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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended October 3, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number: 000-29823

SILICON LABORATORIES INC.

(Exact name of registrant as specified in its charter)

Delaware	**74-2793174**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
400 West Cesar Chavez, Austin, Texas	**78701**
(Address of principal executive offices)	(Zip Code)

(512) 416-8500

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☑ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

☑ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ 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 Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☑ No

As of November 3, 2026, 33,384,250 shares of common stock of Silicon Laboratories Inc. were outstanding.

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Cautionary Statement

Except for the historical financial information contained herein, the matters discussed in this report on Form 10-Q (as well as documents incorporated herein by reference) may be considered "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements include declarations regarding the intent, belief or current expectations of Silicon Laboratories Inc. and its management and may be signified by the words "believe," "estimate," "expect," "intend," "anticipate," "plan," "project," "will" or similar language. You are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties. Actual results could differ materially from those indicated by such forward-looking statements. Factors that could cause or contribute to such differences include those discussed under "Risk Factors" and elsewhere in this report. Silicon Laboratories disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Part I. Financial Information
Item 1. Financial Statements

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

	October 3, 2026	January 3, 2026
Assets		
Current assets:		
Cash and cash equivalents	$ 423,013	$ 364,222
Short-term investments	16,828	79,400
Accounts receivable, net	79,966	64,513
Inventories	133,391	95,566
Prepaid expenses and other current assets	71,421	70,316
Total current assets	724,619	674,017
Property and equipment, net	131,687	128,643
Goodwill	376,389	376,389
Other intangible assets, net	16,246	23,130
Other assets, net	87,213	67,138
Total assets	$ 1,336,154	$ 1,269,317
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 68,860	$ 50,717
Deferred revenue and returns liability	9,804	5,359
Other current liabilities	78,841	87,711
Total current liabilities	157,505	143,787
Other non-current liabilities	53,267	31,112
Total liabilities	210,772	174,899
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; 33,384 and 32,955 shares issued and outstanding at October 3, 2026 and January 3, 2026, respectively	3	3
Additional paid-in capital	206,203	157,402
Retained earnings	919,176	936,814
Accumulated other comprehensive income	—	199
Total stockholders' equity	1,125,382	1,094,418
Total liabilities and stockholders' equity	$ 1,336,154	$ 1,269,317

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

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

	Three Months Ended		Nine Months Ended	
	October 3, 2026	October 4, 2025	October 3, 2026	October 4, 2025
Revenues	$ 250,892	$ 205,999	$ 692,581	$ 576,558
Cost of revenues	98,314	86,980	272,331	251,653
Gross profit	152,578	119,019	420,250	324,905
Operating expenses:				
Research and development	93,174	87,685	276,784	263,725
Selling, general and administrative	51,453	43,676	163,263	128,469
Operating expenses	144,627	131,361	440,047	392,194
Operating income (loss)	7,951	(12,342)	(19,797)	(67,289)
Other income (expense):				
Interest income and other, net	3,185	3,046	9,300	10,672
Interest expense	(226)	(226)	(709)	(761)
Income (loss) before income taxes	10,910	(9,522)	(11,206)	(57,378)
Provision for income taxes	2,059	414	6,432	4,845
Net income (loss)	$ 8,851	$ (9,936)	$ (17,638)	$ (62,223)
Earnings (loss) per share:				
Basic	$ 0.27	$ (0.30)	$ (0.53)	$ (1.91)
Diluted	$ 0.26	$ (0.30)	$ (0.53)	$ (1.91)
Weighted-average common shares outstanding:				
Basic	33,376	32,835	33,182	32,656
Diluted	33,752	32,835	33,182	32,656

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

Silicon Laboratories Inc.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(In thousands)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	October 3, 2026	October 4, 2025	October 3, 2026	October 4, 2025
Net income (loss)	$ 8,851	$ (9,936)	$ (17,638)	$ (62,223)
Other comprehensive (loss) income, before tax:				
Net changes to available-for-sale securities:				
Unrealized (losses) gains arising during the period	(33)	182	(263)	232
Reclassification for losses (gains) included in net income (loss)	11	—	11	(25)
Net changes to cash flow hedges:				
Unrealized (losses) gains arising during the period	—	(22)	—	247
Reclassification for losses (gains) included in net income (loss)	—	32	—	(247)
Other comprehensive (loss) income, before tax	(22)	192	(252)	207
(Benefit) provision for income taxes related to items of other comprehensive (loss) income	(4)	40	(53)	44
Other comprehensive (loss) income	(18)	152	(199)	163
Comprehensive income (loss)	$ 8,833	$ (9,784)	$ (17,837)	$ (62,060)

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

Silicon Laboratories Inc.
Condensed Consolidated Statements of Changes in Stockholders' Equity
(In thousands)
(Unaudited)

Three Months Ended October 3, 2026	Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total Stockholders' Equity
Balance as of July 4, 2026	33,366	$ 3	$ 184,456	$ 910,325	$ 18	$ 1,094,802
Net income	—	—	—	8,851	—	8,851
Other comprehensive loss	—	—	—	—	(18)	(18)
Stock issuances, net of shares withheld for taxes	18	—	(1,259)	—	—	(1,259)
Stock-based compensation	—	—	23,006	—	—	23,006
Balance as of October 3, 2026	33,384	$ 3	$ 206,203	$ 919,176	$ —	$ 1,125,382

Three Months Ended October 4, 2025	Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total Stockholders' Equity
Balance as of July 5, 2025	32,815	$ 3	$ 111,562	$ 949,434	$ 81	$ 1,061,080
Net loss	—	—	—	(9,936)	—	(9,936)
Other comprehensive income	—	—	—	—	152	152
Stock issuances, net of shares withheld for taxes	38	—	(627)	—	—	(627)
Stock-based compensation	—	—	20,044	—	—	20,044
Balance as of October 4, 2025	32,853	$ 3	$ 130,979	$ 939,498	$ 233	$ 1,070,713

Nine Months Ended October 3, 2026	Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total Stockholders' Equity
Balance as of January 3, 2026	32,955	$ 3	$ 157,402	$ 936,814	$ 199	$ 1,094,418
Net loss	—	—	—	(17,638)	—	(17,638)
Other comprehensive loss	—	—	—	—	(199)	(199)
Stock issuances, net of shares withheld for taxes	429	—	(20,949)	—	—	(20,949)
Stock-based compensation	—	—	69,750	—	—	69,750
Balance as of October 3, 2026	33,384	$ 3	$ 206,203	$ 919,176	$ —	$ 1,125,382

Nine Months Ended October 4, 2025	Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total Stockholders' Equity
Balance as of December 28, 2024	32,458	$ 3	$ 78,227	$ 1,001,721	$ 70	$ 1,080,021
Net loss	—	—	—	(62,223)	—	(62,223)
Other comprehensive income	—	—	—	—	163	163
Stock issuances, net of shares withheld for taxes	395	—	(6,760)	—	—	(6,760)
Stock-based compensation	—	—	59,512	—	—	59,512
Balance as of October 4, 2025	32,853	$ 3	$ 130,979	$ 939,498	$ 233	$ 1,070,713

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

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

	Nine Months Ended	
	October 3, 2026	October 4, 2025
Operating Activities		
Net loss	$ (17,638)	$ (62,223)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation of property and equipment	18,154	18,769
Amortization of other intangible assets	6,884	11,074
Stock-based compensation expense	69,754	59,645
Deferred income taxes	2,164	2,026
Changes in operating assets and liabilities:		
Accounts receivable	(15,453)	(12,829)
Inventories	(37,828)	23,316
Prepaid expenses and other assets	(35,213)	9,080
Accounts payable	18,373	11,141
Other current liabilities and income taxes	3,271	29,901
Deferred revenue and returns liability	4,445	5,374
Other non-current liabilities	20,285	(7,916)
Net cash provided by operating activities	37,198	87,358
Investing Activities		
Purchases of marketable securities	—	(34,790)
Sales of marketable securities	—	15,332
Maturities of marketable securities	62,309	22,598
Purchases of property and equipment	(28,472)	(19,942)
Proceeds from capital-related government incentives	8,705	—
Purchase of other investment	—	(4,000)
Net cash provided by (used in) investing activities	42,542	(20,802)
Financing Activities		
Payment of taxes withheld for vested stock awards	(28,710)	(14,907)
Proceeds from the issuance of common stock	7,761	8,147
Net cash used in financing activities	(20,949)	(6,760)
Increase in cash and cash equivalents	58,791	59,796
Cash and cash equivalents at beginning of period	364,222	281,607
Cash and cash equivalents at end of period	$ 423,013	$ 341,403

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

Silicon Laboratories Inc.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. The information included herein contains all normal recurring accruals and adjustments which, in the opinion of management, are necessary to present fairly Silicon Laboratories Inc.'s (the "Company") financial position, results of its operations, comprehensive income (loss), stockholders' equity, and cash flows. The Condensed Consolidated Balance Sheet as of January 3, 2026 was derived from the Company's audited Consolidated Financial Statements. All intercompany balances and transactions have been eliminated in consolidation. The condensed consolidated results of operations for the three and nine months ended October 3, 2026 are not necessarily indicative of the results to be expected for the full year.

These Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements and notes thereto for the year ended January 3, 2026, included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on February 10, 2026.

The Company prepares financial statements on a 52- or 53-week fiscal year that ends on the Saturday closest to December 31. Fiscal 2026 will have 52 weeks. Fiscal 2025 had 53 weeks with the extra week occurring in the first quarter of the year. In a 52-week year, each fiscal quarter consists of 13 weeks.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Among the significant estimates affecting the financial statements are those related to inventories, goodwill, acquired intangible assets, other long-lived assets, revenue recognition, stock-based compensation, and income taxes. Actual results could differ from those estimates, and such differences could be material to the financial statements. The Company periodically reviews the assumptions used in its financial statement estimates.

Recent Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)*. This ASU requires that public business entities disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. The prescribed categories include purchases of inventory, employee compensation, depreciation, intangible asset amortization, and depletion. This authoritative guidance is effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the effect of this new guidance on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40)*. This ASU clarifies and modernizes the accounting for costs related to internal-use software. The amendments in the ASU are effective for all entities for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. Entities may apply the guidance using a prospective, retrospective or modified transition approach. Early adoption is permitted as of the beginning of an annual reporting period. The Company is currently evaluating the effect of this new guidance on its consolidated financial statements.

In December 2025, the FASB issued ASU 2025-10, *Government Grants (Topic 832)*. This ASU establishes authoritative guidance about the recognition, measurement, and presentation of a grant received by a business entity from a government, including guidance for 1) a grant related to an asset and 2) a grant related to income. The amendments in this ASU are effective for annual reporting periods beginning after December 15, 2028, and interim reporting periods within those annual reporting periods. Entities may apply the guidance using a modified prospective or modified retrospective

Silicon Laboratories Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

1. Significant Accounting Policies (Continued)

approach. Early adoption is permitted in both interim and annual reporting periods. The Company is currently evaluating the effect of this new guidance on its consolidated financial statements.

2. Proposed Merger

As announced on February 4, 2026, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with Texas Instruments Incorporated ("Parent") and Caldwell Merger Corp., a wholly-owned direct subsidiary of Parent ("Merger Subsidiary"), pursuant to which Merger Subsidiary will merge with and into Silicon Laboratories Inc. (the "Merger"), and the Company will survive the Merger as a wholly-owned direct subsidiary of Parent. At the effective time of the Merger, each share of the Company's common stock outstanding as of immediately prior to the effective time (other than dissenting shares or any shares of common stock held by the Company as treasury stock or owned by Parent or any of the Company's or Parent's subsidiaries) will be cancelled and converted into the right to receive $231.00 in cash, without interest. The transactions contemplated by the Merger Agreement were unanimously approved by the Company's board of directors, and on April 30, 2026 the Company obtained the approval of its stockholders required to adopt the Merger Agreement. The Merger is expected to close in the first half of 2027, subject to customary closing conditions, including the receipt of required regulatory approvals.

In connection with the proposed Merger, for the three and nine months ended October 3, 2026 we have incurred $6.9 million and $27.7 million of costs, respectively, and expect to continue to incur Merger-related costs prior to the completion of the Merger, which could be significant.

3. Earnings (Loss) Per Share

The following table sets forth the computation of basic and diluted earnings (loss) per share (in thousands, except per share data):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	October 4, 2025	October 3, 2026	October 4, 2025
Net income (loss)	$ 8,851	$ (9,936)	$ (17,638)	$ (62,223)
Shares used in computing basic earnings per share	33,376	32,835	33,182	32,656
Effect of dilutive securities:				
Stock-based awards	376	—	—	—
Shares used in computing diluted earnings per share	33,752	32,835	33,182	32,656
Earnings (loss) per share:				
Basic	$ 0.27	$ (0.30)	$ (0.53)	$ (1.91)
Diluted	$ 0.26	$ (0.30)	$ (0.53)	$ (1.91)

Diluted shares for the nine months ended October 3, 2026 excluded 0.5 million shares, and the three and nine months ended October 4, 2025 excluded 0.2 million and 0.3 million shares, respectively, as they were anti-dilutive due to the Company's net loss for the periods.

Securities that were anti-dilutive due to the Company's stock price and were excluded from the computation of diluted earnings per share for the three and nine months ended October 3, 2026 and October 4, 2025 were not material.

Silicon Laboratories Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

4. Fair Value of Financial Instruments

The fair values of the Company's financial instruments are recorded using a hierarchical disclosure framework based upon the level of subjectivity of the inputs used in measuring assets and liabilities. The three levels are described below:

Level 1 - Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 - Inputs other than Level 1 that are directly or indirectly observable, such as quoted prices for similar assets or liabilities and quoted prices in less active markets.

Level 3 - Inputs are unobservable for the asset or liability and are developed based on the best information available in the circumstances, which might include the Company's own data.

The following summarizes the valuation of the Company's financial instruments (in thousands). The tables do not include either cash on hand or assets and liabilities that are measured at historical cost or any basis other than fair value.

	Fair Value Measurements at October 3, 2026 Using		
Description	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Total**
Cash equivalents:			
Money market funds	$ 183,310	$ —	$ 183,310
Time deposit	—	7,329	7,329
Total cash equivalents	$ 183,310	$ 7,329	$ 190,639
Short-term investments:			
Government debt securities	$ —	$ 16,828	$ 16,828
Total short-term investments	$ —	$ 16,828	$ 16,828
Total	$ 183,310	$ 24,157	$ 207,467

	Fair Value Measurements at January 3, 2026 Using		
Description	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Total**
Cash equivalents:			
Money market funds	$ 206,051	$ —	$ 206,051
Time deposit	—	5,595	5,595
Total cash equivalents	$ 206,051	$ 5,595	$ 211,646
Short-term investments:			
Government debt securities	$ —	$ 79,400	$ 79,400
Total short-term investments	$ —	$ 79,400	$ 79,400
Total	$ 206,051	$ 84,995	$ 291,046

Silicon Laboratories Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

4. Fair Value of Financial Instruments (Continued)

Valuation methodology

The Company's short-term investments that are classified as Level 2 are valued using non-binding market consensus prices that are corroborated with observable market data; quoted market prices for similar instruments in active markets; quoted prices in less active markets; or pricing models, such as a discounted cash flow model, with all significant inputs derived from or corroborated with observable market data.

The following summarizes the components of available-for-sale investments (in thousands):

					Reported As	
As of October 3, 2026	Amortized Cost Basis	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash Equivalent	Marketable Securities
Time deposits	$ 7,329	$ —	$ —	$ 7,329	$ 7,329	$ —
Government debt securities	16,839	2	(13)	16,828	—	16,828
Money market funds	183,310	—	—	183,310	183,310	—
Total	$ 207,478	$ 2	$ (13)	$ 207,467	$ 190,639	$ 16,828

					Reported As	
As of January 3, 2026	Amortized Cost Basis	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash Equivalent	Marketable Securities
Time deposits	$ 5,595	$ —	$ —	$ 5,595	$ 5,595	$ —
Government debt securities	79,148	252	—	79,400	—	79,400
Money market funds	206,051	—	—	206,051	206,051	—
Total	$ 290,794	$ 252	$ —	$ 291,046	$ 211,646	$ 79,400

Contractual maturities of investments

The Company's available-for-sale investments are reported at fair value, with unrealized gains and losses, net of tax, recorded as a component of accumulated other comprehensive income in the Condensed Consolidated Balance Sheet. The following summarizes the contractual underlying maturities of the Company's available-for-sale investments at October 3, 2026 (in thousands):

	Cost	Fair Value
Due in one year or less	$ 16,839	$ 16,828
Due after one year through five years	—	—
	$ 16,839	$ 16,828

Unrealized Gains and Losses

The available-for-sale investments that were in a continuous unrealized loss position, aggregated by length of time that individual securities have been in a continuous loss position, were as follows (in thousands):

	Less Than 12 Months		Total	
As of October 3, 2026	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Government debt securities	$ 10,355	$ (13)	$ 10,355	$ (13)
	$ 10,355	$ (13)	$ 10,355	$ (13)

Silicon Laboratories Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

4. Fair Value of Financial Instruments (Continued)

As of October 3, 2026, all securities in a continuous unrealized loss position have been in a continuous loss position for less than 12 months. The gross unrealized losses as of October 3, 2026 were due primarily to changes in market interest rates. There were no gross unrealized losses as of January 3, 2026. At October 3, 2026 and January 3, 2026, there were no material unrealized gains associated with the Company's available-for-sale investments.

The Company records an allowance for credit loss when a decline in investment market value is due to credit-related factors. When evaluating an investment for impairment, the Company reviews factors such as the severity of the impairment, changes in underlying credit ratings, forecasted recovery, the Company's intent to sell or the likelihood that it would be required to sell the investment before its anticipated recovery in market value and the probability that the scheduled cash payments will continue to be made. As of October 3, 2026, there were no material declines in the market value of available-for-sale investments due to credit-related factors.

Fair values of other financial instruments

The Company's other financial instruments, including cash, accounts receivable and accounts payable, are recorded at amounts that approximate their fair values due to their short maturities.

5. Derivative Financial Instruments

The Company may use derivative financial instruments to manage certain exposures to the variability of foreign currency exchange rates. The Company's objective is to offset increases and decreases in expenses resulting from these exposures with gains and losses on the derivative contracts, thereby reducing volatility of earnings. The Company does not use derivative contracts for speculative or trading purposes. The Company recognizes derivatives, on a gross basis, in the Condensed Consolidated Balance Sheet at fair value. Cash flows from derivatives are classified according to the nature of the cash receipt or payment in the Condensed Consolidated Statement of Cash Flows.

Cash Flow Hedges

Foreign Currency Forward Contracts

The Company may use foreign currency forward contracts to reduce the earnings impact that exchange rate fluctuations have on operating expenses denominated in currencies other than the U.S. dollar. Changes in the fair value of the contracts are recorded in accumulated other comprehensive income in the Condensed Consolidated Balance Sheet and subsequently reclassified into earnings in the period during which the hedged transaction was recognized. The reclassified amount is reported in the same financial statement line item as the hedged item. If the foreign currency forward contracts are terminated or can no longer qualify as hedging instruments prior to maturity, the fair value of the contracts recorded in accumulated other comprehensive income may be recognized in the Condensed Consolidated Statement of Operations based on an assessment of the contracts at the time of termination.

As of October 3, 2026, the Company held no such foreign currency contracts. The fair value of the contracts, contract gains or losses recognized in other comprehensive (loss) income and amounts reclassified from accumulated other comprehensive income into earnings were not material for any of the periods presented.

Non-designated Hedges

Foreign Currency Forward Contracts

The Company may use foreign currency forward contracts to reduce the earnings impact that exchange rate fluctuations have on non-U.S. dollar balance sheet exposures. The Company recognizes gains and losses on the foreign currency forward contracts in interest income and other, net in the Condensed Consolidated Statement of Operations. The Company does not apply hedge accounting to these foreign currency forward contracts.

Silicon Laboratories Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

5. Derivative Financial Instruments (Continued)

As of October 3, 2026, the Company held no such foreign currency forward contracts. The fair value of the foreign currency forward contracts and contract gains and losses recognized in income were not material for any of the periods presented.

6. Supplemental Information

The following table shows the details of selected Condensed Consolidated Balance Sheet items (in thousands):

Inventories

	October 3, 2026	January 3, 2026
Work in progress	$ 101,124	$ 77,464
Finished goods	32,267	18,102
	$ 133,391	$ 95,566

7. Debt

Credit Facility

The Company and certain of its domestic subsidiaries (the "Guarantors") have a $400 million revolving credit facility, as amended on June 30, 2023, with a maturity date of June 30, 2028. The credit facility includes a $25 million letter of credit sublimit and a $10 million swingline loan sublimit. The Company also has an option to increase the size of the borrowing capacity by up to the greater of an aggregate of $250 million and 100% of EBITDA of the last four fiscal quarters, plus an amount that would not cause a secured net leverage ratio (funded debt secured by assets/EBITDA) to exceed 3.50 to 1.00, subject to certain conditions.

The credit facility, other than swingline loans, will bear interest at the Adjusted Term Secured Overnight Financing Rate ("SOFR") plus an applicable margin or, at the option of the Company, a base rate (defined as the highest of the Wells Fargo prime rate, the Federal Funds rate plus 0.50% and the Adjusted Term SOFR plus 1.00%) plus an applicable margin. Swingline loans accrue interest at the base rate plus the applicable margin for base rate loans. The applicable margins for the Adjusted Term SOFR loans range from 1.00% to 1.75% and for base rate loans range from 0.00% to 0.75%, depending in each case, on the leverage ratio as defined in the credit facility.

The credit facility contains various conditions, covenants and representations with which the Company must be in compliance in order to borrow funds and to avoid an event of default, including financial covenants that the Company must maintain a consolidated net leverage ratio (funded indebtedness less cash and cash equivalents up to $750 million and divided by EBITDA) of no more than 4.25 to 1, and a minimum interest coverage ratio (EBITDA/interest payments) of no less than 2.50 to 1.

As of October 3, 2026, the Company was in compliance with all covenants of the credit facility, including the minimum interest coverage ratio. The Company's obligations under the credit facility are guaranteed by the Guarantors and are secured by a security interest in substantially all assets of the Company and the Guarantors. As of October 3, 2026, no amounts were outstanding on the credit facility.

8. Commitments and Contingencies

Litigation

The Company is involved in various legal proceedings that have arisen in the normal course of business. While the ultimate results cannot be predicted with certainty, the Company does not expect them to have a material adverse effect on its Condensed Consolidated Financial Statements.

Silicon Laboratories Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

9. Revenues

The Company groups its products as Industrial & Commercial or Home & Life based on the target markets they address. The following represents revenue by product category (in thousands):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	October 4, 2025	October 3, 2026	October 4, 2025
Industrial & Commercial	$ 141,285	$ 117,614	$ 404,204	$ 323,377
Home & Life	109,607	88,385	288,377	253,181
	$ 250,892	$ 205,999	$ 692,581	$ 576,558

A portion of the Company's sales are made to distributors under agreements allowing certain rights of return and/or price protection related to the final selling price to the end customers. These factors impact the timing and uncertainty of revenues and cash flows. During the three and nine months ended October 3, 2026, the Company recognized revenue of $6.1 million and $4.7 million, respectively, from performance obligations that were satisfied in the previous reporting period. During the three and nine months ended October 4, 2025, the impact of revenue related to performance obligations that were satisfied in the previous reporting period was insignificant. The following disaggregates the Company's revenue by sales channel (in thousands):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	October 4, 2025	October 3, 2026	October 4, 2025
Distributors	$ 183,198	$ 152,208	$ 516,554	$ 402,835
Direct customers	67,694	53,791	176,027	173,723
	$ 250,892	$ 205,999	$ 692,581	$ 576,558

10. Stock-Based Compensation

Stock-based compensation costs are based on the fair values on the date of grant for stock awards and stock options and on the date of enrollment for the employee stock purchase plans. The fair values of stock awards (such as restricted stock units ("RSUs") and performance stock units ("PSUs")) are estimated based on their intrinsic values. The fair values of stock options and rights under the Company's Employee Stock Purchase Plan are estimated using the Black-Scholes option-pricing model.

The following table presents details of stock-based compensation costs recognized in the Condensed Consolidated Statements of Operations (in thousands):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	October 4, 2025	October 3, 2026	October 4, 2025
Cost of revenues	$ 459	$ 474	$ 1,365	$ 1,544
Research and development	11,996	12,149	36,314	36,257
Selling, general and administrative	10,594	7,417	32,075	21,844
	23,049	20,040	69,754	59,645
Income tax benefit	2,806	2,818	12,761	7,782
Total	$ 20,243	$ 17,222	$ 56,993	$ 51,863

The Company had approximately $113.9 million of total unrecognized compensation cost related to equity grants as of October 3, 2026 that is expected to be recognized over a weighted-average period of approximately 2.0 years.

11. Income Taxes

Provision for income taxes includes both domestic and foreign income taxes at the applicable tax rates adjusted for non-deductible expenses, research and development tax credits, deemed foreign income inclusions, change in the valuation allowance, and other permanent differences. Typically, the Company's interim provision for income taxes is determined using an estimated annual effective tax rate, adjusted for discrete tax items. When the Company is unable to make a reliable estimate of the annual effective tax rate, it uses the actual effective tax rate for the year-to-date period. For the three and nine months ended October 3, 2026, the Company used an actual effective tax rate in jurisdictions where a small change in forecasted pre-tax income or loss has the potential to distort the estimated annual effective tax rate.

Income tax expense was $2.1 million and $0.4 million for the three months ended October 3, 2026 and October 4, 2025, resulting in effective tax rates of 18.9% and (4.3)%, respectively. Income tax expense was $6.4 million and $4.8 million for the nine months ended October 3, 2026 and October 4, 2025, resulting in effective tax rates of (57.4)% and (8.4)%, respectively. The increase in the provision for income taxes for the three and nine months ended October 3, 2026 in comparison with the three and nine months ended October 4, 2025 is primarily due to the release of $1.7 million of unrecognized tax benefits in the three months ended October 4, 2025 with no comparable release in the current year-to-date.

A valuation allowance is required to be established when it is more likely than not that some portion or all of a deferred tax asset will not be realized. In 2024, the Company identified a need for valuation allowances in the U.S. and Singapore due to the presence of significant negative evidence, including recent operating losses and uncertainty around the timing of recovery in economic conditions within both the semiconductor industry and the broader economy. Because of the valuation allowance, we are unable to recognize the full tax benefit of the pre-tax losses incurred in those jurisdictions to date in the current year. We intend to maintain the valuation allowance until our ability to forecast sufficient future sources of taxable income is reestablished.

Uncertain Tax Positions

As of October 3, 2026, the Company had gross unrecognized tax benefits, inclusive of interest, of $5.7 million, of which $1.9 million would affect the effective tax rate if recognized. During the nine months ended October 3, 2026, the Company did not release any unrecognized tax benefits.

Tax years 2021 through 2026 remain open to examination by the major taxing jurisdictions in which the Company operates. As of October 3, 2026, the Company's 2022 tax year is currently under examination in the U.S., and the Company's 2023 and 2024 tax years are currently under examination in India. Although the outcome of tax audits is always uncertain, the Company believes that the results of these examinations will not materially impact its financial position or results of operations. The Company is not currently under audit in any other major taxing jurisdiction.

12. Segment Information

The Company has one operating segment, mixed-signal analog intensive products, consisting of numerous product areas. The Company's chief operating decision maker ("CODM") is the Chief Executive Officer. The CODM assesses performance for the operating segment and decides how to allocate resources based on net income (loss) that is also reported on the Condensed Consolidated Statement of Operations as Net income (loss). The measure of segment assets is reported on the Condensed Consolidated Balance Sheets as Total assets.

Silicon Laboratories Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

12. Segment Information (Continued)

Revenue is attributed to a geographic area based on the shipped-to location. The following summarizes the Company's revenue by geographic area (in thousands):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	October 4, 2025	October 3, 2026	October 4, 2025
United States	$ 28,428	$ 20,701	$ 72,448	$ 61,939
China	76,771	67,153	213,892	187,055
Taiwan	48,260	35,507	138,528	95,796
Rest of world	97,433	82,638	267,713	231,768
Total	$ 250,892	$ 205,999	$ 692,581	$ 576,558

The significant expense categories regularly provided to the CODM, in addition to the expense categories included within net income (loss) presented on the Company's Condensed Consolidated Statement of Operations, are as follows (in thousands):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	October 4, 2025	October 3, 2026	October 4, 2025
Research and development:				
Employee base compensation	$ 33,069	$ 32,764	$ 98,360	$ 98,170
Other research and development expenses [(1)]	60,105	54,921	178,424	165,555
Total research and development	$ 93,174	$ 87,685	$ 276,784	$ 263,725
Selling, general and administrative:				
Employee base compensation	$ 13,851	$ 13,750	$ 41,695	$ 41,596
Other selling, general and administrative expenses [(1)]	37,602	29,926	121,568	86,873
Total selling, general and administrative	$ 51,453	$ 43,676	$ 163,263	$ 128,469

[(1)] Other research and development and selling, general and administrative expenses include other personnel-related expenses, outside services, software expense, depreciation, amortization, and other expenses.

The following summarizes the Company's property and equipment, net by geographic area (in thousands):

	October 3, 2026	January 3, 2026
United States	$ 103,137	$ 106,706
Rest of world	28,550	21,937
Total	$ 131,687	$ 128,643

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of financial condition and results of operations should be read in conjunction with the Condensed Consolidated Financial Statements and related notes thereto included elsewhere in this report. This discussion contains forward-looking statements. Please see the "Cautionary Statement" above and "Risk Factors" below for discussions of the uncertainties, risks and assumptions associated with these statements. Our fiscal year-end financial reporting periods are a 52- or 53-week fiscal year that ends on the Saturday closest to December 31. Fiscal 2026 will have 52 weeks. Fiscal 2025 had 53 weeks with the extra week occurring in the first quarter of the year. Our third quarter of fiscal 2026 ended October 3, 2026 and our third quarter of fiscal 2025 ended October 4, 2025.

Proposed Merger

As announced on February 4, 2026, we entered into an Agreement and Plan of Merger (the "Merger Agreement") with Texas Instruments Incorporated ("Parent") and Caldwell Merger Corp., a wholly-owned direct subsidiary of Parent ("Merger Subsidiary"), pursuant to which Merger Subsidiary will merge with and into Silicon Laboratories Inc. (the "Merger"), and we will survive the Merger as a wholly-owned direct subsidiary of Parent. At the effective time of the Merger, each share of our common stock outstanding as of immediately prior to the effective time (other than dissenting shares or any shares of our common stock held by us as treasury stock or owned by Parent or any of our or Parent's subsidiaries) will be cancelled and converted into the right to receive $231.00 in cash, without interest. The transactions contemplated by the Merger Agreement were unanimously approved by our board of directors, and on April 30, 2026 we obtained the approval of our stockholders required to adopt the Merger Agreement. The Merger is expected to close in the first half of 2027, subject to customary closing conditions, including the receipt of required regulatory approvals.

In connection with the proposed Merger, for the three and nine months ended October 3, 2026 we have incurred $6.9 million and $27.7 million of costs, respectively, and expect to continue to incur Merger-related costs prior to the completion of the Merger, which could be significant.

Impact of Macroeconomic Conditions

The global economic environment has experienced inflationary pressure, high interest rates, and geopolitical tensions. There continues to be uncertainty regarding international trade relations and trade policy, including those related to tariffs. The situation concerning the imposition of additional tariffs and trade restrictions by the U.S. and other jurisdictions continues to evolve, and we cannot be certain of the outcome, which could adversely impact demand for our products, costs, customers, suppliers, and general economic conditions. Continued geopolitical instability, including the ongoing war in Ukraine and the war in Iran and other conflicts in the Middle East, including disruptions in the Strait of Hormuz, has contributed to significant volatility in energy markets and sustained elevated oil prices. These conditions, together with rising inflation, higher interest rates and borrowing costs, slower economic growth or the possibility of recession, and volatility in the value of the U.S. dollar, have added to the uncertainty. The extent of the impact of the macroeconomic and geopolitical environment on our operational and financial performance will depend on future developments, their impact to the business of our suppliers and/or customers, and other items identified under "Risk Factors" below, all of which are uncertain and cannot be predicted, but could materially affect our business, results of operations, access to sources of liquidity, and financial condition. See the section entitled "Risk Factors" in Part II, Item 1A of this Quarterly Report on Form 10-Q for further discussion.

Overview

We are a leader in secure, intelligent wireless technology for a more connected world. Our integrated hardware and software platform, intuitive development tools, industry leading ecosystem and robust support enable customers 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. We provide analog-intensive, mixed-signal solutions for use in a variety of electronic products in a broad range of applications for the Internet of Things ("IoT") including connected home and security, industrial automation and control, smart metering, smart lighting, commercial building automation, consumer electronics, asset tracking and medical instrumentation. We group our products as Industrial & Commercial or Home & Life based on the target markets they address.

As a fabless semiconductor company, we rely on third-party semiconductor fabricators in Asia, and to a lesser extent the United States and Europe, to manufacture the silicon wafers that reflect our integrated circuit ("IC") designs. Each

wafer contains numerous die, which are cut from the wafer to create a chip for an IC. We rely on third parties in Asia to assemble, package, and, in most cases, test these devices and ship these units to our customers. Testing performed by such third parties facilitates faster delivery of products to our customers (particularly those located in Asia), shorter production cycle times, lower inventory requirements, lower costs and increased flexibility of test capacity.

The sales cycle for our ICs can be as long as 12 months or more. An additional three to six months or more are usually required before a customer ships a significant volume of devices that incorporate our ICs. Due to this lengthy sales cycle, we typically experience a significant delay between incurring research and development and selling, general and administrative expenses, and the corresponding sales. Consequently, if sales in any quarter do not occur when expected, expenses and inventory levels could be disproportionately high, and our operating results for that quarter and, potentially, future quarters, would be adversely affected. Moreover, the amount of time between initial research and development and commercialization of a product, if ever, can be substantially longer than the sales cycle for the product. Accordingly, if we incur substantial research and development costs without developing a commercially successful product, our operating results, as well as our growth prospects, could be adversely affected.

Because some of our ICs are designed for use in consumer products, we expect that the demand for our products will be typically subject to some degree of seasonal demand. However, rapid changes in our markets and across our product areas make it difficult for us to accurately estimate the impact of seasonal factors on our business.

Current Period Highlights

Revenues increased $44.9 million in the recent quarter compared to the third quarter of fiscal 2025 due to increased revenues from our Industrial & Commercial products and our Home & Life products. Gross profit increased $33.6 million during the same period primarily as a result of the increase in revenues. Gross margin increased to 60.8% in the recent quarter compared to 57.8% in the third quarter of fiscal 2025 as our indirect and overhead expenses decreased as a percentage of revenues. Operating expenses increased by $13.3 million in the recent quarter compared to the third quarter of fiscal 2025 primarily due to costs related to the Merger and higher personnel-related costs. Operating income in the recent quarter was $8.0 million compared to operating loss of $12.3 million in the third quarter of fiscal 2025. Refer to “Results of Operations” below for further discussion.

We ended the third quarter of fiscal 2026 with $439.8 million in cash, cash equivalents, and short-term investments. Net cash provided by operating activities was $37.2 million during the current year nine-month period. Accounts receivable were $80.0 million at October 3, 2026, representing 29 days sales outstanding (“DSO”). Inventory was $133.4 million at October 3, 2026, representing 122 days of inventory (“DOI”).

During the nine months ended October 3, 2026, we had no customer that represented more than 10% of our revenues. In addition to direct sales to customers, some of our end customers purchase products indirectly from us through distributors and contract manufacturers. An end customer purchasing through a contract manufacturer typically instructs such contract manufacturer to obtain our products and incorporate such products with other components for sale by such contract manufacturer to the end customer. Although we actually sell the products to, and are paid by, the distributors and contract manufacturers, we refer to such end customer as our customer. Two of our distributors who sell to our customers, Arrow Electronics and Edom Technology, each represented more than 10% of our revenues during the nine months ended October 3, 2026.

The percentage of our revenues derived from outside of the United States was 90% during the nine months ended October 3, 2026. All of our revenues to date have been denominated in U.S. dollars. We believe that a majority of our revenues will continue to be derived from customers outside of the United States.

Results of Operations

The following describes the line items set forth in our Condensed Consolidated Statements of Operations:

Revenues. Revenues are generated predominately by sales of our products. Our revenues are subject to variation from period to period due to the volume of shipments made within a period, the mix of products we sell, and the prices we charge for our products.

Cost of Revenues. Cost of revenues includes the cost of purchasing finished silicon wafers processed by independent foundries; costs associated with assembly, test and shipping of those products; costs of personnel and equipment associated

with manufacturing support, logistics, and quality assurance; costs of royalties, other intellectual property license costs, and certain acquired intangible assets; and an allocated portion of our occupancy costs. Our gross margin fluctuates depending on product mix, manufacturing yields, inventory valuation adjustments, average selling prices, and other factors.

Research and Development. Research and development expense consists primarily of personnel-related expenses, including stock-based compensation, as well as new product masks, external consulting and services costs, equipment tooling, equipment depreciation, amortization of intangible assets, and an allocated portion of our occupancy costs. Research and development activities include the design of new products, refinement of existing products and design of test methodologies to ensure compliance with required specifications.

Selling, General and Administrative. Selling, general and administrative expense consists primarily of personnel-related expenses, including stock-based compensation, as well as costs incurred due to the Merger, an allocated portion of our occupancy costs, sales commissions to independent sales representatives, amortization of intangible assets, professional fees, legal fees, and promotional and marketing expenses.

Interest Income and Other, Net. Interest income and other, net reflects interest earned on our cash, cash equivalents and investment balances, foreign currency remeasurement adjustments, and other non-operating income and expenses.

Interest Expense. Interest expense consists of interest on our short and long-term obligations, our credit facility, and amortization of debt issuance costs.

Provision for Income Taxes. Provision for income taxes includes both domestic and foreign income taxes at the applicable tax rates adjusted for non-deductible expenses, research and development tax credits, deemed foreign income inclusions, and other permanent differences. See Note 11, *Income Taxes*, to the Condensed Consolidated Financial Statements.

The following table sets forth our Condensed Consolidated Statements of Operations data as a percentage of revenues for the periods indicated:

	Three Months Ended		Nine Months Ended	
	October 3, 2026	October 4, 2025	October 3, 2026	October 4, 2025
Revenues	100.0 %	100.0 %	100.0 %	100.0 %
Cost of revenues	39.2	42.2	39.3	43.6
Gross profit	60.8	57.8	60.7	56.4
Operating expenses:				
Research and development	37.1	42.6	40.0	45.7
Selling, general and administrative	20.5	21.2	23.6	22.3
Operating expenses	57.6	63.8	63.5	68.0
Operating income (loss)	3.2	(6.0)	(2.9)	(11.7)
Other income (expense):				
Interest income and other, net	1.3	1.5	1.3	1.9
Interest expense	(0.1)	(0.1)	(0.1)	(0.1)
Income (loss) before income taxes	4.3	(4.6)	(1.6)	(10.0)
Provision for income taxes	0.8	0.2	0.9	0.8
Net income (loss)	3.5 %	(4.8)%	(2.5)%	(10.8)%

Revenues

(in millions)	Three Months Ended October 3, 2026	Three Months Ended October 4, 2025	Change	% Change	Nine Months Ended October 3, 2026	Nine Months Ended October 4, 2025	Change	% Change
Industrial & Commercial	$ 141.3	$ 117.6	$ 23.7	20.2 %	$ 404.2	$ 323.4	$ 80.8	25.0 %
Home & Life	109.6	88.4	21.2	24.0 %	288.4	253.2	35.2	13.9 %
	$ 250.9	$ 206.0	$ 44.9	21.8 %	$ 692.6	$ 576.6	$ 116.0	20.1 %

The increase in revenues in the recent three-month period was due to increased revenues of $23.7 million from our Industrial & Commercial products and increased revenues of $21.2 million from our Home & Life products. The increase in revenues in the recent nine-month period was due to increased revenues of $80.8 million from our Industrial & Commercial products and increased revenues of $35.2 million from our Home & Life products. Revenues increased in the recent three and nine-month periods as a result of increases in unit volumes of our products relative to the prior year. The average selling prices of our products may fluctuate significantly from period to period due to changes in product mix, pricing decisions and other factors. In general, as our products become more mature, we expect to experience decreases in average selling prices.

Gross Profit

(in millions)	Three Months Ended October 3, 2026	Three Months Ended October 4, 2025	Change	Nine Months Ended October 3, 2026	Nine Months Ended October 4, 2025	Change
Gross profit	$ 152.6	$ 119.0	$ 33.6	$ 420.3	$ 324.9	$ 95.4
Gross margin	60.8 %	57.8 %	3.0 %	60.7 %	56.4 %	4.3 %

Gross profit increased during the recent three and nine-month period primarily as a result of increases in revenues in the periods. Gross margin increased as our indirect and overhead expenses decreased as a percentage of revenues in the recent three and nine-month period as a result of the increase in revenues. Increased product demand and production capacity constraints have affected the costs of our products, including the prices we pay for inventory. We expect these conditions to continue to affect our costs, which could reduce our gross margins.

We may experience variations in the average selling prices of certain of our products. Increases in average selling prices may occur during periods of increased demand, but such demand may be short-lived and could be accompanied by higher product costs. Declines in average selling prices create downward pressure on gross margin and may be offset to the extent we are able to introduce higher margin new products and gain market share with our products; reduce costs of existing products through improved design; achieve lower production costs from our wafer suppliers and third-party assembly and test subcontractors; achieve lower production costs per unit as a result of improved yields throughout the manufacturing process; or reduce logistics costs.

Research and Development

(in millions)	Three Months Ended October 3, 2026	Three Months Ended October 4, 2025	Change	% Change	Nine Months Ended October 3, 2026	Nine Months Ended October 4, 2025	Change	% Change
Research and development	$ 93.2	$ 87.7	$ 5.5	6.3 %	$ 276.8	$ 263.7	$ 13.1	5.0 %
Percent of revenue	37.1 %	42.6 %			40.0 %	45.7 %		

Research and development expense in the recent three-month period increased, with increases of $3.6 million from costs incurred due to the Merger and $1.1 million from lower government incentives. Research and development expense in the recent nine-month period increased, with increases of $6.9 million from costs incurred due to the Merger, $3.1 million from lower government incentives, $2.7 million from personnel-related costs, $2.2 million for new product introduction costs, and $1.1 million for IT-related costs, partially offset by a decrease of $4.2 million for amortization of intangible assets.

Selling, General and Administrative

(in millions)	Three Months Ended				Nine Months Ended			
	October 3, 2026	October 4, 2025	Change	% Change	October 3, 2026	October 4, 2025	Change	% Change
Selling, general and administrative	$ 51.5	$ 43.7	$ 7.8	17.8 %	$ 163.3	$ 128.5	$ 34.8	27.1 %
Percent of revenue	20.5 %	21.2 %			23.6 %	22.3 %		

The increase in selling, general and administrative expense in the recent three-month period was due to a $4.7 million increase in personnel-related costs and $3.3 million from costs incurred due to the Merger. The increase in selling, general and administrative expense in the recent nine-month period was primarily due to $20.8 million from costs incurred due to the Merger, and a $13.9 million increase in personnel-related costs.

Interest Income and Other, Net

Interest income and other, net for the three and nine months ended October 3, 2026 was $3.2 million and $9.3 million, respectively, compared to $3.0 million and $10.7 million, respectively, for the three and nine months ended October 4, 2025.

Interest Expense

Interest expense for the three and nine months ended October 3, 2026 was $0.2 million and $0.7 million, respectively, compared to $0.2 million and $0.8 million, respectively, for the three and nine months ended October 4, 2025.

Provision for Income Taxes

(in millions)	Three Months Ended			Nine Months Ended		
	October 3, 2026	October 4, 2025	Change	October 3, 2026	October 4, 2025	Change
Provision for income taxes	$ 2.1	$ 0.4	$ 1.7	$ 6.4	$ 4.8	$ 1.6
Effective tax rate	18.9 %	(4.3)%		(57.4)%	(8.4)%	

The increase in the provision for income taxes for the three and nine months ended October 3, 2026 in comparison with the three and nine months ended October 4, 2025 is primarily due to the release of $1.7 million of unrecognized tax benefits in the three months ended October 4, 2025 with no comparable release in the current year-to-date.

Liquidity and Capital Resources

Our principal sources of liquidity as of October 3, 2026 consisted of $439.8 million in cash, cash equivalents and short-term investments, of which $262.3 million was held by our U.S. entities. The remaining balance was held by our foreign subsidiaries. Our cash equivalents and short-term investments consisted of government debt securities (which include U.S. government securities), time deposits, and money market funds.

Operating Activities

Net cash provided by operating activities was $37.2 million during the nine months ended October 3, 2026, compared to $87.4 million during the nine months ended October 4, 2025. Operating cash flows during the nine months ended October 3, 2026 reflect our net loss of $17.6 million, adjustments of $97.0 million for depreciation, amortization, stock-based compensation, and deferred income taxes, and a net cash outflow of $42.1 million due to changes in our operating assets and liabilities.

Accounts receivable increased to $80.0 million at October 3, 2026 from $64.5 million at January 3, 2026. The increase in accounts receivable resulted primarily from normal variations in the timing of collections and billings. Our DSO was 29 days at October 3, 2026 and 28 days at January 3, 2026.

Inventory increased to $133.4 million at October 3, 2026 from $95.6 million at January 3, 2026. Inventory has increased in order to minimize potential supply disruptions and meet forecasted future demand. Our inventory levels will vary based on the availability of supply and the impact of variations between forecasted demand used for purchasing inventory and actual demand. Our DOI was 122 days at October 3, 2026 and 113 days at January 3, 2026.

Investing Activities

Net cash provided by investing activities was $42.5 million during the nine months ended October 3, 2026, compared to net cash used of $20.8 million during the nine months ended October 4, 2025. The increase in cash inflows was principally due to cash proceeds from maturities of marketable securities of $62.3 million compared to a net cash proceeds of $3.1 million from purchases, sales, and maturities of marketable securities in the prior year, and the receipt of $8.7 million of proceeds from capital-related government incentives in the current period. Purchases of property and equipment increased $8.5 million during the nine months ended October 3, 2026 compared to the nine months ended October 4, 2025.

Financing Activities

Net cash used in financing activities was $20.9 million during the nine months ended October 3, 2026, compared to $6.8 million during the nine months ended October 4, 2025. The increase in cash outflows was principally due to an increase in payment of taxes withheld for vested stock awards of $13.8 million.

Debt

As of October 3, 2026, we had a $400 million revolving credit facility. We have an option to increase the size of the borrowing capacity of the revolving credit facility by up to the greater of an aggregate of $250 million and 100% of EBITDA, plus an amount that would not cause a secured net leverage ratio to exceed 3.50 to 1.00, subject to certain conditions. The credit facility contains various conditions, covenants, and representations with which we must be in compliance in order to borrow funds, including financial covenants that we must maintain a consolidated net leverage ratio (funded indebtedness less cash and cash equivalents up to $750 million and divided by EBITDA) of no more than 4.25 to 1, and a minimum interest coverage ratio (EBITDA/interest payments) of no less than 2.50 to 1. As of October 3, 2026, we were in compliance with all of the covenants and no amounts were outstanding on the revolving credit facility.

Capital Requirements

Our future capital requirements will depend on many factors, including the rate of sales growth, market acceptance of our products, the timing and extent of research and development projects, potential acquisitions of companies or technologies and the expansion of our sales and marketing activities. We believe our existing cash, cash equivalents, investments, credit under our credit facility, and cash generated from operations are sufficient to meet our short-term (i.e., over at least the next twelve months) and long-term capital requirements, although we could be required, or could elect, to seek additional funding prior to that time. We may enter into acquisitions or strategic arrangements in the future which also could require us to seek additional equity or debt financing.

Critical Accounting Estimates

Our critical accounting estimates are described in the Management's Discussion and Analysis of Financial Condition and Results of Operations section of our Form 10-K for the fiscal year ended January 3, 2026. There have been no material subsequent changes to our critical accounting estimates.

Quantitative and Qualitative Disclosures about Market Risk

Interest Income

Our investment portfolio includes cash, cash equivalents and short-term investments. Our main investment objective is the preservation of investment capital. Our interest income is sensitive to changes in the general level of U.S. interest rates. A 100 basis point decline in yield on our investment portfolio holdings as of October 3, 2026 would decrease our future annual interest income by approximately $2.1 million. We believe that our investment policy, which defines the duration, concentration, and minimum credit quality of the allowable investments, meets our investment objectives.

Interest Expense

We are exposed to interest rate fluctuations in the normal course of our business, including through our credit facility. The interest rate on the credit facility consists of a variable-rate of interest and an applicable margin. While we have drawn from the credit facility in the past, we had no borrowings as of October 3, 2026. If we borrow from the credit facility in the future, we will again be exposed to interest rate fluctuations.

Foreign currency exchange rate risk

We are exposed to foreign currency exchange rate risk primarily through assets, liabilities and operating expenses of our subsidiaries denominated in currencies other than the U.S. dollar. Our foreign subsidiaries are considered to be extensions of the U.S. parent. The functional currency of the foreign subsidiaries is the U.S. dollar. Accordingly, gains and losses resulting from remeasuring transactions denominated in currencies other than U.S. dollars are recorded in the Condensed Consolidated Statements of Operations. We may use foreign currency forward contracts to manage exposure to foreign exchange risk. Gains and losses on foreign currency forward contracts designated as hedging instruments are recognized in earnings in the same period during which the hedged transaction is recognized.

Available Information

Our website address is www.silabs.com. Our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are available through the investor relations page of our website free of charge as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission ("SEC"). Our website and the information contained therein or connected thereto are not intended to be incorporated into this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Information related to quantitative and qualitative disclosures regarding market risk is set forth in Management's Discussion and Analysis of Financial Condition and Results of Operations under Item 2 above. Such information is incorporated by reference herein.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We have performed an evaluation under the supervision and with the participation of our management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of our disclosure controls and procedures, as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act"). Based on that evaluation, our management, including our CEO and CFO, concluded that our disclosure controls and procedures were effective as of October 3, 2026 to provide reasonable assurance that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Such disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed is accumulated and communicated to our management, including our CEO and CFO, to allow timely decisions regarding required disclosures.

Changes in Internal Control over Financial Reporting

There was no change in our internal controls during the fiscal quarter ended October 3, 2026 that materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

Part II. Other Information

Item 1. Legal Proceedings

Information regarding legal proceedings is provided in Note 8, *Commitments and Contingencies*, to the Condensed Consolidated Financial Statements. Such information is incorporated by reference herein.

Item 1A. Risk Factors

Risk Factors Summary

Risks Related to the Proposed Merger

- We may not complete the proposed Merger within the time frame we anticipate, or at all, which could have an adverse effect on our business, financial condition, results of operations, cash flows and stock price
- Uncertainties associated with the Merger could adversely affect our business, results of operations, cash flows and financial condition
- The Merger Agreement contains provisions that limit our ability to pursue alternatives to the Merger and that could deter or discourage a competing acquirer from making a favorable alternative transaction proposal
- While the Merger Agreement is in effect, we are subject to restrictions on our business activities
- Lawsuits arising in connection with the Merger could be costly, delay or prevent completion of the Merger, divert management's attention and otherwise adversely affect our business

Global Business Risks

- We may be the victim of business disruptions and security breaches, including cyber-attacks, which could lead to liability or could damage our reputation and financial results
- We may be subject to information technology failures that could damage our reputation, business operations and financial condition
- Our business, financial condition, and results of operations could be materially and adversely affected by global or industry-specific shortages of memory components or other key components necessary for our customers' products
- Competition within the numerous markets we target may reduce sales of our products and reduce our market share
- If we are unable to develop or acquire new and enhanced products that achieve market acceptance in a timely manner, our operating results and competitive position could be harmed
- Our research and development efforts are focused on a limited number of new technologies and products, and any delay in the development, or abandonment, of these technologies or products by industry participants, or their failure to achieve market acceptance, could compromise our competitive position
- We have limited resources compared to some of our current and potential competitors and we may not be able to compete effectively and increase market share
- Our business, financial condition, and results of operations could be materially and adversely affected by tariffs, trade restrictions, and other barriers to international trade
- We rely on third parties to manufacture, assemble and test our products, which subjects us to risks of disruptions in our supply chain
- We are a global company, which subjects us to additional business risks including logistical and financial complexity, supply disruption, political instability and currency fluctuations
- Most of our current manufacturers, assemblers, test service providers, distributors and customers are concentrated in the same geographic region, which increases the risk that a natural disaster, epidemic, labor strike, war or political unrest could disrupt our operations or sales
- We are subject to the cyclical nature of the semiconductor industry, which has been subject to significant fluctuations
- We may not be able to maintain our historical growth and may experience significant period-to-period fluctuations in our revenues and operating results, which may result in volatility in our stock price
- Our inability to manage growth could materially and adversely affect our business
- We depend on our key personnel to manage our business effectively in a rapidly changing market, and if we are unable to retain our current personnel and hire additional personnel, our ability to develop and successfully market our products could be harmed
- Any acquisitions we make could disrupt our business and harm our financial condition
- The average selling prices of our products could decrease rapidly which may negatively impact our revenues and gross profit
- Failure to manage our distribution channel relationships could impede our future growth
- We do not have long-term commitments from our customers
- We are subject to increased inventory risks and costs because we build our products based on forecasts provided by customers before receiving purchase orders for the products

- Our products are complex and may contain errors which could lead to liability, an increase in our costs and/or a reduction in our revenues
- Our customers require our products to undergo a lengthy and expensive qualification process without any assurance of product sales
- We are subject to risks relating to product concentration
- Any dispositions could harm our financial condition
- The semiconductor manufacturing process is highly complex and, from time to time, manufacturing yields may fall below our expectations, which could result in our inability to satisfy demand for our products in a timely manner and may decrease our gross profit due to higher unit costs
- We depend on our customers to support our products, and some of our customers offer competing products
- Changes to and/or our failure to comply with laws and regulations regarding privacy, data security/protection and cybersecurity could have an adverse effect on our operations
- Our products must conform to industry standards and technology in order to be accepted by end users in our markets
- Any material weaknesses or other deficiencies, or otherwise failing to maintain an effective system of internal controls, including disclosure controls and procedures, could result in material misstatements of our financial statements or cause us to fail to meet our reporting obligations

Intellectual Property Risks

- Significant litigation over intellectual property in our industry may cause us to become involved in costly and lengthy litigation which could adversely affect our business
- We may be unable to protect our intellectual property, which would negatively affect our ability to compete

Liquidity and Credit Risks

- Disruptions in the financial services industry could adversely affect our operations and financial condition
- We are subject to credit risks related to our accounts receivable
- Any borrowings under our credit agreement or other indebtedness could adversely affect our operations and financial condition
- We could seek to raise additional debt or equity capital in the future, but additional capital may not be available on terms acceptable to us, or at all

Stock and Governance Risks

- Our stock price may be volatile
- Provisions in our charter documents and Delaware law could prevent, delay or impede a change in control of us and may reduce the market price of our common stock

Risk Factors

Risks Related to the Proposed Merger

We may not complete the proposed Merger within the time frame we anticipate, or at all, which could have an adverse effect on our business, financial condition, results of operations, cash flows and stock price

On February 4, 2026, we entered into the Merger Agreement with Parent and Merger Subsidiary, pursuant to which Merger Subsidiary will be merged with and into us, with us continuing as the surviving company and a wholly owned subsidiary of Parent. If the Merger is completed, we will become a wholly owned subsidiary of Parent, and our common stock will be delisted from the NASDAQ Global Select Market and deregistered under the Securities Exchange Act of 1934. Completion of the Merger is subject to a number of closing conditions, including obtaining approval of our stockholders at a special meeting of stockholders, which we obtained on April 30, 2026, and the receipt of required regulatory approvals. The failure to satisfy the remaining closing conditions could jeopardize or delay the consummation of the Merger.

Each party's obligation to consummate the Merger is also subject to the accuracy of the representations and warranties of the other party (subject to certain materiality qualifications) and the performance in all material respects of the other party's covenants under the Merger Agreement, including, with respect to us, covenants regarding operation of our

business prior to closing. In addition, the Merger Agreement may be terminated under certain specified circumstances. Certain conditions to the completion of the pending Merger are not within our control, and we cannot predict when or if these conditions will be satisfied (or waived, as applicable). As a result, we cannot assure you that the Merger will be completed.

If the Merger is not completed within the expected time frame, or at all, we may be subject to a number of material risks. To the extent that the current market price of our common stock reflects an assumption that the Merger will be completed, the price of our common stock could decrease if the Merger is not completed and stockholders may not recover their investment or receive a price for their shares of our common stock similar to what has been offered under the Merger Agreement. Further, investor confidence in us could decline, and stockholder litigation could be brought against us. Additionally, we may be required to pay a termination fee under certain circumstances that give rise to a termination of the Merger Agreement.

In addition, we have incurred, and will continue to incur, significant costs, expenses and fees for professional services and other transaction costs in connection with the Merger, including for activities that we would have not undertaken other than to complete the Merger. As a result, to the extent the Merger is not completed, we will receive little or no benefit from incurring these costs.

Even if successfully completed, there are certain risks to our stockholders from the Merger, including: the amount of cash per outstanding share of our common stock to be paid under the Merger Agreement is fixed and will not be adjusted for changes in our business, assets, liabilities, prospects, outlook, financial condition or operating results or in the event of any change in the market price of, analyst estimates of, or projections relating to, our common stock; receipt of the all-cash per share Merger consideration under the Merger Agreement is taxable to stockholders that are treated as U.S. holders for U.S. federal income tax purposes; and if the Merger is completed, our stockholders will forego the opportunity to realize the potential long-term value of the successful execution of our current business strategy as an independent company.

Uncertainties associated with the Merger could adversely affect our business, results of operations, cash flows and financial condition

The announcement and pendency of the Merger, as well as any delays in the expected timeframe, could cause disruption in our business and create uncertainties, which could have an adverse effect on our business, results of operations, cash flows and financial condition, regardless of whether the Merger is completed. These risks and uncertainties include, but are not limited to:

- the possibility that our relationship with suppliers, customers and employees could be adversely affected, including if our suppliers, customers or others attempt to negotiate changes in existing business relationships, consider entering into business relationships with parties other than us, delay or defer decisions concerning their business with us, or terminate their existing business relationships with us during the pendency of the Merger;
- uncertainties caused by any negative sentiment in the marketplace with respect to the Merger, which could adversely impact investor confidence in us;
- a diversion of a significant amount of management time and resources toward the completion of the Merger;
- a distraction of our current employees as a result of the Merger, which could result in a decline in their productivity or cause distractions in the workplace;
- being subject to certain restrictions on the conduct of our business;
- possibly foregoing certain business opportunities that we might otherwise pursue absent the pending Merger;
- difficulties in attracting and retaining key employees due to uncertainties related to the Merger;
- impact of costs related to completion of the Merger; and
- other developments beyond our control, including, but not limited to, changes in domestic or global economic conditions that may affect the timing or success of the Merger.

The adverse effects of the pendency of the Merger could be exacerbated by any delays in completion of the Merger or termination of the Merger Agreement. As a result, there can be no assurance that our business, results of operations, cash flows and financial condition will not be adversely affected, as compared to prior to the announcement of the Merger Agreement.

The Merger Agreement contains provisions that limit our ability to pursue alternatives to the Merger and that could deter or discourage a competing acquirer from making a favorable alternative transaction proposal

Under the Merger Agreement, we are subject to "no-shop" restrictions and are not permitted, subject to certain exceptions set forth in the Merger Agreement, to initiate, solicit or knowingly encourage or facilitate any inquiries or the making of any proposal or offer by or with a third party with respect to an acquisition proposal and to furnish nonpublic information to, or engage in discussions or negotiations with, a third party interested in pursuing an alternative transaction. Upon the termination of the Merger Agreement under specified circumstances, including, among others, the termination by the Parent in the event of a Change of Recommendation (as defined in the Merger Agreement) by our board of directors, we would be required to pay Parent a termination fee of $259 million. Such provisions of the Merger Agreement could discourage or deter a third party that may be willing to pay more than Parent for our outstanding common stock from considering or proposing such an acquisition of us.

While the Merger Agreement is in effect, we are subject to restrictions on our business activities

Under the terms of the Merger Agreement, we are subject to restrictions on our business activities, including, among other things, restrictions on our ability to pay dividends; acquire other businesses and assets; dispose of our assets; enter into or materially modify certain contracts; repurchase, adjust the terms of or issue securities; make certain capital expenditures; settle certain legal actions; take certain actions relating to intellectual property; take certain action related to employee benefit plans; amend our organizational documents; and incur certain indebtedness. Because of these restrictions, we may be prevented from taking certain actions with respect to the conduct of our business that we might otherwise have taken if not for the Merger Agreement, including responding effectively and/or timely to competitive pressures and industry developments, which could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Lawsuits arising in connection with the Merger could be costly, delay or prevent completion of the Merger, divert management's attention and otherwise adversely affect our business

Lawsuits relating to the Merger filed against us and/or our directors and officers, including by our stockholders, may be time-consuming and expensive and may distract our management from running the day-to-day operations of our business. Although litigation is common in connection with acquisitions of public companies, regardless of any merits related to the underlying acquisition, the outcome of any litigation cannot be assured and could delay or prevent completion of the Merger. If the Merger is not consummated for any reason, litigation could be filed in connection with the failure to consummate the Merger.

The amount of fees and costs of defense, including costs associated with the indemnification of directors and officers, and other liabilities that may be incurred in connection with lawsuits could have a material adverse effect on our business, results of operations, cash flows and financial condition. Any litigation related to the Merger may also result in negative publicity or an unfavorable impression of us, which could adversely affect the price of our common stock, impair our ability to recruit or retain employees, damage our relationships with our business partners, or otherwise harm our operations and financial performance.

Global Business Risks

We may be the victim of business disruptions and security breaches, including cyber-attacks, which could lead to liability or could damage our reputation and financial results

Information technology system and/or network disruptions, regardless of the cause, but including acts of sabotage, error, or other actions, could harm our operations. Failure to effectively prevent, detect, and recover from security breaches, including cyber-attacks, could result in the misuse of company assets, disruption to the company, diversion of management resources, regulatory inquiries, legal claims or proceedings, reputational damage, loss of sales and other costs to the company. We routinely face attacks that attempt to breach our security protocols, gain access to or disrupt our computerized systems or steal proprietary company, customer, partner or employee information. These attacks are sometimes successful. These attacks may be due to security breaches, employee error, theft, malfeasance, phishing schemes, ransomware, faulty password or data security management, or other irregularities. Additionally, we use artificial intelligence ("AI")-driven efficiencies in our software development and customer support services. Our use of AI may increase vulnerability to cybersecurity risks, including through unauthorized use or misuse of AI tools and bad inputs or logic or the introduction of malicious code incorporated into AI generated code. AI and machine learning also may be used for certain cybersecurity attacks, improving or expanding the existing capabilities of threat actors in manners we cannot predict at this time, resulting in greater risks of security incidents and breaches. The theft, loss, destruction, unavailability or misuse of personal or business data collected, used, stored or transferred by us to run our business could result in

increased security costs or costs related to defending legal claims. Industrial espionage, theft or loss of our intellectual property data could lead to counterfeit products or harm the competitive position of our products and services. Costs to implement, test and maintain measures to promote compliance with applicable privacy and data security laws as well as to protect the overall security of our system have been and are expected to continue to be significant. While we have dedicated resources to privacy and security incident response capabilities, our response process may not be adequate, may fail to accurately assess the severity of an incident, may not be fast enough to prevent or limit harm, or may fail to sufficiently remediate an incident. Attempted or successful attacks against our products and services could damage our reputation with customers or users and reduce demand for our products and services. Additionally, there is an increased risk that we may experience cybersecurity-related events such as phishing attacks and other security challenges as a result of hybrid working arrangements and employees and our service providers working remotely.

In addition, the risk of cyber-attacks has increased in recent years in connection with geopolitical events, and nation-state actors or their supporters may launch retaliatory cyber-attacks, and may attempt to cause supply chain and other third-party service provider disruptions, or take other geopolitically motivated retaliatory actions that may disrupt our business operations, result in data compromise, or both. Nation-state actors have in the past carried out, and may in the future carry out, cyber-attacks to achieve their aims and goals, which may include espionage, information operations, monetary gain, ransomware, disruption, and destruction. Russia's invasion of Ukraine in 2022, the resulting sanctions imposed by the United States and its allies on Russia, and the current war in Iran have increased the likelihood of cyber-attacks and/or security breaches.

We may be subject to information technology failures that could damage our reputation, business operations and financial condition

We rely on information technology for the effective operation of our business. Our systems are subject to damage or interruption from a number of potential sources, including natural disasters, accidents, power disruptions, telecommunications failures, acts of terrorism or war, computer viruses, theft, physical or electronic break-ins, cyber-attacks, sabotage, vandalism, or similar events or disruptions, including those described in the preceding risk factor. Our security measures may not prevent or detect such security breaches. Any such compromise of our information security could result in the theft or unauthorized publication or use of our confidential business or proprietary information, result in the unauthorized release of customer, supplier or employee data, result in a violation of privacy or other laws, expose us to a risk of litigation or damage our reputation. In addition, our inability to use or access information systems at critical points in time could unfavorably impact the timely and efficient operation of our business, which could negatively affect our business and operating results.

Third parties with which we conduct business, such as foundries, assembly and test contractors, distributors and customers, have access to certain portions of our sensitive data. In the event that these third parties do not properly safeguard our data that they hold, security breaches could result and negatively impact our reputation, business operations and financial results. Additionally, a successful cyber-attack against one of these third parties' information technology systems may disrupt our supply chain.

Our business, financial condition, and results of operations could be materially and adversely affected by global or industry-specific shortages of memory components or other key components necessary for our customers' products

Our customers' products often incorporate third-party memory components, such as DRAM or NAND, that are sourced from a limited number of suppliers. The memory market has in the past experienced supply imbalances, capacity constraints, and pricing volatility, and the industry is currently experiencing a global shortage of certain memory components as a result of AI-driven demand. These conditions are likely to impact our customers and may limit their ability to manufacture their end products or may cause them to adjust production schedules, delay product launches, or revise demand forecasts, which in turn could lead them to reduce, delay, or cancel orders for our products, even when demand for their end products remains strong. The current shortage and resulting price increase for memory components also may lead our customers to increase prices of their end products, which could lead to decreased demand for those products, negatively impacting orders for our products in the longer term. In addition, uncertainty regarding the availability or pricing of memory components or other key components may impair our ability to accurately forecast demand, manage inventory levels, or plan production. Any of these factors could adversely affect our business, financial condition, and results of operations.

Competition within the numerous markets we target may reduce sales of our products and reduce our market share

The markets for semiconductors in general, and for mixed-signal products in particular, are intensely competitive. We expect that the market for our products will continually evolve and will be subject to rapid technological change. For example, new products and disruptive technologies are being developed, and companies with which we compete have implemented AI strategies for products and service offerings. This rapid pace of technological change can create opportunities for our competitors and harm our competitiveness in the market if our products do not evolve or we are unable to effectively keep up with such changes. In addition, as we target and supply products to numerous markets and applications, we face competition from a relatively large number of competitors. We compete with Espressif, Infineon, MediaTek, Microchip, Nordic Semiconductor, NXP, Qualcomm, Renesas, STMicroelectronics, Synaptics, Telink, Texas Instruments and others. We expect to face competition in the future from our current competitors, other manufacturers and designers of semiconductors, and start-up semiconductor design companies. As the markets for communications products grow, we also may face competition from traditional communications device companies. These companies may enter the mixed-signal semiconductor market by introducing their own products or by entering into strategic relationships with or acquiring other existing providers of semiconductor products. In addition, large companies may restructure their operations to create separate companies or may acquire new businesses that are focused on providing the types of products we produce or acquire our customers.

If we are unable to develop or acquire new and enhanced products that achieve market acceptance in a timely manner, our operating results and competitive position could be harmed

Our future success will depend on our ability to develop or acquire new products and product enhancements that achieve market acceptance in a timely and cost-effective manner. The development of mixed-signal ICs is highly complex, and we have at times experienced delays in completing the development and introduction of new products and product enhancements. Successful product development and market acceptance of our products depend on a number of factors, including:

- Requirements of customers;
- Accurate prediction of market and technical requirements;
- Timely completion and introduction of new designs;
- Timely qualification and certification of our products for use in our customers' products;
- Commercial acceptance and volume production of the products into which our ICs will be incorporated;
- Availability of foundry, assembly and test capacity;
- Achievement of high manufacturing yields;
- Quality, price, performance, power use and size of our products;
- Availability, quality, price and performance of competing products and technologies;
- Our customer service, application support capabilities and responsiveness;
- Successful development of our relationships with existing and potential customers;
- Technology, industry standards or end-user preferences; and
- Cooperation of third-party software providers and our semiconductor vendors to support our chips within a system.

We cannot provide any assurance that products which we recently have developed or may develop in the future will achieve market acceptance. We have introduced to market or are in development of many products. If our products fail to achieve market acceptance, or if we fail to develop new products on a timely basis that achieve market acceptance, our growth prospects, operating results and competitive position could be adversely affected. The growth of the IoT market is dependent on the adoption of industry standards to permit devices to connect and communicate with each other. The IoT market depends on the ongoing evolution and adoption of industry standards; fragmentation across the ecosystems/implementations could slow adoption.

Our research and development efforts are focused on a limited number of new technologies and products, and any delay in the development, or abandonment, of these technologies or products by industry participants, or their failure to achieve market acceptance, could compromise our competitive position

Our products serve as components and solutions in electronic devices in various markets. As a result, we have devoted and expect to continue to devote a large amount of resources to develop products based on new and emerging technologies and standards that will be commercially introduced in the future. Research and development expense during the nine months ended October 3, 2026 was $276.8 million, or 40.0% of revenues. A number of companies are actively involved in

the development of these new technologies and standards. Should any of these companies delay or abandon their efforts to develop commercially available products based on new technologies and standards, our research and development efforts with respect to these technologies and standards likely would have no appreciable value. In addition, if we do not correctly anticipate new technologies and standards, or if the products that we develop based on these new technologies and standards fail to achieve market acceptance, our competitors may be better able to address market demand than we would. Furthermore, if markets for these new technologies and standards develop later than we anticipate, or do not develop at all, demand for our products that are currently in development would suffer, resulting in lower sales of these products than we currently anticipate.

We have limited resources compared to some of our current and potential competitors and we may not be able to compete effectively and increase market share

Some of our current and potential competitors have longer operating histories, significantly greater resources and name recognition and a larger base of customers than we have. As a result, these competitors may have greater credibility with our existing and potential customers. They also may be able to adopt more aggressive pricing policies and devote greater resources to the development, promotion and sale of their products than we can to ours. In addition, some of our current and potential competitors have already established supplier or joint development relationships with the decision makers at our current or potential customers. These competitors may be able to leverage their existing relationships to discourage their customers from purchasing products from us or persuade them to replace our products with their products. Our competitors may also offer bundled solutions offering a more complete product despite the technical merits or advantages of our products. These competitors may elect not to support our products which could complicate our sales efforts. We also face increased competition as a result of China actively promoting its domestic semiconductor industry through policy changes and investment. These actions, as well as China-U.S. trade barriers, may restrict our participation in the China market or may prevent us from competing effectively with Chinese companies or companies from other countries that China favors over the United States. See the risk factor entitled "*Our business, financial condition, and results of operations could be materially and adversely affected by tariffs, trade restrictions, and other barriers to international trade.*" Furthermore, our current or potential competitors may be acquired by third parties with greater available resources and the ability to initiate or withstand substantial price competition, which may include price concessions, delayed payment terms, financing terms, or other terms and conditions that are more enticing to potential customers. These and other competitive pressures may prevent us from competing successfully against current or future competitors, and may materially harm our business. Competition could decrease our prices, reduce our sales, lower our gross profit and/or decrease our market share.

From time to time, governments around the world may provide incentives or make other investments that could benefit and give competitive advantages to our competitors. For example, in August 2022, the CHIPS and Science Act of 2022 ("CHIPS Act") was signed into law to provide financial incentives to the U.S. semiconductor industry. Government incentives, including any that may be offered in connection with the CHIPS Act, may not be available to us on acceptable terms or at all, and the current administration's creation of the US Investment Accelerator and its negotiations of grants under the CHIPS Act may make the availability of any such incentives even less certain. If our competitors can benefit from such government incentives and we cannot, it could strengthen our competitors' relative position and have a material adverse effect on our reputation and business.

Our business, financial condition, and results of operations could be materially and adversely affected by tariffs, trade restrictions, and other barriers to international trade

Restrictions on international trade, such as tariffs and other controls on imports or exports of goods and technology can adversely affect our business and supply chain. These trade restrictions may impact the cost and availability of raw materials, components, and finished goods, which could lead to supply chain disruptions, increased costs, and lower margins. There is currently significant uncertainty about the future relationship between the U.S. and various other countries with respect to trade policies and tariffs. Export restrictions imposed by the U.S. government, including the addition of licensing requirements by the United States Department of Commerce's Bureau of Industry and Security ("BIS") through the addition of companies to the BIS Entity List, could require us to suspend our business with certain entities if we conclude or are notified by the U.S. government that such business presents a risk of noncompliance with U.S. regulations. The global trade situation has been highly dynamic, and we cannot predict what actions may be taken with respect to tariffs or trade relations, what products may be subject to such actions, or what actions may be taken by other countries in response. In addition to the possibility of new or modified tariffs, sector-based trade measures may be implemented. Rapid and continuing changes in U.S. and global trade policies, including the imposition of new and increased tariffs, ongoing legal challenges to those tariffs, and retaliatory measures by trading partners, have contributed to

greater market volatility, rising inflation and general economic uncertainty, including the possibility of slower growth or recession. These developments have increased, and could further increase, our costs and could adversely affect customer demand, delay purchasing decisions, disrupt our supply chain, or limit our ability to operate efficiently in key markets. If we are unable to mitigate any negative impacts of tariffs, trade restrictions, or related market volatility through pricing adjustments, operational efficiencies, or alternative sourcing strategies, our business, financial condition, and results of operations could be materially and adversely affected.

We rely on third parties to manufacture, assemble and test our products, which subjects us to risks of disruptions in our supply chain

We do not have our own wafer fab manufacturing facilities. Therefore, we rely on third-party vendors to manufacture the products we design. We also currently rely on third-party assembly subcontractors in Asia to assemble and package the silicon chips provided by the wafers for use in final products. Additionally, we rely on these offshore subcontractors for a substantial portion of the testing requirements of our products prior to shipping. We expect utilization of third-party subcontractors to continue in the future.

The cyclical nature of the semiconductor industry drives wide fluctuations in available capacity at third-party vendors. On occasion, we have been unable to adequately respond to unexpected increases in customer demand due to capacity constraints and, therefore, were unable to benefit from this incremental demand. We may be unable to obtain adequate foundry, assembly or test capacity from our third-party subcontractors to meet our customers' delivery requirements even if we adequately forecast customer demand.

There are significant risks associated with relying on these third-party foundries and subcontractors, including:

- Failure by us, our customers or their end customers to qualify a selected supplier;
- Disruption to our suppliers' operations due to geopolitical changes, including risks related to tensions between China and Taiwan;
- Potential insolvency of the third-party subcontractors;
- Reduced control over delivery schedules and quality;
- Limited warranties on wafers or products supplied to us;
- Potential increases in prices or payments in advance for capacity;
- Increased need for international-based supply, logistics and financial management;
- Disruption to our supply chain resulting from cyber-attacks on our suppliers' information technology systems;
- Their inability to supply or support new or changing packaging technologies; and
- Low test yields.

We typically do not have long-term supply contracts with our third-party vendors which obligate the vendor to perform services and supply products to us for a specific period, in specific quantities, and at specific prices. Our third-party foundry, assembly and test subcontractors typically do not guarantee that adequate capacity will be available to us within the time required to meet demand for our products. In the event that these vendors fail to meet our demand for whatever reason, we expect that it would take up to 12 months to transition performance of these services to new providers. Such a transition may also require qualification of the new providers by our customers or their end customers.

If our suppliers experience closures or reductions in their capacity utilization levels in the future, we may have difficulty sourcing materials necessary to fulfill production requirements. Public health crises may affect our suppliers' production capabilities as a result of quarantines, closures of production facilities, lack of supplies or delays caused by restrictions on travel.

Most of the silicon wafers for the products that we have sold were manufactured either by Taiwan Semiconductor Manufacturing Co. ("TSMC") or Semiconductor Manufacturing International Corporation ("SMIC"). Our customers typically complete their own qualification process. If we fail to properly balance customer demand across the existing semiconductor fabrication facilities that we utilize or are required by our foundry partners to increase, or otherwise change the number of fab lines that we utilize for our production, we might not be able to fulfill demand for our products and may need to divert our engineering resources away from new product development initiatives to support the fab line transition, which would adversely affect our operating results. In addition, geopolitical changes in China-Taiwan relations could disrupt TSMC's operations and impact our third-party assembly subcontractors in Asia. Such a disruption could severely impact our ability to manufacture the majority of our products and as a result, could adversely affect our business, revenues and results of operations.

We are a global company, which subjects us to additional business risks including logistical and financial complexity, supply disruption, political instability and currency fluctuations

We have established international subsidiaries and have opened offices in international markets to support our activities in Asia, the Americas and Europe. This has included the establishment of a headquarters in Singapore for non-U.S. operations. During the nine months ended October 3, 2026, the percentage of our revenues derived from outside of the United States was 90% (and the revenue associated with end customers in China was 19%, and revenue attributed to China based on shipped-to location was 31%). We may not be able to maintain or increase global market demand for our products. Our international operations are subject to a number of risks, including:

- Complexity and costs of managing international operations and related tax obligations, including our headquarters for non-U.S. operations in Singapore;
- Protectionist laws and business practices, including trade restrictions, tariffs, export controls, quotas and other trade barriers, including China-U.S. trade policies;
- Trade tensions, geopolitical uncertainty, or governmental actions, including those arising from the trade dispute between the U.S. and China, may lead customers to favor products from non-US companies which could put us at a competitive disadvantage and result in decreased customer demand for our products and our customers' products;
- Rising tensions and deteriorating military, political and economic relations between China and Taiwan could disrupt the operations of our third-party foundry, assembly and test subcontractors, which could severely impact our ability to manufacture the majority of our products and as a result, could adversely affect our business, revenues and results of operations;
- Restrictions or tariffs imposed on certain countries and sanctions or export controls imposed on customers or suppliers may affect our ability to sell and source our products;
- Difficulties related to the protection of our intellectual property rights in some countries;
- Public health crises may affect our international operations, suppliers and customers and we may experience delays in product development, a decreased ability to support our customers and reduced design win activity if the travel restrictions or business shutdowns or slowdowns continue for an extended period of time in any of the countries in which we, our suppliers and our customers operate and do business;
- Multiple, conflicting and changing tax and other laws and regulations that may impact both our international and domestic tax and other liabilities and result in increased complexity and costs;
- Longer sales cycles;
- Greater difficulty in accounts receivable collection and longer collection periods;
- High levels of distributor inventory subject to price protection and rights of return to us;
- Political and economic instability;
- Risks that demand and the supply chain may be adversely affected by military conflict (including the ongoing wars in Ukraine and Iran), terrorism, sanctions or other geopolitical events globally;
- Greater difficulty in hiring and retaining qualified personnel; and
- The need to have business and operations systems that can meet the needs of our international business and operating structure.

To date, substantially all of our sales to international customers and purchases of components from international suppliers have been denominated in U.S. dollars. As a result, an increase in the value of the U.S. dollar relative to foreign currencies, such as the rebound from 2025 that has occurred since early 2026, can make our products more expensive for our international customers to purchase, thus rendering our products less competitive. Similarly, a decrease in the value of the U.S. dollar, such as the decline that occurred in 2025, has in the past and may in the future reduce our buying power with respect to international suppliers. However, we may be required to buy or sell in other currencies as a result of changes in industry standards. Operating or transacting in currencies other than the U.S. dollar may result in enhanced volatility in our operating results.

Most of our current manufacturers, assemblers, test service providers, distributors and customers are concentrated in the same geographic region, which increases the risk that a natural disaster, epidemic, labor strike, war or political unrest could disrupt our operations or sales

Most of our foundries and several of our assembly and test subcontractors' sites are located in Taiwan and most of our other foundry, assembly and test subcontractors are located in the Pacific Rim region. In addition, many of our customers are located in the Pacific Rim region. The risk of earthquakes in Taiwan and the Pacific Rim region is significant due to the proximity of major earthquake fault lines in the area. Earthquakes, tsunamis, fire, flooding, lack of water or other natural

disasters, a public health crisis, political unrest, war, labor strikes or work stoppages in countries where our semiconductor manufacturers, assemblers and test subcontractors are located, likely would result in the disruption of our foundry, assembly or test capacity. There can be no assurance that alternate capacity could be obtained on favorable terms, if at all.

A natural disaster, epidemic, labor strike, war or political unrest where our customers' facilities are located would likely reduce our sales to such customers. In addition, a significant portion of the assembly and testing of our products occurs in South Korea. Any disruption resulting from these events, could also cause significant delays in shipments of our products until we are able to shift our manufacturing, assembling or testing from the affected subcontractor to another third-party vendor. If such an event significantly disrupts the manufacture, shipment and sales of our products or the products of our customers, this may materially negatively impact our operating results. For example, if travel restrictions or business shutdowns or slowdowns occur for an extended period of time in Taiwan, South Korea or the other countries in which our current manufacturers, assemblers, test service providers, distributors and customers are located, we may experience delays in product production, a decreased ability to support our customers, reduced design win activity, and overall lack of productivity. Our customers may also experience closures of their manufacturing facilities or inability to obtain other components, either of which could negatively impact demand for our solutions.

We are subject to the cyclical nature of the semiconductor industry, which has been subject to significant fluctuations

The semiconductor industry is highly cyclical and is characterized by constant and rapid technological change, rapid product obsolescence and price erosion, evolving standards, short product life cycles and wide fluctuations in product supply and demand. The industry has experienced significant fluctuations, often connected with, or in anticipation of, maturing product cycles and new product introductions of both semiconductor companies' and their customers' products and fluctuations in general economic conditions. Deteriorating general worldwide economic conditions, including reduced economic activity, concerns about credit, interest rates and inflation, increased energy costs, decreased consumer confidence, reduced corporate profits, decreased spending and similar adverse business conditions, have in the past and may in the future make it very difficult for our customers, our vendors, and us to accurately forecast and plan future business activities and could cause U.S. and foreign businesses to slow spending on our products. Increases in inflation and interest rates can impact demand for our customers' end products and increase our costs. If our costs become subject to significant inflationary pressures, we may not be able to fully offset such higher costs with increased revenues. We cannot predict the timing, strength, or duration of any economic slowdown or economic recovery. If the economy or markets in which we operate deteriorate, our business, financial condition, and results of operations would likely be materially and adversely affected.

Downturns have been characterized by diminished product demand, production overcapacity, high inventory levels and accelerated erosion of average selling prices. Upturns have been characterized by increased product demand and production capacity constraints created by increased competition for access to third-party foundry, assembly and test capacity. We are dependent on the availability of such capacity to manufacture, assemble and test our products. None of our third-party foundry, assembly or test subcontractors have provided assurances that adequate capacity will be available to us. In 2023, the semiconductor industry suffered a downturn that we believe was due in large part to adverse macroeconomic conditions, characterized by a slowdown in overall GDP performance and factory activity in certain regions, higher levels of customer inventory, as well as heightened geopolitical tensions and export controls affecting trade with China, and greater overall uncertainty regarding the economy. In the future, these and other factors could lead to downturns that may adversely effect our business and operating results.

We may not be able to maintain our historical growth and may experience significant period-to-period fluctuations in our revenues and operating results, which may result in volatility in our stock price

Although we have generally experienced revenue growth in our history, we may not be able to sustain this growth. We may also experience significant period-to-period fluctuations in our revenues and operating results in the future due to a number of factors, and any such variations may cause our stock price to fluctuate. If our revenues or operating results are below the expectations of public market analysts or investors, our stock price may drop, perhaps significantly.

A number of factors, in addition to those cited in other risk factors applicable to our business, may contribute to fluctuations in our revenues and operating results, including:

- The timing and volume of orders received from our customers;

- The timeliness of our new product introductions and the rate at which our new products may cannibalize our older products;
- The rate of acceptance of our products by our customers, including the acceptance of new products we may develop for integration in the products manufactured by such customers, which we refer to as “design wins”;
- The time lag and realization rate between “design wins” and production orders;
- Supplier capacity constraints;
- The demand for, and life cycles of, the products incorporating our mixed-signal solutions;
- The rate of adoption of mixed-signal products in the markets we target;
- Deferrals or reductions of customer orders in anticipation of new products or product enhancements from us or our competitors or other providers of mixed-signal ICs;
- Changes in product mix;
- The average selling prices for our products could drop suddenly due to competitive offerings or competitive predatory pricing;
- The average selling prices for our products generally decline over time;
- Changes in market standards;
- Volatility in foreign currency exchange rates and any requirements for buying and/or selling in currencies other than the U.S. dollar;
- Impairment charges related to inventory, equipment or other long-lived assets;
- The software used in our products, including software provided by third parties, may not meet the needs of our customers;
- Our customers may not be able to obtain other components such as capacitors that they need to incorporate in conjunction with our products, leading to potential downturn in the demand for our products;
- Significant legal costs to defend our intellectual property rights or respond to claims against us; and
- The rate at which new markets emerge for products we are currently developing or for which our design expertise can be utilized to develop products for these new markets.

The markets for consumer electronics, for example, are characterized by rapid fluctuations in demand and seasonality that result in corresponding fluctuations in the demand for our products that are incorporated in such devices. Additionally, the rate of technology acceptance by our customers results in fluctuating demand for our products as customers are reluctant to incorporate a new IC into their products until the new IC has achieved market acceptance. Once a new IC achieves market acceptance, demand for the new IC can quickly accelerate to a point and then level off such that rapid historical growth in sales of a product should not be viewed as indicative of continued future growth. In addition, demand can quickly decline for a product when a new IC product is introduced and receives market acceptance. Due to the various factors mentioned above, the results of any prior quarterly or annual periods should not be relied upon as an indication of our future operating performance.

Our inability to manage growth could materially and adversely affect our business

Our past growth has placed, and any future growth of our operations will continue to place, a significant strain on our management personnel, systems and resources. We anticipate that we will need to implement a variety of new and upgraded sales, operational and financial enterprise-wide systems, information technology infrastructure, procedures and controls, including the improvement of our accounting and other internal management systems to manage this growth and maintain compliance with regulatory guidelines, including Sarbanes-Oxley Act requirements. To the extent our business grows, our internal management systems and processes will need to improve to ensure that we remain in compliance. We also expect that we will need to continue to expand, train, manage and motivate our workforce. All of these endeavors will require substantial management effort, and we anticipate that we will require additional management personnel and internal processes to manage these efforts and to plan for the succession from time to time of certain persons who have been key management and technical personnel. If we are unable to effectively manage our expanding global operations, including our international headquarters in Singapore, our business could be materially and adversely affected.

We depend on our key personnel to manage our business effectively in a rapidly changing market, and if we are unable to retain our current personnel and hire additional personnel, our ability to develop and successfully market our products could be harmed

We believe our future success will depend in large part upon our ability to attract and retain highly skilled managerial, engineering, sales and marketing personnel. We believe that our future success will be dependent on retaining the services of our key personnel, developing their successors and certain internal processes to reduce our reliance on specific individuals, and on properly managing the transition of key roles when they occur. Competition for qualified personnel

with significant experience in the design, development, manufacturing, marketing and sales of analog and mixed-signal products has been, and continues to be, intense. Our key technical personnel represent a significant asset and serve as the primary source for our technological and product innovations. We may not be successful in attracting and retaining sufficient numbers of technical personnel to support our anticipated growth. The loss of any of our key employees or the inability to attract or retain qualified personnel both in the United States and internationally, including engineers, sales, applications and marketing personnel, could delay the development and introduction of, and negatively impact our ability to sell, our products. In addition, changes to immigration laws and visa policies in the United States and other jurisdictions may restrict our ability to recruit or retain foreign nationals in key technical roles. For example, the September 2025 Presidential Proclamation on Restriction on Entry of Certain Nonimmigrant Workers currently imposes a filing fee on all new H-1B visa petitions submitted after September 21, 2025, which increases the cost of hiring foreign national employees, and the Department of Homeland Security has implemented a weighted lottery system based on wage levels for H-1B visas, which could disadvantage our ability to hire early-career or entry-level foreign national personnel. These regulatory constraints, including increased scrutiny or delays in visa processing, could limit our access to highly specialized talent and adversely affect our hiring flexibility and long-term innovation capacity.

Any acquisitions we make could disrupt our business and harm our financial condition

Any acquisition we pursue as part of our growth and product-diversification strategy could disrupt our business and negatively affect our financial condition. Integrating acquired operations, technologies, or products may prove difficult and could divert management's attention, require greater financial resources than planned, and strain relationships with suppliers and customers. Entering unfamiliar markets, transferring intellectual property licenses, absorbing additional overhead, addressing tax complexities, resolving acquisition-related disputes, retaining key employees, and managing potential impairment of goodwill or other intangible assets all pose additional risks. Future acquisitions may also result in debt, contingent liabilities, or the issuance of equity that could dilute existing shareholders.

The average selling prices of our products could decrease rapidly which may negatively impact our revenues and gross profit

We may experience substantial period-to-period fluctuations in future operating results due to the erosion of our average selling prices. In the past, we have reduced the average unit price of our products in anticipation of or in response to competitive pricing pressures, new product introductions by us or our competitors and other factors. If we are unable to offset any such reductions in our average selling prices by increasing our sales volumes, increasing our sales content per application or reducing production costs, our gross profit and revenues will suffer. To maintain our gross profit, we will need to develop and introduce new products and product enhancements on a timely basis and continually reduce our costs. Our failure to do so could cause our revenues and gross profit to decline.

Failure to manage our distribution channel relationships could impede our future growth

The future growth of our business will depend in large part on our ability to manage our relationships with current and future distributors and sales representatives, develop additional channels for the distribution and sale of our products and manage these relationships. During the nine months ended October 3, 2026, 75% of our revenue was derived from distributors (and 50% of our revenue was derived from our two largest distributors). As we execute our indirect sales strategy, we must manage the potential conflicts that may arise with our direct sales efforts. For example, conflicts with a distributor may arise when a customer begins purchasing directly from us rather than through the distributor. The inability to successfully execute or manage a multi-channel sales strategy could impede our future growth. In addition, relationships with our distributors often involve the use of price protection and inventory return rights. This often requires a significant amount of sales management's time and system resources to manage properly.

We do not have long-term commitments from our customers

Our customers regularly evaluate alternative sources of supply in order to diversify their supplier base, which increases their negotiating leverage with us and protects their ability to secure these components. We believe that any expansion of our customers' supplier bases could have an adverse effect on the prices we are able to charge and volume of product that we are able to sell to our customers, which would negatively affect our revenues and operating results.

Customers may decide not to purchase our products at all, purchase fewer products than they did in the past, or alter their purchasing patterns, particularly because:

- We do not have material long-term purchase contracts with our customers;
- Substantially all of our sales to date have been made on a purchase order basis, which permits our customers to cancel, change or delay product purchase commitments with little or no notice to us and without penalty;
- Some of our customers may have efforts underway to actively diversify their vendor base which could reduce purchases of our products; and
- Some of our customers have developed or acquired products that compete directly with products these customers purchase from us, which could affect our customers' purchasing decisions in the future.

We are subject to increased inventory risks and costs because we build our products based on forecasts provided by customers before receiving purchase orders for the products

In order to ensure availability of our products for some of our largest customers, we start the manufacturing of our products in advance of receiving purchase orders based on forecasts provided by these customers. However, these forecasts do not represent binding purchase commitments. As a result, we incur inventory and manufacturing costs in advance of anticipated sales. Because demand for our products may not materialize, manufacturing based on forecasts subjects us to increased risks of high inventory carrying costs, increased obsolescence and increased operating costs. These inventory risks are exacerbated when our customers purchase indirectly through contract manufacturers or hold component inventory levels greater than their consumption rate because this causes us to have less visibility regarding the accumulated levels of inventory for such customers. A resulting write-off of unusable or excess inventories would adversely affect our operating results.

Our products are complex and may contain errors which could lead to liability, an increase in our costs and/or a reduction in our revenues

Our products are complex and may contain errors, particularly when first introduced and/or when new versions are released. Our products are increasingly designed in more complex processes, including higher levels of software and hardware integration in modules and system-level solutions and/or include elements provided by third parties which further increase the risk of errors. We rely primarily on our in-house testing personnel to design test operations and procedures to detect any errors or vulnerabilities prior to delivery of our products to our customers.

Additionally, we have used and may increase our use of new technology such as AI or generative AI to enhance our products, decrease our development times, or improve our customers' efficiency. Evolving rules, regulations and industry standards governing AI may require us to incur greater compliance costs and restrict the use of AI in our products or technologies. Although we maintain AI governance programs and internal oversight committees, the use of AI technologies is still in the early stages and these new technologies may not always operate as expected and deliver our intended results, may produce output that contain errors and incorrect information or other unintended consequences, including risks related to intellectual property infringement or misappropriation, data privacy and cyber security vulnerabilities. Any ineffective AI usage could negatively impact our or our customers' business reputation and negatively impact our competitive standing.

Should problems occur in the operation or performance of our products, we may experience delays in meeting key introduction dates or scheduled delivery dates to our customers. These errors could also cause significant re-engineering costs, the diversion of our engineering personnel's attention from our product development efforts and cause significant customer relations and business reputation problems. Any defects could result in refunds, product replacement, product recall or other liability. Any of the foregoing could impose substantial costs and harm our business.

Product liability, data breach or cyber liability claims may be asserted with respect to our products. Many of our products focus on wireless connectivity and the IoT market and such connectivity may make these products particularly susceptible to cyber-attacks. Our products are typically sold at prices that are significantly lower than the cost of the end-products into which they are incorporated. A defect, failure or vulnerability in our products, including as a result of AI used in the development of our products, or by our customers in end-products that incorporate our products, could cause failure in our customer's end-product, so we could face claims for damages that are disproportionately higher than the revenues and profits we receive from the products involved. Furthermore, product liability risks are particularly significant with respect to medical and automotive applications because of the risk of serious harm to users of these end-products. There can be no assurance that any insurance we maintain will sufficiently protect us from such claims.

Our customers require our products to undergo a lengthy and expensive qualification process without any assurance of product sales

Prior to purchasing our products, our customers require that our products undergo an extensive qualification process, which involves testing of the products in the customer's system as well as rigorous reliability testing. This qualification process may continue for six months or longer. However, qualification of a product by a customer does not ensure any sales of the product to that customer. Even after successful qualification and sales of a product to a customer, a subsequent revision to the product or software, changes in the IC's manufacturing process or the selection of a new supplier by us may require a new qualification process, which may result in delays and in us holding excess or obsolete inventory. After our products are qualified, it can take an additional six months or more before the customer commences volume production of components or devices that incorporate our products. Despite these uncertainties, we devote substantial resources, including design, engineering, sales, marketing and management efforts, toward qualifying our products with customers in anticipation of sales. If we are unsuccessful or delayed in qualifying any of our products with a customer, such failure or delay would preclude or delay sales of such product to the customer, which may impede our growth and cause our business to suffer.

We are subject to risks relating to product concentration

We derive a substantial portion of our revenues from a limited number of products, and we expect these products to continue to account for a large percentage of our revenues in the near term. Continued market acceptance of these products is critical to our future success. Because substantially all of our products incorporate technology covered by one or more of our issued U.S. patents, a finding that these patents are invalid or unenforceable could allow competitors to introduce products that reduce both the volume and price per unit of our products. As a result, our business, operating results, financial condition and cash flows could be adversely affected by a decline in demand for any of our more significant products, a failure of our products to achieve continued market acceptance, competitive products, new or revised technological standards that we are unable to address, delays in releasing new or enhanced products, or the failure of our new products to achieve market acceptance.

Any dispositions could harm our financial condition

Any past or future disposition of a business or product line could expose us to risks that may materially and adversely affect our business and operating results. These risks include diverting management's attention from core operations, facing difficulties in separating the divested business, and potentially harming relationships with customers tied to the discontinued product line. Dispositions may also reduce our purchasing leverage with suppliers, create challenges with employee relations, and face delays or failures in completion. Additional risks arise from transferring or licensing intellectual property, not realizing anticipated benefits, encountering third-party claims, managing security and other liabilities associated with transition services, addressing tax complexities, and resolving disputes related to earn-outs and escrows.

The semiconductor manufacturing process is highly complex and, from time to time, manufacturing yields may fall below our expectations, which could result in our inability to satisfy demand for our products in a timely manner and may decrease our gross profit due to higher unit costs

The manufacturing of our products is a highly complex and technologically demanding process. Although we work closely with our foundries and assemblers to minimize the likelihood of reduced manufacturing yields, we have from time to time experienced lower than anticipated manufacturing yields. Changes in manufacturing processes or the inadvertent use of defective or contaminated materials could result in lower than anticipated manufacturing yields or unacceptable performance deficiencies, which could lower our gross profit. If our foundries fail to deliver fabricated silicon wafers of satisfactory quality in a timely manner, we will be unable to meet our customers' demand for our products in a timely manner, which would adversely affect our operating results and damage our customer relationships.

We depend on our customers to support our products, and some of our customers offer competing products

We rely on our customers to provide hardware, software, intellectual property indemnification and other technical support for the products supplied by them. If our customers do not provide the required functionality or satisfactory support for their products, the demand for these devices that incorporate our products may diminish or we may otherwise be materially adversely affected. Any reduction in the demand for these devices would significantly reduce our revenues.

Additionally, in certain products, some of our customers offer their own competitive products. These customers may find it advantageous to support their own offerings in the marketplace in lieu of promoting or using our products.

Changes to and/or our failure to comply with laws and regulations regarding privacy, data security/protection and cybersecurity could have an adverse effect on our operations

We are or may become subject to a variety of laws and regulations regarding privacy, data protection and data security, and cybersecurity, such as the European Union's General Data Protection Regulation ("GDPR") and Cyber Resilience Act of 2024. There are numerous U.S. federal, state, and local laws and regulations and foreign laws and regulations regarding these matters, which often vary in scope, may be subject to differing interpretations, and may be inconsistent among different jurisdictions. The global data protection landscape continues to evolve, and implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future. We may not be able to monitor and react to all developments in a timely manner. The costs of compliance with these laws and regulations may have an adverse effect on our operations. Given that the scope, interpretation and application of these laws and regulations are often uncertain and may be in conflict across jurisdictions, it is possible they may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. Any failure or perceived failure by us to comply with our privacy or security policies, laws and regulations, or any of our contractual commitments regarding these matters, or any compromise of security, may result in governmental enforcement actions, litigation or negative publicity, and could have an adverse effect on our operating results and financial condition.

Our products must conform to industry standards and technology in order to be accepted by end users in our markets

Generally, our products comprise only a part of a device. All components of such devices must uniformly comply with industry standards in order to operate efficiently together. We depend on companies that provide other components of the devices to support prevailing industry standards. Many of these companies are significantly larger and more influential in affecting industry standards than we are. Some industry standards may not be widely adopted or implemented uniformly, and competing standards may emerge that may be preferred by our customers or end users. If larger companies do not support the same industry standards that we do, or if competing standards emerge, market acceptance of our products could be adversely affected which would harm our business.

Products for certain applications are based on industry standards that are continually evolving. Our ability to compete in the future will depend on our ability to identify and ensure compliance with these evolving industry standards. The emergence of new industry standards could render our products incompatible with products developed by other suppliers. As a result, we could be required to invest significant time and effort and to incur significant expense to redesign our products to ensure compliance with relevant standards. If our products are not in compliance with prevailing industry standards for a significant period of time, we could miss opportunities to achieve crucial design wins. For example, the IoT market is continuously evolving and products in the IoT market frequently require interoperability across multiple standards. We may need to adjust our portfolio to meet the needs of this evolving market through acquisitions or significant new investments in research and development.

Our pursuit of necessary technological advances may require substantial time and expense. We may not be successful in developing or using new technologies or in developing new products or product enhancements that achieve market acceptance. If our products fail to achieve market acceptance, our growth prospects, operating results and competitive position could be adversely affected.

Any material weaknesses or other deficiencies, or otherwise failing to maintain an effective system of internal controls, including disclosure controls and procedures, could result in material misstatements of our financial statements or cause us to fail to meet our reporting obligations

We previously identified a material weakness that existed as of the end of our fiscal 2023 and management concluded that our disclosure controls and procedures and internal control over financial reporting were not effective as of December 30, 2023. During the quarter ended December 28, 2024, we successfully completed the testing necessary to conclude that the material weakness had been remediated. Should new material weaknesses arise or be discovered in the future, material misstatements could occur and go undetected in our interim or annual consolidated financial statements. If we fail to remediate any future material weaknesses or maintain proper and effective internal control over financial reporting in the future, we may be required to restate our financial statements, experience delays in satisfying our reporting obligations or

fail to comply with SEC rules and regulations, which could result in investigations and sanctions by regulatory authorities. Any of these results could adversely affect our business and the value of our common stock.

Intellectual Property Risks

Significant litigation over intellectual property in our industry may cause us to become involved in costly and lengthy litigation which could adversely affect our business

The semiconductor and software industries have experienced significant litigation involving patents and other intellectual property rights. From time to time, third parties, including non-practicing entities, allege intellectual property infringement by our products, our customers' products, or products using technologies or communications standards used in our industry. We also receive communications from customers or suppliers requesting indemnification for allegations brought against them by third parties. Some of these allegations have resulted, and may result in the future, in our involvement in litigation. We have certain contractual obligations to defend and indemnify our customers from certain infringement claims. We also have been involved in litigation to protect our intellectual property rights in the past and may become involved in such litigation again in the future.

Given the unpredictable nature of litigation and the complexity of the technology, we may not prevail in any such litigation. Legal proceedings could subject us to significant liability, invalidate our proprietary rights, or harm our businesses and our ability to compete. Legal proceedings initiated by us to protect our intellectual property rights could also result in counterclaims or countersuits against us. Any litigation, regardless of its outcome or merit, could be time-consuming and expensive to resolve and could divert our management's time and attention. Intellectual property litigation also could force us to take specific actions, including:

- Cease using, selling or manufacturing certain products, services or processes;
- Attempt to obtain a license, which license may require the payment of substantial royalties or may not be available on reasonable terms or at all;
- Incur significant costs, time delays and lost business opportunities to develop alternative technologies or redesign products; or
- Pursue legal remedies with third parties to enforce our indemnification rights, which may not adequately protect our interests.

Additionally, we incorporate technology (including software) licensed from third parties in our products. We could be subjected to claims of infringement regardless of our lack of involvement in the development of the licensed technology. Although a third-party licensor is typically obligated to indemnify us if the licensed technology infringes on another party's intellectual property rights, such indemnification is typically limited in amount and may be worthless if the licensor becomes insolvent. Furthermore, any failure of third-party technology to perform properly would adversely affect sales of our products incorporating such technology.

We may be unable to protect our intellectual property, which would negatively affect our ability to compete

Our products rely on our proprietary technology, and we expect that future technological advances made by us will be critical to sustain market acceptance of our products. Therefore, we believe that the protection of our intellectual property rights is and will continue to be important to the success of our business. We rely on a combination of patent, copyright, trademark and trade secret laws and restrictions on disclosure to protect our intellectual property rights. We also enter into confidentiality or license agreements with our employees, consultants, intellectual property providers and business partners, and control access to and distribution of our documentation and other proprietary information. Despite these efforts, unauthorized parties may attempt to copy or otherwise obtain and use our proprietary technology. Monitoring unauthorized use of our technology is difficult, and we cannot be certain that the steps we have taken will prevent unauthorized use of our technology, particularly in foreign countries where the laws may not protect our proprietary rights as fully as in the United States. We cannot be certain that patents will be issued as a result of our pending applications nor can we be certain that any issued patents would protect or benefit us or give us adequate protection from competing products. For example, issued patents may be circumvented or challenged and declared invalid or unenforceable. We also cannot be certain that others will not develop effective competing technologies on their own.

Liquidity and Credit Risks

Disruptions in the financial services industry could adversely affect our operations and financial condition

In the first half of 2023, banking regulators closed three U.S. banks and appointed the Federal Deposit Insurance Corporation ("FDIC") to act as receiver. Although we had no direct exposure to the closed banks, any future bank closures or uncertainty over the broader financial services industry could result in adverse impact. For example, if other financial institutions enter receivership or become insolvent in the future, our ability to access our cash and investments or to draw on our existing lines of credit could be impacted. Concerns regarding the financial services industry may result in less favorable financing terms, including higher interest rates, tighter financial covenants or systemic limitations on access to credit sources, thereby making it more difficult for us to acquire financing on acceptable terms or at all. In addition, inflation and rapid increases in interest rates have led to a decline in the market value of debt securities issued with interest rates below current market interest rates. Sales of such securities prior to their maturity would result in the recognition of losses previously unrealized.

We are subject to credit risks related to our accounts receivable

We do not generally obtain letters of credit or other security for payment from customers, distributors or contract manufacturers. Accordingly, we are not protected against accounts receivable default or bankruptcy by these entities. Our ten largest customers or distributors represent a substantial majority of our accounts receivable. If any such customer or distributor, or a material portion of our smaller customers or distributors, were to become insolvent or otherwise not satisfy their obligations to us, we could be materially harmed.

Any borrowings under our credit agreement or other indebtedness could adversely affect our operations and financial condition

Our ability to make the required payments when due on any debt we may incur depends upon our future performance, which will be subject to general economic conditions, industry cycles and other factors affecting our operations, including risk factors described herein, many of which are beyond our control. Our credit facility also contains covenants, including financial covenants. In May 2024, we received a waiver of the requirement that we meet an interest coverage test for each fiscal quarter through the fiscal first quarter of 2025 and in February 2025 we received an extension of the waiver through the third quarter of 2025. We did not have any outstanding indebtedness under the credit facility while the waiver was in effect. We have not renewed or extended the waiver since its expiration as of October 4, 2025. However, if we breach any of the covenants under our credit facility and are not able to obtain appropriate waivers, then, subject to any applicable cure periods, any outstanding indebtedness thereunder could be declared immediately due and payable.

We could seek to raise additional debt or equity capital in the future, but additional capital may not be available on terms acceptable to us, or at all

We believe that our existing cash, cash equivalents, investments, and credit under our credit facility will be sufficient to meet our working capital needs, capital expenditures, investment requirements and commitments for at least the next 12 months. However, our ability to borrow further under the credit facility is dependent upon our ability to satisfy various conditions, covenants and representations. It is possible that we may need to raise additional funds to finance our activities or to facilitate acquisitions of other businesses, products, intellectual property or technologies. We believe we could raise these funds, if needed, by selling equity or debt securities to the public or to selected investors. In addition, even though we may not need additional funds, we may still elect to sell additional equity or debt securities or obtain credit facilities for other reasons. However, we may not be able to obtain additional funds on favorable terms, or at all, particularly during periods of financial market instability. If we decide to raise additional funds by issuing equity or convertible debt securities, the ownership percentages of existing shareholders would be reduced.

Stock and Governance Risks

Our stock price may be volatile

The market price of our common stock has been volatile in the past and may be volatile in the future. The market price of our common stock may be significantly affected by the following factors:

- Actual or anticipated fluctuations in our operating results;

- Changes in financial estimates by securities analysts or our failure to perform in line with such estimates;
- Changes in market valuations of other technology companies, particularly semiconductor companies;
- Announcements by us or our competitors of significant technical innovations, acquisitions, strategic partnerships, joint ventures or capital commitments;
- Introduction of technologies or product enhancements that reduce the need for our products;
- The loss of, or decrease in sales to, one or more key customers;
- A large sale of stock by a significant shareholder;
- Dilution from the issuance of our stock in connection with acquisitions;
- The addition or removal of our stock to or from a stock index fund; and
- Departures of key personnel.

The stock market has experienced extreme volatility that often has been unrelated to the performance of particular companies. These market fluctuations may cause our stock price to fall regardless of our performance.

Provisions in our charter documents and Delaware law could prevent, delay or impede a change in control of us and may reduce the market price of our common stock

Provisions of our certificate of incorporation and by-laws could have the effect of discouraging, delaying or preventing a merger or acquisition that a stockholder may consider favorable. For example, our certificate of incorporation and by-laws provide for a classified board of directors, blank-check preferred stock, and no ability for stockholders to act by written consent or call a special meeting. Further, our bylaws include advance notice provisions for stockholder nominations of directors or proposals of new business to be considered at a stockholders meeting. Finally, our certificate of incorporation requires a supermajority vote to amend or repeal certain provisions of the certificate. We also are subject to the anti-takeover laws of Delaware which may discourage, delay or prevent someone from acquiring or merging with us, which may adversely affect the market price of our common stock.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

There were no repurchases of our common stock during the three months ended October 3, 2026.

Item 3. Defaults Upon Senior Securities

Not applicable

Item 4. Mine Safety Disclosures

Not applicable

Item 5. Other Information

Rule 10b5-1 Trading Arrangements

There were no contracts, instructions or written plans for the purchase or sale of our securities intended to satisfy the affirmative defense conditions of Rule 10b5-1(c), nor were there any non-Rule 10b5-1 trading arrangements, entered into or terminated by our directors and officers (as defined under Rule 16b-1(f) of the Exchange Act) during the quarter ended October 3, 2026.

Item 6. Exhibits

The following exhibits are filed as part of this report:

Exhibit Number	
3.1*	Fifth Amended and Restated Certificate of Incorporation (filed as Exhibit 3.1 to the Form 10-Q filed on August 5, 2025).
3.2*	Sixth Amended and Restated Bylaws of Silicon Laboratories Inc. (filed as Exhibit 3.1 to the Form 8-K filed on April 21, 2023).
4.1*	Specimen certificate for shares of common stock (filed as Exhibit 4.1 to the IPO Registration Statement).
10.1	Silicon Laboratories Inc. 2009 Stock Incentive Plan (As Amended and Restated on October 22, 2026).
31.1	Certification of the Principal Executive Officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Principal Financial Officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification as required by Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Incorporated herein by reference to the indicated filing.

** Furnished herewith.

SIGNATURES

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 thereunto duly authorized.

SILICON LABORATORIES INC.

November 10, 2026	/s/ R. Matthew Johnson
Date	R. Matthew Johnson *President and* *Chief Executive Officer* *(Principal Executive Officer)*
November 10, 2026	/s/ Dean Butler
Date	Dean Butler *Senior Vice President and* *Chief Financial Officer* *(Principal Financial Officer)*
November 10, 2026	/s/ Mark D. Mauldin
Date	Mark D. Mauldin *Chief Accounting Officer* *(Principal Accounting Officer)*

SILICON LABORATORIES INC.

2009 STOCK INCENTIVE PLAN
(as Amended and Restated on October 22, 2026)

ARTICLE 1. PURPOSES OF THE PLAN

The purposes of the Silicon Laboratories Inc. 2009 Stock Incentive Plan (the "Plan") are to attract and retain the best available personnel, to provide additional incentives to Employees, Directors and Consultants and to promote the success of the Company's business by linking the personal interests of the Directors, Employees, and Consultants to those of Company stockholders and by providing such individuals with an incentive for outstanding performance to generate superior returns to Company stockholders.

ARTICLE 2. DEFINITIONS

Wherever the following terms are used in the Plan they shall have the meanings specified below, unless the context clearly indicates otherwise. The singular pronoun shall include the plural where the context so indicates.

2.1 "Affiliate" shall have the meaning ascribed to such term in Rule 12b-2 promulgated under the Exchange Act. The Board shall have the authority to determine the time or times at which "Affiliate" status is determined within the foregoing definition.

2.2 "Award" means an Option, an award of Restricted Stock, a Stock Appreciation Right, an award of Performance Shares, an award of Performance Stock Units, an award of Restricted Stock Units, a Performance-Based Award or any other right or benefit, including any other Award under Article 8, granted to a Participant pursuant to the Plan.

2.3 "Award Agreement" means any written agreement, contract, or other instrument or document evidencing the terms and conditions of an Award, including through electronic medium.

2.4 "Board" means the Board of Directors of the Company.

2.5 "Change in Control" means and includes each of the following:

(a) A transaction or series of transactions (other than an offering of the Shares to the general public through a registration statement filed with the Securities and Exchange Commission) whereby any "person" or related "group" of "persons" (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) (other than the Company, any of its subsidiaries, an employee benefit plan maintained by the Company or any of its subsidiaries or a "person" that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing more than 50% of the total combined voting power of the Company's securities outstanding immediately after such acquisition; or

(b) During any period of two consecutive years, individuals who, at the beginning of such period, constitute the Board together with any new Director(s) (other than a Director designated by a person who shall have entered into an agreement with the Company to effect a transaction described in Section 2.5(a) or Section 2.5(c) hereof) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the Directors then still in office who either were Directors at the beginning of the two-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(c) The consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) of (x) a merger, consolidation, reorganization, or business combination or (y) a sale or other disposition of all or substantially all of the Company's assets in any single transaction or series of related transactions or (z) the acquisition of assets or stock of another entity, in each case other than a transaction:

(i) Which results in the Company's voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company's assets or otherwise succeeds to the business of the Company (the Company or such person, the "Successor Entity")) directly or indirectly, at least a majority of the combined voting power of the Successor Entity's outstanding voting securities immediately after the transaction, and

(ii) After which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the Successor Entity; *provided, however,* that no person or group shall be treated for purposes of this Section 2.5(c)(ii) as beneficially owning 50% or more of the combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction; or

(d) The Company's stockholders approve a liquidation or dissolution of the Company.

Notwithstanding anything to the contrary in the foregoing, a transaction shall not constitute a Change in Control if it is effected for the purpose of changing the place of incorporation or form of organization of the ultimate parent entity (including where the Company is succeeded by an issuer incorporated under the laws of another state, country or foreign government for such purpose and whether or not the Company remains in existence following such transaction) where all or substantially all of the persons or group that beneficially own all or substantially all of the combined voting power of the Company's voting securities immediately prior to the transaction beneficially own all or substantially all of the combined voting power of the Company or the ultimate parent entity in substantially the same proportions of their ownership after the transaction.

2.6 Further, if a Change in Control constitutes a payment event with respect to any Award which provides for the deferral of compensation and is subject to Section 409A of the Code, in order to make payment upon such Change in Control, the transaction or event described above with respect to such Award must also constitute a "change in ownership," a "change in the effective control" or a "change in the ownership of substantial assets" of the Company within the meaning of Treasury Regulation Section 1.409A-3(i)(5) (or any successor provision), and if it does not, payment of such Award will be made pursuant to the Award's original payment schedule or, if earlier, upon the death of the Participant, unless otherwise provided in the Award Agreement.

2.7 "Code" means the U.S. Internal Revenue Code of 1986, as amended.

2.8 "Committee" means the committee of the Board appointed or described in Article 11 to administer the Plan.

2.9 "Common Stock" means the common stock of the Company, par value $0.0001 per share, and such other securities of the Company or another entity that may be substituted for the common stock of the Company pursuant to Article 10 or by operation of law, including in connection with a Change in Control the substituted securities of the applicable successor or survivor corporation, or parent or subsidiary entity thereof with respect to which Awards are assumed or converted into Awards for the substituted securities of such entity (the "Acquiror Entity").

2.10 "Company" means Silicon Laboratories Inc., a Delaware corporation and its successor by operation of law and following a Change in Control means Silicon Laboratories Inc., a Delaware corporation, or its successor or such applicable Acquiror Entity that assumes or converts Awards into awards for its securities in connection with such Change in Control.

2.11 "Consultant" means any consultant or adviser if: (a) the consultant or advisor renders bona fide services to the Company or any Subsidiary or Affiliate; (b) the services rendered by the consultant or advisor are not in connection with the offer or sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities; and (c) the consultant or advisor is a natural person.

2.12 "Director" means a member of the Board.

2.13 "Disability" means, unless otherwise provided in the Award Agreement, that the Participant would qualify to receive benefit payments under the long-term disability policy, as it may be amended from time to time, of the Company or the Subsidiary or Affiliate to which the Participant provides services, regardless of whether the Participant is covered by such policy. If the Company or the Subsidiary or Affiliate to which the Participant provides service does not have a long-term disability plan in place, "Disability" means that a Participant is unable to carry out the responsibilities and functions of the position held by the Participant by reason of any medically determined physical or mental impairment for a period of not less than ninety (90) consecutive days. A Participant shall not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Board

(or its delegate) in its discretion. Notwithstanding the foregoing, for purposes of Incentive Stock Options granted under the Plan, "Disability" means that the Participant is disabled within the meaning of Section 22(e)(3) of the Code and for purposes of an Award that is subject to Section 409A of the Code, shall mean a "Disability," within the meaning of Section 409A of the Code to the extent necessary to comply with Section 409A of the Code.

2.14 "Dividend Equivalent" means a right granted to a Participant related to the Award of Restricted Stock, Restricted Stock Units, Performance Shares and/or Performance Stock Units, which is a right to accrue the equivalent value of dividends paid on the Shares prior to vesting of the Award (or prior to payment of an Award that is subject to deferred settlement). Such Dividend Equivalents shall be converted to cash or additional Shares, or a combination of cash and Shares, by such formula and at such time and subject to such limitations as may be determined by the Committee, provided, however, that in no event shall Dividend Equivalents be paid on any Award that is not vested or that does not become vested in accordance with its terms. No dividends or Dividend Equivalents shall be paid on any Award prior to the vesting or earning of the underlying Award, and any accrued dividends or Dividend Equivalents shall be forfeited to the extent the underlying Award is forfeited or not earned.

2.15 "Eligible Individual" means any person who is an Employee, a Consultant or a Director, as determined by the Committee.

2.16 "Employee" means a full time or part time employee of the Company or any Subsidiary or Affiliate, including an officer or Director, who is treated as an employee in the personnel records of the Company or Subsidiary or Affiliate for the relevant period, but shall exclude individuals who are classified by the Company or Subsidiary or Affiliate as (a) independent contractors or (b) intermittent or temporary, even if any such classification is changed retroactively as a result of an audit, litigation or otherwise. A Participant shall not cease to be an Employee in the case of (i) any vacation or sick time or otherwise approved paid time off in accordance with the Company's or Subsidiary or Affiliate's policy or (ii) transfers between locations of the Company or between the Company, a Subsidiary, and/or Affiliate. Neither services as a Director nor payment of a Director's fee by the Company or a Subsidiary or Affiliate shall be sufficient to constitute "employment" by the Company or any Subsidiary or Affiliate.

2.17 "Equity Restructuring" shall mean a nonreciprocal transaction between the Company and its stockholders, such as a stock dividend, stock split, spin-off, rights offering or recapitalization through a large, nonrecurring cash dividend, that affects the Shares (or other securities of the Company) or the price of Shares (or other securities) and causes a change in the per share value of the Shares underlying outstanding Awards.

2.18 "Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended.

2.19 "Fair Market Value" means, as of any given date, (a) if Shares are traded on any established stock exchange, the closing price of a Share for the regular or primary trading session as quoted on the principal exchange on which the Shares are listed, as reported in the

Wall Street Journal (or such other source as the Company may deem reliable for such purposes) for such date, or if no sale occurred on such date, the closing price of a Share for the regular or primary trading session for the first trading date immediately prior to such date during which a sale occurred; or (b) if Shares are not traded on an exchange but are regularly quoted on a national market or other quotation system, the closing sales price for the regular or primary trading session on such date as quoted on such market or system, or if no sales occurred on such date, then the closing sales price for the regular or primary trading session on the date immediately prior to such date on which sales prices are reported; or (c) in the absence of an established market for the Shares of the type described in (a) or (b) of this Section 2.18, the fair market value established by the Committee acting in good faith to be reasonable and in compliance with Section 409A of the Code to the extent necessary to exempt an Award from or comply with Section 409A of the Code.

Notwithstanding the foregoing, for income tax reporting purposes under U.S. federal, state, local or non-US law and for such other purposes as the Committee deems appropriate, including, without limitation, where Fair Market Value is used in reference to exercise, vesting, settlement or payout of an Award, the Fair Market Value shall be determined by the Company in accordance with uniform and nondiscriminatory standards adopted by it from time to time.

2.20 "Incentive Stock Option" means an Option that is intended to meet the requirements of Section 422 of the Code or any successor provision thereto.

2.21 "Independent Director" means a Director of the Company who is not an Employee.

2.22 "Involuntary Termination" shall have the meaning ascribed to such term or equivalent term(s) in the Award Agreement or other written agreement between the Participant and the Company or a Subsidiary or Affiliate applicable to the Award, or if the term is not defined in the Award Agreement or such other written agreement, shall mean the termination of the employment or service of any Participant which occurs by reason of:

(a) such Participant's involuntary dismissal or discharge by the Company or a Subsidiary or Affiliate for reasons other than Misconduct, or

(b) such Participant's voluntary resignation following the initial existence of any of the following conditions: (A) a material diminution in the Participant's authority, duties or responsibilities, (B) a reduction in the Participant's base salary by more than 10%, (C) a reduction in the Participant's total cash compensation (including base salary and target bonus potential) by more than 10%, or (D) a material change in the geographic location at which the Participant must perform services (including, without limitation, a change in the Participant's assigned workplace that increases the Participant's one-way commute by more than 35 miles), provided and only if such diminution, reduction or change is effected by the Company without the Participant's written consent. No voluntary resignation by the Participant pursuant to part (A), (B), (C) or (D) hereof shall be treated as an Involuntary Termination unless the Participant gives written notice to the Committee advising the Company of such intended resignation (along with the facts and circumstances constituting the condition asserted as the reason for such

resignation) within 30 days after the time the Participant becomes aware of the existence of such condition and provides the Company a cure period of 30 days following such date that notice is delivered. If the Committee determines that the asserted condition exists and the Company does not cure such condition within the 30-day cure period, the Participant's termination of employment or service shall be effective on such 30th day of the cure period.

2.23 "Misconduct" shall mean, unless otherwise provided in the Award Agreement, the commission of any act of fraud, embezzlement or dishonesty by the Participant, any unauthorized use or disclosure by such person of confidential information or trade secrets of the Company (or any Subsidiary or Affiliate) or any intentional wrongdoing by such person, whether by omission or commission, which adversely affects the business or affairs of the Company (or any Subsidiary or Affiliate) in a material manner, as determined by the Committee, in its sole discretion. This shall not limit the grounds for the dismissal or discharge of any person in the employment or service of the Company (or any Subsidiary or Affiliate).

2.24 "Non-Employee Director" means a Director of the Company who qualifies as a "Non-Employee Director" as defined in Rule 16b-3(b)(3) under the Exchange Act, or any successor rule.

2.25 "Non-Qualified Stock Option" means an Option that is not intended to be an Incentive Stock Option.

2.26 "Option" means a right granted to a Participant pursuant to Article 5 to purchase a specified number of Shares at a specified price during specified time periods. An Option may be either an Incentive Stock Option or a Non-Qualified Stock Option.

2.27 "Participant" means any Eligible Individual who, as a Director, Consultant, or Employee, has been granted an Award pursuant to the Plan.

2.28 "Performance-Based Award" means an Award that is based on Performance Criteria or Performance Goals.

2.29 "Performance Criteria" means the objective or subjective criteria that the Committee selects for purposes of establishing the Performance Goal or Performance Goals for a Participant for a Performance Period. Objective Performance Criteria that may be used to establish Performance Goals may include one or more of the following, without limitation: earnings or net earnings (either before or after interest, taxes, depreciation and amortization), economic value-added, sales or revenue, income, net income (either before or after taxes), operating earnings, cash flow (including, but not limited to, operating cash flow and free cash flow), cash flow return on capital, return on assets or net assets, return on stockholders' equity, return on capital, stockholder returns, return on sales, gross or net profit margin, productivity, expense, margins, operating efficiency, customer satisfaction, working capital, earnings per share, price per Share, market share, new products, customer penetration, technology and risk management, any of which may be measured either in absolute terms or as compared to any incremental increase or as compared to results of a peer group or securities or stock market index. The Committee shall define in an objective fashion the manner of calculating the

objective Performance Criteria it selects to use for such Performance Period for such Participant. Performance Criteria based on subjective criteria shall be determined on the basis established by the Committee in granting the Award.

2.30 "Performance Goals" means, for a Performance Period, the goals established in writing by the Committee for the Performance Period based upon the Performance Criteria. Depending on the Performance Criteria used to establish such Performance Goals, the Performance Goals may be expressed in terms of overall Company performance, the performance of a Subsidiary or Affiliate, the performance of a division, department, or business unit of the Company or a Subsidiary or Affiliate, or the performance of an individual. The Committee, in its discretion, may appropriately adjust or modify the calculation of Performance Goals for such Performance Period (a) in the event of, or in anticipation of, any unusual or infrequently occurring corporate item, transaction, event, or development, or (b) in recognition of, or in anticipation of, any other unusual, infrequently occurring or nonrecurring events affecting the Company, or the financial statements of the Company, or in response to, or in anticipation of, changes in applicable laws, regulations, accounting principles, or business conditions.

2.31 "Performance Period" means one or more periods of time, which may be of varying and overlapping durations, as the Committee may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to, and the payment of, a Performance-Based Award.

2.32 "Performance Share" means a right granted to a Participant pursuant to Section 8.1 hereof, to receive Shares, the payment of which is contingent upon achieving certain Performance Goals or other performance-based targets established by the Committee.

2.33 "Performance Stock Unit" means a right granted to a Participant pursuant to Section 8.2 hereof, to receive Shares (or value of Shares in cash), the payment of which is contingent upon achieving certain Performance Goals or other performance-based targets established by the Committee.

2.34 "Plan" means this 2009 Stock Incentive Plan, as amended and restated, and as it may be further amended from time to time.

2.35 "Prior Pool" shall have the meaning assigned to it in Section 3.1(a) hereof.

2.36 "Restricted Stock" means Shares awarded to a Participant pursuant to Article 6 that are subject to certain restrictions as set forth in the Award Agreement.

2.37 "Restricted Stock Unit" means an Award granted pursuant to Section 8.3 hereof and shall be evidenced by a bookkeeping entry representing the equivalent of one Share.

2.38 "Section 409A Compliance" shall have the meaning assigned to it in Section 9.5 hereof.

2.39 "Securities Act" shall mean the U.S. Securities Act of 1933, as amended.

2.40 "Share" means a share of Common Stock.

2.41 "Stock Appreciation Right" or "SAR" means a right granted pursuant to Article 7 to receive a payment equal to the excess of the Fair Market Value of a specified number of Shares on the date the SAR is exercised over the grant price of the SAR, as set forth in the applicable Award Agreement.

2.42 "Subsidiary" means any "subsidiary corporation" as defined in Section 424(f) of the Code and any applicable regulations promulgated thereunder or any other entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company.

ARTICLE 3. SHARES SUBJECT TO THE PLAN

3.1 Number of Shares. Subject to Article 10, the aggregate number of Shares which may be issued or transferred pursuant to the exercise of Incentive Stock Options under the Plan shall be 14,770,000 Shares, and the aggregate number of Shares which may be issued or transferred pursuant to Awards under the Plan other than Incentive Stock Options shall be 14,770,000 Shares reduced by the number of Shares issued pursuant to Incentive Stock Options, which reflects an increase of 1,400,000 in the number of Shares authorized for issuance under the Plan as of its prior amendment and restatement on April 22, 2021.

(a) Share Reserve Counting. Shares subject to Awards granted under the Plan shall be counted against the maximum limit set forth in this Section 3.1 as one (1) Share for every one (1) Share subject to the granted Award. Effective for Awards granted after the 2017 Amendment Date, the Company shall no longer apply the share counting rules established under the Plan for the share reserve available under the Plan prior to its amendment and restatement on April 15, 2014 (the "Prior Pool").

(b) Shares Reissuable Under Plan. To the extent that an Award terminates, expires, lapses for any reason, or is settled in cash, any Shares subject to the Award shall again be available for the grant of an Award pursuant to the Plan. Any Shares that become available for the grant of Awards pursuant to this Section 3.1(b) shall be added back as one (1) Share for each Share subject to each type of Award, without regard to whether such Award was granted under the Prior Pool and, at grant, was counted against the maximum share limit as more than one (1) Share. Notwithstanding the provisions of this Section 3.1(b), no Shares may again be optioned, granted, or awarded if such action would cause an Incentive Stock Option to fail to qualify as an incentive stock option under Section 422 of the Code

(c) Shares Not Counted Against Share Pool Reserve. To the extent permitted by applicable law and/or any applicable stock exchange rule, Shares issued in assumption of, or in substitution for, any outstanding awards of any entity acquired in any form of combination by the Company or any Subsidiary or Affiliate ("Substitute Awards") shall not be counted against Shares available for grant pursuant to this Plan. Additionally, to the extent permitted by

applicable law and/or any applicable stock exchange rule in the event that a company acquired by the Company or any company with which the Company or any Subsidiary or Affiliate combines has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as appropriately adjusted to reflect the transaction) may be used for grants of Awards under the Plan and shall not reduce the Shares available for issuance under the Plan, and Shares subject to such Awards (which, for the avoidance of doubt, exclude Substitute Awards) may again become available for Awards under the Plan as provided under Section 3.1(b) above; provided that Awards using such available shares (or any Shares that again become available for issuance under the Plan under Section 3.1(b) above): (i) shall not be granted after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination; (ii) shall be made only to individuals who were not Employees, Directors or Consultants of the Company or any of its Subsidiaries or Affiliates prior to such acquisition or combination; and (iii) shall otherwise be granted in compliance with applicable stock exchange listing standards. In addition, the payment of Dividend Equivalents in cash pursuant to any outstanding Awards shall not be counted against the Shares available for issuance under the Plan.

(d) Shares Not Reissuable Under Plan. Notwithstanding the foregoing, the following Shares shall not be added to the Shares authorized for grant under Section 3.1: (i) any Shares tendered by a Participant or withheld by the Company to satisfy the grant or exercise price or tax withholding obligation pursuant to any Award (including tax withholding for any stock-settled Award); (ii) Shares not issued or delivered as a result of the net settlement of an outstanding Award and (iii) Shares repurchased by the Company on the open market with the proceeds of the exercise price from Options.

3.2 Shares Distributed. Any Shares distributed pursuant to an Award may consist, in whole or in part, of authorized and unissued Shares, treasury Shares or Shares purchased on the open market.

3.3 Limitation on Number of Shares Subject to Awards. Notwithstanding any provision in the Plan to the contrary, and subject to Article 10, the maximum number of Shares with respect to one or more Awards that may be granted to any one Participant during any calendar year shall be 1,000,000 Shares, and the maximum amount that may be paid in cash during any calendar year with respect to any Award shall be $30,000,000.

3.4 Non-Employee Director Award Limit. Notwithstanding any provision to the contrary in the Plan or in any policy of the Company regarding compensation payable to an Independent Director, the sum of the grant date fair value (determined as of the grant date in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, or any successor thereto) of all Awards payable in Common Stock and the maximum amount that may become payable pursuant to all cash-based Awards that may be granted under the Plan to an individual as compensation for services as an Independent Director, together with cash compensation paid to the Independent Director in the form Board

and Committee retainer, meeting or similar fees, during any calendar year shall not exceed $750,000.

ARTICLE 4. ELIGIBILITY, PARTICIPATION, AND MINIMUM VESTING REQUIREMENTS

4.1 Eligibility. Each Eligible Individual shall be eligible to be granted one or more Awards pursuant to the Plan. An Eligible Individual who is subject to taxation in the U.S. and who is a service provider to an Affiliate may be granted Options or SARs under this Plan only if, with respect to the Affiliate, the Company qualifies as an "eligible issuer of service recipient stock" within the meaning of §1.409A-1(b)(5)(iii)(E) of the Treasury Regulations promulgated under Section 409A of the Code (or any successor provision).

4.2 Participation. Subject to the provisions of the Plan, the Committee may, from time to time, select from among all Eligible Individuals those to whom Awards shall be granted and shall determine the nature and amount of each Award. No Eligible Individual shall have any right to be granted an Award pursuant to this Plan, and the grant of an Award to an Eligible Individual shall not imply any entitlement to receive future Awards.

4.3 Minimum Vesting Requirements. Notwithstanding any other provision of the Plan, except (i) in connection with Substitute Awards, (ii) Awards that may be settled only in cash, (iii) Awards granted to Independent Directors that vest in connection with the next annual meeting of the Company's stockholders held at least 50 weeks following the date of grant of the Award, (iv) immediately vested Awards granted in lieu of cash compensation or (v) an adjustment provided for in Article 10, no portion of an Award granted on or after the 2017 Amendment Date may vest before the first anniversary of the date of grant, subject to earlier vesting in whole or in part as contemplated in Article 10 hereof or otherwise in connection with a Change in Control or upon a Participant's death or Disability; provided, however, that the Company may grant Awards with respect to up to five percent (5%) of the number of Shares reserved under Section 3.1 without regard to the minimum vesting period set forth in this Section 4.3.

ARTICLE 5. STOCK OPTIONS

5.1 General. The Committee is authorized to grant Options to Eligible Individuals on the following terms and conditions:

(a) Exercise Price. The exercise price per Share subject to an Option shall be determined by the Committee and set forth in the Award Agreement; provided that, subject to Section 5.2(c) hereof, the per Share exercise price for any Option shall not be less than 100% of the Fair Market Value of a Share on the date of grant.

(b) Time and Conditions of Exercise. Subject to Section 4.3, the Committee shall determine the time or times at which an Option may be exercised in whole or in part; *provided* that the term of any Option granted under the Plan shall not exceed ten years. The

Committee shall also determine the performance or other conditions, if any, that must be satisfied before all or part of an Option may be exercised.

(c) Payment. The Committee shall determine the methods by which the exercise price of an Option may be paid, potentially including the following methods: (i) cash or check, (ii) surrender of Shares or delivery of a properly executed form of attestation of ownership of Shares as the Committee may require (including withholding of Shares otherwise deliverable upon exercise of the Award) which have a Fair Market Value on the date of surrender of attestation equal to the aggregate exercise price of the Shares as to which the Award shall be exercised, (iii) promissory note bearing interest at no less than such rate as shall then preclude the imputation of interest under the Code, (iv) other property acceptable to the Committee (including through the delivery of a notice that the Participant has placed a market sell order with a broker with respect to Shares then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the Option exercise price and applicable withholding taxes; *provided* that payment of such proceeds is then made to the Company upon settlement of such sale), (v) by a "net exercise" arrangement pursuant to which the number of Shares issuable upon exercise of the Option shall be reduced by the largest whole number of Shares having an aggregate Fair Market Value that does not exceed the aggregate exercise price (plus withholding taxes, if applicable) and any remaining balance of the aggregate exercise price (and/or applicable withholding taxes) not satisfied by such reduction in the number of whole Shares to be issued shall be paid by Participant in cash or other form of payment approved by the Committee, or (vi) any combination of the foregoing methods of payment. The Award Agreement will specify the methods of paying the exercise price available to Participants. The Committee shall also determine the methods by which Shares shall be delivered or deemed to be delivered to Participants. Notwithstanding any other provision of the Plan to the contrary, no Participant who is a Director or an "executive officer" of the Company within the meaning of Section 13(k) of the Exchange Act shall be permitted to pay the exercise price of an Option, or continue any extension of credit with respect to the exercise price of an Option with a loan from the Company or a loan arranged by the Company in violation of Section 13(k) of the Exchange Act.

(d) Evidence of Grant. All Options shall be evidenced by an Award Agreement between the Company and the Participant. The Award Agreement shall include such additional provisions as may be specified by the Committee.

5.2 Incentive Stock Options. Incentive Stock Options shall be granted only to Employees of the Company or any Subsidiary, and the terms of any Incentive Stock Options granted pursuant to the Plan, in addition to the requirements of Section 5.1 hereof, must comply with the provisions of this Section 5.2.

(a) Expiration. Subject to Section 5.1(b) and Section 5.2(c) hereof, an Incentive Stock Option may not be exercised as an Incentive Stock Option to any extent by anyone after the first to occur of the following events:

(i) Ten years from the date it is granted, unless an earlier time is set in the Award Agreement;

(ii) Three months after the Participant's termination of employment as an Employee; and

(iii) One year after the date of the Participant's termination of employment or service on account of death, or Disability within the meaning of Section 22(e)(3) of the Code. Upon the Participant's Disability or death, any Incentive Stock Options exercisable at the Participant's Disability or death may be exercised by the Participant's legal representative or representatives, by the person or persons entitled to do so pursuant to the Participant's last will and testament, or, if the Participant fails to make testamentary disposition of such Incentive Stock Option or dies intestate, by the person or persons entitled to receive the Incentive Stock Option pursuant to the applicable laws of descent and distribution.

(b) Dollar Limitation. The aggregate Fair Market Value (determined as of the time the Option is granted) of all Shares with respect to which Incentive Stock Options are first exercisable by a Participant in any calendar year may not exceed $100,000 or such other limitation as imposed by Section 422(d) of the Code, or any successor provision. To the extent that Incentive Stock Options are first exercisable by a Participant in excess of such limitation, the excess shall be considered Non-Qualified Stock Options.

(c) Ten Percent Owners. An Incentive Stock Option shall be granted to any individual who, at the date of grant, owns stock possessing more than ten percent of the total combined voting power of all classes of Shares of the Company only if such Option is granted with an exercise price per Share that is not less than 110% of the Fair Market Value of a Share on the date of grant and the Option is exercisable for no more than five years from the date of grant.

(d) Notice of Disposition. The Participant shall give the Company prompt notice of any disposition of Shares acquired by exercise of an Incentive Stock Option within (i) two years from the date of grant of such Incentive Stock Option or (ii) one year after the transfer of such Shares to the Participant.

(e) Right to Exercise. During a Participant's lifetime, an Incentive Stock Option may be exercised only by the Participant.

(f) Failure to Meet Requirements. Any Option (or portion thereof) purported to be an Incentive Stock Option, which, for any reason, fails to meet the requirements of Section 422 of the Code shall be considered a Non-Qualified Stock Option.

ARTICLE 6. RESTRICTED STOCK AWARDS

6.1 Grant of Restricted Stock. The Committee is authorized to make Awards of Restricted Stock to any Eligible Individual selected by the Committee in such amounts and subject to such terms and conditions as determined by the Committee. All Awards of Restricted Stock shall be evidenced by an Award Agreement.

6.2 Purchase Price. At the time of the grant of an Award of Restricted Stock, the Committee shall determine the price, if any, to be paid by the Participant for each Share subject to the Award of Restricted Stock. To the extent required by applicable law, the price to be paid by the Participant for each Share subject to the Award of Restricted Stock shall not be less than the par value of a Share (or such higher amount required by applicable law). The purchase price of Shares acquired pursuant to the Award of Restricted Stock shall be paid either: (i) in cash at the time of purchase; (ii) at the sole discretion of the Committee, by services rendered or to be rendered to the Company or a Subsidiary or Affiliate; or (iii) in any other form of legal consideration that may be acceptable to the Committee in its sole discretion and in compliance with applicable law.

6.3 Issuance and Restrictions. Restricted Stock shall be subject to such restrictions on transferability and other restrictions as the Committee may impose (including, without limitation, limitations on the right to vote Restricted Stock). These restrictions may lapse separately or in combination at such times, pursuant to such circumstances, in such installments, or otherwise, as the Committee determines at the time of the grant of the Award or thereafter. Further, notwithstanding any provision herein to the contrary, no dividends will be paid on Restricted Stock that has not vested; however, the Committee, in its discretion, may authorize the accrual of Dividend Equivalents on Restricted Stock.

6.4 Forfeiture. Subject to Section 4.3, except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, upon termination of employment or service during the applicable restriction period, Restricted Stock that is at that time subject to restrictions shall be forfeited; provided, however, that the Committee may (a) provide in any Restricted Stock Award Agreement that restrictions or forfeiture conditions relating to Restricted Stock will be waived in whole or in part in the event of terminations resulting from specified causes, and (b) in other cases waive in whole or in part restrictions or forfeiture conditions relating to Restricted Stock.

6.5 Certificates for Restricted Stock. Restricted Stock granted pursuant to the Plan may be evidenced in such manner as the Committee shall determine. If certificates representing shares of Restricted Stock are registered in the name of the Participant, certificates must bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock, and the Company may, at its discretion, retain physical possession of the certificate until such time as all applicable restrictions lapse.

ARTICLE 7. STOCK APPRECIATION RIGHTS

7.1 Grant of Stock Appreciation Rights.

(a) A Stock Appreciation Right may be granted to any Eligible Individual selected by the Committee. A Stock Appreciation Right shall be subject to such terms and conditions not inconsistent with the Plan as the Committee shall impose and shall be evidenced by an Award Agreement, provided that the term of any Stock Appreciation Right shall not exceed ten years.

(b) A Stock Appreciation Right shall entitle the Participant (or other person entitled to exercise the Stock Appreciation Right pursuant to the Plan) to exercise all or a specified portion of the Stock Appreciation Right (to the extent then exercisable pursuant to its terms) and to receive from the Company an amount equal to the product of (i) the excess of (A) the Fair Market Value of the Shares on the date the Stock Appreciation Right is exercised over (B) the grant price of the Stock Appreciation Right and (ii) the number of Shares with respect to which the Stock Appreciation Right is exercised, subject to any limitations the Committee may impose.

(c) Grant Price. The grant price per Share subject to a Stock Appreciation Right shall be determined by the Committee and set forth in the Award Agreement; provided that, the per Share grant price for any Stock Appreciation Right shall not be less than 100% of the Fair Market Value of a Share on the date of grant.

7.2 Payment and Limitations on Exercise.

(a) Subject to Section 7.2(b) hereof, payment of the amounts determined under Section 7.1(b) hereof shall be in cash, in Shares (based on the Fair Market Value per Share as of the date the Stock Appreciation Right is exercised) or a combination of both, as determined by the Committee.

(b) To the extent any payment under Section 7.1(b) hereof is effected in Shares, it shall be made subject to satisfaction of all applicable provisions of Article 5 pertaining to Options.

ARTICLE 8. OTHER TYPES OF AWARDS

8.1 Performance Share Awards. Any Eligible Individual selected by the Committee may be granted one or more Awards of Performance Shares which shall be denominated in a number of Shares and which may be linked to any one or more of the Performance Criteria or other specific performance criteria determined appropriate by the Committee, in each case on a specified date or dates or over any period or periods determined by the Committee. In making such determinations, the Committee shall consider (among such other factors as it deems relevant in light of the specific type of award) the contributions, responsibilities and other compensation of the particular Participant. No dividends will be paid on Performance Shares that have not vested; however, the Committee, in its discretion, may authorize the accrual of Dividend Equivalents with respect to outstanding Performance Share Awards.

8.2 Performance Stock Units. Any Eligible Individual selected by the Committee may be granted one or more Performance Stock Unit awards which shall be denominated in unit equivalents of Shares and/or units of value, including a dollar value, of Shares and which may be linked to any one or more of the Performance Criteria or other specific performance criteria determined appropriate by the Committee, in each case on a specified date or dates or over any period or periods determined by the Committee. In making such determinations, the Committee shall consider (among such other factors as it deems relevant in light of the specific type of award) the contributions, responsibilities and other compensation of the particular

Participant. On the vesting date, the Company shall, subject to Section 9.4(a), transfer to the Participant one unrestricted, fully transferable Share for each Performance Stock Unit scheduled to be paid out on such date and not previously forfeited. Alternatively, settlement of a Performance Stock Unit may be made in cash (in an amount reflecting the Fair Market Value of Shares that would have been issued) or any combination of cash and Shares, as determined by the Committee, in its sole discretion. No dividends will be paid on Performance Stock Units that have not vested; however, the Committee, in its discretion, may authorize the accrual of Dividend Equivalents with respect to outstanding Performance Stock Units.

8.3 Restricted Stock Units. The Committee is authorized to make Awards of Restricted Stock Units to any Eligible Individual selected by the Committee in such amounts and subject to such terms and conditions as determined by the Committee. At the time of grant, the Committee shall specify the date or dates on which the Restricted Stock Units shall become fully vested and nonforfeitable, and may specify such conditions to vesting as it deems appropriate. The vesting conditions may be based on the passage of time or the attainment of performance-based conditions. On the settlement date, the Company shall, subject to Section 9.4(a) hereof and satisfaction of applicable withholding taxes (as further set forth in Section 14.3 hereof), transfer to the Participant one unrestricted, fully transferable Share for each Restricted Stock Unit scheduled to be paid out on such date and not previously forfeited. Alternatively, settlement of a Restricted Stock Unit may be made in cash (in an amount reflecting the Fair Market Value of Shares that would have been issued) or any combination of cash and Shares, as determined by the Committee, in its sole discretion, in either case, less applicable withholding taxes (as further set forth in Section 14.3 hereof). No dividends will be paid on Restricted Stock Units that have not vested; however, the Committee, in its discretion, may authorize the accrual of Dividend Equivalents with respect to outstanding Restricted Stock Units.

8.4 Other Awards. The Committee is authorized under the Plan to make any other Award to an Eligible Individual that is not inconsistent with the provisions of the Plan and that by its terms involves or might involve the issuance of (i) Shares, (ii) a right with an exercise or conversion privilege related to the passage of time, the occurrence of one or more events, or the satisfaction of performance criteria or other conditions, or (iii) any other right with the value derived from the value of the Shares. The Committee may establish one or more separate programs under the Plan for the purpose of issuing particular forms of Awards to one or more classes of Participants on such terms and conditions as determined by the Committee from time to time.

8.5 Vesting. Subject to Section 4.3, the vesting conditions applicable to an Award granted pursuant to Article 8 shall be set by the Committee in its discretion.

8.6 Term. Except as otherwise provided herein, the term of any Award of Performance Shares, Performance Stock Units, Restricted Stock Units and any other Award granted pursuant to this Article 8 shall be set by the Committee in its discretion.

8.7 Exercise or Purchase Price. The Committee may establish the exercise or purchase price, if any, of any Award of Performance Shares, Performance Stock Units,

Restricted Stock Units and any other Award granted pursuant to this Article 8; *provided, however*, that such price shall not be less than the par value of a Share on the date of grant, unless otherwise permitted by applicable state law.

8.8 Exercise or Settlement upon Termination of Employment or Service. An Award of Performance Shares, Performance Stock Units, Restricted Stock Units and any other Awards granted pursuant to this Article 8 shall only be exercisable or payable while the Participant is an Employee, Consultant or Director, as applicable; *provided, however*, that the Committee in its sole and absolute discretion may provide that an Award of Performance Shares, Performance Stock Units, Restricted Stock Units or any other Award granted pursuant to this Article 8 may be exercised or paid subsequent to a termination of employment or service, as applicable, or following a Change in Control of the Company, or because of the Participant's retirement, death or Disability, or otherwise, subject, in all cases, to Section 4.3 except that Awards granted pursuant to the five percent (5%) exception in Section 4.3 may provide for different vesting.

8.9 Form of Payment. Payments with respect to any Awards granted under this Article 8 shall be made in cash, in Shares or a combination of both, as determined by the Committee.

8.10 Award Agreement. All Awards under this Article 8 shall be subject to such additional terms and conditions as determined by the Committee and shall be evidenced by an Award Agreement.

8.11 Timing of Settlement. At the time of grant, the Committee shall specify the settlement date applicable to an Award of Performance Shares, Performance Stock Units, Restricted Stock Units or any other Award granted pursuant to this Article 8, which shall be no earlier than the vesting date(s) applicable to the relevant Award, or it may be deferred to any later date to the extent and under the terms determined by the Committee, subject to compliance with Section 409A of the Code. Until an Award granted pursuant to this Article 8 has been settled, the number of Shares subject to the Award shall be subject to adjustment pursuant to Article 10 hereof.

ARTICLE 9. PROVISIONS APPLICABLE TO AWARDS

9.1 Stand-Alone and Tandem Awards. Awards granted pursuant to the Plan may, in the discretion of the Committee, be granted either alone, in addition to, or in tandem with, any other Award granted pursuant to the Plan. Awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.

9.2 Limits on Transfer. No right or interest of a Participant in any Award may be pledged, encumbered, or hypothecated to or in favor of any party other than the Company or a Subsidiary or Affiliate, or shall be subject to any lien, obligation, or liability of such Participant to any other party other than the Company or a Subsidiary or Affiliate. Except as otherwise provided by the Committee, no Award shall be assigned, transferred, or otherwise disposed of

by a Participant other than by will or the laws of descent and distribution or pursuant to beneficiary designation procedures approved from time to time by the Committee (or the Board in the case of Awards granted to Independent Directors). The Committee by express provision in the Award or an amendment thereto may permit an Award (other than an Incentive Stock Option) to be transferred to, exercised by and paid to certain persons or entities related to the Participant, including, but not limited to, members of the Participant's family, charitable institutions, or trusts or other entities whose beneficiaries or beneficial owners are members of the Participant's family and/or charitable institutions, or to such other persons or entities as may be expressly approved by the Committee, pursuant to such conditions and procedures as the Committee may establish. Any permitted transfer shall be subject to the condition that the Committee receive evidence satisfactory to it that the transfer is being made for estate and/or tax planning purposes (or to a "blind trust" in connection with the Participant's termination of employment or service with the Company or a Subsidiary or Affiliate to assume a position with a governmental, charitable, educational or similar non-profit institution) and on a basis consistent with the Company's lawful issue of securities. Notwithstanding the foregoing, no Option may be transferred to a third-party financial institution for value without the approval of the stockholders.

9.3 Beneficiaries. Notwithstanding Section 9.2 hereof, a Participant may, if permitted by the Committee, designate a beneficiary to exercise the rights of the Participant and to receive any distribution with respect to any Award upon the Participant's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights pursuant to the Plan is subject to all terms and conditions of the Plan and any Award Agreement applicable to the Participant, except to the extent the Plan and Award Agreement otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Committee. If the Participant is married and resides in a community property state, a designation of a person other than the Participant's spouse as his or her beneficiary with respect to more than 50% of the Participant's interest in the Award shall not be effective without the prior written consent of the Participant's spouse. If no beneficiary has been designated or survives the Participant, payment shall be made to either the person's estate or legal representative or the person entitled thereto pursuant to the Participant's will or the laws of descent and distribution (or equivalent laws outside the U.S.). Subject to the foregoing, a beneficiary designation may be changed or revoked by a Participant at any time provided the change or revocation is filed with the Committee.

9.4 Stock Certificates; Book Entry Procedures.

(a) Notwithstanding anything herein to the contrary, the Company shall not be required to issue or deliver any certificates evidencing Shares pursuant to the exercise of any Award, unless and until the Board has determined, with advice of counsel, that the issuance and delivery of such certificates is in compliance with all applicable laws, regulations of governmental authorities and, if applicable, the requirements of any exchange on which the Shares are listed or traded. All certificates evidencing Shares delivered pursuant to the Plan are subject to any stop-transfer orders and other restrictions as the Committee deems necessary or advisable to comply with federal, state local, securities or other laws, including laws of jurisdictions outside of the United States, rules and regulations and the rules of any national

securities exchange or automated quotation system on which the Shares are listed, quoted, or traded. The Committee may place legends on any certificate evidencing Shares to reference restrictions applicable to the Shares. In addition to the terms and conditions provided herein, the Board may require that a Participant make such reasonable covenants, agreements, and representations as the Board, in its discretion, deems advisable in order to comply with any such laws, regulations, or requirements. The Committee shall have the right to require any Participant to comply with any timing or other restrictions with respect to the settlement or exercise of any Award, including a window-period limitation, as may be imposed in the discretion of the Committee.

(b) Notwithstanding any other provision of the Plan, unless otherwise determined by the Committee or required by any applicable law, rule or regulation, the Company shall not deliver to any Participant certificates evidencing Shares issued in connection with any Award and instead such Shares shall be recorded in the books of the Company (or, as applicable, its transfer agent or stock plan administrator).

9.5 Accelerated Vesting and Deferral Limitations. The Committee shall not have the discretionary authority to accelerate or delay issuance of Shares under an Award that constitutes a deferral of compensation within the meaning of Section 409A of the Code, except to the extent that such acceleration or delay may, in the discretion of the Committee, be effected in a manner that will not cause any person to incur taxes, interest or penalties under Section 409A of the Code ("Section 409A Compliance").

9.6 Paperless Administration. In the event that the Company establishes, for itself or using the services of a third party, an automated or digital system for the documentation, granting or exercise of Awards, such as a system using an internet website or interactive voice response, then the paperless documentation, granting or exercise of Awards by a Participant may be permitted through the use of such an automated or digital system.

ARTICLE 10. CHANGES IN CAPITAL STRUCTURE

10.1 Adjustments.

(a) In the event of any exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other change affecting the Shares or the price of the Shares other than an Equity Restructuring, the Committee shall make such adjustments, if any, as the Committee in its discretion may deem appropriate to reflect such change with respect to (a) the aggregate number and kind of shares that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Sections 3.1 and 3.3 hereof); (b) the terms and conditions of any outstanding Awards (including, without limitation, any applicable performance targets or criteria with respect thereto); and (c) the grant or exercise price per Share for any outstanding Awards under the Plan.

(b) In the event of any transaction or event described in Section 10.1(a) hereof or any unusual or nonrecurring transactions or events affecting the Company, any affiliate of the Company, or the financial statements of the Company or any affiliate, or of changes in applicable

laws, regulations or accounting principles, the Committee, in its sole and absolute discretion, and on such terms and conditions as it deems appropriate, either by the terms of the Award or by action taken prior to the occurrence of such transaction or event and either automatically or upon the Participant's request, is hereby authorized to take any one or more of the following actions whenever the Committee determines that such action is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any Award under the Plan, to facilitate such transactions or events or to give effect to such changes in laws, regulations or principles:

(i) To provide for either (A) termination of any such Award in exchange for an amount of cash, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant's rights (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction or event described in this Section 10.1 the Committee determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Participant's rights, then such Award may be terminated by the Company without payment) or (B) the replacement of such Award with other rights or property selected by the Committee in its sole discretion;

(ii) To provide that such Award be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar options, rights or awards covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;

(iii) To make adjustments in the number and type of Shares (or other securities or property) subject to outstanding Awards, and in the number and kind of outstanding Restricted Stock and/or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding options, rights and awards;

(iv) To provide that such Award shall be exercisable or payable or fully vested with respect to all Shares covered thereby, notwithstanding anything to the contrary in the Plan or the applicable Award Agreement; and

(v) To provide that the Award cannot vest, be exercised or become payable after such event.

(c) In the event of any Equity Restructuring, and notwithstanding anything to the contrary in Sections 10.1(a) and 10.1(b) hereof:

(i) The number and type of securities subject to each outstanding Award and the exercise price or grant price thereof, if applicable, shall be equitably adjusted. The adjustments provided under this Section 10.1(c)(i) shall be nondiscretionary and shall be final and binding on the affected Participant and the Company.

(ii) The Committee shall make such equitable adjustments, if any, as the Committee in its discretion may deem appropriate to reflect such Equity Restructuring with

respect to the aggregate number and kind of shares that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Sections 3.1 and 3.3 hereof).

(iii) In addition to the adjustments required by Section 10.1(c)(i), the Committee shall make such adjustments, if any, as the Committee in its discretion may deem appropriate to reflect such Equity Restructuring with respect to the terms and conditions of any outstanding Awards (including, without limitation, any applicable performance targets or criteria with respect thereto).

10.2 Change in Control.

(a) Notwithstanding Section 10.1 hereof, and except as may otherwise be provided in any applicable Award Agreement or other written agreement entered into between the Company and a Participant, if a Change in Control occurs and a Participant's Awards are not converted, assumed, or replaced by a successor or survivor corporation, or a parent or subsidiary thereof, then immediately prior to the Change in Control such Awards shall become fully exercisable and all forfeiture restrictions on such Awards shall lapse and, following the consummation of such Change in Control, all such Awards shall terminate and cease to be outstanding. Notwithstanding any other provision of the Plan to the contrary, the number or value of any Performance-Based Award or other Award that is based on Performance Criteria or Performance Goals that shall become fully earned, vested, exercisable and free of forfeiture restrictions upon occurrence of the events described in this Section 10.2 shall not exceed the greater of (i) such number or value determined by the actual performance attained during the applicable Performance Period, as may be truncated by the time of the Change in Control, in accordance with the applicable Performance Criteria and Goals, or (ii) such number or value that would be fully earned, vested, exercisable and free of forfeiture restrictions had 100% of the target level of performance been attained for the entire applicable Performance Period without regard to the Change in Control. .

(b) The Committee may at any time, subject to Section 9.5, provide that one or more Awards will automatically accelerate in connection with a Change in Control, whether or not those Awards are assumed or otherwise continue in full force and effect. In addition, where Awards are assumed or continued after a Change in Control, the Committee may provide that one or more Awards will automatically accelerate upon an Involuntary Termination of the Participant's employment or service within a designated period (not to exceed eighteen (18) months) following the effective date of such Change in Control. Any such Award shall accordingly, immediately prior to the effective date of such Change in Control or upon an Involuntary Termination of the Participant's employment or service following a Change in Control (at the Committee's discretion), become fully exercisable and all forfeiture restrictions on such Award shall lapse.

(c) Upon a Change in Control, the Committee may cause any and all Awards outstanding hereunder to terminate at a specific time in the future, including, but not limited to, the date of such Change in Control, and shall give each Participant the right to exercise such Awards during a period of time as the Committee, in its sole and absolute discretion, shall determine.

(d) The portion of any Incentive Stock Option accelerated in connection with a Change in Control shall remain exercisable as an Incentive Stock Option only to the extent the applicable One Hundred Thousand Dollar ($100,000) limitation is not exceeded. To the extent such dollar limitation is exceeded, the accelerated portion of such Option shall be exercisable as a Non-Qualified Option under the U.S. federal tax laws.

10.3 No Other Rights. Except as expressly provided in the Plan, no Participant shall have any rights by reason of any subdivision or consolidation of Shares of any class, the payment of any dividend, any increase or decrease in the number of Shares of any class or any dissolution, liquidation, merger, or consolidation of the Company or any other corporation. Except as expressly provided in the Plan or pursuant to action of the Committee under the Plan, no issuance by the Company of Shares of any class, or securities convertible into Shares of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number of Shares subject to an Award or the grant or the exercise price of any Award.

ARTICLE 11. ADMINISTRATION

11.1 Committee. Unless and until the Board delegates administration of the Plan to a Committee as set forth below, the Plan shall be administered by the full Board, and for such purposes the term "Committee" as used in this Plan shall be deemed to refer to the Board. The Board, at its discretion or as otherwise necessary to comply with the requirements of Rule 16b-3 promulgated under the Exchange Act or to the extent required by any other applicable rule or regulation, may delegate administration of the Plan to a Committee consisting of two or more members of the Board. Unless otherwise determined by the Board, the Committee shall consist solely of two or more members of the Board each of whom is a Non-Employee Director and an "independent director" under the NASDAQ rules (or other principal securities market on which Shares are traded); provided that any action taken by the Committee shall be valid and effective, whether or not members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership set forth in this Section 11.1 or otherwise provided in any charter of the Committee. Notwithstanding the foregoing: (a) the full Board, acting by a majority of its members in office, shall conduct the general administration of the Plan with respect to all Awards granted to Independent Directors and for purposes of such Awards the term "Committee" as used in this Plan shall be deemed to refer to the Board and (b) the Committee may delegate its authority hereunder to the extent permitted by Section 11.5 hereof. In its sole discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan except with respect to matters which under Rule 16b-3 under the Exchange Act are required to be determined in the sole discretion of the Committee. Except as may otherwise be provided in any charter of the Committee, appointment of Committee members shall be effective upon acceptance of appointment; Committee members may resign at any time by delivering written notice to the Board; and vacancies in the Committee may only be filled by the Board.

11.2 Action by the Committee. Unless otherwise established by the Board or in any charter of the Committee, a majority of the Committee shall constitute a quorum and the acts of a majority of the members present at any meeting at which a quorum is present, and acts

approved in writing by a majority of the Committee in lieu of a meeting, shall be deemed the acts of the Committee. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any officer or other employee of the Company or any Subsidiary or Affiliate, the Company's independent certified public accountants, or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan.

11.3 Authority of Committee. Subject to any specific designation in the Plan, the Committee has the exclusive power, authority and discretion to:

(a) Designate Participants to receive Awards;

(b) Determine the type or types of Awards to be granted to each Participant;

(c) Determine the number of Awards to be granted and the number of Shares to which an Award will relate;

(d) Determine the terms and conditions of any Award granted pursuant to the Plan, including, but not limited to, the exercise price, grant price, or purchase price, any restrictions or limitations on the Award, any schedule for lapse of forfeiture restrictions or restrictions on the exercisability of an Award, and accelerations or waivers thereof, in each case, as permitted under Section 4.3 and Articles 6, 8 and 10, any provisions related to non-competition and recapture of gain on an Award, based in each case on such considerations as the Committee in its sole discretion determines;

(e) Determine whether, to what extent, and pursuant to what circumstances an Award may be settled in, or the exercise price of an Award may be paid in, cash, Shares, other Awards, or other property, or an Award may be canceled, forfeited, or surrendered;

(f) Prescribe the form of each Award Agreement, which need not be identical for each Participant and may vary for Participants outside the United States;

(g) Decide all other matters that must be determined in connection with an Award;

(h) Establish, adopt, or revise any rules and regulations including adopting sub-plans to the Plan for the purposes of complying with foreign laws and/or taking advantage of tax favorable treatment for Awards granted to Participants outside the United States, as it may deem necessary or advisable to administer the Plan;

(i) Suspend or terminate the Plan at any time, provided that such suspension or termination does not impair rights and obligations under any outstanding Award without written consent of the affected Participant.

(j) Interpret the terms of, and any matter arising pursuant to, the Plan or any Award Agreement; and

(k) Make all other decisions and determinations that may be required pursuant to the Plan or as the Committee deems necessary or advisable to administer the Plan.

11.4 Decisions Binding. The Committee's interpretation of the Plan, any Awards granted pursuant to the Plan, any Award Agreement and all decisions and determinations by the Committee with respect to the Plan are final, binding, and conclusive on all parties.

11.5 Delegation of Authority. To the extent permitted by applicable law, the Board may from time to time delegate to a committee of one or more members of the Board or one or more officers of the Company the authority to grant or amend Awards to Participants other than (a) Employees who are subject to Section 16 of the Exchange Act or (b) officers of the Company (or Directors) to whom authority to grant or amend Awards has been delegated hereunder. For the avoidance of doubt, provided it meets the limitation in the preceding sentence, this delegation shall include the right to modify Awards as necessary to accommodate changes in the laws or regulations, including in jurisdictions outside the United States. Any delegation hereunder shall be subject to the restrictions and limits that the Board specifies at the time of such delegation, and the Board may at any time rescind the authority so delegated or appoint a new delegatee. At all times, the delegatee appointed under this Section 11.5 shall serve in such capacity at the pleasure of the Board.

ARTICLE 12. PLAN HISTORY AND EXPIRATION DATE

12.1 Plan History. The Plan originally became effective on April 23, 2009, the date the Plan was initially approved by the Company's stockholders. The Plan was previously amended and restated, effective as of April 15, 2014, April 20, 2017 (the "2017 Amendment Date"), April 22, 2021, and April 23, 2026 (the "April 2026 Amendment Date"). The Plan is hereby amended and restated effective October 22, 2026.

12.2 Expiration Date. The Plan will continue in effect until it is terminated by the Board pursuant to Section 13.1 hereof, except that no Award may be granted under the Plan from and after the tenth anniversary of the April 2026 Amendment Date. Any Awards that are outstanding on the date the Plan terminates shall remain in force according to the terms of the Plan and the applicable Award Agreement.

ARTICLE 13. AMENDMENT, MODIFICATION, AND TERMINATION

13.1 Amendment, Modification, and Termination. Subject to Section 14.14 hereof, with the approval of the Board, at any time and from time to time, the Committee may terminate, amend or modify the Plan; *provided, however*, that (a) to the extent necessary and desirable to comply with any applicable law, regulation, or stock exchange rule, the Company shall obtain stockholder approval of any Plan amendment in such a manner and to such a degree as required, and (b) stockholder approval shall be required for any amendment to the Plan that (i) increases the number of shares available under the Plan (other than any adjustment as provided by Article 10), or (ii) permits the Committee to extend the exercise period for an Option beyond ten years from the date of grant. Notwithstanding any provision in this Plan to the contrary, absent approval of the stockholders of the Company, no Option or SAR may be

amended to reduce the per share exercise price of the shares subject to such Option or SAR below the per share exercise price as of the date the Option or SAR is granted and, except as permitted by Article 10, (a) no Option or SAR may be granted in exchange for, or in connection with, the cancellation, surrender or substitution of an Option or SAR having a higher per share exercise price, (b) no Option or SAR may be cancelled in exchange for, or in connection with, the payment of a cash amount or another Award at a time when the Option or SAR has a per share exercise price that is higher than the Fair Market Value of a Share, and (c) nor may any Option or SAR that has an exercise price that is higher than or equal to the Fair Market Value of a Share be repurchased or otherwise acquired for value.

13.2 Awards Previously Granted. Except with respect to amendments made or other actions taken pursuant to Section 14.14 hereof or any amendment or other action with respect to an outstanding Award that may be required or desirable to comply with applicable law, as determined in the sole discretion of the Committee, no termination, amendment, or modification of the Plan shall adversely affect in any material way any Award previously granted pursuant to the Plan without the prior written consent of the Participant; *provided*, *however*, that an amendment or modification that may cause an Incentive Stock Option to become a Non-Qualified Stock Option shall not be treated as adversely affecting the rights of the Participant.

ARTICLE 14. GENERAL PROVISIONS

14.1 No Rights to Awards. No Eligible Individual or other person shall have any claim to be granted any Award pursuant to the Plan, and neither the Company nor the Committee is obligated to treat Eligible Individuals, Participants or any other persons uniformly.

14.2 No Stockholders Rights. Except as otherwise provided herein, a Participant shall have none of the rights of a stockholder with respect to Shares covered by any Award, including the right to vote or receive dividends, until the Participant becomes the record owner of such Shares, notwithstanding the exercise of an Option or other Award.

14.3 Withholding. The Company or any Subsidiary or Affiliate, as appropriate, shall have the authority and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy U.S. federal, state, and local taxes and taxes imposed by jurisdictions outside of the United States (including income tax, social insurance contributions, payment on account and any other taxes that may be due) that the Company or a Subsidiary or Affiliate determines are required to be withheld with respect to any taxable event concerning a Participant arising as a result of this Plan or to take such other action as may be necessary in the opinion of the Company or a Subsidiary or Affiliate, as appropriate, to satisfy withholding obligations for the payment of taxes. The Committee may in its discretion and in satisfaction of the foregoing requirement direct the Company to withhold, or allow a Participant to elect to have the Company withhold, Shares otherwise issuable under an Award (or allow the return of Shares) having a Fair Market Value equal to the sums required to be withheld; the number of Shares so withheld may be determined using rates of up to, but not exceeding, the maximum federal, state, local and/or foreign statutory tax rates applicable in a particular jurisdiction on the date that the amount of tax to be withheld is to be determined.

Alternatively, the Company may require a Participant to direct a broker, upon the vesting, exercise or settlement of an Award, to sell a portion of the Shares subject to the Award determined by the Company in its discretion to be sufficient to cover the tax withholding obligations of the Company or any Subsidiary or Affiliate and to remit an amount equal to such tax withholding obligations in cash. No Shares shall be delivered hereunder to any Participant or other person until the Participant or such other person has made arrangements acceptable to the Committee for the satisfaction of these tax obligations with respect to any taxable event concerning the Participant or such other person arising as a result of Awards made under this Plan.

14.4 No Right to Employment or Services. Nothing in the Plan or any Award Agreement shall interfere with or limit in any way the right of the Company or any Subsidiary or Affiliate to terminate any Participant's employment or services at any time, nor confer upon any Participant any right to continue in the employ or service of the Company or any Subsidiary or Affiliate.

14.5 Unfunded Status of Awards. The Plan is intended to be an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award Agreement shall give the Participant any rights that are greater than those of a general creditor of the Company or any Subsidiary or Affiliate.

14.6 Indemnification. To the extent allowable pursuant to applicable law, each member of the Committee or of the Board shall be indemnified and held harmless by the Company from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by such member in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action or failure to act pursuant to the Plan and against and from any and all amounts paid by him or her in satisfaction of judgment in such action, suit, or proceeding against him or her; *provided* he or she gives the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled pursuant to the Company's Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

14.7 Relationship to Other Benefits. No payment pursuant to the Plan shall be taken into account in determining any benefits pursuant to any pension, retirement, savings, profit sharing, group insurance, termination programs and/or indemnities or severance payments, welfare or other benefit plan of the Company or any Subsidiary or Affiliate except to the extent otherwise expressly provided in writing in such other plan or an agreement thereunder.

14.8 Expenses. The expenses of administering the Plan shall be borne by the Company and/or its Subsidiaries and/or Affiliates.

14.9 Titles and Headings. The titles and headings of the Sections in the Plan are for convenience of reference only and, in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

14.10 Fractional Shares. No fractional Shares shall be issued and the Committee shall determine, in its discretion, whether cash shall be given in lieu of fractional shares or whether such fractional shares shall be eliminated by rounding up or down as appropriate.

14.11 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan, the Plan, and any Award granted or awarded to any Participant who is then subject to Section 16 of the Exchange Act, shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 under the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

14.12 Government and Other Regulations. The obligation of the Company to make payment of awards in Shares or otherwise shall be subject to all applicable laws, rules, and regulations of the United States and jurisdictions outside the United States, and to such approvals by government agencies, including government agencies in jurisdictions outside of the United States, in each case as may be required or as the Company deems necessary or advisable. Without limiting the foregoing, the Company shall have no obligation to issue or deliver evidence of title for Shares subject to Awards granted hereunder prior to: (i) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable, and (ii) completion of any registration or other qualification with respect to the Shares under any applicable law in the United States or in a jurisdiction outside of the United States or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective. The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained and shall constitute circumstances in which the Committee may determine to amend or cancel Awards pertaining to such Shares, with or without consideration to the affected Participant. The Company shall be under no obligation to register pursuant to the Securities Act, as amended, any of the Shares paid pursuant to the Plan. If the Shares paid pursuant to the Plan may in certain circumstances be exempt from registration pursuant to the Securities Act, as amended, the Company may restrict the transfer of such Shares in such manner as it deems advisable to ensure the availability of any such exemption.

14.13 Governing Law. The Plan and all Award Agreements shall be construed in accordance with and governed by the laws of the State of Texas.

14.14 Section 409A. Except as provided in Section 14.15 hereof, to the extent that the Committee determines that any Award granted under the Plan is subject to Section 409A of the Code, the Award Agreement evidencing such Award shall incorporate the terms and conditions required by Section 409A of the Code. To the extent applicable, the Plan and Award Agreements shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date the Plan became effective. Notwithstanding any provision of the Plan to the contrary, in the event that following the date an Award is granted the Committee determines that the Award may be subject to Section 409A of the Code and related Department of Treasury guidance (including such Department of Treasury guidance as may be issued after the date the Plan became effective), the Committee may adopt such amendments to the Plan and the applicable Award Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, including amendments or actions that would result in a reduction to the benefits payable under an Award, in each case, without the consent of the Participant, that the Committee determines are necessary or appropriate to (a) exempt the Award from Section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Award, or (b) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance and thereby avoid the application of any penalty taxes under such Section or mitigate any additional tax, interest and/or penalties or other adverse tax consequences that may apply under Section 409A of the Code if compliance is not practical.

14.15 No Representations or Covenants with Respect to Tax Qualification. Although the Company may endeavor to (1) qualify an Award for favorable tax treatment under the laws of the United States or jurisdictions outside of the United States (*e.g.*, incentive stock options under Section 422 of the Code or French-qualified stock options) or (2) avoid adverse tax treatment (*e.g.*, under Section 409A of the Code), the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment, anything to the contrary in this Plan, including Section 14.14 hereof, notwithstanding. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under the Plan. Nothing in this Plan or in an Award Agreement shall provide a basis for any person to take any action against the Company or any Affiliate based on matters covered by Section 409A of the Code, including the tax treatment of any Awards, and neither the Company nor any Affiliate will have any liability under any circumstances to the Participant or any other party if the Award that is intended to be exempt from, or compliant with, Section 409A of the Code, is not so exempt or compliant or for any action taken by the Committee with respect thereto.

14.16 Clawback/Recovery. All Awards granted under the Plan will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable laws. In addition, the Committee may impose such other clawback, recovery or recoupment provisions on an Award as the

Committee determines necessary or appropriate in view of applicable laws, governance requirements or best practices, including, but not limited to, a reacquisition right in respect of previously acquired Shares or other cash or property upon the occurrence of cause (as determined by the Committee) (any such policy or provisions, a "Policy"), notwithstanding any provision of an employment agreement or other agreement to the contrary. All Awards shall be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of such Policy. To the extent that the terms of this Plan and such provisions conflict, the terms of such Policy shall prevail.

*** * * ***

Exhibit 31.1

Certification to the Securities and Exchange Commission
by Registrant's Chief Executive Officer, as required by Section 302
of the Sarbanes-Oxley Act of 2002

I, R. Matthew Johnson, certify that:

1. I have reviewed this report on Form 10-Q of Silicon Laboratories Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 10, 2026

/s/ R. Matthew Johnson

R. Matthew Johnson
President and
Chief Executive Officer

Exhibit 31.2

Certification to the Securities and Exchange Commission
by Registrant's Chief Financial Officer, as required by Section 302
of the Sarbanes-Oxley Act of 2002

I, Dean Butler, certify that:

1. I have reviewed this report on Form 10-Q of Silicon Laboratories Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 10, 2026

/s/ Dean Butler

Dean Butler
Senior Vice President and
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

Certification of Chief Executive Officer and Chief Financial Officer

Pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned officers of Silicon Laboratories Inc. (the "Company") hereby certifies that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended October 3, 2026 as filed with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 10, 2026

/s/ R. Matthew Johnson

R. Matthew Johnson
President and
Chief Executive Officer

/s/ Dean Butler

Dean Butler
Senior Vice President and
Chief Financial Officer