

QuickLogic Corp. (QUIK:NASDAQ)

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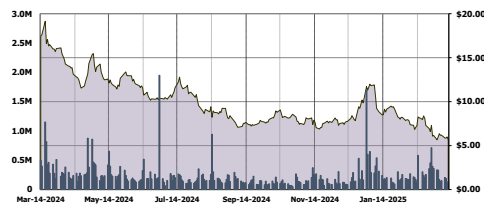
All figures in USD unless otherwise stated

QuickLogic Corp.	QUIK:NASDAQ
Share Price	\$5.97
Average Daily Volume (K)	269.8
Shares Outstanding (M)	15.2
Market Cap (\$M)	\$90.6
Cash (\$M)	\$21.9
Debt (\$M)	\$21.9
Enterprise Value (\$M)	\$90.6

FYE Dec 31	2023A	2024A	2025E
Sales (\$M)	\$21.2	\$20.1	\$24.2
Sales Growth (YoY %)	31%	(5%)	20%
Gross Margin (%)	68%	59%	N/A
EBITDA (\$M)	\$1.3	(\$0.6)	\$7.5
EBITDA Margin (%)	6%	(3%)	31%
Net Income (\$M)	(\$0.3)	(\$3.8)	N/A

Valuation	2023A	2024A	2025E
EV/EBITDA	70.9x	N/A	12.1x
P/E	N/A	N/A	N/A
EV/Sales	4.3x	4.5x	3.7x

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents



QuickLogic Corporation is a fabless semiconductor company specializing in eFPGA Hard IP, discrete FPGAs, and endpoint AI solutions. QuickLogic's unique approach combines cutting-edge technology with open-source tools to deliver highly customizable, low-power solutions for industrial, aerospace, consumer, and computing markets.

What you need to know:

- QuickLogic provides low-power, multi-core semiconductor solutions that enable AI, voice processing, and embedded FPGA technology.
- The Company has a large addressable market and pipeline of contracts serving high-quality fortune 500 clients, supporting accelerating growth.
- Historically, EBITDA margins have been low for QUIK but are expected to drastically improve in 2025.
- Led by CEO Brian Faith who joined in 1996 and became CEO in 2016.
- Watch clips of the interview [here](#).

Company Overview

QuickLogic Corporation is a leading provider of low-power, multi-core semiconductor solutions that enable AI, voice processing, and embedded FPGA technology across a range of applications. The Company specializes in designing Field Programmable Gate Arrays (FPGAs), microcontrollers, and sensor processing solutions for industries such as consumer electronics, industrial, aerospace, and defense. QuickLogic's eFPGA IP licensing business allows customers to integrate customizable logic into their system-on-chip designs, enhancing efficiency and reducing development time.

Founded in 1988 and headquartered in San Jose, QUIK has built a reputation for innovation in reconfigurable computing and AI-enabled hardware. The Company's QuickAI and ArcticPro eFPGA technologies provide flexible and power-efficient solutions for real-time data processing, catering to the growing demand for AI. Additionally, QuickLogic supports open-source initiatives through its investment in fully open-source FPGA development tools.

Investment Thesis

Large & Growing Market. QUIK's served available market is over \$1B spanning aerospace/defense, industrial IoT, AI/ML, security, and consumer IoT. The Company has signed \$45M in new contracts since July 2021 and its pipeline stands at \$164M as of Q3/24. Furthermore, QUIK has expanding customer engagement with many follow-on projects, supporting its 20% expected growth in 2025.

High Quality Customers. QuickLogic has a large and diversified customer base with leading firms such as Amazon, Google, Bosch, TSMC, Samsung, as well as the top 10 DoD prime contractors.

Largely Improved Margins. While gross margins have been steady, EBITDA margins were low/negative for years. Analysts expect EBITDA margins to rise significantly in 2025, reaching 31%.

Management. QUIK is led by CEO Brian Faith who joined in 1996 and assumed the role of CEO in 2016.

Valuation. QUIK currently trades at 12.1x 2025E EBITDA and 3.7x 2025E sales.

Conference Takeaways

- Growth from increased IP licensing deals, balancing with manufacturing revenues. Currently the only eFPGA company working with Intel on the 18A chips.
- Organic growth prospects from increased customer spending and diversification outside of aerospace and defense customers and into chip manufacturers.
- Management believes the Company is positioned to reach profitability in 2025.