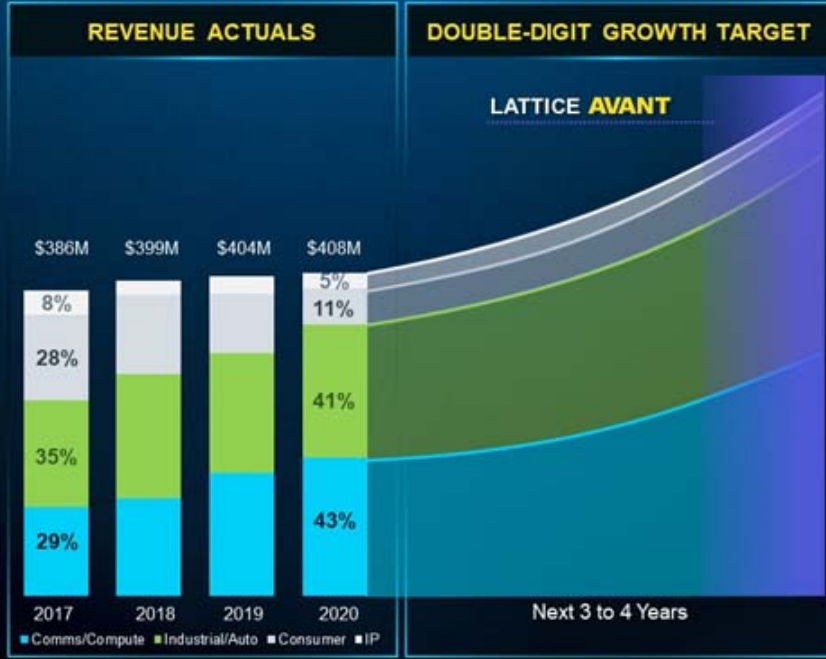


Profit Growth & Strong Balance Sheet

Strong Financial Execution



Entering a New Growth Phase



LATTICE AVANT

- Additional top line acceleration when Avant revenue ramp begins

CONSUMER DRIVERS

- More stability; modest growth potential

INDUSTRIAL & AUTOMOTIVE DRIVERS

- New industrial robotics programs
- Industrial automation and safety
- New automotive electronics programs

COMMS & COMPUTE DRIVERS

- Continued expansion in server \$ content
- Greenfield growth in client computing
- 5G infrastructure buildouts

Gross Margin Improvement



EXPANSION STRATEGIES

PRICING OPTIMIZATION

- Strategic analytics to maximize value
- New initiatives to continue value expansion
- New products provide opportunity for added value

PRODUCT COST REDUCTIONS

- Operational improvements in yields & cycle times
- Multigenerational product cost roadmap
- Long term partnerships with key suppliers

Driving Multiple Strategies for Gross Margin Expansion

OpEx Investment Discipline



INVESTMENT STRATEGY

R&D Target 20%

- Increased investment for portfolio expansion
- Continue to support software expansion
- Focused on investing in our product roadmap for long term growth (e.g. Avant Platform)

SG&A Target 15%

- Driving efficiency improvements
- Investing in demand creation (sales model)
- Operational leverage as revenue grows

Profit Growth

OPERATING INCOME



Note: Percentages based on non-GAAP operating income. See appendix for reconciliation to most comparable GAAP measure.

STRONG EPS EXPANSION



Raising Profitability Target to 30%+

Strong Balance Sheet

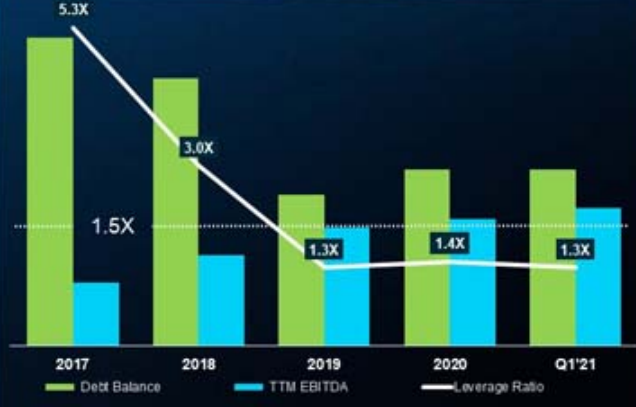
NET CASH

\$ Millions



- Net Cash positive for the first time in 6 years
- Continued strong cash generation from operations

LEVERAGE RATIO



- Lowest interest rate tier at leverage ratio of 1.5X
- Debt rating upgraded twice within the last 18 months

Numbers based on non-GAAP leverage ratio. See appendix for reconciliation to most comparable GAAP measure.

Capital Allocation Strategy



INVEST IN ORGANIC GROWTH

Portfolio expansion for future revenue growth (Avant)



MAINTAIN HEALTHY BALANCE SHEET

Manage leverage ratio and interest expense



RETURN CAPITAL TO SHAREHOLDERS

\$60M authorization in place; \$15M executed in Q1 2021



STRATEGIC M&A

Adjacent and complementary to core business

Focused on Long-Term Revenue Growth and Maximizing Shareholder Value

New Financial Target Model

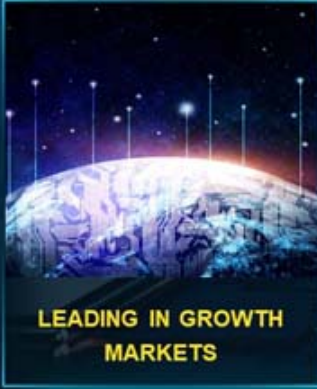
New Target Model (Next 3 to 4 Years)

Revenue Growth (YoY)	Double-Digit	➤	Low Double-Digit Growth, with Additional Growth Acceleration When Avant Ramps
Gross Margin	65%	➤	Pricing and Product Cost Optimization; New Product Ramps
OpEx	35%	➤	Focused on Investing in Our Roadmap for Long Term Growth (Avant)
Operating Income	30%+	➤	Continued Profit Expansion

Note: Percentages based on non-GAAP targets. See appendix for reconciliation to most comparable GAAP measure

Focused on Driving Long-Term Shareholder Value

Building Shareholder Value



Entering a New Growth Phase



Live Q&A

Stay Tuned – Starting Soon

07 - NASDAQ, ESCC



Live Q&A



Jim Anderson

President & Chief Executive Officer

OVERVIEW



Steve Douglass

Corporate Vice President, R&D

PRODUCTS



Esam Elashmawi

Chief Strategy & Marketing Officer

MARKETS



Sherri Luther

Chief Financial Officer

FINANCIALS

2021
LATTICE INVESTOR DAY
APPENDIX



GAAP Metrics



Gross Margin Reconciliation

(Thousands except percentages)	Q1 2021	2020	2019	2018	2017
GAAP Gross Margin	\$70,585	\$ 245,306	\$ 238,422	\$ 219,439	\$ 216,579
GAAP Gross Margin %	61.0%	60.1%	59.0%	55.0%	56.1%
Inventory adjustment related to restructured operations	-	-	-338	7,829	-
Stock-based compensation expense	773	3,818	1,422	940	788
Non-GAAP Gross Margin	\$71,358	\$ 249,124	\$ 239,506	\$ 228,208	\$ 217,367
Non-GAAP Gross Margin %	61.7%	61.0%	59.3%	57.2%	56.3%

Operating Expenses Reconciliation

(Thousands except percentages)	Q1 2021	2020	2019	2018	2017
GAAP Operating expenses	\$49,937	\$192,940	\$179,380	\$ 222,559	\$ 264,199
% of Revenue	43.2%	47.3%	44.4%	55.8%	68.5%
Amortization of acquired intangible assets	(602)	(4,449)	(13,558)	(17,690)	(31,340)
Restructuring charges	(176)	(3,937)	(4,664)	(17,349)	(7,196)
Acquisition related charges	-	-	-	(1,531)	(3,781)
Impairment of acquired intangible assets	-	-	1,023	(11,686)	(32,431)
Stock-based compensation expense	(10,218)	(38,324)	(17,477)	(12,706)	(11,755)
Gain on sale of building	-	-	-	-	4,624
Non-GAAP Operating expenses	\$38,940	\$146,230	\$144,705	\$ 161,597	\$ 182,320
% of Revenue	33.7%	35.8%	35.8%	40.5%	47.2%

R&D % and SG&A % Reconciliation

(Thousands except percentages)	Q1 2021	2020	2019	2018	2017
GAAP R&D Expense %	20.8%	21.9%	19.5%	20.7%	26.8%
Stock-based compensation	(2.5%)	(2.7%)	(1.4%)	(1.1%)	(1.4%)
Non-GAAP R&D Expense %	18.3%	19.2%	18.1%	19.6%	25.4%

(Thousands except percentages)	Q1 2021	2020	2019	2018	2017
GAAP SG&A Expense %	21.7%	23.4%	20.4%	22.8%	23.5%
Stock-based compensation	(6.3%)	(6.8%)	(2.9%)	(2.1%)	(1.7%)
Non-GAAP SG&A Expense %	15.4%	16.6%	17.5%	20.7%	21.8%

Operating Income Reconciliation

(Thousands except percentages)	Q1 2021	2020	2019	2018	2017
GAAP (Loss)/Income from Operations	\$20,648	\$ 52,366	\$ 59,041	\$ (3,120)	\$ (47,620)
GAAP (Loss)/Income from Operations %	17.8%	12.8%	14.6%	(0.8)%	(12.3)%
Inventory adjustment related to restructuring operations	-	-	(338)	7,829	-
Stock-based compensation – gross margin	773	3,818	1,422	940	788
Amortization of acquired intangible assets	602	4,449	13,558	17,690	31,340
Restructuring charges	176	3,937	4,664	17,349	7,196
Acquisition related charges	-	-	-	1,531	3,781
Impairment of acquired intangible assets	-	-	(1,023)	11,686	32,431
Stock-based compensation – operations	10,218	38,324	17,477	12,706	11,755
Gain on sale of building	-	-	-	-	(4,624)
Non-GAAP Income from Operations	\$ 32,418	\$ 102,894	\$ 94,801	\$ 66,611	\$ 35,047
Non-GAAP Income from Operations %	28.0%	25.2%	23.5%	16.7%	9.1%
Depreciation & Amortization	5,227	20,691	19,498	21,571	26,621
Non-GAAP EBITDA	\$ 37,645	\$ 123,585	\$ 114,299	\$ 88,182	\$ 61,668

Earnings Per Share Reconciliation

	2020	2019	2018	2017
GAAP net income (loss) per share – diluted	\$ 0.34	\$ 0.32	(0.21)	(0.58)
Inventory adjs related to restructured operations	-	(0.00)	0.06	-
Amortization of acquired intangible assets	0.03	0.10	0.14	0.25
Restructuring charges	0.03	0.03	0.13	0.06
Acquisition related charges	-	-	0.01	0.03
Impairment of acquired intangible assets	-	(0.00)	0.09	0.26
Stock-based compensation expense	0.30	0.14	0.11	0.10
Gain on sale of building	-	-	-	(0.03)
Loss on sale of assets and business units	-	-	-	0.02
Non-GAAP earnings per share – diluted	\$ 0.69	\$ 0.59	0.33	0.11

GAAP EBITDA

(Thousands except percentages)	Q1 2021	2020	2019	2018	2017
GAAP (Loss)/Income from Operations	\$20,648	\$ 52,366	\$ 59,041	\$ (3,120)	\$ (47,620)
GAAP (Loss)/Income from Operations %	17.8%	12.8%	14.6%	(0.8)%	(12.3)%
Depreciation & Amortization	5,227	20,691	19,498	21,571	26,621
Amortization of acquired intangible assets	602	4,449	13,558	17,690	31,340
GAAP EBITDA	\$ 26,477	\$ 77,506	\$ 92,097	\$ 36,141	\$ 10,341