

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

	Three Months Ended		Year Ended	
	January 3, 2026	December 28, 2024	January 3, 2026	December 28, 2024
Revenues	\$ 208,206	\$ 166,249	\$ 784,764	\$ 584,386
Cost of revenues	76,128	76,026	327,781	272,198
Gross profit	132,078	90,223	456,983	312,188
Operating expenses:				
Research and development	89,521	82,438	353,246	332,225
Selling, general and administrative	45,809	36,412	174,278	145,453
Operating expenses	135,330	118,850	527,524	477,678
Operating loss	(3,252)	(28,627)	(70,541)	(165,490)
Other income (expense):				
Interest income and other, net	2,932	2,978	13,604	11,987
Interest expense	(214)	(260)	(975)	(1,310)
Loss before income taxes	(534)	(25,909)	(57,912)	(154,813)
Provision (benefit) for income taxes	2,150	(2,086)	6,995	36,197
Net loss	<u>\$ (2,684)</u>	<u>\$ (23,823)</u>	<u>\$ (64,907)</u>	<u>\$ (191,010)</u>
Loss per share:				
Basic	\$ (0.08)	\$ (0.73)	\$ (1.98)	\$ (5.93)
Diluted	\$ (0.08)	\$ (0.73)	\$ (1.98)	\$ (5.93)
Weighted-average common shares outstanding:				
Basic	32,920	32,420	32,721	32,191
Diluted	32,920	32,420	32,721	32,191

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

	January 3, 2026	December 28, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 364,222	\$ 281,607
Short-term investments	79,400	100,554
Accounts receivable, net	64,513	54,479
Inventories	95,566	105,639
Prepaid expenses and other current assets	70,316	59,754
Total current assets	674,017	602,033
Property and equipment, net	128,643	132,136
Goodwill	376,389	376,389
Other intangible assets, net	23,130	36,499
Other assets, net	67,138	75,617
Total assets	\$ 1,269,317	\$ 1,222,674
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 50,717	\$ 42,448
Deferred revenue and returns liability	5,359	3,073
Other current liabilities	87,711	52,362
Total current liabilities	143,787	97,883
Other non-current liabilities	31,112	44,770
Total liabilities	174,899	142,653
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; 32,955 and 32,458 shares issued and outstanding at January 3, 2026 and December 28, 2024, respectively	3	3
Additional paid-in capital	157,402	78,227
Retained earnings	936,814	1,001,721
Accumulated other comprehensive income	199	70
Total stockholders' equity	1,094,418	1,080,021
Total liabilities and stockholders' equity	\$ 1,269,317	\$ 1,222,674

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

	Year Ended	
	January 3, 2026	December 28, 2024
Operating Activities		
Net loss	\$ (64,907)	\$ (191,010)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation of property and equipment	24,716	25,551
Amortization of other intangible assets	13,369	23,034
Stock-based compensation expense	80,324	61,503
Deferred income taxes	881	29,470
Changes in operating assets and liabilities:		
Accounts receivable	(10,034)	(25,184)
Inventories	9,992	88,494
Prepaid expenses and other assets	8,826	27,362
Accounts payable	6,333	(15,155)
Other current liabilities and income taxes	36,781	(21,768)
Deferred revenue and returns liability	2,286	956
Other non-current liabilities	(12,859)	(17,163)
Net cash provided by (used in) operating activities	<u>95,708</u>	<u>(13,910)</u>
Investing Activities		
Purchases of marketable securities	(34,790)	(73,602)
Sales of marketable securities	15,393	54,227
Maturities of marketable securities	40,716	131,858
Purchases of property and equipment	(29,922)	(11,748)
Proceeds from capital-related government incentives	578	—
Proceeds from sale of equity investment	—	12,382
Purchases of other assets	(4,000)	—
Net cash provided by (used in) investing activities	<u>(12,025)</u>	<u>113,117</u>
Financing Activities		
Payments on debt	—	(45,000)
Repurchases of common stock	—	(16)
Payment of taxes withheld for vested stock awards	(15,706)	(16,434)
Proceeds from the issuance of common stock	14,638	16,346
Net cash used in financing activities	<u>(1,068)</u>	<u>(45,104)</u>
Increase in cash and cash equivalents	82,615	54,103
Cash and cash equivalents at beginning of period	281,607	227,504
Cash and cash equivalents at end of period	<u>\$ 364,222</u>	<u>\$ 281,607</u>

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 January 3, 2026						
	GAAP Measure	GAAP Percent of Revenue	Stock Compensation Expense	Intangible Asset Amortization	Other Costs	Non-GAAP Measure	Non-GAAP Percent of Revenue
Revenues	\$ 208,206						
Gross profit	132,078	63.4 %	\$ 400	\$ —	\$ —	\$ 132,478	63.6 %
Research and development	89,521	43.0 %	12,190	2,295	404	74,632	35.8 %
Selling, general and administrative	45,809	22.0 %	8,089	—	461	37,259	17.9 %
Operating expenses	135,330	65.0 %	20,279	2,295	865	111,891	53.7 %
Operating income (loss)	(3,252)	(1.6)%	20,679	2,295	865	\$ 20,587	9.9 %

Non-GAAP Earnings (Loss) Per Share and Income Tax Rate	Three Months Ended January 3, 2026							Non-GAAP Tax Percentage Rate	
	GAAP Measure	GAAP Tax Percentage Rate	Stock Compensation Expense	Intangible Asset Amortization	Other Costs	Income Tax Adjustments	Non-GAAP Measure		
Income (loss) before income taxes	\$ (534)		\$ 20,679	\$ 2,295	\$ 865	\$ —	\$ 23,305		
Provision for income taxes	2,150	(402.6)%				2,511	4,661	20.0 %	
Net income (loss)	\$ (2,684)						\$ 18,644		
			Shares Excluded Due to Net Loss						
Diluted shares outstanding	32,920			279			33,199		
Diluted earnings (loss) per share	\$ (0.08)						\$ 0.56		

**Twelve Months Ended
January 3, 2026**

Non-GAAP Income Statement Items	GAAP Measure	GAAP Percent of Revenue	Stock Compensation Expense	Intangible Asset Amortization	Other Costs	Non-GAAP Measure	Non-GAAP Percent of Revenue
Revenues	\$ 784,764						
Gross profit	456,983	58.2 %	\$ 1,944	\$ —	\$ —	\$ 458,927	58.5 %
Research and development	353,246	45.0 %	48,447	13,369	934	290,496	37.0 %
Selling, general and administrative	174,278	22.2 %	29,933	—	1,216	143,129	18.2 %
Operating expenses	527,524	67.2 %	78,380	13,369	2,150	433,625	55.3 %
Operating income (loss)	(70,541)	(9.0)%	80,324	13,369	2,150	\$ 25,302	3.2 %

**Twelve Months Ended
January 3, 2026**

Non-GAAP Earnings (Loss) Per Share and Income Tax Rate	GAAP Measure	GAAP Tax Percentage Rate	Stock Compensation Expense	Intangible Asset Amortization	Other Costs	Income Tax Adjustments	Non-GAAP Measure	Non-GAAP Tax Percentage Rate	
Income (loss) before income taxes	\$(57,912)		\$ 80,324	\$ 13,369	\$ 2,150	\$ —	\$ 37,931		
Provision for income taxes	6,995	(12.1)%				591	7,586	20.0 %	
Net income (loss)	\$(64,907)						\$ 30,345		
			Shares Excluded Due to Net Loss						
Diluted shares outstanding	32,721			260			32,981		
Diluted earnings (loss) per share	\$ (1.98)						\$ 0.92		