

**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): **April 27, 2022**

**SILICON LABORATORIES INC.**  
(Exact Name of Registrant as Specified in Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**000-29823**  
(Commission File Number)

**74-2793174**  
(IRS Employer  
Identification No.)

**400 West Cesar Chavez, Austin, TX**  
(Address of Principal Executive Offices)

**78701**  
(Zip Code)

Registrant's telephone number, including area code: **(512) 416-8500**

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:

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Common Stock, \$0.0001 par value	SLAB	The NASDAQ Stock Market LLC

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

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 Securities Exchange Act of 1934.

## Item 2.02. Results of Operations and Financial Condition

On April 27 2022, Silicon Laboratories Inc. (“Silicon Laboratories”) issued a press release describing its results of operations for its fiscal quarter ended April 2, 2022. A copy of the press release is attached as Exhibit 99 to this report.

### Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

[99](#) [Press Release of Silicon Laboratories Inc. dated April 27, 2022](#)

104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

#### Use of Non-GAAP Financial Information

From time to time, Silicon Laboratories provides certain non-GAAP financial measures as additional information relating to its operating results. The non-GAAP financial measurements provided in the press release furnished herewith do not replace the presentation of Silicon Laboratories’ GAAP financial results. These additional measurements merely provide supplemental information to assist investors in analyzing Silicon Laboratories’ financial position and results of operations; however, these measures are not in accordance with, or an alternative to, GAAP and may be different from non-GAAP measures used by other companies.

Non-GAAP financial measures used by Silicon Laboratories include non-GAAP gross margin, non-GAAP research and development expense, non-GAAP selling, general and administrative expense, non-GAAP operating income, non-GAAP interest expense, non-GAAP tax expense, non-GAAP net income and non-GAAP diluted earnings per share. Silicon Laboratories has chosen to provide this information to investors because it believes that such supplemental information enables them to perform meaningful comparisons of past, present and future operating results, and as a means to highlight the results of core ongoing operations.

Non-GAAP financial measures are adjusted by the following items:

- *Stock compensation expense* – represents charges for employee stock awards issued under Silicon Laboratories’ stock-based compensation plans. Stock compensation expense is excluded from non-GAAP financial measures because it is a non-cash expense, and excluding such expense provides meaningful supplemental information regarding core ongoing operations.
  - *Intangible asset amortization* – primarily represents charges for the amortization of intangibles assets, such as core and developed technology, customer relationships and trademarks, acquired in connection with business combinations. Intangible asset amortization is excluded from non-GAAP financial measures because it is a non-cash expense, and excluding such expense provides meaningful supplemental information regarding core ongoing operations.
  - *Acquisition and disposition related items* – primarily including the following: charges for the fair value write-up associated with inventory acquired; adjustments to the fair value of acquisition-related contingent consideration; and acquisition-related costs of a business combination or disposition-related costs of a business divestiture, such as costs for attorneys, investment bankers, accountants and other third party service providers. Acquisition and disposition related items are excluded from non-GAAP financial measures because excluding such amounts provides meaningful supplemental information regarding core ongoing operations.
  - *Termination costs, impairments and fair value adjustments* – primarily include costs associated with certain employee terminations, asset impairments and fair value adjustments resulting from observable price changes. Termination costs, impairments and fair value adjustments are excluded from non-GAAP financial measures because excluding such amounts provides meaningful supplemental information regarding core ongoing operations.
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- *Equity-method investment adjustments* – primarily include the Company’s proportionate share of gains and/or losses from investments accounted for by the equity method of accounting. Equity-method investment adjustments are excluded from non-GAAP financial measures because these generally are non-cash, non-operating activity during the period of adjustment, relate to activity in entities outside those of Silicon Labs, and excluding such expense/gain provides meaningful supplemental information regarding core operations.
- *Interest expense adjustments* – represents losses on the extinguishment of convertible debt and losses on the termination of interest rate swap agreements. Such amounts are excluded from non-GAAP financial measures because they are non-cash expenses and/or excluding such amounts provides meaningful supplemental information regarding core ongoing operations.
- *Income tax adjustments* – primarily include the following: the current and deferred income tax effects of the above non-GAAP adjustments; other indirect impacts of excluding stock-based compensation; and the income tax impact of certain intercompany license arrangements for technology acquired in business combinations. Income tax adjustments are excluded from non-GAAP financial measures because excluding such amounts provides meaningful supplemental information regarding core ongoing operations.

Pursuant to the requirements of Regulation G, we have provided in the press release furnished with this report a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP financial measures.

The information in this report, including the exhibit hereto, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. The information contained therein and in the accompanying exhibit shall not be incorporated by reference into any filing with the U.S. Securities and Exchange Commission made by Silicon Laboratories, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

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SIGNATURE

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.

SILICON LABORATORIES INC.

April 27, 2022

/s/ John C. Hollister

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Date

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John C. Hollister  
*Senior Vice President and  
Chief Financial Officer  
(Principal Financial Officer)*

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## Silicon Labs Accelerates Revenue Growth in First Quarter 2022

*IoT Leader Demonstrates Strength Across Both Industrial & Commercial and Home & Life Business Units*

AUSTIN, Texas – April 27, 2022 – [Silicon Labs](#) (NASDAQ: SLAB), a leader in secure, intelligent wireless technology for a more connected world, reported strong financial results for the first quarter, which ended April 2, 2022. Revenue exceeded the top end of the guidance range at \$234 million, up 12% sequentially and 48% year-on-year.

“We are off to an outstanding start in our first full year as the largest pure-play IoT wireless company. We delivered record revenue in the quarter and great operating results,” said Matt Johnson, President and Chief Executive Officer, Silicon Labs. “Demand for our solutions remains strong, and our design win momentum is accelerating across our wireless portfolio and in both our Industrial & Commercial and Home & Life end markets.”

### First Quarter Financial Highlights

- Revenue increased to \$234 million, up 12% sequentially and 48% year-on-year
- Industrial & Commercial revenue for the quarter was \$127 million, up 61% year-on-year
- Home & Life revenue for the quarter was \$107 million, up 35% year-on-year
- Gross margin of 67% driven by the one-time financial impact of selling through lower cost inventory purchased prior to 2022

Results on a GAAP basis:

- GAAP gross margin was 67%
- GAAP R&D expenses were \$78 million
- GAAP SG&A expenses were \$45 million
- GAAP operating income as a percentage of revenue was 14.4%
- GAAP diluted earnings per share were \$0.58

Results on a non-GAAP basis, excluding the impact of stock compensation, amortization of acquired intangible assets, and certain other items as set forth in the reconciliation tables were as follows:

- Non-GAAP gross margin was 67%
  - Non-GAAP R&D expenses were \$63 million
  - Non-GAAP SG&A expenses were \$36 million
  - Non-GAAP operating income as a percentage of revenue was 24.3%
  - Non-GAAP diluted earnings per share were \$1.05
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## Business Highlights

- Announced and shipped initial samples of the xG24 family of SoCs, which support Matter and bring AI/ML acceleration to battery-powered edge devices. Initial customer response has been strong. The Alpha program sold out with participants representing a range of Smart Home and Industrial applications. For example,
  - SensiML is using the xG24's built-in machine learning accelerator to enable new IoT edge AI/ML applications for their customers. Together, SensiML and Silicon Labs are developing a proof-of-concept demonstration showing door locks using machine learning in audio sensors to detect and distinguish relatively subtle acoustic events to strengthen home security.
  - Tuya selected the MG24 to be part of its Tuya IoT development platform to offer a Matter-ready solution with the computing power and RAM needed for the sophisticated systems its customers are designing. More than 510,000 developers use the Tuya platform and Tuya-powered smart devices are sold through 100,000 sales channels worldwide.
  - Viessman, a global provider of heating and refrigeration systems, selected MG24 for its low current consumption, which makes it possible to introduce battery-powered heating and refrigeration products for flexible deployments within industrial settings.
- The xG24 performed very well on the important MLCommons Machine Learning and Inference Performance benchmark. With integrated AI/ML hardware acceleration, the xG24 SoCs provided up to 4x faster processing with up to 6x lower power consumption for machine learning workloads. This means even ultra-low-power wireless IoT devices can now be enhanced with machine learning capabilities.

“The xG24 family is just the latest in an impressive line-up of solutions built on our Series 2 platform,” said Johnson. “With Series 2, we’ve been able to increase our R&D efficiency and deliver new products faster, and the market response has been fantastic. Sales of Series 1-based products have been strong. Series 2 sales have taken off even faster, and we have several more Series 2-based products on the horizon.”

- Repurchased \$250 million of the company's shares in the open market thus far in 2022, resulting in the retirement of 1.76 million shares, and the company's board of directors approved repurchases of up to an additional \$350 million of the company's common stock through the end of 2022.

## Business Outlook

The company expects second quarter revenue to be in the range of \$245 to \$255 million. The company also estimates the following results:

On a GAAP basis:

- GAAP gross margin of approximately 60.9%
  - GAAP operating expenses of approximately \$129 million
  - GAAP effective tax rate of approximately 33%
  - GAAP diluted earnings per share to be between \$0.37 to \$0.47
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On a non-GAAP basis, excluding the impact of stock compensation, amortization of acquired intangible assets, and certain other items as set forth in the reconciliation tables:

- Non-GAAP gross margin of approximately 61%
- Non-GAAP operating expenses of approximately \$107 million
- Non-GAAP effective tax rate of approximately 26%
- Non-GAAP diluted earnings per share between \$0.85 to \$0.95

### **Earnings Webcast and Conference Call**

Silicon Labs will host an earnings conference call to discuss the quarterly results and answer questions at 7:30 am CDT today. An audio webcast will be available on Silicon Labs' website ([www.silabs.com](http://www.silabs.com)) under [Investor Relations](#). In addition, the company will post an audio recording of the event at [silabs.com/investors](http://silabs.com/investors) and make a replay available through May 4, 2022, online or by calling (877) 344-7529 (US) or (412) 317-0088 (international) and entering access code 1597850.

### **About Silicon Labs**

Silicon Labs (NASDAQ: SLAB) is a leader in secure, intelligent wireless technology for a more connected world. Our integrated hardware and software platform, intuitive development tools, thriving ecosystem, and robust support make us an ideal long-term partner in building advanced industrial, commercial, home and life applications. We make it easy for developers to solve complex wireless challenges throughout the product lifecycle and get to market quickly with innovative solutions that transform industries, grow economies, and improve lives. [silabs.com](http://silabs.com)

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## Forward-Looking Statements

This press release contains forward-looking statements based on Silicon Labs' current expectations. The words "believe," "estimate," "expect," "intend," "anticipate," "plan," "project," "will," and similar phrases as they relate to Silicon Labs are intended to identify such forward-looking statements. These forward-looking statements reflect the current views and assumptions of Silicon Labs and are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Among the factors that could cause actual results to differ materially from those in the forward-looking statements are the following: the timing and scope of anticipated share repurchases, and/or dividends; the impact of COVID-19 on the U.S. and global economy, including the restrictions on travel and transportation and other actions taken by governmental authorities and disruptions to the business of our customers or our global supply chain that have occurred or may occur in the future, the ongoing impact of COVID-19 on our employees and our ability to provide services to our customers and respond to their needs; risks that Silicon Labs may not be able to maintain its historical growth; quarterly fluctuations in revenues and operating results; difficulties developing new products that achieve market acceptance; risks associated with international activities (including trade barriers, particularly with respect to China); intellectual property litigation risks; risks associated with acquisitions and divestitures; product liability risks; difficulties managing and/or obtaining sufficient supply from Silicon Labs' distributors, manufacturers and subcontractors; dependence on a limited number of products; absence of long-term commitments from customers; inventory-related risks; difficulties managing international activities; risks that Silicon Labs may not be able to manage strains associated with its growth; credit risks associated with its accounts receivable; dependence on key personnel; stock price volatility; geographic concentration of manufacturers, assemblers, test service providers and customers in Asia that subjects Silicon Labs' business and results of operations to risks of natural disasters, epidemics or pandemics, war and political unrest, including risks that demand and the supply chain may be adversely affected by military conflict (including between Russia and Ukraine), terrorism, sanctions or other geopolitical events globally; debt-related risks; capital-raising risks; the competitive and cyclical nature of the semiconductor industry; average selling prices of products may decrease significantly and rapidly; information technology risks; cyber-attacks against Silicon Labs' products and its networks and other factors that are detailed in the SEC filings of Silicon Laboratories Inc. The level of share repurchases and/or dividends depends on market conditions and the level of other uses of cash. Silicon Labs disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. References in this press release to Silicon Labs shall mean Silicon Laboratories Inc.

*Note to editors: Silicon Laboratories, Silicon Labs, the "S" symbol, and the Silicon Labs logo are trademarks of Silicon Laboratories Inc. All other product names noted herein may be trademarks of their respective holders.*

CONTACT: Giovanni Pacelli, Senior Director of Finance, (512) 815-2119,  
[investor.relations@silabs.com](mailto:investor.relations@silabs.com)

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**Silicon Laboratories Inc.**  
**Condensed Consolidated Statements of Income**  
(In thousands, except per share data)  
(Unaudited)

	Three Months Ended	
	April 2, 2022	April 3, 2021
Revenues	\$ 233,814	\$ 157,857
Cost of revenues	78,042	66,103
Gross profit	155,772	91,754
Operating expenses:		
Research and development	77,542	64,015
Selling, general and administrative	44,647	42,454
Operating expenses	122,189	106,469
Operating income (loss)	33,583	(14,715)
Other income (expense):		
Interest income and other, net	1,499	1,149
Interest expense	(1,680)	(11,324)
Income (loss) from continuing operations before income taxes	33,402	(24,890)
Provision for income taxes	11,689	1,992
Equity-method earnings	1,194	1,726
Income (loss) from continuing operations	22,907	(25,156)
Income from discontinued operations, net of income taxes	--	38,665
Net income	\$ 22,907	\$ 13,509
Basic earnings (loss) per share:		
Continuing operations	\$ 0.60	\$ (0.57)
Net income	\$ 0.60	\$ 0.31
Diluted earnings (loss) per share:		
Continuing operations	\$ 0.58	\$ (0.57)
Net income	\$ 0.58	\$ 0.29
Weighted-average common shares outstanding:		
Basic	38,003	44,160
Diluted	39,523	45,832

### Non-GAAP Financial Measurements

In addition to the GAAP results provided throughout this document, Silicon Labs has provided non-GAAP financial measurements on a basis excluding non-cash and other charges and benefits. Details of these excluded items are presented in the tables below, which reconcile the GAAP results to non-GAAP financial measurements.

The non-GAAP financial measurements do not replace the presentation of Silicon Labs' GAAP financial results. These measurements provide supplemental information to assist management and investors in analyzing Silicon Labs' financial position and results of operations. Silicon Labs has chosen to provide this information to investors to enable them to perform meaningful comparisons of past, present and future operating results and as a means to emphasize the results of core on-going operations.

#### Unaudited Reconciliation of GAAP to Non-GAAP Financial Measures

(In thousands, except per share data)

Non-GAAP Income Statement Items	Three Months Ended April 2, 2022					
	GAAP Measure	GAAP Percent of Revenue	Stock Compensation Expense	Intangible Asset Amortization	Non-GAAP Measure	Non-GAAP Percent of Revenue
Revenues	\$ 233,814					
Gross profit	155,772	66.6%	\$ 272	\$ --	\$ 156,044	66.7%
Research and development	77,542	33.2%	6,991	7,570	62,981	26.9%
Selling, general and administrative	44,647	19.0%	5,613	2,781	36,253	15.5%
Operating income	33,583	14.4%	12,876	10,351	56,810	24.3%

Non-GAAP Earnings Per Share	Three Months Ended April 2, 2022					
	GAAP Measure	Stock Compensation Expense*	Intangible Asset Amortization*	Equity-Method Investment Adjustments*	Income Tax Adjustments	Non-GAAP Measure
Net income	\$ 22,907	\$ 12,876	\$ 10,351	\$ (1,194)	\$ (3,410)	\$ 41,530
Diluted shares outstanding	39,523					39,523
Diluted earnings per share	0.58					1.05

\* Represents pre-tax amounts

**Unaudited Forward-Looking Statements Regarding Business Outlook**  
(In millions, except per share data)

<b>Business Outlook</b>	<b>Three Months Ending July 2, 2022</b>		
	<b>GAAP Measure</b>	<b>Non-GAAP Adjustments*</b>	<b>Non-GAAP Measure</b>
Gross margin	60.9%	0.1%	61%
Operating expenses	\$ 129	\$ (22)	\$ 107
Effective tax rate	33%	(7)%	26%
Diluted earnings per share - low	\$ 0.37	\$ 0.48	\$ 0.85
Diluted earnings per share - high	\$ 0.47	\$ 0.48	\$ 0.95

\* Non-GAAP adjustments include the following estimates: stock compensation expense of \$13.9 million, intangible asset amortization of \$8.8 million and the associated tax impact from the aforementioned items.

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**Silicon Laboratories Inc.**  
**Condensed Consolidated Balance Sheets**  
(In thousands, except per share data)  
(Unaudited)

	April 2, 2022	January 1, 2022
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 765,911	\$ 1,074,623
Short-term investments	1,167,807	964,582
Accounts receivable, net	79,233	98,313
Inventories	55,515	49,307
Prepaid expenses and other current assets	54,932	51,748
Total current assets	2,123,398	2,238,573
Property and equipment, net	147,940	146,516
Goodwill	376,389	376,389
Other intangible assets, net	108,627	118,978
Other assets, net	87,408	77,839
Total assets	<u>\$ 2,843,762</u>	<u>\$ 2,958,295</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 64,388	\$ 47,327
Current portion of convertible debt, net	--	450,599
Deferred revenue and returns liability	21,640	13,849
Other current liabilities	160,180	157,052
Total current liabilities	246,208	668,827
Convertible debt, net	528,086	--
Other non-current liabilities	61,813	77,044
Total liabilities	836,107	745,871
Commitments and contingencies		
Stockholders' equity:		
Preferred stock – \$0.0001 par value; 10,000 shares authorized; no shares issued	--	--
Common stock – \$0.0001 par value; 250,000 shares authorized; 37,204 and 38,481 shares issued and outstanding at April 2, 2022 and January 1, 2022, respectively	4	4
Retained earnings	2,018,117	2,214,839
Accumulated other comprehensive loss	(10,466)	(2,419)
Total stockholders' equity	2,007,655	2,212,424
Total liabilities and stockholders' equity	<u>\$ 2,843,762</u>	<u>\$ 2,958,295</u>

**Silicon Laboratories Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
(In thousands)  
(Unaudited)

	<b>Three Months Ended</b>	
	<b>April 2, 2022</b>	<b>April 3, 2021</b>
<b>Operating Activities</b>		
Net income	\$ 22,907	\$ 13,509
Adjustments to reconcile net income to cash provided by (used in) operating activities of continuing operations:		
Income from discontinued operations, net of income taxes	--	(38,665)
Depreciation of property and equipment	5,156	4,108
Amortization of other intangible assets	10,351	11,451
Amortization of debt discount and debt issuance costs	496	6,456
Loss on extinguishment of convertible debt	--	3,370
Stock-based compensation expense	12,875	11,368
Equity-method earnings	(1,194)	(1,726)
Deferred income taxes	(4,202)	(3,197)
Changes in operating assets and liabilities:		
Accounts receivable	19,080	(8,530)
Inventories	(6,215)	(4,908)
Prepaid expenses and other assets	1,704	(12,735)
Accounts payable	8,932	14,116
Other current liabilities and income taxes	8,345	(13,432)
Deferred revenue and returns liability	7,791	463
Other non-current liabilities	(817)	(1,972)
Net cash provided by (used in) operating activities of continuing operations	85,209	(20,324)
<b>Investing Activities</b>		
Purchases of marketable securities	(435,690)	(8,251)
Sales of marketable securities	9,106	121,557
Maturities of marketable securities	213,750	39,835
Purchases of property and equipment	(4,554)	(5,705)
Purchases of other assets	--	(578)
Net cash provided by (used in) investing activities of continuing operations	(217,388)	146,858
<b>Financing Activities</b>		
Payments on debt	--	(140,572)
Repurchases of common stock	(157,778)	--
Payment of taxes withheld for vested stock awards	(8,755)	(17,817)
Net cash used in financing activities of continuing operations	(166,533)	(158,389)
<b>Discontinued Operations</b>		
Operating activities	(10,000)	34,827
Investing activities	--	(468)
Net cash provided by (used in) discontinued operations	(10,000)	34,359
Increase (decrease) in cash and cash equivalents	(308,712)	2,504
Cash and cash equivalents at beginning of period	1,074,623	202,720
Cash and cash equivalents at end of period	<u>\$ 765,911</u>	<u>\$ 205,224</u>