

# Fourth Quarter Fiscal 2022 Earnings

SUPPLEMENTAL SLIDES

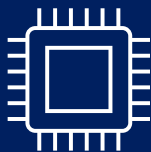
AUGUST 4, 2022

# Safe Harbor Statement

This presentation contains forward-looking statements that are subject to the safe harbors created under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business, including our expectations regarding the potential impacts on our business of the COVID-19 pandemic, and can be identified by the fact that they do not relate strictly to historical or current facts. Such forward-looking statements may include words such as “expect,” “anticipate,” “intend,” “believe,” “estimate,” “plan,” “target,” “strategy,” “continue,” “may,” “will,” “should,” variations of such words, or other words and terms of similar meaning. All forward-looking statements reflect our best judgment and are based on several factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Such factors include, but are not limited to, the risk that significant uncertainties remain related to the impact of COVID-19 on our business operations and future results, including our first quarter fiscal 2023 business outlook; global supply chain disruptions and component shortages that are currently affecting the semiconductor industry as a whole; the risks as identified in the “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business” sections of our most recent Annual Report on Form 10-K and our most recent Quarterly Report on Form 10-Q; and other risks as identified from time to time in our Securities and Exchange Commission reports. Forward-looking statements are based on information available to us on the date hereof, and we do not have, and expressly disclaim, any obligation to publicly release any updates or any changes in our expectations, or any change in events, conditions, or circumstances on which any forward-looking statement is based. Our actual results and the timing of certain events could differ materially from the forward-looking statements. These forward-looking statements do not reflect the potential impact of any mergers, acquisitions, or other business combinations that had not been completed as of the date of this release.

# High-Performance IoT Semiconductor Solutions Leader

**Analog Mixed Signal  
Semiconductors**



**Broad Product  
Portfolio**

**IoT Product  
Applications**



**IoT accounts for  
70% of total  
revenues**

**Best-in-Class  
Margin Profile**



**Non-GAAP Gross  
Margin 61% Q4 FY2022,  
vs 39% in Q4 FY2019**

**Strong Revenue  
Growth**



**Q4'22 Revenue  
increased 45% YoY**

Note: As-reported, not proforma for any acquisition/divestiture activity over this timeframe  
See Company's filings with the SEC for GAAP to Non-GAAP reconciliations

# Technology Leadership Across The Product Portfolio

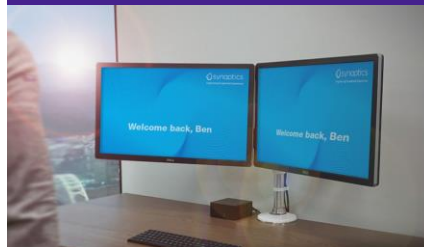
## Wireless Connectivity



## Automotive



## Video Interface



## Virtual Reality Headsets



## PC Touchpad / Biometric Fingerprint



## Audio Processors



## Mobile

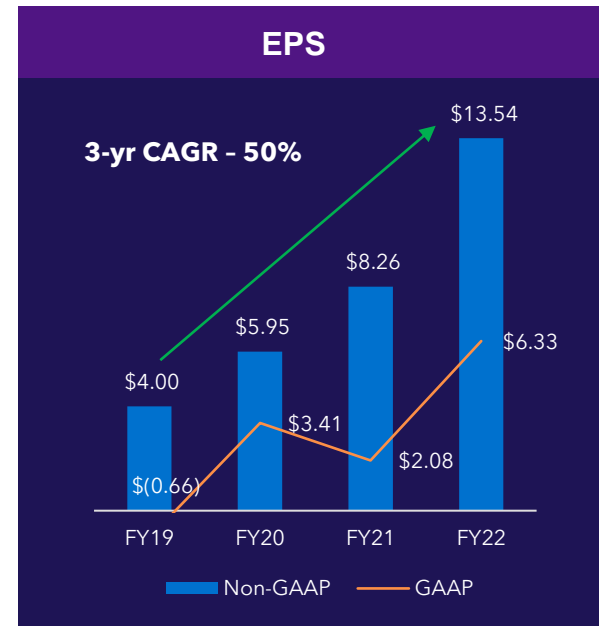
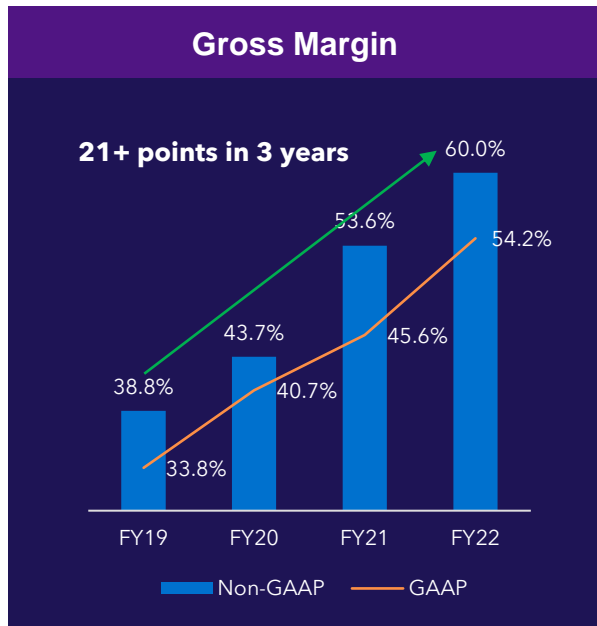
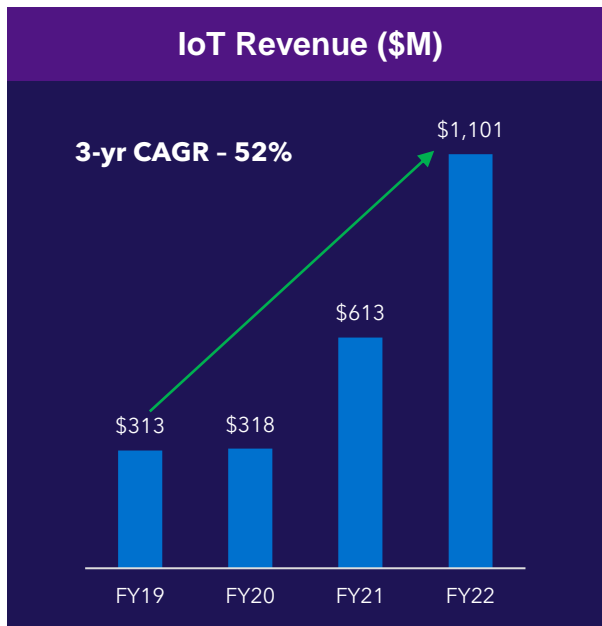


## Video Processors



# Record FY22 Financial Performance

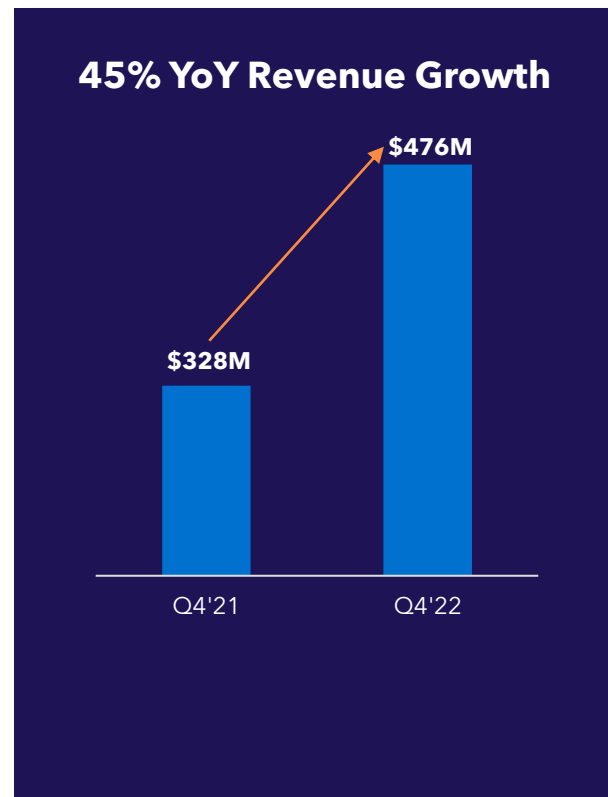
- 3-year IoT revenue CAGR of 52%
- Record GAAP and non-GAAP gross margin
- Record non-GAAP diluted earnings per share and free cash flow



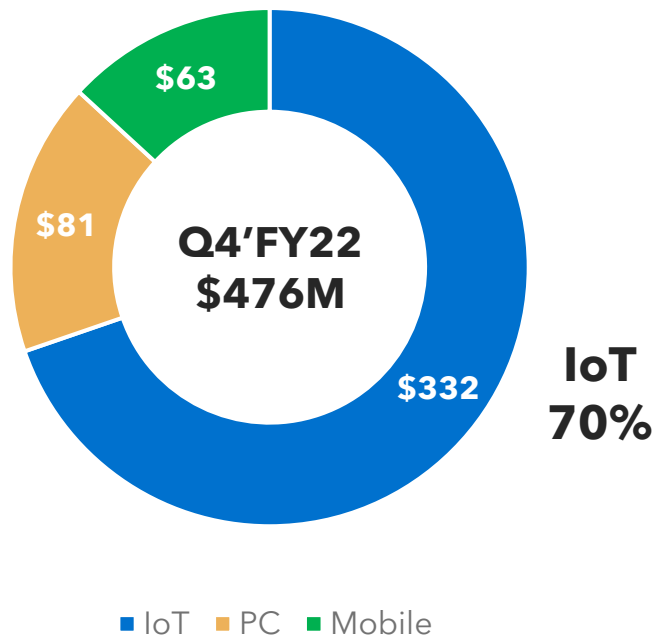
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# Q4'22 Financial Highlights

- Revenue of **\$476.3 million**, above the midpoint of guidance range and up +45% YoY and +1% QoQ
- IoT Revenue increased 87% YoY and accounted for 70% of total revenue
- Record GAAP and non-GAAP gross margin
  - GAAP gross margin of 55.9%
  - Non-GAAP gross margin of 61.0%, roughly consistent with last quarter and at the mid-point of guidance range
- GAAP diluted earnings per share of \$2.04
- Non-GAAP diluted earnings per share of \$3.87, above high-end of guidance range
- Solid cash flow from operations of \$128 million, cash and investments of \$876 million on the balance sheet



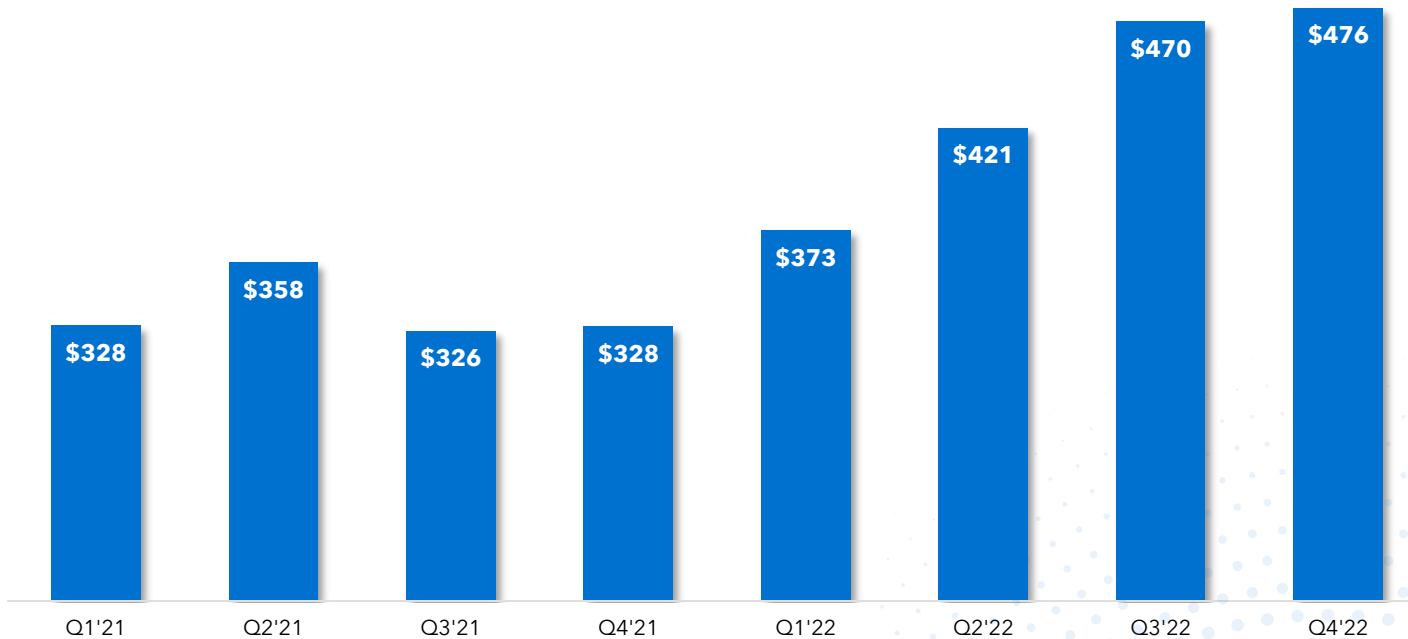
# Q4'FY22 Business Highlights



- IoT products continue to grow rapidly; **87%** growth year-over-year and 10% sequentially
- Solid growth in Video Interface business across core and new applications
- Automotive design-wins ramping across all geographies
- Softness in consumer-centric businesses in Mobile, PC, and parts of IoT
- New designs wins and customer engagement remains strong
- Several opportunities to cross-sell multiple products across platforms

# Quarterly Revenue Trend

Revenue in \$ millions

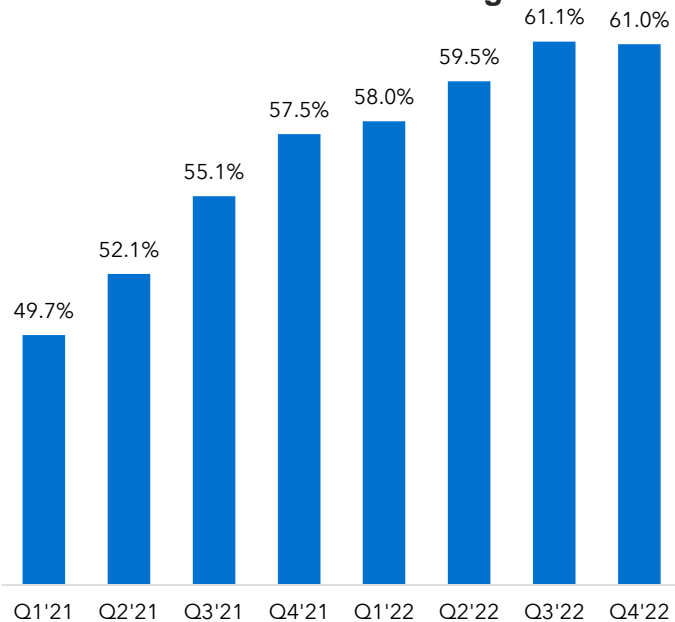


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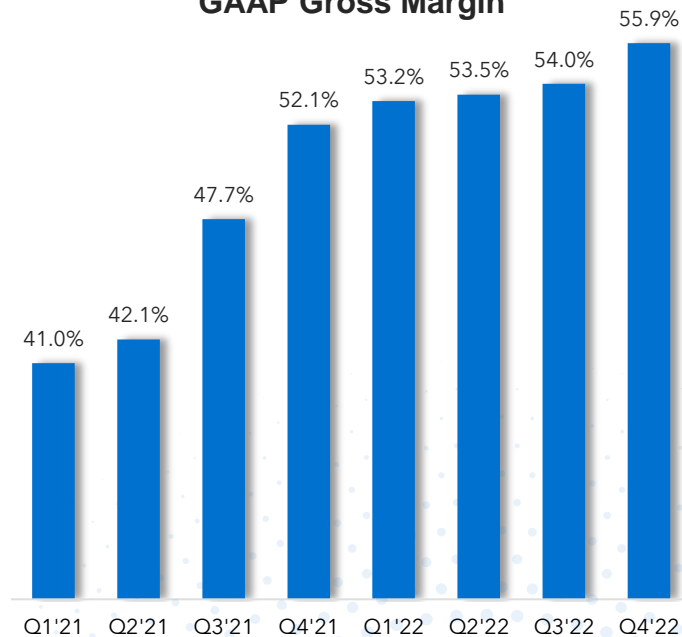


# Quarterly Gross Margin Trend

## Non-GAAP Gross Margin



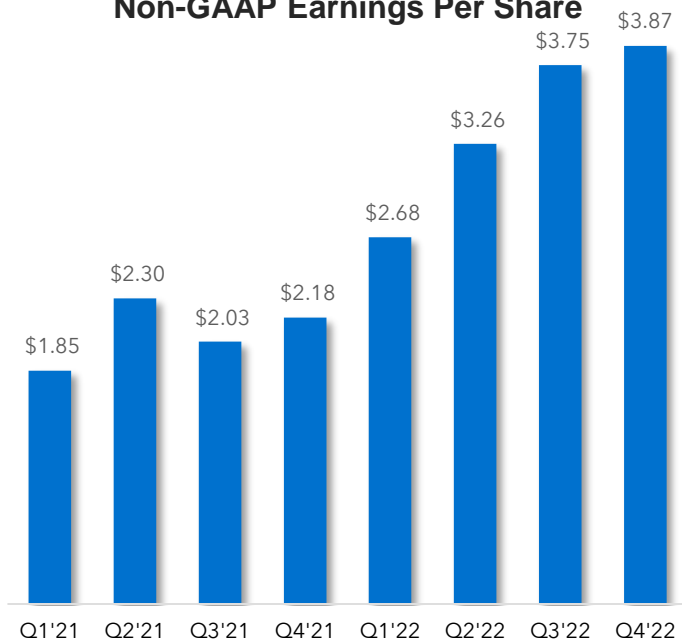
## GAAP Gross Margin



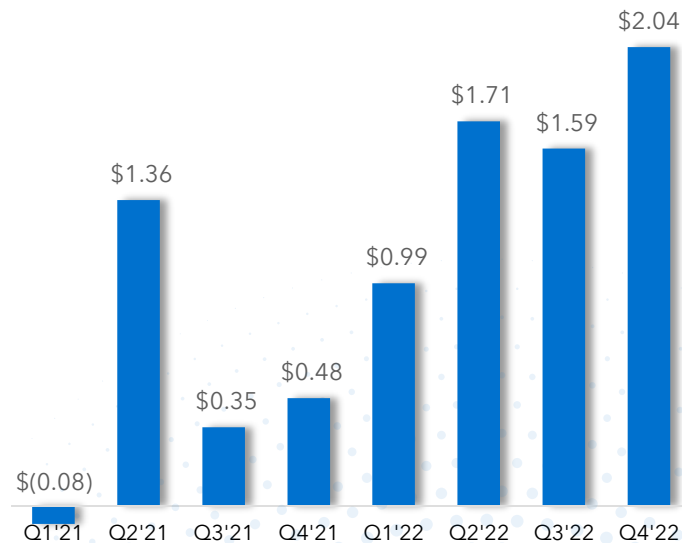
Note: As-reported, not proforma for any acquisition/divestiture activity over this timeframe  
 See the tables at the end of this presentation for a reconciliation of GAAP results to non-GAAP financial measures

# Quarterly Earnings Per Share Trend

## Non-GAAP Earnings Per Share



## GAAP Earnings Per Share



Note: As-reported, not proforma for any acquisition/divestiture activity over this timeframe  
 See the tables at the end of this presentation for a reconciliation of GAAP results to non-GAAP financial measures

# Q4'FY22 Financial Results

<b>\$M (except EPS)</b>	<b>Q4'21</b>	<b>Q3'22</b>	<b>Q4'22</b>	<b>QoQ</b>	<b>YoY</b>
<b>Revenue</b>	\$327.8	\$470.1	\$476.4	1%	45%
<b>GAAP Gross Margin %</b>	52.1%	54.0%	55.9%	190 bps	380 bps
<b>GAAP Operating Expenses</b>	\$119.9	\$165.7	\$142.0	(14%)	18%
<b>GAAP EPS Diluted</b>	\$0.48	\$1.59	\$2.04	28%	325%
<b>Non-GAAP Gross Margin %</b>	57.5%	61.1%	61.0%	-10 bps	350 bps
<b>Non-GAAP Operating Expenses</b>	\$86.2	\$105.6	\$104.2	(1%)	21%
<b>Non-GAAP EPS Diluted</b>	\$2.18	\$3.75	\$3.87	3%	78%

See the tables at the end of this presentation for a reconciliation of GAAP results to non-GAAP financial measures

# Q4'FY22 Balance Sheet

In Millions	Q2'22	Q3'22	Q4'22
<b>Cash &amp; ST Investments</b>	<b>\$573.9</b>	<b>\$754.9</b>	<b>\$876.0</b>
AR	\$312.2	\$298.3	\$322.1
Inventory	\$133.3	\$145.9	\$169.7
PP&E	\$56.9	\$63.1	\$62.9
Other	\$1,491.1	\$1,435.8	\$1,427.4
<b>Total Assets</b>	<b>\$2,567.4</b>	<b>\$2,698.0</b>	<b>\$2,858.1</b>
Current Liabilities (excluding debt)	\$365.2	\$393.0	\$457.4
Debt, net	\$983.5	\$982.6	\$981.7
Other Liabilities	\$154.8	\$164.7	\$152.6
<b>Shareholder's Equity</b>	<b>\$1,063.9</b>	<b>\$1,157.7</b>	<b>\$1,266.4</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$2,567.4</b>	<b>\$2,698.0</b>	<b>\$2,858.1</b>

Balances are as of the end of each quarter presented  
 Debt, net balance reflects debt net of discount and debt issuance costs

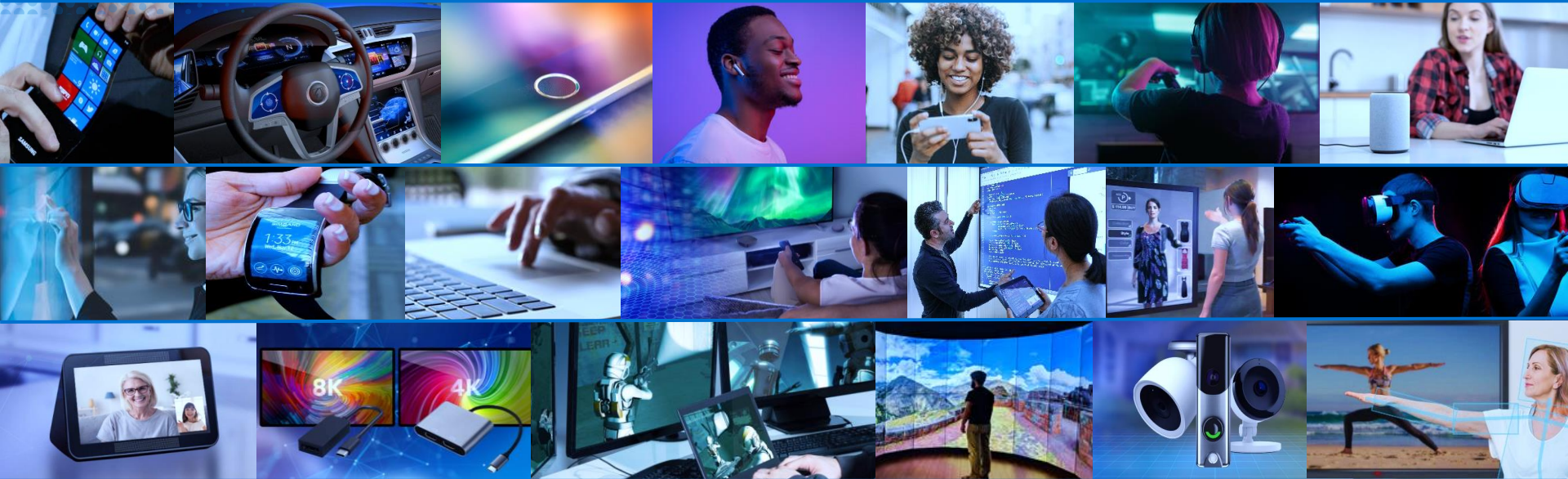
# Q1'FY23 Guidance

<b>\$M (except EPS)</b>	<b>GAAP</b>	<b>Non-GAAP</b>
<b>Revenue</b>	\$440M - \$470	NA
<b>Gross Margin*</b>	55.0% - 56.0%	60.5% - 61.5%
<b>Operating Expenses**</b>	\$152 - \$159	\$102 - \$105
<b>EPS Diluted</b>	\$1.35 - \$1.65	\$3.20 - \$3.50
<b>Revenue mix</b>		
<b>IoT</b>	74%	NA
<b>PC</b>	16%	NA
<b>Mobile</b>	10%	NA

\*Projected Non-GAAP gross margin excludes \$24.0 million of intangible asset amortization and \$1.0 million of share-based compensation.

\*\*Projected Non-GAAP operating expense excludes \$38.0 million to \$42.0 million of share-based compensation, \$2.5 million of prepaid development amortization, and \$9.5 million of intangible asset amortization.

# Appendix



Engineering Exceptional Experiences

# GAAP to Non-GAAP Reconciliation Tables

	Q4'22 Actual	Q3'22 Actual	Q2'22 Actual	Q1'22 Actual	Q4'21 Actual	Q3'21 Actual	Q2'21 Actual	Q1'21 Actual	FY20 Actual	FY19 Actual
<b>GAAP gross margin</b>	\$ 266.1	\$ 253.8	\$ 225.1	\$ 198.1	\$ 170.8	\$ 155.5	\$ 150.4	\$ 134.5	\$ 543.1	\$ 497.1
Acquisition related costs	23.7	32.4	24.0	16.9	16.9	23.2	34.8	28.5	39.7	62.7
Loss/(recovery) on supply commitment	-	-	-	-	-	-	-	(0.6)	(3.0)	9.0
Retention costs	-	-	-	-	-	-	-	-	0.5	-
Share-based compensation	1.0	0.9	1.3	1.0	0.8	0.8	1.0	0.8	2.1	3.1
<b>Non-GAAP gross margin</b>	<b>\$ 290.8</b>	<b>\$ 287.1</b>	<b>\$ 250.4</b>	<b>\$ 216.0</b>	<b>\$ 188.5</b>	<b>\$ 179.5</b>	<b>\$ 186.2</b>	<b>\$ 163.2</b>	<b>\$ 582.4</b>	<b>\$ 571.9</b>
<b>GAAP gross margin - percentage of revenue</b>	55.9%	54.0%	53.5%	53.2%	52.1%	47.7%	42.1%	41.0%	40.7%	33.8%
Acquisition related costs - percentage of revenue	4.9%	6.9%	5.7%	4.5%	5.2%	7.1%	9.7%	8.7%	2.9%	4.3%
Loss/(recovery) on supply commitment - percentage of revenue	-	-	-	-	-	-	-	-0.2%	-0.2%	0.6%
Retention costs	-	-	-	-	-	-	-	-	0.1%	-
Share-based compensation - percentage of revenue	0.2%	0.2%	0.3%	0.3%	0.2%	0.2%	0.3%	0.2%	0.2%	0.2%
<b>Non-GAAP gross margin - percentage of revenue</b>	<b>61.0%</b>	<b>61.1%</b>	<b>59.5%</b>	<b>58.0%</b>	<b>57.5%</b>	<b>55.1%</b>	<b>52.1%</b>	<b>49.7%</b>	<b>43.7%</b>	<b>38.8%</b>
<b>GAAP operating expense</b>	\$ 142.0	\$ 165.7	\$ 147.5	\$ 137.5	\$ 119.9	\$ 123.9	\$ 91.9	\$ 128.5	\$ 474.2	\$ 503.4
Share-based compensation	(25.7)	(33.2)	(35.3)	(34.6)	(22.3)	(24.3)	(22.4)	(20.7)	(58.3)	(55.9)
Acquisition related costs	(9.1)	(13.1)	(10.4)	(10.6)	(8.6)	(8.7)	(9.6)	(9.1)	(15.9)	(14.6)
Restructuring costs	(0.5)	(11.3)	(5.1)	(1.4)	(0.3)	(0.9)	(0.6)	(5.6)	(33.0)	(17.7)
Retention program costs	-	-	-	-	-	(0.1)	(1.1)	(3.9)	(13.4)	(2.5)
In-process research and development charge	-	-	-	-	-	-	-	-	(2.4)	-
Amortization of prepaid development costs	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(1.7)	-	-
Gain on sale of audio technology assets	-	-	-	-	-	-	34.2	-	-	-
CEO severance costs	-	-	-	-	-	-	-	-	-	(2.2)
Arbitration settlement/costs, net	-	-	-	-	-	-	-	-	-	1.7
<b>Non-GAAP operating expense</b>	<b>\$ 104.2</b>	<b>\$ 105.6</b>	<b>\$ 94.2</b>	<b>\$ 88.4</b>	<b>\$ 86.2</b>	<b>\$ 87.4</b>	<b>\$ 89.9</b>	<b>\$ 87.5</b>	<b>\$ 351.2</b>	<b>\$ 412.2</b>



# GAAP to Non-GAAP Reconciliation Tables - continued

	Q4'22 Actual	Q3'22 Actual	Q2'22 Actual	Q1'22 Actual	Q4'21 Actual	Q3'21 Actual	Q2'21 Actual	Q1'21 Actual	FY20 Actual	FY19 Actual
<b>GAAP net income</b>	\$ 82.9	\$ 64.9	\$ 69.5	\$ 40.2	\$ 19.0	\$ 13.8	\$ 49.6	\$ (2.8)	\$ 118.8	\$ (22.9)
Acquisition & transaction/integration related costs	32.8	45.5	34.4	27.5	25.5	31.9	44.4	37.6	55.6	77.3
Loss/(recovery) on supply commitment	-	-	-	-	-	-	-	(0.6)	(3.0)	9.0
Share-based compensation	26.7	34.1	36.6	35.6	23.1	25.1	23.4	21.5	60.4	59.0
Restructuring costs	0.5	11.3	5.1	1.4	0.3	0.9	0.6	5.6	33.0	17.7
Retention program costs	-	-	-	-	-	0.1	1.1	3.9	13.9	2.5
Amortization of prepaid development costs	2.5	2.5	2.5	2.5	2.5	2.5	2.5	1.7	-	-
CEO Severance	-	-	-	-	-	-	-	-	-	2.2
Arbitration settlement/costs, net	-	-	-	-	-	-	-	-	-	(1.7)
Gain on sale of assets	-	-	-	-	-	-	-	-	(105.1)	-
Gain on sale and leaseback transaction	-	(5.4)	-	-	-	-	-	-	-	-
Gain on sale of audio technology assets	-	-	-	-	-	-	(34.2)	-	-	-
Gain on supplier settlement	-	(1.8)	-	-	-	-	-	-	-	-
In-process research and development charge	-	-	-	-	-	-	-	-	2.4	-
Other items, net	0.7	0.6	0.4	9.9	5.4	5.0	4.9	4.8	18.8	15.2
Equity investment (gain) / loss	-	(2.5)	0.4	0.5	7.7	0.4	0.5	0.5	2.0	1.8
Non-GAAP tax adjustments	10.9	3.5	(16.1)	(8.9)	3.1	(0.4)	(9.0)	(5.5)	10.4	(18.9)
<b>Non-GAAP net income</b>	<b>\$ 157.0</b>	<b>\$ 152.7</b>	<b>\$ 132.8</b>	<b>\$ 108.7</b>	<b>\$ 86.6</b>	<b>\$ 79.3</b>	<b>\$ 83.8</b>	<b>\$ 66.7</b>	<b>\$ 207.2</b>	<b>\$ 141.2</b>
<b>GAAP net income per share - diluted</b>	<b>\$ 2.04</b>	<b>\$ 1.59</b>	<b>\$ 1.71</b>	<b>\$ 0.99</b>	<b>\$ 0.48</b>	<b>\$ 0.35</b>	<b>\$ 1.36</b>	<b>\$ (0.08)</b>	<b>\$ 3.41</b>	<b>\$ (0.68)</b>
Acquisition & transaction/integration related costs	0.81	1.11	0.84	0.68	0.64	0.82	1.22	1.10	1.60	2.23
Loss/(recovery) on supply commitment	-	-	-	-	-	-	-	(0.02)	(0.09)	0.26
Share-based compensation	0.66	0.84	0.90	0.88	0.58	0.64	0.64	0.63	1.73	1.71
Restructuring costs	0.01	0.28	0.13	0.03	0.01	0.02	0.02	0.16	0.95	0.51
Retention program costs	-	-	-	-	-	-	0.03	0.11	0.40	0.07
Amortization of prepaid development costs	0.06	0.06	0.06	0.06	0.06	0.07	0.07	0.05	-	-
CEO Severance	-	-	-	-	-	-	-	-	-	0.06
Arbitration settlement/costs, net	-	-	-	-	-	-	-	-	-	(0.05)
Gain on sale of assets	-	-	-	-	-	-	-	-	(3.02)	-
Gain on sale and leaseback transaction	-	(0.13)	-	-	-	-	-	-	-	-
Gain on sale of audio technology assets	-	-	-	-	-	-	(0.94)	-	-	-
Gain on supplier settlement	-	(0.04)	-	-	-	-	-	-	-	-
In-process research and development charge	-	-	-	-	-	-	-	-	0.07	-
Other items, net	0.02	0.01	0.01	0.25	0.13	0.13	0.14	0.14	0.54	0.44
Equity investment (gain) / loss	-	(0.06)	0.01	0.01	0.20	0.01	0.01	0.01	0.06	0.05
Non-GAAP tax adjustment	0.27	0.09	(0.40)	(0.22)	0.08	(0.01)	(0.25)	(0.16)	0.30	(0.54)
Non-GAAP share adjustment	-	-	-	-	-	-	-	(0.09)	-	(0.08)
<b>Non-GAAP net income per share - diluted</b>	<b>\$ 3.87</b>	<b>\$ 3.75</b>	<b>\$ 3.26</b>	<b>\$ 2.68</b>	<b>\$ 2.18</b>	<b>\$ 2.03</b>	<b>\$ 2.30</b>	<b>\$ 1.85</b>	<b>\$ 5.95</b>	<b>\$ 4.00</b>