

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

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

For the quarterly period ended September 23, 2023

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 0-17795

CIRRUS LOGIC, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

800 W. 6th Street

(Address of principal executive offices)

Austin,

Texas

77-0024818

(I.R.S. Employer Identification No.)

78701

(Zip Code)

Registrant's telephone number, including area code:

(512) 851-4000

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, \$0.001 par value	CRUS	The NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 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 and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted 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 and post 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 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	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

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 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

The number of shares of the registrant's common stock, \$0.001 par value, outstanding as of October 31, 2023 was 53,897,687.

CIRRUS LOGIC, INC.
FORM 10-Q QUARTERLY REPORT
QUARTERLY PERIOD ENDED SEPTEMBER 23, 2023
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ITEM 1. FINANCIAL STATEMENTS

Part I. FINANCIAL INFORMATION
CIRRUS LOGIC, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(in thousands)

	September 23, 2023 (unaudited)	March 25, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 277,805	\$ 445,784
Marketable securities	34,636	34,978
Accounts receivable, net	271,894	150,473
Inventories	328,930	233,450
Prepaid assets	32,844	35,507
Prepaid wafers	79,468	60,638
Other current assets	71,294	57,026
Total current assets	<u>1,096,871</u>	<u>1,017,856</u>
Long-term marketable securities	40,042	36,509
Right-of-use lease assets	144,104	128,145
Property and equipment, net	171,047	162,972
Intangibles, net	33,801	38,876
Goodwill	435,936	435,936
Deferred tax assets	44,126	35,580
Long-term prepaid wafers	94,474	134,363
Other assets	44,052	73,729
Total assets	<u>\$ 2,104,453</u>	<u>\$ 2,063,966</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 87,340	\$ 81,462
Accrued salaries and benefits	46,504	50,606
Software license agreements	15,930	20,948
Current lease liabilities	19,859	18,442
Acquisition-related liabilities	—	21,361
Other accrued liabilities	31,557	23,521
Total current liabilities	<u>201,190</u>	<u>216,340</u>
Long-term liabilities:		
Non-current lease liabilities	136,042	122,631
Non-current income taxes	51,589	59,013
Other long-term liabilities	7,277	7,700
Total long-term liabilities	<u>194,908</u>	<u>189,344</u>
Stockholders' equity:		
Capital stock	1,712,710	1,670,141
Accumulated deficit	(1,213)	(9,320)
Accumulated other comprehensive loss	(3,142)	(2,539)
Total stockholders' equity	<u>1,708,355</u>	<u>1,658,282</u>
Total liabilities and stockholders' equity	<u>\$ 2,104,453</u>	<u>\$ 2,063,966</u>

The accompanying notes are an integral part of these consolidated condensed financial statements.

CIRRUS LOGIC, INC.
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(in thousands, except per share amounts; unaudited)

	Three Months Ended		Six Months Ended	
	September 23, 2023	September 24, 2022	September 23, 2023	September 24, 2022
Net sales	\$ 481,063	\$ 540,574	\$ 798,079	\$ 934,213
Cost of sales	234,467	269,288	392,096	460,293
Gross profit	246,596	271,286	405,983	473,920
Operating expenses				
Research and development	104,205	115,471	210,420	225,187
Selling, general and administrative	34,323	39,598	69,702	78,240
Restructuring and related costs	2,319	—	2,319	—
Total operating expenses	140,847	155,069	282,441	303,427
Income from operations	105,749	116,217	123,542	170,493
Interest income	3,972	1,528	8,791	2,051
Interest expense	(243)	(243)	(462)	(461)
Other income (expense)	(70)	295	307	801
Income before income taxes	109,408	117,797	132,178	172,884
Provision for income taxes	34,001	30,609	41,171	45,989
Net income	\$ 75,407	\$ 87,188	\$ 91,007	\$ 126,895
Basic earnings per share	\$ 1.38	\$ 1.56	\$ 1.66	\$ 2.27
Diluted earnings per share	\$ 1.34	\$ 1.52	\$ 1.61	\$ 2.20
Basic weighted average common shares outstanding	54,503	55,726	54,683	56,002
Diluted weighted average common shares outstanding	56,278	57,418	56,453	57,620

The accompanying notes are an integral part of these consolidated condensed financial statements.

CIRRUS LOGIC, INC.
CONSOLIDATED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands; unaudited)

	Three Months Ended		Six Months Ended	
	September 23, 2023	September 24, 2022	September 23, 2023	September 24, 2022
Net income	\$ 75,407	\$ 87,188	\$ 91,007	\$ 126,895
Other comprehensive income (loss), before tax				
Foreign currency translation loss	(342)	(736)	(792)	(1,703)
Unrealized gain (loss) on marketable securities	259	(460)	239	(940)
(Provision) benefit for income taxes	(54)	97	(50)	198
Comprehensive income	<u>\$ 75,270</u>	<u>\$ 86,089</u>	<u>\$ 90,404</u>	<u>\$ 124,450</u>

The accompanying notes are an integral part of these consolidated condensed financial statements.

CIRRUS LOGIC, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(in thousands; unaudited)

	Six Months Ended	
	September 23, 2023	September 24, 2022
Cash flows from operating activities:		
Net income	\$ 91,007	\$ 126,895
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	23,551	33,734
Stock-based compensation expense	44,046	38,621
Deferred income taxes	(8,601)	(4,456)
Loss on retirement or write-off of long-lived assets	64	303
Other non-cash adjustments	1,608	185
Restructuring and related costs	2,319	—
Net change in operating assets and liabilities:		
Accounts receivable	(121,606)	(64,282)
Inventories	(95,480)	(26,135)
Prepaid wafers	21,058	—
Other assets	(6,291)	(1,942)
Accounts payable and other accrued liabilities	(78)	(6,098)
Income taxes payable	7,220	7,201
Acquisition-related liabilities	(21,361)	6,328
Net cash provided by (used in) operating activities	<u>(62,544)</u>	<u>110,354</u>
Cash flows from investing activities:		
Maturities and sales of available-for-sale marketable securities	18,242	6,655
Purchases of available-for-sale marketable securities	(21,191)	(6,036)
Purchases of property, equipment and software	(20,780)	(16,987)
Investments in technology	(57)	(484)
Net cash used in investing activities	<u>(23,786)</u>	<u>(16,852)</u>
Cash flows from financing activities:		
Issuance of common stock, net of shares withheld for taxes	560	1,131
Repurchase of stock to satisfy employee tax withholding obligations	(3,129)	(3,022)
Repurchase and retirement of common stock	(79,080)	(106,382)
Net cash used in financing activities	<u>(81,649)</u>	<u>(108,273)</u>
Net decrease in cash and cash equivalents	(167,979)	(14,771)
Cash and cash equivalents at beginning of period	445,784	369,814
Cash and cash equivalents at end of period	<u>\$ 277,805</u>	<u>\$ 355,043</u>

The accompanying notes are an integral part of these consolidated condensed financial statements.

CIRRUS LOGIC, INC.
CONSOLIDATED CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands; unaudited)

	Common Stock		Additional Paid-In Capital	Accumulated Earnings (Deficit)	Accumulated Other Comprehensive Loss	Total
	Shares	Amount				
Three Months Ended						
Balance, June 25, 2022	55,899	\$ 56	\$ 1,596,628	\$ 5,894	\$ (3,391)	\$ 1,599,187
Net income	—	—	—	87,188	—	87,188
Change in unrealized gain (loss) on marketable securities, net of tax	—	—	—	—	(363)	(363)
Change in foreign currency translation adjustments	—	—	—	—	(736)	(736)
Issuance of stock under stock option plans and other, net of shares withheld for employee taxes	110	—	1,011	(2,156)	—	(1,145)
Repurchase and retirement of common stock	(583)	(1)	—	(49,999)	—	(50,000)
Stock-based compensation	—	—	20,483	—	—	20,483
Balance, September 24, 2022	55,426	\$ 55	\$ 1,618,122	\$ 40,927	\$ (4,490)	\$ 1,654,614
Balance, June 24, 2023						
Balance, June 24, 2023	54,670	\$ 55	\$ 1,693,365	\$ (33,621)	\$ (3,005)	\$ 1,656,794
Net income	—	—	—	75,407	—	75,407
Change in unrealized gain (loss) on marketable securities, net of tax	—	—	—	—	205	205
Change in foreign currency translation adjustments	—	—	—	—	(342)	(342)
Issuance of stock under stock option plans and other, net of shares withheld for employee taxes	78	—	—	(2,080)	—	(2,080)
Repurchase and retirement of common stock	(511)	(1)	—	(40,919)	—	(40,920)
Stock-based compensation	—	—	19,291	—	—	19,291
Balance, September 23, 2023	54,237	\$ 54	\$ 1,712,656	\$ (1,213)	\$ (3,142)	\$ 1,708,355
Six Months Ended						
Balance, March 26, 2022						
Balance, March 26, 2022	56,596	\$ 57	\$ 1,578,370	\$ 23,435	\$ (2,045)	\$ 1,599,817
Net income	—	—	—	126,895	—	126,895
Change in unrealized gain (loss) on marketable securities, net of tax	—	—	—	—	(742)	(742)
Change in foreign currency translation adjustments	—	—	—	—	(1,703)	(1,703)
Issuance of stock under stock option plans and other, net of shares withheld for employee taxes	138	—	1,131	(3,022)	—	(1,891)
Repurchase and retirement of common stock	(1,308)	(2)	—	(106,381)	—	(106,383)
Stock-based compensation	—	—	38,621	—	—	38,621
Balance, September 24, 2022	55,426	\$ 55	\$ 1,618,122	\$ 40,927	\$ (4,490)	\$ 1,654,614
Balance, March 25, 2023						
Balance, March 25, 2023	55,098	\$ 55	\$ 1,670,086	\$ (9,320)	\$ (2,539)	\$ 1,658,282
Net income	—	—	—	91,007	—	91,007
Change in unrealized gain (loss) on marketable securities, net of tax	—	—	—	—	189	189
Change in foreign currency translation adjustments	—	—	—	—	(792)	(792)
Issuance of stock under stock option plans and other, net of shares withheld for employee taxes	116	—	564	(3,126)	—	(2,562)
Repurchase and retirement of common stock	(977)	(1)	—	(79,774)	—	(79,775)
Stock-based compensation	—	—	42,006	—	—	42,006
Balance, September 23, 2023	54,237	\$ 54	\$ 1,712,656	\$ (1,213)	\$ (3,142)	\$ 1,708,355

The accompanying notes are an integral part of these consolidated condensed financial statements.

CIRRUS LOGIC, INC.
NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(unaudited)

1. Basis of Presentation

The unaudited consolidated condensed financial statements have been prepared by Cirrus Logic, Inc. ("Cirrus Logic," "we," "us," "our," or the "Company") pursuant to the rules and regulations of the Securities and Exchange Commission (the "Commission"). The accompanying unaudited consolidated condensed financial statements do not include complete footnotes and financial presentations. As a result, these financial statements should be read along with the audited consolidated financial statements and notes thereto for the year ended March 25, 2023, included in our Annual Report on Form 10-K filed with the Commission on May 19, 2023. In our opinion, the financial statements reflect all material adjustments, including normal recurring adjustments, necessary for a fair presentation of the financial position, operating results and cash flows for those periods presented. The preparation of financial statements in conformity with United States ("U.S.") generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect reported assets, liabilities, revenues and expenses. Actual results could differ from those estimates and assumptions. Moreover, the results of operations for the interim periods presented are not necessarily indicative of the results that may be expected for the entire year.

2. Recently Issued Accounting Pronouncements

As of September 23, 2023, there have been no recently issued accounting pronouncements that are expected to have a material impact on our financial statements.

3. Marketable Securities

The Company's investments have been classified as available-for-sale securities in accordance with U.S. GAAP. Marketable securities are categorized on the Consolidated Condensed Balance Sheet as "Marketable securities", within the short-term or long-term classification, as appropriate, based on the original maturity.

The following table is a summary of available-for-sale securities at September 23, 2023 (in thousands):

As of September 23, 2023	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value (Net Carrying Amount)
Corporate debt securities	\$ 69,725	\$ 3	\$ (1,477)	\$ 68,251
U.S. Treasury securities	5,093	—	(156)	4,937
Agency discount notes	1,510	—	(20)	1,490
Total securities	<u>\$ 76,328</u>	<u>\$ 3</u>	<u>\$ (1,653)</u>	<u>\$ 74,678</u>

The Company typically invests in highly-rated securities with original maturities generally ranging from one to three years. The Company's specifically identified gross unrealized losses of \$1.7 million related to securities with total amortized costs of approximately \$75.0 million at September 23, 2023. Securities in a continuous unrealized loss position for more than 12 months as of September 23, 2023 had an aggregate amortized cost of \$42.8 million and an aggregate unrealized loss of \$1.2 million. The Company may sell certain of its marketable securities prior to their stated maturities for strategic reasons including, but not limited to, anticipated or actual changes in credit rating and duration management. 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 including the length of time and extent to which fair value has been below cost basis, the financial condition of the issuer, changes in market interest rates and whether it is more likely than not the Company will be required to sell the investment before recovery of the investment's cost basis. As of September 23, 2023, the Company does not consider any of its investments to be impaired.

The following table is a summary of available-for-sale securities at March 25, 2023 (in thousands):

As of March 25, 2023	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value (Net Carrying Amount)
Corporate debt securities	\$ 66,753	\$ 91	\$ (1,825)	\$ 65,019
Non-U.S. government securities	510	—	(3)	507
U.S. Treasury securities	5,728	17	(151)	5,594
Agency discount notes	385	—	(18)	367
Total securities	\$ 73,376	\$ 108	\$ (1,997)	\$ 71,487

The Company's specifically identified gross unrealized losses of \$2.0 million related to securities with total amortized costs of approximately \$64.0 million at March 25, 2023. Securities in a continuous unrealized loss position for more than 12 months as of March 25, 2023 had an aggregate amortized cost of \$56.3 million and an aggregate unrealized loss of \$1.9 million. As of March 25, 2023, the Company did not consider any of its investments to be impaired.

The cost and estimated fair value of available-for-sale securities by contractual maturities were as follows (in thousands):

	September 23, 2023		March 25, 2023	
	Amortized Cost	Estimated Fair Value	Amortized Cost	Estimated Fair Value
Within 1 year	\$ 35,475	\$ 34,636	\$ 35,824	\$ 34,978
After 1 year	40,853	40,042	37,552	36,509
Total	\$ 76,328	\$ 74,678	\$ 73,376	\$ 71,487

4. Fair Value of Financial Instruments

The Company has determined that the only material assets and liabilities in the Company's financial statements that are required to be measured at fair value on a recurring basis are the Company's cash equivalents and marketable securities portfolio. The Company defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company applies the following fair value hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Company's cash equivalents and marketable securities portfolio consist of money market funds, debt securities, non-U.S. government securities, U.S Treasury securities and securities of U.S. government-sponsored enterprises and are reflected on our Consolidated Condensed Balance Sheets under the headings cash and cash equivalents, marketable securities, and long-term marketable securities. The Company determines the fair value of its marketable securities portfolio by obtaining non-binding market prices from third-party pricing providers on the last day of the quarter, whose sources may use quoted prices in active markets for identical assets (Level 1 inputs) or inputs other than quoted prices that are observable either directly or indirectly (Level 2 inputs) in determining fair value.

The Company's long-term revolving credit facility, described in Note 8 - Revolving Credit Facility, bears interest at a base rate plus applicable margin or forward-looking secured overnight financing rate ("Term SOFR") plus 10 basis points plus applicable margin. As of September 23, 2023, there are no amounts drawn under the facility and the fair value is zero.

As of September 23, 2023 and March 25, 2023, the Company has no Level 3 assets or liabilities. There were no transfers between Level 1, Level 2, or Level 3 measurements for the three months ended September 23, 2023.

The following summarizes the fair value of our financial instruments at September 23, 2023 (in thousands):

	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
Assets:				
Cash equivalents				
Money market funds	\$ 234,017	\$ —	\$ —	\$ 234,017
Available-for-sale securities				
Corporate debt securities	\$ —	\$ 68,251	\$ —	\$ 68,251
U.S. Treasury securities	4,937	—	—	4,937
Agency discount notes	—	1,490	—	1,490
	<u>\$ 4,937</u>	<u>\$ 69,741</u>	<u>\$ —</u>	<u>\$ 74,678</u>

The following summarizes the fair value of our financial instruments at March 25, 2023 (in thousands):

	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
Assets:				
Cash equivalents				
Money market funds	\$ 406,265	\$ —	\$ —	\$ 406,265
Available-for-sale securities				
Corporate debt securities	\$ —	\$ 65,019	\$ —	\$ 65,019
Non-U.S. government securities	—	507	—	507
U.S. Treasury securities	5,594	—	—	5,594
Agency discount notes	—	367	—	367
	<u>\$ 5,594</u>	<u>\$ 65,893</u>	<u>\$ —</u>	<u>\$ 71,487</u>

5. Derivative Financial Instruments

Foreign Currency Forward Contracts

The Company uses foreign currency forward contracts to reduce the earnings impact that exchange rate fluctuations have on non-functional currency balance sheet exposures. The Company recognizes both the gains and losses on foreign currency forward contracts and the gains and losses on the remeasurement of non-functional currency assets and liabilities within "Other income (expense)" in the Consolidated Condensed Statements of Income. The Company does not apply hedge accounting to these foreign currency derivative instruments.

As of September 23, 2023, the Company held one foreign currency forward contract denominated in British Pound Sterling with a notional value of \$5.3 million. The fair value of this contract was not material as of September 23, 2023.

The before-tax effect of derivative instruments not designated as hedging instruments was as follows (in thousands):

	Three Months Ended		Six Months Ended		Location
	September 23, 2023	September 24, 2022	September 23, 2023	September 24, 2022	
Gain (loss) recognized in income:					
Foreign currency forward contracts	\$ (195)	\$ (576)	\$ (473)	\$ (795)	Other income (expense)

6. Accounts Receivable, net

The following are the components of accounts receivable, net (in thousands):

	September 23, 2023	March 25, 2023
Gross accounts receivable	\$ 272,079	\$ 150,473
Allowance for doubtful accounts	(185)	—
Accounts receivable, net	\$ 271,894	\$ 150,473

The increase in accounts receivable is due to normal variations in the timing of collections and billings as well as increased sales associated with new smartphone launches during the current quarter.

7. Inventories

Inventories are comprised of the following (in thousands):

	September 23, 2023	March 25, 2023
Work in process	\$ 145,585	\$ 116,088
Finished goods	183,345	117,362
	\$ 328,930	\$ 233,450

The increase in inventory balance from fiscal year-end is due to inventory build to support seasonal product launches and fulfilling our wafer purchase commitments per our long-term capacity agreement with GLOBALFOUNDRIES Singapore Pte. Ltd. ("GlobalFoundries"). See further details in Note 13 - Commitments and Contingencies.

8. Revolving Credit Facility

On July 8, 2021, the Company entered into a second amended and restated credit agreement (the "Second Amended Credit Agreement") with Wells Fargo Bank, National Association, as administrative agent, and the lenders party thereto. The Second Amended Credit Agreement provides for a \$300 million senior secured revolving credit facility (the "Revolving Credit Facility"). The Revolving Credit Facility matures on July 8, 2026 (the "Maturity Date"). The Revolving Credit Facility is required to be guaranteed by all of Cirrus Logic's material domestic subsidiaries (the "Subsidiary Guarantors"). The Revolving

Credit Facility is secured by substantially all the assets of Cirrus Logic and any Subsidiary Guarantors, except for certain excluded assets.

On March 20, 2023, the Company, entered into the First Amendment (the "Amendment") to its Second Amended Credit Agreement, with the lending institutions party thereto and Wells Fargo Bank, National Association, as administrative agent. The Amendment updates the benchmark interest rate provisions to replace the London interbank offered rate ("LIBOR") with the Term SOFR, for the purposes of calculating interest under the terms of the Second Amended Credit Agreement.

Borrowings under the Revolving Credit Facility may, at Cirrus Logic's election, bear interest at either (a) a base rate plus the applicable margin ("Base Rate Loans") or (b) a Term SOFR rate plus a 10 basis point credit spread adjustment plus the applicable margin. The applicable margin ranges from 0% to 0.75% per annum for Base Rate Loans and 1.00% to 1.75% per annum for SOFR Loans based on the ratio of consolidated funded indebtedness to consolidated EBITDA for the most recently ended period of four consecutive fiscal quarters (the "Consolidated Leverage Ratio"). A Commitment Fee accrues at a rate per annum ranging from 0.175% to 0.275% (based on the Consolidated Leverage Ratio) on the average daily unused portion of the commitment of the lenders.

The Revolving Credit Facility contains certain financial covenants providing that (a) the ratio of consolidated funded indebtedness (minus up to \$200 million of unrestricted cash and cash equivalents available on such date) to consolidated EBITDA for the prior four consecutive quarters must not be greater than 3.00 to 1.00 (the "Consolidated Net Leverage Ratio") and (b) the ratio of consolidated EBITDA for the prior four consecutive quarters to consolidated interest expense paid or payable in cash for the prior four consecutive quarters must not be less than 3.00 to 1.00 (the "Consolidated Interest Coverage Ratio"). The Second Amended Credit Agreement also contains customary negative covenants limiting the ability of Cirrus Logic or any Subsidiary to, among other things, incur debt, grant liens, make investments, effect certain fundamental changes, make certain asset dispositions, and make certain restricted payments. Further, the Second Amended Credit Agreement contains customary affirmative covenants, including, among others, covenants regarding the payment of taxes and other obligations, maintenance of insurance, reporting requirements, and compliance with applicable laws and regulations.

As of September 23, 2023, the Company had no amounts outstanding under the Revolving Credit Facility and was in compliance with all covenants under the Second Amended Credit Agreement.

9. Revenues

Disaggregation of revenue

We disaggregate revenue from contracts with customers by product line and ship to location of the customer. Sales are designated in the respective product line categories of Audio and High-Performance Mixed-Signal ("HPMS").

Total net sales based on the product line disaggregation criteria described above are shown in the table below (in thousands).

	Three Months Ended		Six Months Ended	
	September 23, 2023	September 24, 2022	September 23, 2023	September 24, 2022
Audio Products	\$ 282,855	\$ 337,811	\$ 478,661	\$ 592,307
HPMS Products	198,208	202,763	319,418	341,906
	\$ 481,063	\$ 540,574	\$ 798,079	\$ 934,213

The geographic regions that are reviewed are China, the United States, and the rest of the world. Total net sales based on the geographic disaggregation criteria described are as follows (in thousands):

	Three Months Ended				Six Months Ended			
	September 23,		September 24,		September 23,		September 24,	
	2023		2022		2023		2022	
China	\$	279,066	\$	350,254	\$	469,928	\$	611,745
United States		4,883		13,102		7,042		20,299
Rest of World		197,114		177,218		321,109		302,169
	\$	481,063	\$	540,574	\$	798,079	\$	934,213

10. Restructuring and Related Costs

In the fourth quarter of fiscal year 2023, the Company decided to abandon or sublease office space at various properties worldwide to align our real property lease arrangements with our anticipated operating needs. In addition, on July 12, 2023, the Company announced a workforce reduction of approximately 5% of its global employees. This action was taken in response to overall market conditions and the impact of a new product previously scheduled for introduction in fall 2023 that did not come to market as anticipated. In the second quarter of fiscal year 2024, the Company incurred severance and other related charges of \$2.3 million related to the July restructuring event, which is presented separately on the Consolidated Condensed Statement of Income. As of September 23, 2023, restructuring liabilities related to the second quarter fiscal year 2024 restructuring event were \$0.2 million and restructuring liabilities related to the fourth quarter fiscal year 2023 facilities restructuring were \$2.4 million. We expect the restructuring-related liabilities to be substantially paid out in cash during fiscal year 2024. Restructuring liabilities are presented within "Other accrued liabilities" of the Consolidated Condensed Balance Sheet.

11. Income Taxes

Our provision for income taxes is based on estimated effective tax rates derived from an estimate of annual consolidated earnings before taxes, adjusted for nondeductible expenses, other permanent items, and any applicable income tax credits.

The following table presents the provision for income taxes (in thousands) and the effective tax rates:

	Three Months Ended				Six Months Ended			
	September 23,		September 24,		September 23,		September 24,	
	2023		2022		2023		2022	
Income before income taxes	\$	109,408	\$	117,797	\$	132,178	\$	172,884
Provision for income taxes	\$	34,001	\$	30,609	\$	41,171	\$	45,989
Effective tax rate		31.1 %		26.0 %		31.1 %		26.6 %

Our income tax expense was \$34.0 million and \$30.6 million for the second quarters of fiscal years 2024 and 2023, respectively, resulting in effective tax rates of 31.1 percent and 26.0 percent, respectively. Our income tax expense was \$41.2 million and \$46.0 million for the first six months of fiscal years 2024 and 2023, respectively, resulting in effective tax rates of 31.1 percent and 26.6 percent, respectively. Our effective tax rates for the second quarters and first six months of fiscal year 2024 and 2023 were higher than the federal statutory rate primarily due to a provision in the Tax Cuts and Jobs Act of 2017 that requires research and development ("R&D") expenditures incurred in tax years beginning after December 31, 2021 to be capitalized and amortized ratably over five or fifteen years depending on the location in which the research activities are conducted, resulting in higher global intangible low-taxed income ("GILTI"), which is treated as a period cost. In addition, our effective tax rates for all periods presented were unfavorably impacted by U.S. tax rules related to refundable tax credits, including R&D expenditure credits available to us in the United Kingdom, that reduce the amount of foreign tax credits available to offset GILTI.

The Company records unrecognized tax benefits for the estimated risk associated with tax positions taken on tax returns. At September 23, 2023, the Company had unrecognized tax benefits of \$32.9 million, all of which would impact the effective tax rate if recognized. The Company's total unrecognized tax benefits are classified as "Non-current income taxes" in the Consolidated Condensed Balance Sheets. The Company recognizes interest and penalties related to unrecognized tax benefits in the provision for income taxes. As of September 23, 2023, the balance of accrued interest and penalties, net of tax, was \$8.0 million.

On July 27, 2015, the U.S. Tax Court issued an opinion in *Altera Corp. et al. v. Commissioner* which concluded that the regulations relating to the treatment of stock-based compensation expense in intercompany cost-sharing arrangements were invalid. In 2016 the U.S. Internal Revenue Service appealed the decision to the U.S. Court of Appeals for the Ninth Circuit (the "Ninth Circuit"). On July 24, 2018, the Ninth Circuit issued a decision that was subsequently withdrawn and a reconstituted panel conferred on the appeal. On June 7, 2019, the Ninth Circuit reversed the decision of the U.S. Tax Court and upheld the cost-sharing regulations. On February 10, 2020, Altera Corp. filed a Petition for a Writ of Certiorari with the Supreme Court of the United States, which was denied by the Supreme Court on June 22, 2020. Although the issue is now resolved in the Ninth Circuit, the Ninth Circuit's opinion is not binding in other circuits. The potential impact of this issue on the Company, which is not located within the jurisdiction of the Ninth Circuit, is unclear at this time. We will continue to monitor developments related to this issue and the potential impact of those developments on the Company's current and prior fiscal years.

The Company and its subsidiaries are subject to U.S. federal income tax as well as income tax in multiple state and foreign jurisdictions. Fiscal years 2017 through 2023 remain open to examination by the major taxing jurisdictions to which the Company is subject, although carry forward attributes that were generated in tax years prior to fiscal year 2017 may be adjusted upon examination by the tax authorities if they have been, or will be, used in a future period.

The Company's fiscal year 2017, 2018, and 2019 federal income tax returns are under examination by the U.S. Internal Revenue Service ("IRS"). The IRS has proposed adjustments that would increase U.S. taxable income related to transfer pricing matters with respect to our U.S. and U.K. affiliated companies. The final Revenue Agent's Report asserts additional tax of approximately \$168.3 million, excluding interest, and imposes penalties of approximately \$63.7 million. The Company does not agree with the IRS's positions and intends to vigorously dispute the proposed adjustments. The Company intends to pursue resolution through the administrative process with the IRS Independent Office of Appeals and is awaiting the scheduling of an opening conference. If necessary, the Company will seek resolution through judicial remedies. The Company expects it could take a number of years to reach resolution on these matters. Although the final resolution of these matters is uncertain, the Company believes adequate amounts have been reserved for any adjustments to the provision for income taxes that may ultimately result. However, if the IRS prevails in these matters, the amount of assessed tax, interest, and penalties, if any, could be material and may have an adverse impact on our financial position, results of operations, and cash flows in future periods. The Company is not under an income tax audit in any other major taxing jurisdiction.

12. Net Income Per Share

Basic net income per share is based on the weighted effect of common shares issued and outstanding and is calculated by dividing net income by the basic weighted average shares outstanding during the period. Diluted net income per share is calculated by dividing net income by the weighted average number of common shares used in the basic net income per share calculation, plus the equivalent number of common shares that would be issued assuming exercise or conversion of all potentially dilutive common shares outstanding. These potentially dilutive items consist primarily of outstanding stock options and restricted stock grants.

The following table details the calculation of basic and diluted earnings per share for the three and six months ended September 23, 2023 and September 24, 2022 (in thousands, except per share amounts):

	Three Months Ended		Six Months Ended	
	September 23, 2023	September 24, 2022	September 23, 2023	September 24, 2022
Numerator:				
Net income	\$ 75,407	\$ 87,188	\$ 91,007	\$ 126,895
Denominator:				
Weighted average shares outstanding	54,503	55,726	54,683	56,002
Effect of dilutive securities	1,775	1,692	1,770	1,618
Weighted average diluted shares	56,278	57,418	56,453	57,620
Basic earnings per share	\$ 1.38	\$ 1.56	\$ 1.66	\$ 2.27
Diluted earnings per share	\$ 1.34	\$ 1.52	\$ 1.61	\$ 2.20

The weighted outstanding shares excluded from our diluted calculation for the three and six months ended September 23, 2023 were 393 thousand and 364 thousand, respectively, as the shares were anti-dilutive. The weighted

outstanding shares excluded from our diluted calculation for the three and six months ended September 24, 2022 were 265 thousand and 288 thousand, respectively, as the shares were anti-dilutive.

13. Commitments and Contingencies

Capacity Reservation Agreement

On July 28, 2021, the Company entered into a Capacity Reservation and Wafer Supply Commitment Agreement (the "Capacity Reservation Agreement") with GlobalFoundries to provide the Company a wafer capacity commitment and wafer pricing for Company products for calendar years 2022-2026 (the "Commitment Period").

The Capacity Reservation Agreement requires GlobalFoundries to provide, and the Company to purchase, a defined number of wafers on a quarterly basis for the Commitment Period, subject to shortfall payments. In exchange for GlobalFoundries' capacity commitment, the Company paid a \$60 million non-refundable capacity reservation fee, which is amortized over the Commitment Period. The balance of this reservation fee is \$36 million as of September 23, 2023, and is recorded in "Other current assets" and "Other assets" on the Consolidated Condensed Balance Sheets within the short-term or long-term classification, as appropriate. In addition, the Company pre-paid GlobalFoundries \$195 million for future wafer purchases, which will be credited back to the Company as a portion of the price of wafers purchased, beginning in the Company's second fiscal quarter of 2024. The balance of the prepayment is \$174 million at September 23, 2023, and is currently recorded in "Long-term prepaid wafers" and "Prepaid wafers" on the Consolidated Condensed Balance Sheets.

Lease Agreement

In the second quarter of fiscal year 2024, the Company commenced an 11-year operating lease for corporate office space in Chandler, Arizona. As a result, the Company recognized a liability of \$17 million for future lease payments and a corresponding right-of-use lease asset. Lease liabilities and right-of-use lease assets are presented separately on the Consolidated Condensed Balance Sheets as of September 23, 2023.

14. Legal Matters

From time to time, we are involved in legal proceedings concerning matters arising in connection with the conduct of our business activities. We regularly evaluate the status of legal proceedings in which we are involved in order to assess whether a loss is probable or there is a reasonable possibility that a loss or additional loss may have been incurred, and to determine if accruals are appropriate. We further evaluate each legal proceeding to assess whether an estimate of possible loss or range of loss can be made.

Based on current knowledge, management does not believe that there are any pending matters that could potentially have a material adverse effect on our business, financial condition, results of operations or cash flows. However, we are engaged in various legal actions in the normal course of business. There can be no assurances in light of the inherent uncertainties involved in any potential legal proceedings, some of which are beyond our control, and an adverse outcome in any legal proceeding could be material to our results of operations or cash flows for any particular reporting period.

15. Stockholders' Equity

Common Stock

The Company issued a net 0.1 million shares of common stock for both the three and six months ended September 23, 2023, and 0.1 million for both the three and six months ended September 24, 2022, respectively, pursuant to the Company's equity incentive plans.

Share Repurchase Program

In fiscal year 2024, the Company's net stock repurchases are subject to a 1 percent excise tax under the Inflation Reduction Act, included as a reduction to accumulated earnings (deficit) in the Consolidated Condensed Statements of Stockholders' Equity. Disclosure of repurchased amounts and related average costs exclude the impact of excise taxes.

In January 2021, the Board of Directors authorized the repurchase of \$350 million of the Company's common stock. During the three months ended June 24, 2023, the Company completed share repurchases under the 2021 authorization, leaving

no remaining authorization under this program. In July 2022, the Board of Directors authorized the repurchase of up to \$500 million of the Company's common stock. As of September 23, 2023, approximately \$78.0 million of the Company's common stock has been repurchased under the 2022 share repurchase authorization, leaving approximately \$422 million available for repurchase. During the three months ended September 23, 2023, the Company repurchased 0.5 million shares of the Company's common stock under the 2022 authorization for \$40.6 million, at an average cost of \$79.45 per share. During the six months ended September 23, 2023, the Company repurchased 1.0 million shares of the Company's common stock under the combined 2021 and 2022 authorizations for \$79.1 million, at an average cost of \$80.95 per share.

16. Segment Information

We determine our operating segments in accordance with FASB guidelines. Our Chief Executive Officer ("CEO") has been identified as the chief operating decision maker under these guidelines.

The Company operates and tracks its results in one reportable segment, but reports revenue in two product lines, Audio and HPMS. Our CEO receives and uses enterprise-wide financial information to assess financial performance and allocate resources, rather than detailed information at a product line level. Additionally, our product lines have similar characteristics and customers. They share support functions such as sales, public relations, supply chain management, various research and development and engineering support, in addition to the general and administrative functions of human resources, legal, finance and information technology. Therefore, there is no complete, discrete financial information maintained for these product lines. Revenue by product line is disclosed in Note 9 - Revenues.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read along with the unaudited consolidated condensed financial statements and notes thereto included in Item 1 of this Quarterly Report on Form 10-Q, as well as the audited consolidated financial statements and notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations for the fiscal year ended March 25, 2023, contained in our fiscal year 2023 Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "Commission") on May 19, 2023. We maintain a website at investor.cirrus.com, which makes available free of charge our most recent annual report and all other filings we have made with the Commission.

Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q including Management's Discussion and Analysis of Financial Condition and Results of Operations and certain information incorporated herein by reference contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, (the "Exchange Act"). These forward-looking statements are based on expectations, estimates, forecasts and projections and the beliefs and assumptions of our management as of the filing of this Form 10-Q. In some cases, forward-looking statements are identified by words such as "expect," "anticipate," "target," "project," "believe," "goals," "estimates," "intend," and variations of these types of words and similar expressions which are intended to identify these forward-looking statements. In addition, any statements that refer to our plans, expectations, strategies or other characterizations of future events or circumstances are forward-looking statements. Readers are cautioned that these forward-looking statements are predictions and are subject to risks, uncertainties and assumptions that are difficult to predict. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements and readers should not place undue reliance on such statements. We undertake no obligation, and expressly disclaim any duty, to revise or update publicly any forward-looking statement for any reason.

For additional information regarding known material factors that could cause our actual results to differ from our projected results, please see "Item 1A - Risk Factors" in our 2023 Annual Report on Form 10-K filed with the Commission on May 19, 2023, and in "Part II, Item 1A - Risk Factors" within this Quarterly Report on Form 10-Q. Readers should carefully review these risk factors, as well as those identified in other documents filed by us with the Commission.

Overview

Cirrus Logic, Inc. (“Cirrus Logic,” “We,” “Us,” “Our,” or the “Company”) is a leader in low-power, high-precision mixed-signal processing solutions that create innovative user experiences for the world’s top mobile and consumer applications.

The Company remains committed to our three-pronged strategy for growing our business: first, maintaining our leadership position in smartphone audio; second, increasing HPMS content in smartphones; and third, leveraging our strength in audio and HPMS to expand into additional applications and markets with new and existing components.

During the second quarter of fiscal year 2024, the Company recorded the financial impact of the disposition of wafers associated with the new HPMS product previously scheduled for introduction in fall 2023, that did not come to market as anticipated. The disposition did not have a material financial impact. While this product was intended to be manufactured at GlobalFoundries as part of our Capacity Reservation Agreement, the agreement allows for wafer allocation flexibility within our product portfolio. As a result, these wafers are being reallocated to other products that utilize the same underlying technology, including amplifiers, haptic drivers, and battery and power integrated circuits (ICs). We continue to focus on our long-term strategy to drive content expansion with this customer as we pursue a variety of opportunities for both the next generation of our existing components as well as new products.

Critical Accounting Policies and Estimates

Our discussion and analysis of the Company’s financial condition and results of operations are based upon the unaudited consolidated condensed financial statements included in this report, which have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts. We evaluate the estimates on an on-going basis. We base these estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

There have been no significant changes during the three and six months ended September 23, 2023, to the information provided under the headings “*Critical Accounting Estimates*” and “*Summary of Significant Accounting Policies*” included in our fiscal year 2023 Annual Report on Form 10-K for the fiscal year ended March 25, 2023.

Recently Issued Accounting Pronouncements

For a discussion of recently issued accounting pronouncements, refer to Note 2 of the Notes to the Consolidated Condensed Financial Statements.

Results of Operations

Our fiscal year is the 52- or 53-week period ending on the last Saturday in March. Fiscal year 2024 is a 53-week fiscal year, including a 14-week fiscal third quarter. Fiscal year 2023 was a 52-week fiscal year.

The following table summarizes the results of our operations for the first three and six months of fiscal years 2024 and 2023, respectively, as a percentage of net sales. All percentage amounts were calculated using the underlying data in thousands, unaudited:

	Three Months Ended		Six Months Ended	
	September 23, 2023	September 24, 2022	September 23, 2023	September 24, 2022
Net sales	100 %	100 %	100 %	100 %
Gross margin	51 %	50 %	51 %	51 %
Research and development	22 %	21 %	26 %	24 %
Selling, general and administrative	7 %	7 %	9 %	9 %
Restructuring and related costs	— %	— %	— %	— %
Income from operations	22 %	22 %	15 %	18 %
Interest income	1 %	— %	1 %	1 %
Interest expense	— %	— %	— %	— %
Other income (expense)	— %	— %	— %	— %
Income before income taxes	23 %	22 %	16 %	19 %
Provision for income taxes	7 %	6 %	5 %	5 %
Net income	16 %	16 %	11 %	14 %

Net Sales

Net sales for the second quarter of fiscal year 2024 decreased \$59.5 million, or 11 percent, to \$481.1 million from \$540.6 million in the second quarter of fiscal year 2023. Net sales from our audio products decreased \$55.0 million, primarily driven by continued weakness in sales of general market products and a reduction in components shipping in smartphones. Net sales from HPMS products decreased \$4.6 million for the quarter versus the second quarter of fiscal year 2023, primarily due to a decline in general market sales.

Net sales for the first six months of fiscal year 2024 decreased \$136.1 million, or 15 percent, to \$798.1 million from \$934.2 million for the first six months of fiscal year 2023. Net sales from our audio products decreased \$113.6 million, primarily driven by continued weakness in general market sales and, to a lesser extent, a reduction in components shipping in smartphones. Net sales from HPMS products decreased \$22.5 million for the year versus the first six months of fiscal year 2023, primarily due to a reduction in components shipping in smartphones.

International sales, including sales to U.S.-based end customers that manufacture products through contract manufacturers or plants located overseas, were approximately 99 percent and 98 percent of net sales for the second quarters of fiscal years 2024 and 2023, respectively, and 99 percent and 98 percent for the first six months of fiscal years 2024 and 2023, respectively. Our sales are denominated primarily in U.S. dollars.

Since the components we produce are largely proprietary, we consider our end customer to be the entity specifying the use of our component in their design. These end customers may purchase our products directly from us, through distributors, or third-party manufacturers contracted to produce their designs. For the second quarter of fiscal years 2024 and 2023, our ten largest end customers represented approximately 95 percent and 91 percent of our net sales, respectively, and 94 percent and 90 percent of our net sales for the first six months of fiscal years 2024 and 2023, respectively.

We had one end customer, Apple Inc., that purchased through multiple contract manufacturers and represented approximately 88 percent and 82 percent of the Company's total net sales for the second quarter of fiscal years 2024 and 2023, respectively, and 86 percent and 81 percent for the first six months of fiscal years 2024 and 2023, respectively.

No other end customer or distributor represented more than 10 percent of net sales for the three and six months ended September 23, 2023 or September 24, 2022.

For more information, please see "Part II, Item 1A - Risk Factors" — "We depend on a limited number of customers and distributors for a substantial portion of our sales, and the loss of, or a significant reduction in orders from, or pricing on products sold to, any key customer or distributor could significantly reduce our sales and our profitability."

Gross Margin

Gross margin was 51.3 percent in the second quarter of fiscal year 2024, up from 50.2 percent in the second quarter of fiscal year 2023. The increase was primarily due to reduced supply chain costs and inventory reserves, partially offset by a less favorable product mix.

Gross margin was 50.9 percent for the first six months of fiscal year 2024, up from 50.7 percent for the first six months of fiscal year 2023 due to reduced supply chain costs and the benefit of lower inventory reserves, mostly offset by a less favorable product mix.

Research and Development Expense

Research and development expense for the second quarter of fiscal year 2024 was \$104.2 million, a decrease of \$11.3 million, from \$115.5 million in the second quarter of fiscal year 2023. Significant drivers of the decrease included reduced amortization of acquisition intangibles expense, increased R&D incentives, lower variable compensation costs, reduced acquisition-related and product development costs, partially offset by higher employee-related and stock-based compensation expenses for the quarter.

Research and development expense for the first six months of fiscal year 2024 was \$210.4 million, a decrease of \$14.8 million, from \$225.2 million for the first six months of fiscal year 2023 primarily due to reduced amortization of acquisition intangibles expense, increased R&D incentives, lower variable compensation costs, reduced product development and acquisition-related costs, partially offset by higher employee-related and stock-based compensation expenses for the period.

Selling, General and Administrative Expense

Selling, general and administrative expense for the second quarter of fiscal year 2024 was \$34.3 million, a decrease of \$5.3 million, from \$39.6 million in the second quarter of fiscal year 2023, primarily due to lower variable compensation costs and employee-related expenses.

Selling, general and administrative expense for the first six months of fiscal year 2024 was \$69.7 million, a decrease of \$8.5 million, from \$78.2 million for the first six months of fiscal year 2023, primarily due to lower variable compensation costs and employee-related expenses for the period.

Restructuring and Related Costs

Restructuring costs for the second quarter and first six months of fiscal year 2024 were \$2.3 million. These costs were primarily related to workforce reduction actions previously disclosed. See Note 10 - Restructuring and Related Costs for additional information.

Interest Income

The Company reported interest income of \$4.0 million and \$8.8 million, for the three and six months ended September 23, 2023, respectively and \$1.5 million and \$2.1 million for the three and six months ended September 24, 2022, respectively. Interest income increased in the current period due to higher yields on combined average cash, cash equivalents and marketable securities balances, compared to the prior period.

Interest Expense

The Company reported interest expense of \$0.2 million and \$0.5 million for the three and six months ended September 23, 2023, respectively and \$0.2 million and \$0.5 million for the three and six months ended September 24, 2022, respectively. Interest expense consists primarily of commitment fees associated with the Company's Revolving Credit Facility (see Note 8 - Revolving Credit Facility).

Other Income (Expense)

For the three and six months ended September 23, 2023, the Company reported other expense of \$0.1 million and other income of \$0.3 million, respectively, and \$0.3 million and \$0.8 million in other income for the three and six months ended

September 24, 2022, respectively. This activity primarily related to remeasurement on foreign currency denominated monetary assets and liabilities.

Income Taxes

Our provision for income taxes is based on estimated effective tax rates derived from an estimate of annual consolidated earnings before taxes, adjusted for nondeductible expenses, other permanent items and any applicable credits.

The following table presents the provision for income taxes (in thousands) and the effective tax rates:

	Three Months Ended		Six Months Ended	
	September 23, 2023	September 24, 2022	September 23, 2023	September 24, 2022
Income before income taxes	\$ 109,408	\$ 117,797	\$ 132,178	\$ 172,884
Provision for income taxes	\$ 34,001	\$ 30,609	\$ 41,171	\$ 45,989
Effective tax rate	31.1 %	26.0 %	31.1 %	26.6 %

Our income tax expense for the second quarter of fiscal year 2024 was \$34.0 million compared to \$30.6 million for the second quarter of fiscal year 2023, resulting in effective tax rates of 31.1 percent and 26.0 percent, respectively. Our income tax expense was \$41.2 million and \$46.0 million for the first six months of fiscal years 2024 and 2023, respectively, resulting in effective tax rates of 31.1 percent and 26.6 percent, respectively. Our effective tax rates for the second quarters and first six months of fiscal year 2024 and 2023 were higher than the federal statutory rate primarily due to a provision in the Tax Cuts and Jobs Act of 2017 that requires R&D expenditures incurred in tax years beginning after December 31, 2021 to be capitalized and amortized ratably over five or fifteen years depending on the location in which the research activities are conducted, resulting in higher global intangible low-taxed income ("GILTI"), which is treated as a period cost. In addition, our effective tax rates for both periods presented were unfavorably impacted by U.S. tax rules related to refundable tax credits, including R&D expenditure credits available to us in the United Kingdom, that reduce the amount of foreign tax credits available to offset GILTI.

Liquidity and Capital Resources

We require cash to fund our operating expenses and working capital requirements, including outlays for inventory, capital expenditures, share repurchases, and strategic acquisitions. Our principal sources of liquidity are cash on hand, cash generated from operations, cash generated from the sale and maturity of marketable securities, and available borrowings under our \$300 million Revolving Credit Facility.

Cash used in or generated from our operating activities is net income adjusted for certain non-cash items and changes in working capital. Cash used in operations was \$62.5 million for the first six months of fiscal year 2024 versus \$110.4 million generated for the corresponding period of fiscal year 2023. The cash flow used in operations during the first six months of fiscal year 2024 was related to the cash components of our net income and a \$216.5 million unfavorable change in working capital, primarily as a result of an increase in accounts receivables (see Note 6) and inventory and a decrease in acquisition-related liabilities, partially offset by prepaid wafer usage (related to the Capacity Reservation Agreement) beginning in the second quarter of fiscal year 2024. The Company anticipates inventory to remain at increased levels during fiscal year 2024 as we balance product demand and wafer purchase commitments. The cash flow from operations during the corresponding period of fiscal year 2023 was related to the cash components of our net income and a \$84.9 million unfavorable change in working capital, primarily as a result of an increase in accounts receivables and inventory for the period.

Net cash used in investing activities was \$23.8 million during the first six months of fiscal year 2024 versus \$16.9 million during the first six months of fiscal year 2023. The cash used in investing activities in the first six months of fiscal year 2024 was related to capital expenditures of \$20.8 million and net purchases of marketable securities of \$2.9 million. The cash used in investing activities in the corresponding period in fiscal year 2023 was related to capital expenditures and technology investments of \$17.5 million, partially offset by net sales of marketable securities of \$0.6 million.

Net cash used in financing activities was \$81.6 million during the first six months of fiscal year 2024 and was primarily associated with stock repurchases for the period of \$79.1 million. The cash used in financing activities during the

first six months of fiscal year 2023 of \$108.3 million was primarily associated with stock repurchases during the period of \$106.4 million.

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 future acquisitions of companies or technologies, inventory build, and commitments under the Capacity Reservation Agreement with GlobalFoundries (discussed further in Note 13 - Commitments and Contingencies of the Notes to the Consolidated Condensed Financial Statements). We believe our expected future cash earnings, existing cash, cash equivalents, investment balances, and available borrowings under our Revolving Credit Facility will be sufficient to meet our capital requirements both domestically and internationally, in the short-term (i.e. the next 12 months) and in the long-term, although we could be required, or could elect, to seek additional funding prior to that time.

Revolving Credit Facility

On July 8, 2021, the Company entered into a second amended and restated credit agreement (the "Second Amended Credit Agreement") with Wells Fargo Bank, National Association, as administrative agent, and the lenders party thereto. The Second Amended Credit Agreement provides for a \$300 million senior secured revolving credit facility (the "Revolving Credit Facility"). The Revolving Credit Facility matures on July 8, 2026 (the "Maturity Date"). The Revolving Credit Facility is required to be guaranteed by all of Cirrus Logic's material domestic subsidiaries ("Subsidiary Guarantors"). The Revolving Credit Facility is secured by substantially all the assets of Cirrus Logic and any Subsidiary Guarantors, except for certain excluded assets.

On March 20, 2023, the Company, entered into the First Amendment (the "Amendment") to its Second Amended Credit Agreement, with the lending institutions party thereto and Wells Fargo Bank, National Association, as administrative agent. The Amendment updates the benchmark interest rate provisions to replace the London interbank offered rate ("LIBOR") with the forward-looking secured overnight financing rate ("Term SOFR"), for the purposes of calculating interest under the terms of the Second Amended Credit Agreement.

As of September 23, 2023, the Company had no amounts outstanding under the Revolving Credit Facility and was in compliance with all covenants under the Second Amended Credit Agreement.

See Note 8 — Revolving Credit Facility for additional information including material terms and related covenants.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks associated with interest rates on our debt securities, currency movements on non-functional currency assets and liabilities, and the effect of market factors on the value of our marketable securities. We assess these risks on a regular basis and have established policies that are designed to protect against the adverse effects of these and other potential exposures. We use forward contracts to manage exposure to foreign currency exchange risk attributable to certain non-U.S. dollar balance sheet exposures. Gains and losses from these foreign currency forward contracts are recognized currently in earnings along with the gains and losses resulting from remeasuring the underlying exposures. For further description of our market risks, see "Part II – Item 7A – Quantitative and Qualitative Disclosures about Market Risk" in our fiscal year 2023 Annual Report on Form 10-K filed with the Commission on May 19, 2023. For related financial statement impact see Note 5 - Derivative Financial Instruments.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

As required by Rule 13a-15(b) of the Exchange Act, we have evaluated, under the supervision and with the participation of our management, including our chief executive officer (CEO) and chief financial officer (CFO), the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the Commission rules and forms and (ii) accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Based upon the evaluation, our management, including our CEO and CFO, has concluded that our disclosure controls and procedures were effective as of September 23, 2023.

Changes in control over financial reporting

There has been no change in the Company's internal control over financial reporting during the quarter ended September 23, 2023, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information regarding legal proceedings to which the Company is a party is set forth in Note 14 – Legal Matters to our unaudited consolidated condensed financial statements and is incorporated herein by reference.

ITEM 1A. RISK FACTORS

In evaluating all forward-looking statements, you should specifically consider risk factors that may cause actual results to vary from those contained in the forward-looking statements. Various risk factors associated with our business are included in our Annual Report on Form 10-K for the year ended March 25, 2023, as filed with the Commission on May 19, 2023, and available at www.sec.gov. Other than as set forth below, there have been no material changes to those risk factors previously disclosed in our Annual Report on Form 10-K for the fiscal year ended March 25, 2023.

We depend on a limited number of customers and distributors for a substantial portion of our sales, and the loss of, or a significant reduction in orders from, or pricing on products sold to, any key customer or distributor could significantly reduce our sales and our profitability.

While we generate sales from a broad base of customers worldwide, the loss of any of our key customers, or a significant reduction in sales or selling prices to any key customer, or reductions in selling prices made to retain key customer relationships, would significantly reduce our revenue, margins and earnings and adversely affect our business. For the second quarter of fiscal years 2024 and 2023, our ten largest end customers represented approximately 95 percent and 91 percent of our net sales, respectively. For the first six month periods of fiscal years 2024 and 2023, our ten largest end customers represented approximately 94 percent and 90 percent of our net sales, respectively. We had one end customer, Apple Inc., that purchased through multiple contract manufacturers and represented approximately 88 percent and 82 percent of the Company's total net sales for the second quarter of fiscal years 2024 and 2023, respectively and 86 percent and 81 percent for the first six months of fiscal years 2024 and 2023, respectively. No other end customer or distributor represented more than 10 percent of net sales for the three and six months ended September 23, 2023, or September 24, 2022.

We may not be able to maintain or increase sales to certain of our key customers for a variety of reasons, including:

- most of our customers can stop incorporating our products into their own products with limited notice to us and suffer little or no penalty;
- our agreements with our customers typically do not require them to purchase a minimum quantity of our products;
- many of our customers have pre-existing or concurrent relationships with our current or potential competitors that may affect the customers' decisions to purchase our products;
- many of our customers have sufficient resources to internally develop technology solutions and semiconductor components that could replace the products that we currently supply in our customers' end products;
- our customers face intense competition from other manufacturers that do not use our products;
- our customers regularly evaluate alternative sources of supply in order to diversify their supplier base, which increases their negotiating leverage with us and their ability to either obtain or dual-source components from other suppliers; and
- our current customers may be hesitant in some cases to award new business to us based on their desire to manage their supply

chain risks around any potential over-dependence on a supplier or supply chain.

In addition, our dependence on a limited number of key customers may make it easier for them to pressure us on price reductions or to not accept price increases resulting from unexpected or additional cost increases or fees associated with our suppliers. We have experienced pricing pressure from certain key customers, and we expect that the average selling prices ("ASPs") for certain of our products will decline from time to time, potentially reducing our revenue, margins, and earnings.

Our key customer relationships often require us to develop new products that may involve significant technological challenges. Our customers frequently place considerable pressure on us to meet tight development schedules. In addition, we have entered, and may again enter in the future, into customer agreements providing for exclusivity periods during which we may only sell specified products or technology to a specific customer. Even without exclusivity periods, the products that we develop are often specific to our customer's system architecture and frequently cannot be sold to other customers. Accordingly, we have in the past and may in the future devote a substantial amount of resources to strategic relationships, which could detract from or delay our completion of other important development projects or the development of next-generation products and technologies, and notwithstanding our efforts, our customers may not be obligated to purchase new products that we develop for them, which could impact our operating results, financial condition, and cash flows. For example, in April 2023, we were informed that a new product that we had developed for a key customer for introduction in the fall of calendar 2023 was no longer expected to come to market as planned.

Our reliance on certain customers may continue to increase, which could heighten the risks associated with having key customers, including making us more vulnerable to significant reductions in revenue, margins, and earnings; pricing pressure; and other adverse effects on our business.

Because we depend on subcontractors internationally to perform key manufacturing functions for us, we are subject to political, economic, climate and natural disaster risks that could disrupt the fabrication, assembly, packaging, or testing of our products.

We depend on third-party subcontractors, primarily in Asia, for the fabrication, assembly, packaging, and testing of most of our products. International operations may be subject to a variety of risks, including political instability, global health conditions, currency controls, exchange rate fluctuations, changes in import/export regulations, tariff and freight rates, as well as the risks of natural disasters such as earthquakes, tsunamis, and floods. The potential physical impacts of climate change, including high heat events, power or water shortages, fires, rising sea levels, changes in storm patterns or intensities, or other extreme weather conditions, are uncertain and could impact operations at our subcontractors. Any disruption to our manufacturing cycle could adversely affect our operations and financial results.

Although we seek to reduce our dependence on any one subcontractor, the substantial majority of our semiconductor wafers are manufactured by TSMC at fabs in Taiwan, and GlobalFoundries in Singapore and Germany. This concentration of subcontractors and manufacturing operations, subjects us to the risks of conducting business internationally, including associated political and economic conditions. If we experience manufacturing problems at a particular location, or a supplier is unable to continue operating due to financial difficulties, natural disasters, political or economic turmoil or conflict, or other reasons, we would be required to transfer manufacturing to a backup supplier. Transferring from a primary supplier to another facility would likely result in increased production costs and a delay in production. Further, such a transition may not be possible, particularly in a supply constrained environment. There are only a few foundries that are currently available for certain advanced processing technologies that we utilize or may utilize. As a result, delays in our production or shipping by the parties to whom we outsource these functions could reduce our sales, damage our customer relationships, and damage our reputation in the marketplace, any of which could harm our business, results of operations, and financial condition.

For example, we rely on several third-party suppliers located in Taiwan. Any deterioration in the social, political, or economic conditions in Taiwan, particularly as it relates to China-Taiwan relations, may disrupt our business operations and materially and adversely affect our results of operations. Similarly, our operations also could be harmed, and our costs could increase, if Russia's invasion of Ukraine results in a shortage of materials that our suppliers require to manufacture our products.

In addition, we are currently working with a supplier that is headquartered in Israel on the development of additional manufacturing alternatives. The recent declaration of war by Israel against Hamas, and the resulting actions that may be taken by governments in response to the war, could potentially impact or delay the supplier's ability to provide timely engineering support that may be required to advance our efforts to develop future manufacturing alternatives.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table provides information about purchases of equity securities that are registered by us pursuant to Section 12 of the Exchange Act during the three months ended September 23, 2023 (in thousands, except per share amounts):

Monthly Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (1)
June 25, 2023 - July 22, 2023	—	\$ —	—	\$ 462,625
July 23, 2023 - August 19, 2023	402	\$ 79.71	402	\$ 430,554
August 20, 2023 - September 23, 2023	109	\$ 78.48	109	\$ 422,049
Total	511	\$ 79.45	511	\$ 422,049

(1) The Company currently has one active share repurchase authorization, the \$500 million in share repurchases authorized by the Board of Directors in July 2022. Share repurchases are to be funded from existing cash and intended to be effected from time to time in accordance with applicable securities laws through the open market, including pursuant to a Rule 10b5-1 trading plan, or in privately negotiated transactions. The timing of repurchases and the actual amount purchased depend on a variety of factors including general market and economic conditions and other corporate considerations. The authorization does not have an expiration date, does not obligate the Company to repurchase any particular amount of common stock, and may be modified or suspended at any time at the Company's discretion. The Company repurchased 0.5 million shares of its common stock for an aggregate of \$40.6 million during the second quarter of fiscal year 2024, under the 2022 share repurchase authorization. These shares were repurchased in the open market and were funded from existing cash. All shares of our common stock that were repurchased were retired as of September 23, 2023.

In fiscal year 2024, the Company's net stock repurchases are subject to a 1 percent excise tax under the Inflation Reduction Act, included as a reduction to accumulated earnings (deficit) in the Consolidated Condensed Statements of Stockholders' Equity. Disclosure of repurchased amounts and related average costs exclude the impact of excise taxes.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION*Trading Arrangements*

None of our directors or Section 16 officers entered into or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement during the second quarter of fiscal year 2024.

ITEM 6. EXHIBITS

The following exhibits are filed as part of or incorporated by reference into this Report:

<u>Number</u>	<u>Description</u>
3.1	Certificate of Incorporation of Registrant, filed with the Delaware Secretary of State on August 26, 1998 (1)
3.2	Amended and Restated Bylaws of Registrant (2)
10.1	Cirrus Logic, Inc. Executive Severance and Change of Control Plan, as amended and restated on August 24, 2023
31.1	Certification of Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief Executive Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Chief Financial Officer, pursuant to 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)

1. Incorporated by reference from Registrant's Report on Form 10-K for the fiscal year ended March 31, 2001, filed with the Commission on June 22, 2001 (Registration No. 000-17795).
2. Incorporated by reference from Registrant's Report on Form 8-K filed with the Commission on March 8, 2023 (Registration No. 000-17795).

* The certifications attached as Exhibits 32.1 and 32.2 accompanying this Quarterly Report on Form 10-Q are deemed furnished and not filed with the SEC and are not to be incorporated by reference into any filing of the Registrant under the Securities Act of 1933, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

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.

CIRRUS LOGIC, INC.

Date: November 2, 2023

/s/ Venk Nathamuni

Venk Nathamuni
Chief Financial Officer and Principal Accounting Officer

CIRRUS LOGIC, INC.
EXECUTIVE SEVERANCE AND CHANGE OF CONTROL PLAN
Amended and Restated as of August 24, 2023

1. Introduction.

This Cirrus Logic, Inc. Executive Severance and Change of Control Plan (the “Plan”) was originally adopted by Cirrus Logic, Inc. (the “Company”) effective as of October 1, 2007. It was previously amended and restated effective as of January 1, 2014, April 1, 2018, and January 20, 2022. Effective as of August 24, 2023, the Plan is hereby amended and restated again as set forth in this document.

(a) Purpose. The purpose of the Plan is to describe eligibility for certain benefits by those individuals employed by the Company and its subsidiaries at the level of Chief Executive Officer and Vice President or above and reporting directly to the Chief Executive Officer (“Eligible Executives”) whose employment is terminated by the Company other than for Cause, or as a result of, or following, a Change of Control (as defined below). The Plan is intended to be maintained on an unfunded basis. No participant shall have any right to, or interest in, any assets of the Company that may be applied by the Company to the payment of benefits under the Plan.

(b) Effect. This Plan supersedes and replaces any prior plans, policies, or practices of the Company or any of its subsidiaries or affiliated companies that relate to severance payments (with the exception of the Cirrus Logic, Inc. Severance Plan for Select Employees) or vesting acceleration with respect to unvested stock options or any other securities or similar incentives of the Company that have been granted or issued to Eligible Executives. Any such policies or procedures, to the extent they relate to severance payments or vesting acceleration with respect to unvested stock options or any other securities or similar incentives of the Company, are hereby rescinded and shall no longer have any force or effect to the extent such policies or procedures apply to Eligible Executives. Notwithstanding the foregoing, this Plan is subordinated to any individual written (i) severance benefit agreement, (ii) change of control severance agreement, or (iii) employment agreement that provides for severance benefits in existence as of October 1, 2007, between any Eligible Executive and the Company.

2. Definition of Terms. The following capitalized terms used in this Plan shall have the following meanings:

(a) Cause. “Cause” shall mean (i) gross negligence or willful misconduct in the performance of an Eligible Executive’s duties to the Company; (ii) a material and willful violation of any federal or state law by an Eligible Executive that if made public would injure the business or reputation of the Company; (iii) refusal or willful failure by an Eligible Executive to comply with any specific lawful direction or order of the Company or a material violation of a policy or procedure of the Company including but not limited to the Company’s Code of Conduct, Harassment Prevention Policy, and the Company’s Insider Trading Policy as well as any obligation concerning proprietary rights and confidential information of the Company; (iv) conviction (including a plea of nolo contendere) of an Eligible Executive of a felony, or of a misdemeanor that would have a material adverse effect on the Company’s goodwill if such Eligible Executive were to be retained as an employee of the Company; (v) commission of theft, embezzlement, fraud, financial impropriety, or any act of dishonesty relating to employment with the Company; (vi) failure to cooperate with the Company in any internal investigation or

administrative, regulatory, or judicial proceeding; or (vii) substantial and continuing willful refusal by an Eligible Executive to perform duties ordinarily performed by an employee in the same position and having similar duties as such Eligible Executive; in each case as reasonably determined by the Board of Directors of Company or the successor to the Company (the “Board of Directors”).

(b) Change of Control. “Change of Control” shall mean the occurrence of one or more of the following with respect to the Company:

(i) The acquisition by any person (or related group of persons), whether by tender or exchange offer made directly to the Company’s stockholders, open market purchases or any other transaction or series of transactions, of stock of the Company that, together with stock of the Company held by such person or group, constitutes more than fifty percent (50%) of the total fair market value or total voting power of the then outstanding stock of the Company entitled to vote generally in the election of the members of the Company’s Board of Directors;

(ii) A merger or consolidation in which the Company is not the surviving entity, except for a transaction in which both (A) securities representing more than fifty percent (50%) of the total combined voting power of the surviving entity are beneficially owned (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934), directly or indirectly, immediately after such merger or consolidation by persons who beneficially owned common stock of the Company immediately prior to such merger or consolidation and (B) the members of the Board of Directors immediately prior to the transaction (the “Existing Board”) constitute a majority of the Board of Directors immediately after such merger or consolidation;

(iii) Any reverse merger in which the Company is the surviving entity but in which either (A) persons who beneficially owned, directly or indirectly, common stock of the Company immediately prior to such reverse merger do not retain immediately after such reverse merger direct or indirect beneficial ownership of securities representing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities or (B) the members of the Existing Board do not constitute a majority of the Board of Directors immediately after such reverse merger; or

(iv) The sale, transfer or other disposition of all or substantially all of the assets of the Company (other than a sale, transfer or other disposition to one or more subsidiaries of the Company).

(c) Disability. “Disability” shall mean a mental or physical disability, illness or injury, evidenced by medical reports from a duly qualified medical practitioner, which renders an Eligible Executive unable to perform any one or more of the essential duties of his or her position after the provision of reasonable accommodation, if applicable, for a period of greater than ninety (90) days within a one-year period. “Disabled” has a corresponding meaning.

(d) Good Reason. “Good Reason” shall mean an Eligible Executive’s resignation from Company within thirty (30) days following the Company’s failure to cure the occurrence of any of the following events with respect to such Eligible Executive:

(i) Without Eligible Executive’s express written consent, the material reduction of Eligible Executive’s duties, authority, or responsibilities relative to Eligible Executive’s

duties, authority, or responsibilities as in effect immediately prior to such reduction, or the assignment to Eligible Executive of such reduced duties, authority, or responsibilities; provided, however, that:

(a) the occurrence of a Change of Control shall not, in and of itself, constitute a material adverse change in Eligible Executive's duties, authority, or responsibilities; and

(b) a change in the Eligible Executive's position or title following a Change of Control shall not constitute Good Reason so long as the Eligible Executive retains substantially the same duties, authority, or responsibilities of a division, subsidiary, or business unit that constitutes or includes a significant portion of the business of the Company following the Change of Control.

(ii) A material reduction by Company in the base salary or bonus opportunity of Eligible Executive as in effect immediately prior to such reduction; provided, however, that such reductions shall not constitute Good Reason if they are pursuant to a company-wide reduction of base salaries and/or bonuses; or

(iii) The relocation of Eligible Executive's principal work location to a facility or a location more than fifty (50) miles from Eligible Executive's then present principal work location, without Eligible Executive's express written consent.

Notwithstanding the foregoing, "Good Reason" shall not exist unless the Eligible Executive provides to the Chief Executive Officer (or to the Board of Directors if the Eligible Executive is the Chief Executive Officer) written notice of the circumstances constituting "Good Reason" within 30 business days of the happening of the applicable event and the Company fails to cure such circumstances within 30 days from the date such notice is received.

(e) Termination Date. "Termination Date" shall mean:

(i) If an Eligible Executive's employment is terminated by Company for Disability, the date designated by Company as the last day of such Eligible Executive's employment;

(ii) If an Eligible Executive dies, the date of death;

(iii) If an Eligible Executive's employment is terminated by Company for any other reason, the date designated by Company as the last day of such Eligible Executive's employment; or

(iv) If an Eligible Executive's employment is terminated by such Eligible Executive, the date designated by Company as the effective date of resignation.

3. Eligibility for Severance and Other Benefits. Eligible Executives will receive the benefits described herein under the following circumstances:

(a) Termination in Connection with a Change of Control. If an Eligible Executive's employment terminates either by Company without Cause or by such Eligible Executive for

Good Reason at any time during the period commencing upon a Change of Control and ending twelve (12) months following a Change of Control, then, conditioned upon the Eligible Executive's execution and delivery of an effective release of claims against Company and related parties that releases Company and such parties from any claims whatsoever arising from or related to the Eligible Executive's employment relationship with Company including the termination of that relationship in a form reasonably acceptable to the Company, the Eligible Executive will receive the following:

(i) Eligible Executive's right, title and entitlement to any unvested stock options or any other securities or similar incentives that have been granted or issued to Eligible Executive as of the Termination Date, shall automatically be accelerated in full so as to become immediately and completely vested. Eligible Executive shall have six months from the Termination Date to exercise any options; provided, however, that in no event shall any option be exercisable after the option's original expiration date (determined by assuming continued employment) or after the tenth anniversary of the original date of grant of the option. In all other respects, Eligible Executive's options and any other securities or similar incentives shall continue to be subject to the terms of the applicable equity incentive plan notice of grant and grant agreement;

(ii) A lump sum cash payment equal to twelve (12) months' salary (in the case of the Chief Executive Officer, twenty-four (24) months' salary) at the Eligible Executive's base salary rate as of the Termination Date (without taking into account any reduction in base salary that could trigger Eligible Executive's resignation for Good Reason), plus (a) 100% of the Eligible Executive's annual target bonus amount as of the Termination Date (in the case of the Chief Executive Officer, 200%) and (b) if not already provided for in an applicable bonus plan, a prorated target bonus amount corresponding to the current bonus period as of the Termination Date, less applicable withholding taxes or other withholding obligations of Company and less any amounts to which Eligible Executive is otherwise entitled under any statutory or Company long or short term disability plan; and

(iii) If Eligible Executive elects group health plan continuation of coverage for Eligible Executive and his or her covered dependents under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") following termination of Eligible Executive's employment, a lump sum cash payment equal to a reasonable estimate of the full cost of such coverage for twelve (12) months (in the case of the Chief Executive Officer, eighteen (18) months).

The payments described above in Paragraphs (ii) and (iii) of this Section 3(a) shall be paid on or before the 15th day of the third month following the later of (A) the last day of the calendar year in which the Eligible Executive's Termination Date occurs or (B) the last day of the Company's taxable year in which the Eligible Executive's Termination Date occurs (the "Short-Term Deferral Date"). Notwithstanding any provision of the Plan to the contrary, in no event will any of the payments described above in Paragraph (ii) and/or (iii) of this Section 3(a), or any vested payment of any option or other security or similar incentive described above in Paragraph (i) of this Section 3(a) that would not otherwise be exempt from or compliant with Section 409A, be made after the Short-Term Deferral Date, and any such amounts that would otherwise be payable after the Short-Term Deferral Date shall instead be paid in a cash lump sum payment on or before the Short-Term Deferral Date.

(b) Termination Other Than for Cause or in Connection with a Change of Control. If an Eligible Executive's employment is terminated by Company without Cause (other than in connection with a Change of Control as described in Section 3(a)), then, conditioned upon the Eligible Executive's execution and delivery of an effective release of claims against Company and related parties that releases Company and such parties from any claims whatsoever arising from or related to the Eligible Executive's employment relationship with Company including the termination of that relationship in a form reasonably acceptable to the Company, the Eligible Executive will receive the following:

(i) Salary continuation for up to six (6) months' salary (in the case of the Chief Executive Officer, twelve (12) months' salary) at the Eligible Executive's base salary rate as of the Termination Date, payable in cash installments at each regular payroll period of the Company (except as otherwise provided below), less applicable withholding taxes or other withholding obligations of Company and less any amounts to which Eligible Executive is otherwise entitled under any statutory or Company long or short term disability plan; and

(ii) If Eligible Executive elects group health plan continuation of coverage for Eligible Executive and his or her covered dependents under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") following termination of Eligible Executive's employment, a lump sum cash payment equal to a reasonable estimate of the full cost of such coverage for six (6) months (in the case of the Chief Executive Officer, twelve (12) months).

The payments described above in Paragraphs (i) and (ii) of this Section 3(b) shall be paid on or before the 15th day of the third month following the later of (A) the last day of the calendar year in which the Eligible Executive's Termination Date occurs or (B) the last day of the Company's taxable year in which the Eligible Executive's Termination Date occurs (the "Short-Term Deferral Date"). Notwithstanding any provision of the Plan to the contrary, in no event will any of the payments described above in Paragraph (i) and/or (ii) of this Section 3(b) be made after the Short-Term Deferral Date, and any such amounts that would otherwise be payable after the Short-Term Deferral Date shall instead be paid in a cash lump sum payment on or before the Short-Term Deferral Date.

(c) Voluntary Resignation; Termination for Cause. If an Eligible Executive's employment terminates by reason of voluntary resignation (including, without limitation, for Good Reason if such termination is not in connection with a Change of Control as described in Section 3(a)) or if an Eligible Executive is terminated for Cause, then such Eligible Executive shall not be entitled to receive any benefits under Sections 3(a) and 3(b) of this Plan.

(d) Disability. If an Eligible Executive is terminated by the Company due to such Eligible Executive's Disability (and without Cause), the Company will pay to the Eligible Executive the compensation set forth in Section 3(b) of this Plan at the time set forth in Section 3(b), provided such Eligible Executive complies with the release requirements set forth in such Section 3(b). If such termination occurs within twelve (12) months following a Change of Control, Company will then pay to that Eligible Executive the compensation set forth in Section 3(a) of this Plan at the time set forth in Section 3(a), provided such Eligible Executive complies with the release requirements set forth in such Section 3(a).

(e) Death. If an Eligible Executive's employment is terminated due to the death of such Eligible Executive, the Company will pay the compensation set forth in Section 3(b) to the former Eligible Executive's estate at the time set forth in Section 3(b), provided that, to the maximum extent permitted by law, the executor or administrator of such estate executes and delivers an effective release of claims against Company and related parties that releases Company and such parties from any claims whatsoever arising from or related to the Eligible Executive's employment relationship with Company, including the termination of that relationship, in a form reasonably acceptable to the Company. If an Eligible Executive's employment is terminated due to the death of such Eligible Executive within twelve (12) months following a Change of Control, then the compensation set forth in Section 3(a) of this Plan will be paid to the former Eligible Executive's estate at the time set forth in Section 3(a), provided that, to the maximum extent permitted by law, the executor or administrator of such estate executes and delivers an effective release of claims against Company and related parties that releases Company and such parties from any claims whatsoever arising from or related to the Eligible Executive's employment relationship with Company, including the termination of that relationship, in a form reasonably acceptable to the Company.

(f) Application of Section 409A. Each payment or benefit provided under this Plan is intended to be exempt from Section 409A of the Code ("Section 409A") pursuant to the exception for short-term deferrals (within the meaning of the Treasury regulations issued under Section 409A), and the Plan shall be construed and interpreted in accordance with such intent to the maximum extent permitted by law, specifically including, but not limited to, the following interpretations of terms: (i) a "termination of employment" shall mean a "separation from service" within the meaning of Section 409A, (ii) a termination of employment "by Company" shall mean an "involuntary separation from service" within the meaning of Section 409A, and (iii) "Termination Date" with respect to a termination of an Eligible Executive's employment for any reason shall mean the date of such Eligible Executive's "separation from service" as defined in Section 409A. Notwithstanding the foregoing and any inconsistent provision of this Plan, to the extent that (i) one or more of the payments or benefits received or to be received by an Eligible Executive pursuant to this Plan in connection with such Eligible Executive's termination of employment would constitute deferred compensation subject to the rules of Section 409A, and (ii) the Eligible Executive is a "specified employee" under Section 409A, then only to the extent required to comply with Section 409A to avoid the Eligible Executive's incurrence of any additional tax or interest under Section 409A, such payment or benefit will be delayed until the date which is six (6) months after the Eligible Executive's "separation from service" within the meaning of Section 409A (or, if earlier, the Eligible Executive's date of death).

(g) Coordination with Other Change of Control Benefits, Severance Benefits or Debts. If an Eligible Executive is entitled to cash payments, accelerated vesting of stock options or restricted stock grants, or any other benefits from Company following the termination of such Eligible Executive's employment calculated under an objective and nondiscriminatory formula under any other agreement, plan, policy or law that is in place at the time of such termination of employment, then the benefits otherwise payable to Eligible Executive under this Plan shall be reduced by the benefits received by Eligible Executive from Company under such other plans, programs, arrangements, agreements or requirements; provided, however, that if an Eligible Executive is entitled to severance benefits under the Cirrus Logic, Inc. Severance Plan for Select Employees, the benefits payable to Eligible Executive under this Plan will not be reduced by the benefits payable to Eligible Executive under the Cirrus Logic, Inc. Severance Plan for Select

Employees. If an Eligible Executive is indebted to Company at the time of a termination that would give rise to severance benefits under Sections 3(a) or 3(b), the Company reserves the right to offset such severance payment under the Plan by the amount of such indebtedness.

(h) Recoupment in the Event of Subsequently Discovered Cause. If, after the Termination Date, the Company discovers the Eligible Executive had engaged in acts or omissions during the course of the Eligible Executive's employment that meet the definition of Cause, then the Plan Administrator may cease the delivery of any further payments or benefits pursuant to the Plan and shall be entitled to recoup from the Eligible Executive, for the benefit of the Company, any payments, and/or the value of any benefits, already provided to the Eligible Executive pursuant to the Plan, plus interest at the then-prevailing prime rate. Recoupment under this Section is in addition to any amounts that are recoverable pursuant to clawback policies adopted by the Company to conform with Rule 10D-1 of the Securities Exchange Act of 1934.

4. At-Will Employment. Each Eligible Executive's employment is and shall continue to be at-will, as defined under applicable law. If an Eligible Executive's employment terminates for any reason other than as specified in Section 3(a), 3(b), 3(d), or 3(e), such Eligible Executive shall not be entitled to any benefits, damages, awards or compensation under this Plan.

5. Tax Matters. The Company may withhold from any amounts payable under the Plan such federal, state and local taxes as may be required to be withheld. In the event that any payment or other benefits provided for in this Plan or otherwise payable to an Eligible Executive (i) constitute "parachute payments" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) become subject to the excise tax imposed by Section 4999 of the Code (or any corresponding provisions of state tax law), then, notwithstanding the other provisions of this Plan, such Eligible Executive's benefits under Section 3 will not exceed the amount that produces the greatest after-tax benefit to the Eligible Executive. For purposes of the foregoing, the greatest after-tax benefit will be determined within thirty (30) days after the Termination Date by the Eligible Executive in his or her sole discretion. If no such determination is made by the Eligible Executive within thirty (30) days of the Termination Date, then the Company will pay the benefits as provided in Section 3.

6. Company's Successors. The Company shall require that any successor to Company (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise) to all or substantially all of Company's business and/or assets agree to perform in accordance with this Plan in the same manner and to the same extent as Company would be required to perform such obligations in the absence of a succession.

7. Exclusive Benefits. Eligible Executives shall not be entitled to any payments, compensation, benefits, or other consideration from the Company, apart from those identified in Section 3, on account of a termination of employment.

8. Severability, Enforcement. If any provision of this Plan, or the application thereof to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Plan and such provisions as applied to other persons, places and circumstances shall remain in full force and effect.

9. Benefit Claims Procedures.

(a) Payment of Benefits. Any Eligible Executive who is determined by the Plan Administrator to be entitled to a benefit under the Plan will be paid such benefit in accordance with the terms of the Plan without the need to file a claim for such benefit.

(b) Claims for Benefits. Any individual who is not paid a benefit under the Plan and who believes that he or she is entitled to a benefit, or who has been paid a benefit under the Plan and who believes that he or she is entitled to a greater Plan benefit (a “claimant”), must file a written claim for benefits with the Plan Administrator in accordance with the applicable procedures of this Section 9. A claim for Plan benefits that is contingent upon a determination of disability (a “disability claim”) must be filed in accordance with and will be governed by the procedures set forth in Section 9(d) below. All other claims for Plan benefits (“non-disability claims”) must be filed in accordance with and will be governed by the procedures set forth in Section 9(c).

(c) Non-Disability Claims.

(i) A claimant who has a non-disability claim must file with the Plan Administrator a written claim for benefits within 12 months of the date of such claimant’s termination of employment with the Company that purportedly gives rise to such claim. In connection with the submission of a non-disability claim, (1) such claimant may examine the Plan and any other relevant documents relating to the claim and may submit written comments relative to such claim to the Plan Administrator coincident with the filing of such claim, and (2) the Plan Administrator may require, as a condition to payment of such claim, that additional information be furnished by the claimant. Failure of a claimant to comply with such claim submission procedure will invalidate such claim unless the Plan Administrator determines in its sole discretion that it was not reasonably possible to comply with such claim submission procedure.

(ii) If (and only if) a claimant timely files a non-disability claim in accordance with Section 9(c)(i), written (which may be electronic) notice of the disposition of such claim will be furnished to the claimant within 90 days after such claim is timely filed with the Plan Administrator; provided, however, that if the need for additional information relating to such claim necessitates an extension of the 90-day period, the claimant will be informed in writing prior to the end of the initial 90-day period of the need for an extension of time, and written notice of the disposition of such claim will be provided to the claimant within 180 days after the date the claim is filed with the Plan Administrator. The extension notice will indicate the special circumstances requiring the extension of time and the date by which a decision is expected to be made. If the extension is required due to the claimant’s failure to submit information necessary to decide the claim, the extension notice will request such information and afford a period for the claimant to provide the requested information, and the time period for reviewing the claim will be tolled from the date the extension notice is sent to the claimant until the date on which the claimant responds to the request for such information (or if earlier, the expiration of the period afforded to the claimant to provide such information). If the claimant fails to provide the requested information by the expiration of the afforded period, the benefit determination will be made without regard to the requested information. To the extent the claim is denied or modified, the notice of disposition of the claim will (1) state the specific reason or reasons for the denial or

modification, (2) provide specific reference to pertinent provisions of the Plan on which the denial or modification is based, (3) provide a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary, and (4) explain how the claimant may perfect his or her claim and obtain a full and fair review of such denial or modification pursuant to Section 9(c)(iii) below, including the time limits applicable to such review and a statement of the claimant's right to bring a civil action under section 502(a) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") following an adverse determination on review.

(iii) In the event a non-disability claim is denied or modified, if the claimant desires to have such denial or modification reviewed, such claimant must, within 60 days following receipt of the notice of such denial or modification, submit a written request for a review to the Plan Administrator. A claimant will be provided, upon request and free of charge, access to and copies of all documents, records, and other information relevant to the non-disability claim, including (1) documents, records, and other information relied upon for the benefit determination, (2) documents, records, or other information submitted, considered, or generated in the course of making the benefit determination, without regard to whether such documents, records, or other information was relied upon in making the benefit determination, and (3) documents, records, or other information that demonstrates compliance with the standard claims procedure. A claimant will be entitled to submit written comments, documents, records, and other information relating to the claim for benefits. The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

(iv) Within 60 days following such request for a review, the Plan Administrator will, after providing a full and fair review, render its final decision in writing (which may be electronic) to the claimant. To the extent the claim is denied on review, the written decision will: (1) state specific reasons for such decision, (2) provide specific reference to the pertinent plan provisions on which the decision is based, (3) inform claimant that he or she is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the claim for benefits, including (i) documents, records, or other information relied upon for the benefit determination, (ii) documents, records, or other information submitted, considered, or generated in the course of making the benefit determination, without regard to whether such documents, records, or other information was relied upon in making the benefit determination, and (iii) documents, records, or other information that demonstrates compliance with the standard claims procedure, and (4) inform the claimant of his or her right to bring an action under section 502(a) of ERISA. If special circumstances require an extension of such 60-day period, the Plan Administrator's decision will be rendered not later than 120 days after receipt of the request for review. If such an extension of time for review is required, written notice of the extension will be furnished to the claimant prior to the end of the initial 60-day period, indicating the special circumstances requiring an extension of time and the date by which the determination is expected to be made. If the extension is required due to the claimant's failure to submit information necessary to review the claim, the extension notice will request such information and afford a period for the claimant to provide the requested information, and the time period for reviewing the claim will be tolled from the date the extension notice is sent to the claimant until the date on which the claimant responds to the request for such information (or if earlier, the expiration of the period afforded to

the claimant to provide such information). If the claimant fails to provide the requested information by the expiration of the afforded period, the benefit determination will be made without regard to the requested information. The decision on review by the Plan Administrator will be binding and conclusive upon all persons.

(d) Disability Claims.

(i) A claimant who has a disability claim must file with the Plan Administrator a written claim for benefits within 12 months of the date of such claimant's termination of employment with the Company that purportedly gives rise to such claim.

(ii) If (and only if) a claimant timely files a disability claim in accordance with Section 9(d)(i) and the initial determination of the disability claim is a denial of or failure to pay the disability claim, in whole or in part, (including, effective for any disability claim filed after April 1, 2018, any rescission of disability benefits as defined in 29 CFR § 2560.503-1(m)(4)(ii)) (a "denial"), the Plan Administrator will provide written (which may be electronic) notice to the claimant within a reasonable period of time but not later than 45 days after the Plan Administrator's receipt of the claim for benefits; provided, however, that if the Plan Administrator determines that an extension is necessary due to matters beyond its control, the 45-day period may be extended for an additional 30 days, if the claimant is given a notice of extension prior to the expiration of the initial 45-day period that sets forth the circumstances necessitating the extension of time and the date by which a decision will be rendered. Further, if prior to the end of the first 30-day extension period the Plan Administrator determines that another extension is necessary due to matters beyond its control, the period for making the determination may be extended again for an additional 30 days if the claimant is given a notice of extension prior to the expiration of the first 30-day extension period that sets forth the circumstances necessitating the second extension and the date by which a decision will be rendered. Any notice of extension will specifically explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues. If an extension is due to the claimant's failure to submit information necessary to decide the claim, the notice of extension will afford the claimant at least 45 days to provide the required information, and the Plan Administrator's deadline to provide notice of the denial will be tolled from the date the Plan Administrator sends the notice of extension to the earlier of (1) the date the Plan Administrator receives the requested information or (2) the expiration of the period afforded to the claimant to provide the requested information. If the claimant fails to provide the requested information by the expiration of the afforded period, the benefit determination will be made without regard to the requested information.

(iii) If the disability claim is denied, the Plan Administrator will provide to the claimant a notice of the denial that contains the following information:

- (1) The specific reason or reasons for the denial;
- (2) Reference to the specific Plan provisions on which the denial is based;

- (3) A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary;
 - (4) A description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under section 502(a) of ERISA following a denial of the disability claim on review;
 - (5) If the denial of the disability claim is based on a medical necessity or experimental treatment or similar exclusion or limit, either (A) an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the claimant's medical circumstances or (B) a statement that such explanation will be provided free of charge upon request;
 - (6) For disability claims filed on or prior to April 1, 2018, if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the denial, either (A) the specific rule, guideline, protocol, or criterion or (B) a statement that such a rule, guideline, protocol, or criterion was relied upon in making the determination and that a copy of such rule, guideline, protocol, or criterion will be provided free of charge upon request; and
 - (7) For disability claims filed after April 1, 2018:
 - (A) A discussion of the decision, including an explanation of the basis for disagreeing with or not following: (i) the views presented by the claimant to the Plan Administrator of health care professionals treating the claimant and vocational professionals who evaluated the claimant, (ii) the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with a claimant's denial of a disability claim, without regard to whether the advice was relied upon in making the denial, and (iii) a disability determination made by the Social Security Administration regarding the claimant and presented by the claimant to the Plan Administrator;
 - (B) A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, or other information relevant to the claimant's disability claim; and
 - (C) Either (i) the specific internal rules, guidelines, protocols, standards, or other similar criteria of the Plan relied upon in making the denial or (ii) a statement that such rules, guidelines, protocols, standards, or other similar criteria of the Plan do not exist.
- (iv) For disability claims filed after April 1, 2018, the notification of a denial of a claim described in Section 9(d)(iii) above will be provided in a "culturally and linguistically appropriate manner" (within the meaning of 29 C.F.R. § 2560.503-1(o)) to the extent required by applicable law.

(v) In the event a disability claim is denied, in order to exhaust the Plan's benefit claims procedures, a claimant must file an appeal with the Plan Administrator in accordance with this Section 9(d)(v). The claimant must request review in writing within 180 days following receipt of notice of the prior denial. The Plan Administrator has full and complete discretion to interpret all Plan terms and make all factual determinations. Upon request, the claimant may receive from the Plan Administrator, free of charge, access to and copies of all documents, records, or other information relevant to the claimant's disability claim, and the Plan Administrator will identify any medical or vocational expert whose advice was obtained on behalf of the Plan in connection with the denial of the claim. The claimant will have the opportunity to submit written comments, documents, records, and other information relating to the disability claim, all of which information will be taken into account in the review (without regard to whether such information was submitted or considered in the initial denial). The review will be conducted by a named fiduciary of the Plan who is neither an individual who made a prior denial in connection with the disability claim nor a subordinate of any such individual, and deference will not be afforded to any prior denial of the disability claim. If the prior denial of the disability claim is based in whole or in part on a medical judgment (including determinations with regard to whether a particular treatment, drug, or other item is experimental, investigational, or not medically necessary or appropriate), the reviewer will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment and who is neither an individual consulted in connection with the prior denial nor a subordinate of any such individual. Before issuing a denial on review with respect to a disability claim filed after April 1, 2018, the Plan Administrator will provide the claimant with the following information: (1) any new or additional evidence considered, relied upon, or generated by the Plan or Plan Administrator (or at the direction of the Plan or Plan Administrator) in connection with the applicable disability claim being reviewed, and (2) any new or additional rationale on which the Plan Administrator intends to base the denial on review. Such new or additional evidence and/or rationale will be provided free of charge as soon as possible and sufficiently in advance of the date on which the notification of the denial on review is required to be provided to give the claimant a reasonable opportunity to respond prior to that date.

(vi) The Plan Administrator will complete the review specified in Section 9(d)(v) above and provide written (which may be electronic) notice to the claimant of the benefit determination on review within 45 days after the Plan Administrator's receipt of the request for review; provided, however, that if the Plan Administrator determines that an extension is necessary due to special circumstances, the 45-day period may be extended for an additional 45 days, if the claimant is given a notice of extension prior to the expiration of the initial 45-day period that sets forth the circumstances necessitating the extension of time and the date by which a decision will be rendered. If the extension is due to the claimant's failure to submit information necessary to review the claim, the notice of extension will afford the claimant at least 45 days to provide the required information, and the Plan Administrator's deadline to provide notice of a denial on review will be tolled from the date the Plan Administrator sends the notice of extension to the earlier of (1) the date the Plan Administrator receives the requested information or (2) the expiration of the period afforded to the claimant to provide the requested information. If the claimant fails to provide the requested information by the expiration of the afforded period, the benefit determination will be made without regard to the requested information.

(vii) If the disability claim is denied on review, the Plan Administrator will provide to the claimant a notice of the denial that contains the following information:

- (1) The specific reason or reasons for the denial;
- (2) Reference to the specific Plan provisions on which the denial is based;
- (3) A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, or other information relevant to the claimant's the disability claim;
- (4) A statement describing any voluntary appeal procedures offered by the Plan, including the claimant's right to obtain information about such procedures and a statement of the claimant's right to bring an action under section 502(a) of ERISA;
- (5) If the denial is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request;
- (6) For disability claims filed on or prior to April 1, 2018, if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the denial, either (A) the specific rule, guideline, protocol, or criterion or (B) a statement that such a rule, guideline, protocol, or criterion was relied upon in making the determination and that a copy of such rule, guideline, protocol, or criterion will be provided free of charge to the claimant upon request; and
- (7) For disability claims filed after April 1, 2018:
 - (A) A discussion of the decision, including an explanation of the basis for disagreeing with or not following: (i) the views presented by the claimant to the Plan Administrator of health care professionals treating the claimant and vocational professionals who evaluated the claimant, (ii) the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with a denial of the claimant's disability claim, without regard to whether the advice was relied upon in making the denial, and (iii) a disability determination made by the Social Security Administration regarding the claimant and presented by the claimant to the Plan Administrator;
 - (B) Either the specific internal rules, guidelines, protocols, standards, or other similar criteria of the Plan relied upon in making the denial or a statement that such rules, guidelines, protocols, standards, or other similar criteria do not exist; and

- (C) A description of the applicable contractual limitations period for the claimant to bring an action under section 502(a) of ERISA, including the calendar date on which such contractual limitations period will expire.

(viii) For disability claims filed after April 1, 2018, the notification of a denial of a disability claim on review described in Section 9(d)(vii) above will be provided in a “culturally and linguistically appropriate manner” (within the meaning of 29 C.F.R. § 2560.503-1(o)) to the extent required by applicable law.

(e) Authorized Representative. A claimant may designate an authorized representative to act on behalf of such claimant in pursuing a benefit claim or appeal of an adverse benefit determination.

(f) Requirement to Exhaust Administrative Remedies.

(i) Completion of the claims procedures described in this Section 9 is a condition precedent to the commencement of any legal or equitable action in connection with a claim for benefits under the Plan by any claimant or by any other person or entity claiming rights or benefits through or on behalf of a claimant. If a claimant (or such person or entity claiming rights or benefits through or on behalf of a claimant) fails to comply with these claims procedures with respect to any claim under the Plan, the claimant (or such other person or entity) may not file or appeal the claim at any later time and may not bring a lawsuit based on such claim.

(ii) With respect to a disability claim filed after April 1, 2018, in the event an error occurs on the Plan Administrator’s part in complying with the provisions of Section 9(d) that are mandated under 29 C.F.R. § 2950.503-1, if and to the extent required by applicable law:

- (1) The claimant will be permitted to request a written explanation of the error from the Plan;
- (2) Any applicable explanation will be provided by the Plan within 10 days, and such explanation will include a specific description of its bases, if any, for asserting that the error should not cause the administrative remedies under the Plan to be deemed exhausted; and
- (3) If a claimant requests immediate judicial review without exhausting the Plan’s administrative remedies on the basis of such an error and the court rejects such request, the claimant’s claim will be considered re-filed on appeal upon the Plan’s receipt of the decision of the court, and within a reasonable time after the receipt of such decision, the Plan Administrator will provide the claimant with notice of the resubmission.

(iii) No legal or equitable action may be commenced by any Eligible Executive, former Eligible Executive, beneficiary, authorized representative, or any other person or entity claiming benefits or additional benefits under the Plan later than two years after the date such claim accrues. For purposes of this Section 9(f)(iii), a claim for benefits or additional benefits accrues on the earlier of (1) the first date the claim is denied, formally or informally, by the Plan Administrator, or (2) the date a clear repudiation of the benefits underlying the claim by the Plan

Administrator is first made known to such individual (or such individual's authorized representative).

10. Plan Administration.

(a) Plan Administrator. The general administration of the Plan will be vested in the Plan Administrator, who shall be the Company's Board of Directors or, if delegated by the Board of Directors, the Compensation Committee. For purposes of ERISA, the Plan Administrator will be the "administrator" with respect to the general administration of the Plan.

(b) Discretion to Interpret Plan. The Plan Administrator has absolute discretion to construe and interpret any and all provisions of the Plan and to decide all matters of fact in determining eligibility and entitlement to benefits and in granting or denying benefit claims, including, but not limited to, the discretion to resolve ambiguities, inconsistencies, or omissions conclusively. The decisions of the Plan Administrator relating to the Plan will be binding and conclusive upon all persons.

(c) Powers and Duties. In addition to the powers described in Section 10(b) above and all other powers specifically granted under the Plan, the Plan Administrator is expressly given, and has, all powers necessary or proper to administer and enforce the Plan according to the terms and provisions hereof, including, without limitation, the power to make and enforce rules, regulations, and procedures and to employ other persons to render advice, in each such case, as the Plan Administrator may deem necessary or advisable for the proper and efficient administration of the Plan.

(d) Expenses. The reasonable expenses incident to the administration of the Plan, including the compensation of legal counsel, advisors, and other technical or clerical assistance as may be required, the payment of any bond or security, and any other expenses incidental to the operation of the Plan that the Plan Administrator determines are proper, will be paid by the Company. Expenses of the Plan may be prorated among the Company and subsidiaries and affiliates as determined by the Plan Administrator.

(e) Reliance on Reports, Certificates, and Participant Information. The Plan Administrator will be entitled to rely conclusively upon all tables, valuations, certificates, opinions, and reports furnished by an actuary, accountant, controller, counsel, insurance company, third-party administrator, or other person who is employed or engaged for such purposes. Moreover, the Plan Administrator will be entitled to rely upon information furnished to the Plan Administrator by an Eligible Executive or beneficiary, including, but not limited to, such person's current mailing address.

(g) Right to Delegate. The Plan Administrator may from time to time allocate to one or more of the Company's officers, employees, or agents, and may delegate to any other person, committee, or organization, any of its respective powers, duties, and responsibilities with respect to the operation and administration of the Plan, including, without limitation, the administration of claims, the authority to authorize payment of benefits, the review of denied or modified claims, and the discretion to decide matters of fact and to interpret Plan provisions. Upon such designation and acceptance, the Plan Administrator will not have any liability for the acts or omissions of any such designee as long as the Plan Administrator does not violate its fiduciary

responsibility, if any, in making or continuing such designation. All allocations and delegations of fiduciary responsibility will be terminable upon such notice as the Plan Administrator in its discretion deems reasonable and prudent under the circumstances.

(h) Indemnification. To the extent permitted by applicable law, the Company will indemnify and hold harmless the Plan Administrator and each employee of the Company and its affiliates against any and all expenses and liabilities arising out of such individual's Plan administrative functions or responsibilities, including, without limitation, any expenses and liabilities that are caused by or result from an act or omission constituting the negligence of such individual in the performance of such functions or responsibilities, but excluding expenses and liabilities arising out of the such individual's own gross negligence or willful misconduct. Expenses against which such person will be indemnified include, without limitation, the amounts of a settlement or judgment, costs, counsel fees, and related charges reasonable incurred in connection with a claim asserted or a proceeding brought or settlement thereof. Notwithstanding the foregoing provisions of this Section, this Section will not apply to, and the Company will not indemnify against, any unreasonable expense that was incurred without the consent or approval of the Company, unless such consent or approval has been waived in writing by the Company, or for any costs or expenses covered by insurance.

11. General.

(a) Notice. Notices and all other communications contemplated by this Plan that are required to be provided to, delivered to, or filed with the Plan Administrator or the Company shall be in writing and shall be deemed to have been duly given or made only upon actual receipt. Unless otherwise provided by applicable law, any notice, communication, or document sent by the Company, the Plan Administrator, or a delegate of the Plan Administrator shall be deemed given or made when deposited in the mail, when entrusted to a courier or delivery service, or when sent by facsimile, electronic mail, or any other electronic means. In the case of an Eligible Executive, mailed notices shall be addressed to him or her at the home address or facsimile number which he or she most recently communicated to the Plan Administrator in writing. In the case of the Plan Administrator or the Company, notices or communications shall be addressed to the Company's corporate headquarters, and all notices shall be directed to the attention of the Company's General Counsel or Chief Financial Officer.

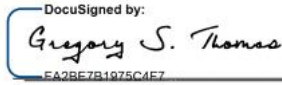
(b) Amendment. The Company, by action of its Board of Directors or Compensation Committee, reserves the right to amend or terminate this Plan upon written notice to Eligible Executives. Upon a Change of Control, this Plan will become non-modifiable without the consent of the affected Eligible Executive(s). Notwithstanding the foregoing, no Plan amendment that reduces any benefit payable under this Plan, and no Plan termination or suspension shall be effective for a period beginning one year prior to a Change of Control and ending one year after a Change of Control. In addition, no Eligible Executive may be removed as a participant during such period with respect to any benefit payable with respect to that Change of Control.

(c) Governing Law. The Plan shall be construed, administered, and enforced according to the laws of the State of Texas (without regard to any conflict of law rules or principles that refer, or might refer, jurisdiction to the laws of another state), except to the extent such laws are preempted by the federal laws of the United States of America.

Cirrus Logic, Inc. Executive Severance and Change of Control Plan

12. Execution. To adopt the amendment and restatement of the Plan as set forth herein, Cirrus Logic, Inc. has caused its duly authorized officer to execute the same on this 24th day of August, 2023, effective as of August 24, 2023.

CIRRUS LOGIC, INC.

By: 
Name: Gregory S. Thomas
Title: Senior Vice President, General Counsel

CERTIFICATION

pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, John M. Forsyth, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cirrus Logic, 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 2, 2023

/s/ John M. Forsyth

John M. Forsyth

President and Chief Executive Officer

CERTIFICATION

pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Venk Nathamuni, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cirrus Logic, 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 2, 2023

/s/ Venk Nathamuni

Venk Nathamuni

Chief Financial Officer and Principal Accounting Officer

Certification Pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Cirrus Logic, Inc. (the "Company") on Form 10-Q for the period ended September 23, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John M. Forsyth, Chief Executive Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Date: November 2, 2023

/s/ John M. Forsyth

John M. Forsyth

President and Chief Executive Officer

Certification Pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Cirrus Logic, Inc. (the "Company") on Form 10-Q for the period ended September 23, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Venk Nathamuni, Chief Financial Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Date: November 2, 2023

/s/ Venk Nathamuni

Venk Nathamuni

Chief Financial Officer and Principal Accounting Officer