

PCTEL (Nasdaq: PCTI)

Performance Critical Technology Solutions
for the Wireless Industry



of Innovation and Excellence

Safe Harbor Statement



This presentation contains “forward-looking statements” as defined in the **Private Securities Litigation Reform Act of 1995**. Specifically, the statements regarding PCTEL, Inc.’s future business prospects, forecasted financial information, technology roadmap, strategy, and perceived growth opportunities are forward looking statements within the meaning of the safe harbor. These statements are based on management’s current expectations and actual results may differ materially as a result of various risks and uncertainties. These risks and uncertainties include, among others:

The impact of data densification and IoT on capacity and coverage demand;

The worldwide adoption and deployment of new technologies, including 5G;

PCTEL’s ability to develop and grow its wireless business, including in its vertical markets;

PCTEL’s ability to develop and successfully introduce new and enhanced products that meet our customers’ needs, particularly in the mobile IoT and 5G environments; and

The impact of PCTEL’s corporate reorganization on sales growth and operational efficiencies.

These and other risks and uncertainties are detailed in the filings of PCTEL with the SEC. The “forward-looking statements” contained in this presentation are made only as of this date, and PCTEL disclaims any obligation to update or revise them, including the financial projections.

The Company presents Non-GAAP financial measures. See the Company’s quarterly earnings press releases for the reconciliation of GAAP to Non-GAAP financial measures.

PC-Tel, Inc.
Nasdaq: PCTI

PCTEL Solves Complex RF Problems



PCTEL is a leading supplier of RF systems. Products include antennas, radios and test and measurement solutions to address Industrial IoT, 4G/5G infrastructure, Enterprise Wi-Fi, Public Safety, Fleet and Utilities.

- **25 years of leadership** solving complex RF problems
- **Expanding addressable target market and customer base** driven by IIoT applications, public safety, fleet and 5G
- **Increasing RF complexity** presents significant need for PCTEL products across targeted vertical markets to support targeted long-term revenue growth
- **Strong balance sheet** with no debt and \$35M in cash
- **Healthy Free Cash Flow (target is 7-8%)**
- **Dividend yielding 4.4%** - Distributed \$96M to shareholders from 2008-2018
- **Experienced management team**

PCTEL (Nasdaq: PCTI)

Recent Stock Price: \$5.00

Dividend \approx Yield: \$0.22 \approx 4.4%

Market Cap: \$88M

Cash: \$35M (\$1.90 per share)

Debt : None

Revenue (2018): \$83M

Total Shares: 18.4M

Management Ownership: 7.1%

Founded: 1994

Headquarters: Bloomingdale, Illinois

Offices: Maryland, Ohio, China
(Beijing, Tianjin, Hong Kong)

Employees: \approx 450

Driving Growth in Core Market Segments



ENTERPRISE WIRELESS

Wi-Fi

- Top Tier OEMs
- Channel Partners

4G/5G

- Public and Private
- Carrier OEMs

Critical Communications

- Public Safety
- FirstNet

INTELLIGENT TRANSPORTATION

Smart Roadways

- Traffic Management
- Vehicle Telematics

Smart Railways

- Control
- Operations

Industrial Fleets

- Precision Agriculture
- Construction

INDUSTRIAL IOT

Smart Utilities

- Smart Grid
- Connected Devices
- Sensor Networks

Process Automation

- Field Area Networks
- Smart Factory
- Asset Tracking



Enterprise Wireless



- By 2021, 63% of global mobile traffic (cellular) will be offloaded to Wi-Fi or small cell networks ¹
- HBflex: smallest form factor mmWave, sub-6 GHz scanner in market
- Deployments of 5G or multimode small cells will reach 5.2M in 2025 ²
- PCTEL has extensive portfolio of highly durable 5G - ready CBRS antennas for small cell deployments
- Increased need to test multi-technology, multi-frequency networks in licensed and unlicensed spectrum
- Public safety growth driven by government initiatives worldwide, including FirstNet in US, to equip first responders with advanced communication systems



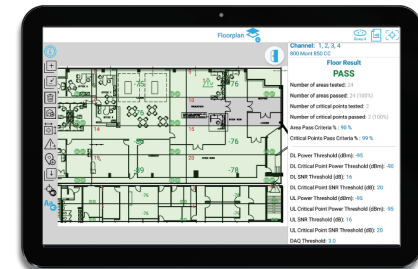
Wi-Fi Access Point with Integral Antenna*



Integral Small Cell Antennas



VenU® Antennas



Public Safety Network Testing Solution



HBflex™ Scanner

¹ CISCO Visual Networking Index, 31 July 2018

² Small cells market status report, Small Cell Forum, 14 February 2018

⁵ *Image courtesy of Aruba Networks



Intelligent Transportation

- Smart Roadways and Railways are expected to grow at 14.5% and 15.2%, respectively, through 2023¹
- Smart transportation improves public safety, reduces congestion, and fosters environmentally friendly mobility
- Industrial fleets include public safety vehicles, precision agriculture, autonomous mining and construction vehicles
- Antenna applications: public transit, mass transit, rail and agriculture



Bi-Directional Train Top Antenna



Police Vehicle Antenna Systems

Courtesy of Los Angeles Sheriff's Department



Precision Agriculture



Autonomous Mining



Coach™ II Antenna



Trooper™ II Antenna

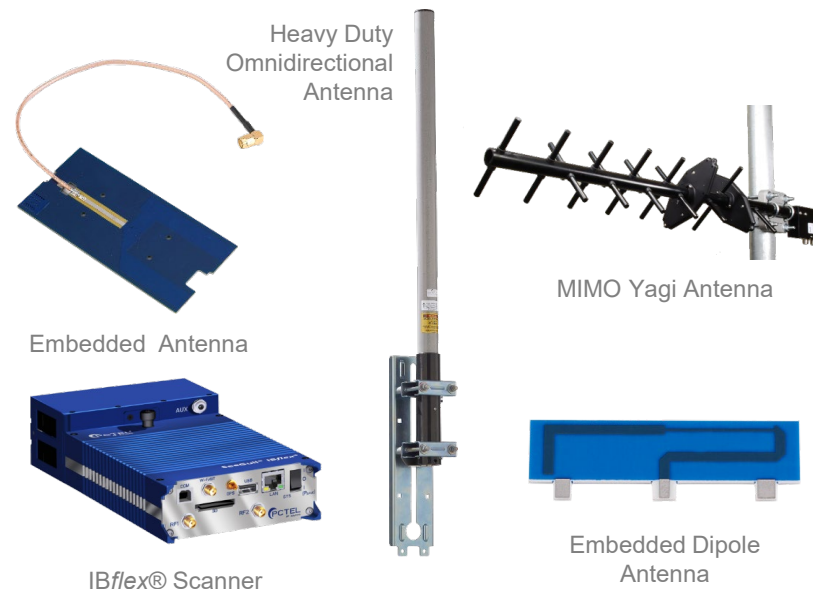
¹ MarketsandMarkets, *Smart Transportation Market - Global Forecast to 2023*, August 2018



Industrial IoT



- PCTEL provides antenna, radio and testing solutions for Industrial IoT infrastructure and devices
- Trending growth of industrial applications will drive IoT expansion in smart utility grids, factory automation and asset tracking
- Estimate addressable market to more than double in the next 5 years



| IoT Connected Devices (billion) | 2017 | 2023 | CAGR |
|-------------------------------------|------|------|------|
| Wide-area IoT | 0.8 | 4.1 | 31% |
| Cellular IoT (portion of Wide-area) | 0.7 | 3.5 | 31% |
| Short-range IoT | 6.2 | 15.7 | 17% |
| Total IoT Connected Devices | 7.0 | 19.8 | 19% |

Ericsson Mobility Report, June 2018



Global Customer Reach



OEMs



Distributors

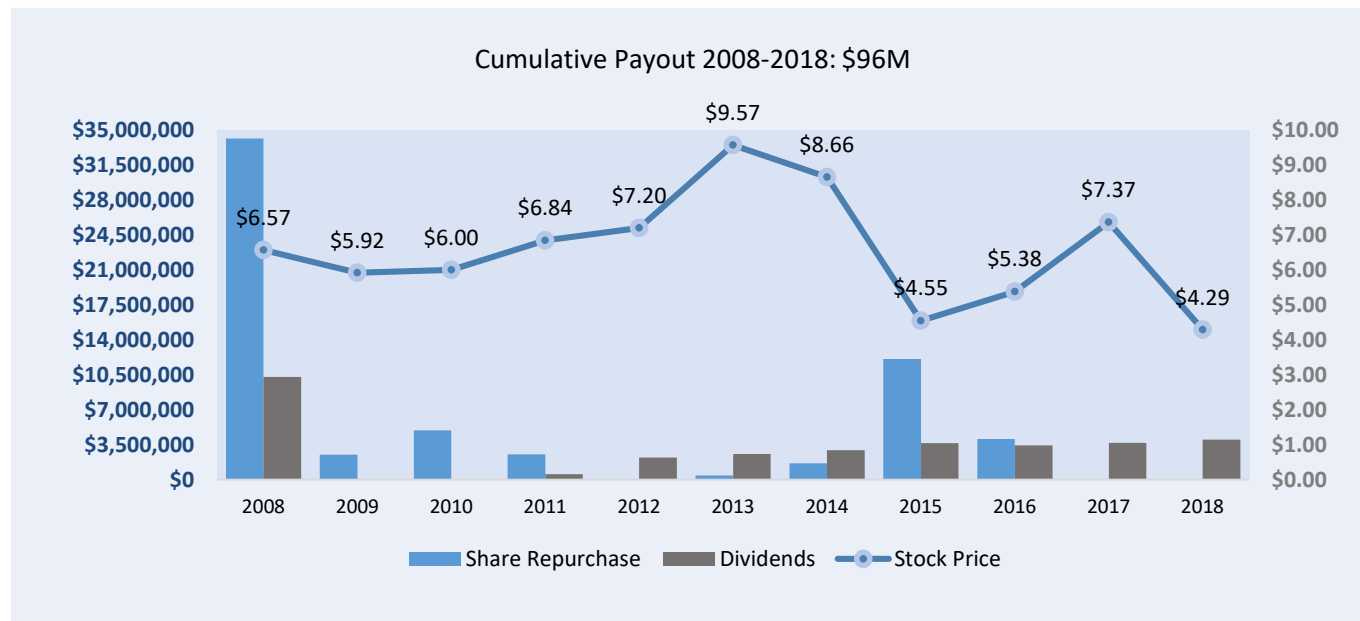


Direct



Cash Returned to Shareholders

- Long-term organic revenue growth rate target of 10-13% will generate Free Cash Flow of 7-8% annually
- Dividend payout target of 55% of annual Free Cash Flow
- Pursuing strategic acquisitions to complement product portfolio

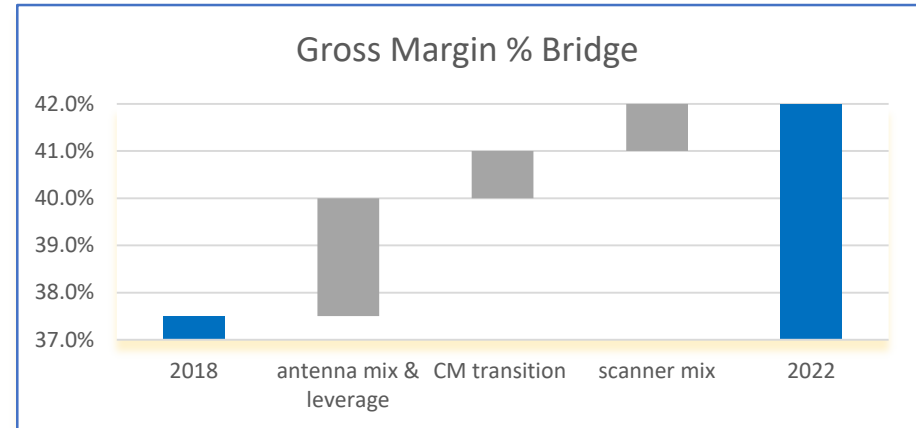
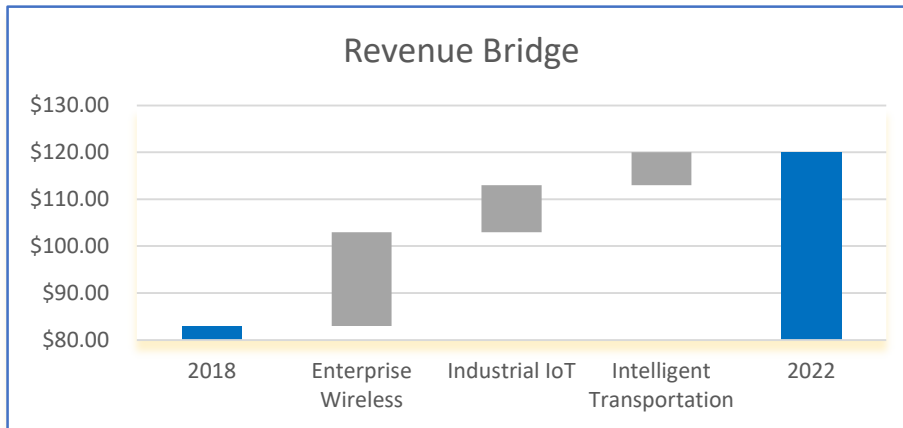


Notes:

- 2008 dividend was a special dividend (after sale of software business)
- Stock price is the year end price

Financial Targets

| | 2018 ACTUAL | 2022 TARGET |
|---------------------|-------------|--------------|
| REVENUE | \$83M | \$120-\$130M |
| GROSS PROFIT MARGIN | 37.5% | 40-42% |
| EBITDA MARGIN | 2% | 10-12% |



Analysts: B. Riley FBR and Lake Street Capital Markets

Summary



- Market leader with established reputation for unique RF expertise
- Excellent relationships with global customers: OEMs, distributors and direct accounts
- Positioned to benefit from growing markets, including Industrial IoT, 5G infrastructure, In-Building, Enterprise Wi-Fi, Fleet and Public Safety
- Large install base in USA with global presence to expand
- Strategic initiatives and growth of target markets support targeted long term revenue growth
- Active program to decrease OPEX and COGS costs to address competitive environment
- Distributed \$96M to shareholders from 2008-2018 through the company's share repurchase and dividend program

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