**Risk Factors Comparison 2023-05-25 to 2022-05-18 Form: 10-K**

**Legend:** **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

An investment in our common stock involves risks. You should consider these risks carefully, as well as the other information contained in this Annual Report. If any of these risks ~~actually~~ occurs **or increases in scope or severity** , our business, financial condition and results of operations could be harmed materially. In that event, the trading price of our common stock might decline, and you might lose all or part of your investment. You should also refer to the other information contained in this Annual Report, including our consolidated financial statements and the related notes. Additional risks and uncertainties not presently known to us or not believed by us to be material may also negatively impact us. Risk Factors Summary The following summary description sets forth an overview of the material risks we are exposed to in the normal course of our business activities. The summary does not purport to be complete and is qualified in its entirety by reference to the full risk factor discussion immediately following this summary description. Our results of operations and financial condition could be materially and adversely affected by any of the following material risks: • the effect of downturns or volatility in general economic conditions; • intense competition in the global semiconductor industry; • reliance on a limited number of third- party **semiconductor** wafer fabrication facilities and suppliers of other materials for our production; • failure to adjust our purchase commitments and inventory management based on changing market conditions or customer demand; • shifts in our product mix or customer mix may result in declines in gross margin; • the cyclical nature of the semiconductor industry may limit our ability to maintain or improve profitability; • we are vulnerable to downturns **or disruptions** in the automotive market given our customer base; • decreases in average selling prices of our products and increases in input costs may reduce gross margins; • third- party wafer fabrication facilities may encounter sustained yield problems, disruptions, or other delays in the final assembly and test of our products which may **reduce sales and** damage customer relationships ~~or cause us to transition manufacturing capabilities to other facilities; • future implementation initiatives designed to improve our competitiveness, growth and profitability may result in significant expenditures~~ ; • our quarterly net sales and operating results are difficult to predict accurately and may fluctuate significantly from period to period; • our dependence on our manufacturing operations in the Philippines exposes us to certain risks that may harm our business; • **a** significant portion of our net sales is generated through distributors; • events beyond our control could have an adverse effect on our business, financial condition, results of operations and cash flows; • the effect of the COVID- 19 pandemic could have an adverse impact on our business, results of operations and financial condition; • failure to timely and cost- effectively develop new product features or new products that address customer preferences; • ability to effectively manage our growth; • dependence on growth in the end markets that use our products; • the loss of one or more significant customers could have a material adverse effect on our business; • our ability to meet customer quality requirements; • the nature of the design win process requires us to incur expenses with no guarantee of net sales or sufficient margins; • changes in government trade policies, including ~~tariffs and~~ export restrictions **and tariffs** ; • potential warranty claims, product liability claims, and product recalls could harm the business; • our dependence on international customers and operations subjects us to a range of regulatory, operational, financial and political risks; • end- user demand for certain green energy products often depends on the availability of rebates, tax credits and other financial incentives; • our ability to obtain government authorization to export certain of our products could adversely impact our net sales and our ability to comply with applicable export control laws and regulations; • changing currency exchange rates may adversely affect our business; • our ability to raise capital in the future; • our indebtedness may limit our flexibility to operate our business; • our ability to retain key and highly skilled personnel to operate our business; • risks associated with information technology, intellectual property, and data security and privacy; • risks related to compliance with various governmental laws and regulations; • our principal stockholders, Sanken and One Equity Partners (“ OEP ”), have substantial control over us; • the inapplicability of the “ corporate opportunity ” doctrine to any director or stockholder who is not employed by us; • ~~risks associated with the ownership of our stock, including volatility in our trading price, future sales of shares by our stockholders, dilution from the issuance of additional shares, and our lack of intent to declare or pay dividends for the foreseeable future; •~~ provisions of our Certificate of Incorporation and Bylaws and under the DGCL may ~~limit the liability of certain individuals,~~ prevent or discourage a takeover ~~, or limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees~~ ; • our inability to design, implement or maintain effective internal control over financial reporting; ~~and~~ • the changes in tax rates or the issuance of new tax legislation **; • sustained inflation could negatively impact our business; • disruptions in the banking and financial sector could limit our or our partners’ ability to access capital and borrowings or result in losses of uninsured deposits; and • climate change presents physical, transition, and litigation risks that could disrupt our business operations and force us to incur increased costs and expenses** . Risks Related to Our Business and Industry Downturns or volatility in general economic conditions ~~, including as a result of the COVID- 19 pandemic or any other outbreak of an infectious disease,~~ could have a material adverse effect on our business, financial condition, results of operations and liquidity. Our net sales, gross margin, and profitability depend significantly on general economic conditions and the demand for products in the markets in which our customers compete. Weaknesses in the global economy and financial markets, including resulting from the ~~ongoing~~ COVID- 19 pandemic **or the onset of a recession** , may ~~in the future~~ lead to lower demand for products that incorporate our solutions, particularly in the automotive and industrial markets. A decline in end- user demand can affect our customers’ demand for our products, the ability of our customers to obtain credit and otherwise meet their payment obligations and the likelihood of customers canceling or deferring existing orders. Our net sales, financial condition and results of operations could be negatively affected by such actions. Volatile and / or uncertain economic conditions, as well as inflationary pressures, can adversely impact sales, gross margin and profitability and make it difficult for us to accurately forecast and plan our future business activities. To the extent expected favorable economic conditions do not materialize or take longer to materialize than expected, we may face an oversupply of our products and have excess inventory, which could result in charges for excess and obsolete inventory. Conversely, if we underestimate customer demand, we may fail to meet customer needs, which could impair our customer relationships. In addition, any disruption in the credit markets, including as a result of the ~~current~~ **ongoing** COVID- 19 pandemic **or the onset of a recession** , could impede our access to capital, which could be further adversely affected if we are unable to obtain or maintain favorable credit ratings. If we have limited access to additional financing sources, we may be required to defer capital expenditures or seek other sources of liquidity, which may not be available to us on acceptable terms or at all. Similarly, if our suppliers face challenges in obtaining credit or other financial difficulties, they may be unable to provide the materials we need to manufacture our products. All of these factors related to global economic conditions, which are beyond our control, could adversely impact our business, financial condition, results of operations and liquidity. ~~For a more detailed discussion of the COVID- 19 pandemic and its recent and potential impact on our business, financial condition, results of operations and liquidity, see " — Our business, financial condition, results of operations, liquidity and prospects have been, and may continue to be, adversely affected by health epidemics, pandemics and other outbreaks of infectious disease, including the current COVID- 19 pandemic. "~~ We face intense competition and may not be able to compete effectively, which could reduce our market share and decrease our net sales and profitability. We are in an intensely competitive segment of the global semiconductor industry. Our competitive landscape includes rapid technological change in product design and manufacturing, continuous declines in ASPs, and customers who make purchase decisions based on a mix of factors of varying importance ~~. The most important competitive factors that we face are time to market~~ , **which** ~~system and application expertise and product quality and reliability. The relative importance placed on each of these factors~~ varies from customer- to- customer and from market- to- market. Our ability to compete in this environment depends on many factors, including our ability to identify emerging markets and technology trends in an accurate and timely manner, introduce new and innovative products, implement new manufacturing technologies at a sustainable pace, maintain the performance and quality of our products, and manufacture our products in a cost- effective manner ~~, as well as our competitors' performance and general economic and industry market conditions. In addition, in an environment of constrained supply, such as that faced in connection with the significant increase in semiconductor IC demand as we came out of the initial COVID- 19 pandemic downturn, if our competitors have a greater ability to meet customer demand, we could lose business we might otherwise gain~~ . Often, we compete against larger companies that possess substantial financial, technical, development, engineering, manufacturing and marketing resources. Varying combinations of these resources provide advantages to these competitors that enable them to influence industry trends and the pace at which they adapt to these trends. A strong competitive response from one or more of our competitors to our marketplace efforts, or a shift in customer preferences to competitors' products, could result in increased pressure to lower our prices more rapidly than anticipated, increased sales and marketing expense, and / or market share loss. To the extent our profitability is negatively impacted by competitive pressures and reduced pricing, our business, financial condition, results of operations and growth prospects may be materially and adversely affected. We rely on a limited number of third- party **semiconductor** wafer fabrication facilities ~~for the fabrication of semiconductor wafers~~ and ~~on~~ a limited number of suppliers of other materials, and the failure of any of these ~~suppliers or additional~~ suppliers to supply wafers or other materials on a timely basis could harm our business and our financial results. We currently rely on a limited number of third- party wafer fabrication facilities for the fabrication of semiconductor wafers used in the manufacture of our IC products **, primarily UMC, PSL, and TSMC,** and we purchase a number of key materials and components used in the manufacture of our products from single or limited sources. We depend on these foundries and other sources to meet our production needs. These foundries have limited production capacities with little ability to quickly expand capacity. From time to time ~~, including during the significant worldwide increase in semiconductor IC demand as we came out of the initial COVID- 19 pandemic downturn,~~ we have encountered shortages and delays in obtaining wafers and other components and materials, and we may encounter additional shortages and delays in the future. For example, in early 2022, a spike in COVID- 19 cases in multiple cities in China ~~has~~ caused the Chinese government to reimpose lockdown measures, which ~~have~~ negatively impacted ~~either~~ our supply chains ~~or~~ **and** our customers' supply chains, as well as customer demand for our products, and these shutdowns may ~~continue or~~ recur in the ~~foreseeable~~ future. Additionally, two of our third- party wafer fabrication facilities are located in Taiwan, **a location where earthquakes are commonplace,** and geopolitical changes in China- Taiwan relations could disrupt their ~~meet customer demand through~~ **operations.Any disruption in** our ~~existing inventories~~ **foundries' supply of wafers to us may require us to transfer manufacturing processes to a new location or facility.Converting or transferring such fabrication processes from one of our primary facilities to an alternative or backup facility due to a disruption would likely be expensive and could take substantial time** , **given** ~~or~~ **our highly complex manufacturing and** ~~may attempt to modify partially finished goods to meet the required~~ fabrication ~~specifications~~ **processes,which incorporate our proprietary technologies** . **During such** ~~Given the rapid obsolescence timeline to which our products are typically subject,however,we generally do not maintain significant levels of excess inventory and,as~~ a ~~result~~ **transition** ,it is unlikely that our existing inventory ~~will~~ **would** be sufficient to meet customer demand ~~during such a transition.In addition,any attempt to modify partially finished goods to meet the required fabrication specifications may not be successful~~ and ~~will~~ **would likely** require us to incur unanticipated costs.As a result,we may not be able to meet our customers' needs during such a transition,which would negatively impact our net sales,potentially damage our customer relationships and our reputation and may have a material adverse effect on our business,financial condition and results of ~~operations~~ operations. If we cannot supply our products due to a lack of components, including semiconductor wafers, or are unable to source materials from other suppliers or to redesign products with other components in a timely manner, our business will be significantly harmed. We do not have long- term contracts with some of our suppliers and third- party manufacturers. As a result, any such supplier or third- party manufacturer can discontinue supplying components or materials to us at any time and without penalty. Moreover, we depend on the quality of the wafers and other components and materials that they supply to us, over which we have limited control. Any one or more of our other suppliers may become financially unstable as the result of global market conditions. Moreover, our suppliers' abilities to meet our requirements could be impaired or interrupted by factors beyond their control, such as natural disasters or other disruptions. In the event that any one or more of our suppliers is unable or unwilling to deliver us products and we are unable to identify alternative sources of supply for such materials or components on a timely basis, our operations may be adversely affected. In addition, even if we identify any such alternative sources of supply, we could experience delays in testing, evaluating and validating materials or products of potential alternative suppliers or products we obtain through outsourcing. Qualifying new contract manufacturers, and specifically semiconductor foundries, is time consuming and might result in unforeseen manufacturing and operations problems. Furthermore, financial or other difficulties faced by our suppliers, or significant changes in demand for the components or materials they use in the products they supply to us, could limit the availability of those products, components or materials to us. We are also subject to potential delays in the development by our suppliers of key components , which may affect our ability to introduce new products. Any of these problems or delays could damage our relationships with our customers, adversely affect our reputation and adversely affect our business, financial condition, results of operations and our ability to grow our business. Failure to adjust our purchase commitments and inventory management based on changing market conditions or customer demand could result in an inability to meet customer demand or additional charges for obsolete or excess inventories or non- cancellable purchase commitments. We make significant decisions, including determining the levels of business that we will seek and accept, production schedules, levels of reliance on outsourced contract manufacturing, personnel needs and other resource requirements, based on our estimates of customer requirements. The short- term nature of the commitments by many of our customers and the possibility of rapid changes in demand for their products reduce our ability to accurately estimate future requirements of our customers. On occasion, our customers may require rapid increases in production, which can challenge our resources. We may not have sufficient capacity at any given time to meet our customers' demands. Conversely, downturns in the semiconductor industry have in the past caused, and may in the future, cause our customers to significantly reduce the amount of products ordered from us. Because many of our sales, research and development, and manufacturing expenses are relatively fixed, a reduction in customer demand may decrease our gross margins and operating income. In addition, we base many of our operating decisions, and enter into purchase commitments, on the basis of anticipated net sales trends which are highly unpredictable. Some of our purchase commitments are not cancellable, and in some cases we are required to recognize a charge representing the amount of material or capital equipment purchased or ordered which exceeds our actual requirements. For example, we have noncancellable purchase commitments with vendors and " take- or- pay " agreements with certain of our third- party wafer fabrication partners, under which we are required to purchase a minimum number of wafers per year or face financial penalties. These types of commitments and agreements could reduce our ability to adjust our inventory to address declining market demands. If demand for our products is less than we expect, we may experience additional excess and obsolete inventories and be forced to incur additional charges. If net sales in future periods fall substantially below our expectations, or if we fail to accurately forecast changes in demand mix, we could again be required to record substantial charges for obsolete or excess inventories or noncancellable purchase commitments. Moreover, during a market upturn ~~, for example, the significant worldwide increase in semiconductor IC demand as we came out of the initial COVID- 19 pandemic downturn,~~ we may not be able to purchase sufficient supplies or components to meet increasing product demand, which could prevent us from taking advantage of opportunities and maximizing our net sales ~~. In addition, a supplier could discontinue a component necessary for our design, extend lead times, limit supply or increase prices due to capacity constraints or other factors~~ . Our failure to adjust our supply chain volume, secure sufficient supply from our third- party vendors, including our semiconductor wafer suppliers, or estimate our customers' demand could have a material adverse effect on our net sales, business, financial condition and results of operations. Shifts in our product mix or customer mix may result in declines in gross margin. Gross margins on individual products fluctuate over the product' s life cycle. Our overall gross margins have fluctuated from period to period as a result of shifts in product mix, customer mix, the introduction of new products, decreases in ASPs for older products and our ability to reduce product costs. In addition, in periods of high demand for some of our products, we may have to source a portion of materials from higher- cost providers, which may decrease overall gross margin. These fluctuations are expected to continue in the future. The cyclical nature of the semiconductor industry may limit our ability to maintain or improve our net sales and profitability. The semiconductor industry, including the analog segment of the industry in which we compete, is highly cyclical and is prone to significant downturns from time to time. Cyclical downturns can result from a variety of market forces ~~including constant and rapid technological change~~ , ~~rapid product obsolescence, price erosion, evolving standards, short product life cycles and wide fluctuations in product supply and demand, all of~~ which can result in significant declines in analog semiconductor demand. We have experienced downturns in the past and may experience such downturns in the future ~~. For example, the industry experienced a significant downtown in connection with the most recent global recession in 2008, and again in 2019~~ . These downturns have been characterized by diminished product demand, production overcapacity, high inventory levels and accelerated erosion of ASPs. Recent downturns in the semiconductor industry had been attributed to a variety of factors, including the initial onset of the COVID- 19 pandemic, ongoing trade disputes among the United States and China, weakness in demand and pricing for semiconductors across applications and excess inventory. Recent downturns directly impacted our business, as was the case with many other companies, suppliers, distributors and customers in the semiconductor industry and other industries around the world, and any prolonged or significant future downturns in the semiconductor industry could have a material adverse effect on our business, financial condition and results of operations. Conversely, significant upturns ~~, such as the significant increase in semiconductor IC demand as we came out of the initial COVID- 19 pandemic downturn,~~ can cause us to be unable to satisfy demand in a timely and cost- efficient manner and could result in increased competition for access to third- party foundry and assembly capacity. In the event of such an upturn, we may not be able to expand our workforce and operations in a sufficiently timely manner, procure adequate resources and raw materials, including semiconductor wafers from our third- party wafer manufacturing partners, or locate suitable third- party suppliers or other third- party subcontractors to respond effectively to changes in demand for our existing or new products, and our business, financial condition and results of operations could be materially and adversely affected. Substantial portions of our sales are made to automotive industry suppliers. Any downturn **or disruption** in the automotive market **or industry** could significantly harm our financial results. Our customers that supply various systems and components to automotive OEMs accounted for **67. 6 %,** 69. 2 % ~~,~~ **and** 67. 4 ~~% and 60. 8~~ % of our total net sales in fiscal years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~, respectively ~~, and approximately 72. 9 % of our total net sales in 2020 after excluding net sales from our wafer foundry products and our distribution of Sanken products, which we no longer recognize subsequent to fiscal year 2020 upon consummation of the PSL Divestiture~~. This concentration of sales exposes us to the risks associated with the automotive market **and automotive industry**. For example, our anticipated future growth is highly dependent on the adoption of autonomous driving technologies and ~~xEV~~ **EV** powertrain vehicles, which are expected to have increased sensor and power product content. A downturn in the automotive market could delay automakers' plans to introduce new vehicles with these features, which would negatively impact the demand for our products and our ability to grow our business. The automotive industry is also undergoing consolidation ~~and~~ **,** reorganization and ~~, in some cases, suppliers~~ **rapid change as a result of a shift** to **EVs, and changes and disruption in** the automotive industry ~~have entered bankruptcy. Although we have not experienced any lost business or material bad debt write- offs as a result of this, further such changes in the automotive market~~ could have a material adverse effect on our business, financial condition and results of operations ~~. Moreover, as a result of the COVID- 19 pandemic and the associated responses by governments of various countries to prevent its spread, the automotive industry, including manufacturers, dealers, distributors and third- party suppliers, has been adversely impacted. For example, many automotive manufacturers were forced to suspend manufacturing operations for an extended period of time. Also, in early 2022, a spike in COVID- 19 cases in multiple cities in China has caused the Chinese government to reimpose lockdown measures, which have negatively impacted either our supply chains or our customers' supply chains, as well as customer demand for our products. In addition, government- imposed restrictions on businesses, operations and travel and the related economic uncertainty have impacted demand in many global markets. While demand in the automotive industry is dependent on a number of factors, automotive manufacturers expect the impact of COVID- 19 to be highly dependent on its duration and severity. The foregoing impacts and other adverse effects on the automotive industry could have a material adverse effect on our business, financial condition and results of operations, as well as our ability to execute our growth strategy~~. Decreases in average selling prices of our products and increases in input costs may reduce our gross margins. The market for our products is generally characterized by declining ASPs **,** resulting from factors such as increased competition, overcapacity, the introduction of new products and increased unit volumes. We have in the past experienced, and in the future may experience, substantial period- to- period fluctuations in operating results due to declining ASPs. We anticipate that ASPs may decrease in the future in response to the introduction of new products by us or our competitors, or due to other factors, including pricing pressures from our customers. We typically conduct annual pricing negotiations for our existing products with some of our largest customers. In order to sustain profitable operations, we must continually reduce costs for our existing products and also develop and introduce new products with enhanced features on a timely basis that can be sold initially at higher ASPs. Failure to do so could cause our net sales and gross margins to decline, which would negatively affect our financial condition and results of operations and could significantly harm our business. In addition, ~~in connection with~~ **as a result of** the ~~significant~~ **recent** increase in semiconductor IC demand **, supply chain issues, material shortages and inflation** ~~as we came out of the initial COVID- 19 pandemic downturn~~, the cost of certain materials used to manufacture our products, including for semiconductor wafers, has increased as demand has outpaced supply. We may be unable to reduce the cost of our products sufficiently to enable us to compete with others. Our cost reduction efforts may not allow us to keep pace with competitive pricing pressures given the increased cost of certain materials, such as semiconductor wafers and other raw materials, and could adversely affect our gross margins. We maintain an infrastructure of facilities and human resources in several locations around the world and, as a result, have limited ability to reduce our operating costs. Accordingly, in order to remain competitive, we must continually reduce the cost of manufacturing our products through design and engineering changes. We cannot assure you that we will be successful in redesigning our products and bringing redesigned products to the market in a timely manner, or that any redesign will result in sufficient cost reductions to allow us to reduce the price of our products to remain competitive or maintain or improve our gross margins. To the extent we are unable to reduce the prices of our products and remain competitive, our net sales will likely decline, resulting in further pressure on our gross margins, which could have a material adverse effect on our business, financial condition and results of operations and our ability to grow our business. In the event of a disruption at...... financial condition and results of operations. If we encounter sustained yield problems or other delays at our third- party wafer fabrication facilities or in the final assembly and test of our products, we may lose sales and damage our customer relationships. The manufacture of our products, including the fabrication of semiconductor wafers, and the assembly and testing of our products, involve highly complex processes. For example, minute levels of contaminants in the manufacturing environment, difficulties in the wafer fabrication process or other factors can cause a substantial portion of the components on a wafer to be nonfunctional. These problems may be difficult to detect at an early stage of the manufacturing process and often are time- consuming and expensive to correct. From time to time, we have experienced problems in achieving acceptable yields at our third- party wafer fabrication partners, resulting in delays in the availability of components. Moreover, an increase in the rejection rate of products during the quality control process before, during or after manufacture and / or shipping of such products, results in lower yields and margins. In addition, changes in manufacturing processes required as a result of changes in product specifications, changing customer needs and the introduction of new product lines have historically significantly reduced our manufacturing yields, resulting in low or negative margins on those products. Poor manufacturing yields over a prolonged period of time could adversely affect our ability to deliver our products on a timely basis and harm our relationships with customers, which could materially and adversely affect our business, financial condition and results of operations. ~~We have in the past and may in the future implement initiatives designed to improve our competitiveness, growth and profitability. We may fail to realize the full benefits of, and could incur significant costs relating to, any such initiatives, which could materially and adversely affect our business, financial condition and results of operations. Beginning in 2016, we began a multi- year strategic transition to extend our market leadership through targeted product portfolio expansion; to improve our operating model through a more nimble, fabless and asset- lite manufacturing strategy; to increase our IC design footprint and capacity; and to accelerate growth through enhanced sales operations. In connection with this transition, we have implemented a number of initiatives designed to improve our operating results. For example, subsequent to the end of fiscal year 2020, in order to further our strategy for developing a flexible and efficient manufacturing model that minimizes capital requirements, lowers operating costs, enhances reliability of supply and supports our growth going forward, we consummated the PSL Divestiture, transferred our Sanken products distribution business to PSL, and entered into certain other agreements and transactions with PSL, in each case, as more fully described above under " PSL Divestiture " in Item 1. Business. In addition, on March 3, 2021, we entered into a definitive agreement to sell the AMTC Facility and consolidated our assembly and test facilities into a single site located at the AMPI Facility. We continue to evaluate opportunities to reduce our manufacturing cost and may implement additional initiatives designed to improve our gross margin and operating results and may perform future restructurings. We cannot assure you that we will realize the cost savings and productivity improvements we expect as a result of these or any future restructuring and cost improvement initiatives. These efforts involve a significant investment of financial and human resources and significant changes to our operating processes. Future initiatives to transfer or consolidate manufacturing operations could also involve significant start- up or qualification costs for new or repurposed facilities. The failure to realize the full benefits of, or the incurrence of significant costs relating to, these or other restructuring initiatives could materially and adversely affect our business, financial condition and results of operations.~~ Our quarterly net sales and operating results are difficult to predict accurately and may fluctuate significantly from period to period. As a result, we may fail to meet the expectations of investors, which could cause our stock price to decline. We operate in a highly dynamic industry **,** and our future operating results could be subject to significant fluctuations, particularly on a quarterly basis. Our quarterly net sales and operating results have fluctuated significantly in the past and may continue to vary from quarter to quarter due to a number of factors, many of which are not within our control. Although some of our customers, for example those in the automotive industry, provide us with forecasts of their future requirements for our products, a significant percentage of our net sales in each fiscal quarter is dependent on sales that are booked and shipped during that fiscal quarter, and are typically attributable to a large number of orders from diverse customers and markets. As a result, accurately forecasting our operating results in any fiscal quarter is difficult. If our operating results do not meet the expectations of securities analysts and investors, our stock price may decline. Additional factors that can contribute to fluctuations in our operating results include: • the rescheduling, increase, reduction or cancellation of significant customer orders; • the timing of customer qualification of our products and commencement of volume sales by our customers of systems that include our products; • the timing and amount of research and development and sales and marketing expenditures; • the rate at which our present and future customers and end users adopt our technologies in our target end markets; • the timing and success of the introduction of new products and technologies by us and our competitors, and the acceptance of our new products by our customers; • our ability to anticipate changing customer product requirements; • our gain or loss of one or more key customers; • the availability, cost and quality of materials and components that we purchase from third- party vendors and any problems or delays in the fabrication, assembly, testing or delivery of our products; • the availability of production capacity at our third- party wafer fabrication facilities or other third- party subcontractors and other interruptions in the supply chain, including as a result of materials shortages, bankruptcies or other causes; • supply constraints for and changes in the cost of the other components incorporated into our customers' products; • the utilization of our internal manufacturing operations; • our ability to reduce the manufacturing costs of our products; • fluctuations in manufacturing yields; • the changes in our product mix or customer mix; • competitive pressures resulting in lower **-** than **-** expected ASPs; • the timing of expenses related to the acquisition of technologies or businesses; • product rates of return or price concessions in excess of those expected or forecasted; • the emergence of new industry standards; • product obsolescence; • unexpected inventory write- downs or write- offs; • costs associated with litigation over intellectual property rights and other litigation; • the length and unpredictability of the purchasing and budgeting cycles of our customers; • loss of key personnel or the inability to attract qualified engineers; • the quality of our products and any remediation costs; • adverse changes in economic conditions in various geographic areas where we or our customers do business; • **sustained inflation and disruptions in the banking and financial sector; •** the general industry conditions and seasonal patterns in our target end markets, particularly the automotive market; • other conditions affecting the timing of customer orders or our ability to fill orders of customers including customers subject to export control or U. S. economic sanctions; and • geopolitical events, such as war, threat of war or terrorist actions, or the occurrence of pandemics, epidemics or other outbreaks of disease ~~, including the current COVID- 19 pandemic~~ , or natural disasters, and the impact of these events on the factors set forth above. We may experience a delay in generating or recognizing revenues for a number of reasons. Open orders at the beginning of each quarter are typically lower than expected net sales for that quarter and are generally cancellable or reschedulable with minimal notice. Accordingly, we depend on obtaining orders during each quarter for shipment in that quarter to achieve our net sales objectives and failure to fulfill such orders by the end of a quarter may adversely affect our operating results. Furthermore, our customer agreements typically provide that the customer may delay scheduled delivery dates and cancel orders within specified timeframes without significant penalty. In addition, we maintain an infrastructure of facilities and human resources in several locations around the world and have a limited ability to reduce the expenses required to maintain such infrastructure. Because we base our operating expenses on anticipated revenue trends and a high percentage of our expenses are fixed in the short term, any delay in generating or recognizing forecasted net sales or changes in levels of our customers' forecasted demand could materially and adversely impact our business, financial condition and results of operations. Due to our limited ability to reduce expenses, in the event our revenues decline or our net sales do not meet our expectations, it is likely that in some future quarters our operating results will decrease from the previous quarter or fall below the expectations of securities analysts and investors. As a result of these factors, our operating results may vary significantly from quarter to quarter. Accordingly, we believe that period- to- period comparisons of our results of operations should not solely be relied upon as indications of future performance. Any shortfall in net sales or net income compared to a previous quarter or to levels expected by the investment community could cause a decline in the trading price of our stock. Our dependence on our manufacturing operations in the Philippines exposes us to certain risks that may harm our business. We rely heavily on the manufacturing operations of the AMPI Facility, which operates as our primary internal assembly and testing facility. We depend primarily on the AMPI Facility for our sensor and power products and, if this facility suspends operations, our ability to assemble and test our products could be materially impaired. Furthermore, any disruption in operations at the AMPI Facility could adversely affect our ability to meet customer demand in a timely manner, or at all, which would lead to a reduction in our net sales and may adversely affect our reputation and customer relationships, potentially resulting in longer- term harm to our business. In addition, an earthquake, fire, flood or other natural or man- made disaster, as well as a pandemic, epidemic or other outbreak of infectious disease, ~~including the current COVID- 19 pandemic,~~ strikes, political or civil unrest, or any number of other factors beyond our control could also disable such facility, causing catastrophic losses **. Some of these risks may become more frequent or intense as a result of climate change** . Although we supplement the assembly capabilities at the AMPI Facility with several other external or independent assembly subcontractors throughout Asia, if our manufacturing operations at the AMPI Facility are obstructed or hampered, it could take a considerable length of time, at an increased cost, for us to resume manufacturing at another location, which could materially harm our manufacturing efficiency and capacity, delay production and shipments and result in costly expenditures to repair or replace this facility. To ensure continued product manufacturing (including assembly and testing of our products), we may be required to establish or invest in alternative manufacturing facilities. Any attempt to establish or invest in alternative manufacturing facilities, however, could increase our costs, negatively affect our profitability, and limit our ability to maintain competitive prices for our products, which would negatively impact our competitive position. **To** ~~While we rely on the AMPI Facility as~~ our **knowledge** ~~primary manufacturing facility for our select sensor and power products~~ , ~~we are aware that~~ only a few alternative manufacturing facilities have the capability to assemble and test our most advanced and complex products and if we are forced to engage such alternative manufacturing facilities, we may encounter difficulties and incur additional costs. Accordingly, we cannot guarantee that we will be able to manage the risks and challenges associated with our dependence on the AMPI Facility, and any failure to do so could have a material adverse effect on our business, financial condition and results of operations. A significant portion of our net sales are generated through distributors, which subjects us to certain risks. We sell our products worldwide through multiple sales channels, including through our direct sales force, distributors and independent sales representatives, which resell our products to numerous end customers. A significant portion of our net sales are made to distributors, accounting for approximately **39. 3 %,** 36. 8 % ~~,~~ **and** 37. 3 % ~~and 25. 2 %~~ of our net sales in fiscal years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , respectively, excluding our distribution relationship with Sanken in Japan, which represented approximately **16. 5 %,** 19. 4 % ~~,~~ **and** 17. 7 % ~~and 17. 3 %~~ of our net sales in fiscal years **2023,** 2022 ~~,~~ **and** 2021 **, respectively. Sales to our largest, non- affiliated distributor accounted for 10. 8 %, 11. 0 %,** and **11. 4 % of our net sales in fiscal years** ~~2020~~ **2023 , 2022 and 2021** , respectively. The impairment or termination of our relationships with our distributors, or the failure of these parties to diligently sell our products and comply with applicable laws and regulations, could materially and adversely affect our ability to generate revenue and profits. Because our distributors control the relationships with end customers, if our relationship with any distributor ends, we could also lose our relationships with their customers ~~. Furthermore, our success is partially dependent on the willingness and ability of the sales representatives and other employees of our distributors to diligently sell our products. However, we cannot guarantee that they will be successful in marketing our products~~ . In addition, because our distributors do not sell our products exclusively, they may focus their sales efforts and resources on other products that produce better margins or greater commissions for them or are incorporated into a broader strategic relationship with one of their other suppliers. Because we do not control the sales representatives and other employees of our distributors, we cannot guarantee that our sales processes, regulatory compliance and other priorities will be consistently communicated and executed. In addition, we may not have staff in one or more of the locations covered by our distributors, which makes it particularly difficult for us to monitor their performance. While we may take steps to mitigate the risks associated with noncompliance by our distributors, there remains a risk that they will not comply with regulatory requirements or our requirements and policies. Actions by the sales representatives and other employees of our distributors ~~that are beyond our control~~ could result in flat or declining sales in a given geographic area, **reputational** harm to ~~the reputation of~~ our ~~company~~ **Company** or our products, or legal liability, any of which could have a material adverse effect on our business, financial condition and results of operations. ~~See " Our failure to comply with the Foreign Corrupt Practices Act, other applicable anti- corruption and anti- bribery laws, and applicable trade control laws could subject us to penalties and other adverse consequences. "~~ In addition to the risk of losing customers, the operation of local laws and our agreements with our distributors could make it difficult for us to replace a distributor we feel is underperforming. In addition, as discussed above, our distribution relationship with Sanken in Japan has historically accounted for a significant portion of our total net sales. As discussed in Note ~~21~~ **20** , " Related Party Transactions " to the consolidated financial statements, **as of April 1, 2023** we have ~~entered into a letter of intent with Sanken pursuant to which the Company and Sanken agree to start planning the transition~~ **transitioned the distribution** of **our products** ~~supply chain and sales activity~~ in Japan from Sanken to ~~the Company~~ **third- party distributors and direct to end customers** . Though we believe we will be able to ~~establish~~ **build** relationships with ~~new~~ distributors **in Japan** ~~when we transition our distribution relationship with Sanken~~ , we cannot guarantee that we will be able to realize a similar level of net sales as under our ~~current~~ **historical** arrangements. Events beyond our control could have an adverse effect on our business, financial condition, results of operations and cash flows. Our ability to make, transport and sell products in coordination with our suppliers, customers (including OEMs), distributors and third- party manufacturers or other subcontractors is critical to our success. Damage or disruption to **either our** ~~our~~ - **or our key suppliers or manufacturing partners'** supply, manufacturing or distribution capabilities resulting from weather, freight carrier availability, any potential effects of climate change, natural disaster, disease, fire, explosion, cyber- attacks, terrorism, pandemics, epidemics or other outbreaks of infectious disease, strikes, civil unrest, repairs or enhancements at facilities manufacturing or distributing our products or other reasons could impair our ability to manufacture, sell, and deliver products on a timely basis or at all. ~~Similarly~~ **Climate change may also increase the frequency or intensity of certain of these risks. For more information** , **see our risk factor titled " Climate change presents physical, transition, and litigation risks that could** ~~disruptions~~ ---- **disrupt** ~~in the~~ **our business** operations ~~of our key suppliers, third- party wafer fabrication partners or other contract manufacturers,~~ and **force us** ~~our compelled transition~~ to ~~other suppliers or third- party manufacturers~~ **incur increased costs and expenses, which** could **have a material adverse effect** ~~lead to supply chain problems and otherwise impair or delay our ability to deliver products to our customers~~ on ~~a timely basis or~~ **our** ~~at all~~ **business, financial condition, results of operations and liquidity** . **"** Other companies in our industry may be affected differently by natural disasters or other disruptions depending on the location **and concentration** of their suppliers, operations and customers. In addition, many of our competitors are larger companies with more substantial financial and other resources and, as a result, may be better able to plan for, withstand or otherwise mitigate the effects of any such disruption. While we may take steps to plan for or address the occurrence of any such event, we cannot guarantee that we will be successful. Our failure to take adequate steps to reduce the likelihood or mitigate the potential impact of such events, or to effectively manage such events if they occur, particularly when a wafer or packaging component is sourced from a limited number of locations or suppliers, could adversely affect our business, financial condition, results of operations and cash flows and / or require additional resources to restore our supply chain. The effects of the COVID- 19 pandemic **or other health epidemics** could have an adverse impact on our business, results of operations and financial condition. Our business has been, and is expected to continue to be, adversely impacted by the effects of the COVID- 19 pandemic. In addition to global macroeconomic effects, the COVID- 19 pandemic and related adverse public health developments have caused, and are expected to continue to cause, disruption to our domestic and international operations and sales activities. In addition, we and our suppliers, third- party distributors, sub- contractors and customers have been, and are expected to continue to be, disrupted by worker absenteeism, quarantines and restrictions on certain of our employees' ability to perform their jobs, office and factory closures or restrictions, labor shortages, disruptions to ports and other shipping infrastructure, border closures or other travel or health- related restrictions. Depending on the magnitude of such effects ~~on our manufacturing activities or the operations of our suppliers, third- party distributors or sub- contractors, our supply chain~~ , manufacturing and product shipments could be delayed, which could materially adversely affect our business, results of operations and financial condition. Impacts to our customers' operations and supply chains could also negatively impact our ~~revenues~~ **net sales** . In addition, any economic downturn or recession brought on by the COVID- 19 pandemic or other ~~disease outbreaks~~ **health epidemics** could adversely affect demand for our products and impact our results of operations and financial condition. These effects, alone or taken together, could have a material adverse effect on our business, results of operations, or financial condition ~~. The extent of the COVID- 19 pandemic' s effect on our operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, including resurgences in certain geographic areas as a result of new strains and variants and the efficacy of vaccines, both of which are uncertain and difficult to predict. While we are not able at this time to estimate the long- term effect of these factors on our business, the adverse impact on our business, results of operations, and financial condition could be material~~ . If we fail in a timely and cost- effective manner to develop new product features or new products that address customer preferences and achieve market acceptance, our operating results could be adversely affected. Our customers are constantly seeking new products with more features and functionality at a lower cost, and our success relies heavily on our ability to continue to develop and market to our customers new and innovative products and improvements of existing products. In order to respond to new and evolving customer demands, achieve strong market share and keep pace with new technological, processing and other developments, we must constantly introduce new and innovative products into the market. Although we strive to respond to customer preferences and industry expectations in the development of our products, we may not be successful in developing, introducing or commercializing any new or enhanced products on a timely basis or at all. Further, if initial sales volumes for new or enhanced products do not reach anticipated levels within the time periods we expect, we may be required to engage in additional marketing efforts to promote such products and the costs of developing and commercializing such products may be higher than we predict. Moreover, new and enhanced products may not perform as expected. We may also encounter lower manufacturing yields and longer delivery schedules in commencing volume production of new products that we introduce, which could increase our costs and disrupt our supply of such products. A fundamental shift in technologies, the regulatory climate or demand patterns and preferences in our existing product markets or the product markets of our customers or end- users could make our current products obsolete, prevent or delay the introduction of new products or enhancements to our existing products or render our products irrelevant to our customers' needs. If our new product development efforts fail to align with the needs of our customers, including due to circumstances outside of our control like a fundamental shift in the product markets of our customers and end users or regulatory changes, our business, financial condition and results of operations could be materially and adversely affected. We may not be able to effectively manage our growth, and we may need to incur significant expenditures to address the additional operational and control requirements of our growth, either of which could harm our business and operating results. To continue to grow, we must continue to expand our operational, engineering, accounting and financial systems, procedures, controls and other internal management systems. This may require substantial managerial and financial resources, and our efforts in this regard may not be successful. Our current systems, procedures and controls may not be adequate to support our future operations. Unless our growth results in an increase in our revenues that is proportionate to the increase in our costs associated with this growth, our operating margins and profitability will be adversely affected. Our failure to adequately manage our growth, improve our operational, financial and management information systems, or effectively motivate and manage our new and future employees could adversely affect our business, financial condition and results of operations. We depend on growth in the end markets that use our products. Any slowdown in the growth of these end markets could adversely affect our financial results. Our continued success will depend in large part on general economic growth and growth within our target markets in the automotive and industrial sectors. Factors affecting these markets ~~could seriously harm our customers and, as a result, harm us~~ , including **reductions in** ~~: • reduced~~ sales of our customers' products ~~; • the effects of catastrophic and other disruptive events at our customers' offices or facilities including~~ , ~~but not limited to, natural disasters, telecommunications failures, cyber- attacks, terrorist attacks, pandemics, epidemics or other outbreaks of infectious disease, including the current COVID- 19 pandemic, breaches of security or loss of critical data; • increased costs associated with potential disruptions to our customers' supply chain and other manufacturing and production operations; • the~~ deterioration of our customers' financial condition **, insufficient** ~~; • delays and project cancellations as a result of design flaws in the products developed by our customers~~ - **customer** ~~; • the inability of customers to dedicate the~~ resources ~~necessary~~ **dedicated** to ~~promote~~ **promoting** and ~~commercialize~~ **commercializing** their products **,** ~~; •~~ the inability of our customers to adapt to changing technological demands ~~resulting~~ **, design flaws** in ~~their~~ **customer** products ~~becoming obsolete;~~ **, the effects of catastrophic** and ~~• the~~ **other** ~~failure of~~ **disruptive events, and increased supply chain, manufacturing or production costs could seriously harm** our customers ~~' products to achieve market success~~ and ~~gain broad market acceptance~~ **, as a result, harm us** . Any slowdown in the growth of these end markets could adversely affect our financial results. For example, a significant element of our growth strategy depends on the increasing adoption of mild hybrid, hybrid and electric vehicles, which are expected to have higher sensor and power product content. If anticipated demand in the end market for these vehicles does not materialize, it would adversely affect demand for our products from customers and impact our ability to execute our growth strategy. The loss of one or more significant customers could have a material adverse effect on our business and results of operations. During fiscal year ~~2022~~ **2023** , ~~one end customer, including those served through our distributors, represented approximately 11 % of our net sales, while~~ no ~~other~~ end customer, including those served through our distributors, exceeded 10 % of our net sales during fiscal year ~~2022~~ **2023** . However, the loss of or a significant reduction in business with a significant end customer, particularly in the automotive market, could have a material adverse effect on our net sales and, in turn, on our overall business, financial condition and results of operations. Our competitive position could be adversely affected if we are unable to meet customers' quality requirements. Semiconductor IC suppliers must meet increasingly stringent quality standards of certain OEMs and customers, particularly for automotive applications. While our quality performance to date has generally met these requirements, we may experience problems in achieving acceptable quality results in the manufacture of our products, particularly in connection with the production of new products or adoption of a new manufacturing process. Our failure to achieve acceptable quality levels could adversely affect our business results. The nature of the design win process requires us to incur expenses without any guarantee that research and development efforts will generate net sales, which could adversely affect our financial results. We focus on winning competitive bid selection processes, called " design wins, " to develop products for use in our customers' products. These lengthy selection processes may require us to incur significant expenditures and dedicate valued engineering resources to the development of new products without any assurance that we will achieve design wins. If we incur such expenditures and fail to be selected in the bid selection process, our operating results may be adversely affected. Further, because of the significant costs associated with qualifying new suppliers, customers are likely to use the same or an enhanced version of semiconductor products from existing suppliers across a number of similar and successor products for a lengthy period of time. As a result, if we fail to secure an initial design win for any of our products to any particular customer, we may lose the opportunity to make future sales of those products to that customer for a significant period of time or at all and experience an associated decline in net sales relating to those products. This phenomenon is typical in the automotive market. Failure to achieve initial design wins may also weaken our position in future competitive selection processes because we may not be perceived as an industry leader. Even if we succeed in securing design wins for our products, we may not generate timely or sufficient net sales or margins from those wins and our financial results could suffer. After incurring significant design and development expenditures and dedicating engineering resources to achieve a single initial design win for a product, a substantial period of time generally elapses before we generate meaningful net sales relating to such product, if at all. The reasons for this delay include, among other things, the following: • changing customer requirements, resulting in an extended development cycle for the product; • delay in the ramp- up of volume production of the customer' s products into which our solutions are designed; • delay or cancellation of the customer' s product development plans; • competitive pressures to reduce our selling price for the product; • the discovery of design flaws, defects, errors or bugs in the products; • lower than expected customer acceptance of the solutions designed for the customer' s products; • lower than expected market acceptance of our customers' products; and • higher manufacturing costs than anticipated. If we do not continue to achieve design wins in the short term, we may not be able to achieve expected net sales levels associated with these design wins. If we experience delays in achieving such sales levels, our operating results could be adversely affected. Moreover, even if a customer selects our product, we cannot guarantee that this will result in any sales of our products, as the customer may ultimately change or cancel its product plans, or our customer' s efforts to market and sell its product may not be successful. Changes in government trade policies, including the imposition of ~~tariffs and~~ export restrictions **and tariffs** , could limit our ability to sell products to certain customers or limit demand from certain customers, which may materially and adversely affect our sales and results of operations. U....... adversely impact our business, financial condition and results of operations. The U. S. or foreign governments may take administrative, legislative or regulatory action that could materially interfere with our ability to sell products in certain countries and / or to certain customers, particularly in China. For example, the United States and China have imposed **export**

**restrictions related to certain semiconductors and** a number of tariffs and other restrictions on items imported or exported between the United States and China, and have proposed to impose a number of additional tariffs. We cannot predict what actions may ultimately be taken with respect to **export restrictions,** tariffs or trade relations between the United States and China or other countries, what products may be subject to such actions, or what actions may be taken by the other countries in retaliation. The institution of **export restrictions and** trade tariffs both globally and between the United States and China specifically carries the risk of negatively impacting China' s overall economic condition, which could have negative repercussions for our business ~~to time,made public statements indicating possible significant changes~~ **since Greater China accounted for the highest percentage of the Company' s total net sales** in **any one country in our fiscal year ended March 31** ~~U.S.trade policy and have taken certain actions that may impact U.S.trade policy~~ , ~~including imposing~~ **2023.In addition,since we manufacture our products outside the United States,** new or increased tariffs on certain goods imported into the United States ~~.Since we manufacture our products outside the United States,such changes~~ ,if adopted,could have a disproportionate impact on our business and make our products more expensive and less competitive in domestic markets.Furthermore,changes in U.S.trade policy could trigger retaliatory actions by affected countries,which could impose restrictions on our ability to do business in or with affected countries or prohibit,reduce or discourage purchases of our products by foreign customers,leading to increased costs of components contained in our products,increased costs of manufacturing our products,and higher prices for our products in foreign markets.For example,there are risks that the Chinese government may,among other things,require the use of local suppliers in place of non- Chinese suppliers like us,compel companies that do business in China to partner with local companies to conduct business and provide incentives to government- backed local customers to buy from local suppliers.Changes in,and responses to,U.S.trade policy could reduce the competitiveness of our products and cause our sales to decline,which could materially and adversely impact our business,financial condition **and results of operations** . Warranty claims, product liability claims and product recalls could harm our business, results of operations and financial condition. We face an inherent business risk of exposure to warranty and product liability claims if products fail to perform as expected or is alleged to result in bodily injury, death, and / or property damage. In addition, if any of our designed products are alleged to be defective, we may be required to participate in their recall. Some OEMs expect suppliers to warrant their products for longer periods of time and are increasingly looking to them for contribution when faced with product liability claims or recalls. For example, some of our products are used in automotive safety systems, the failure of which could lead to injury or death. We carry various commercial liability policies, including umbrella / excess policies which provide some protection against product liability exposure. However, a successful warranty or product liability claim against us in excess of our available insurance coverage and established reserves, or a requirement that we participate in a product recall, could have adverse effects on our business results. Further, in the future, it is possible that we will not be able to obtain insurance coverage in the amounts and for the risks we seek at policy costs and terms we desire. Additionally, in the event that our products fail to perform as expected or such failure of our products results in a recall, our reputation may be damaged, which could make it more difficult for us to sell our products to existing and prospective customers and could materially and adversely affect our business, results of operations and financial condition. Our dependence on international customers and operations also subjects us to a range of other additional regulatory, operational, financial and political risks that could adversely affect our financial results. For fiscal years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , approximately **86. 6 %,** 85. 9 % ~~,~~ **and** 86. 1 ~~% and 81. 7~~ %, respectively, of our net sales were to customers outside of the United States. In addition, a substantial majority of our products are assembled and tested at facilities outside of the United States. Our principal assembly and test facility is located in the Philippines at our AMPI Facility. We also rely on several other wafer fabrication manufacturing partners located throughout Asia. Any conflict or uncertainty in this region, including public health or safety concerns or natural disasters, could have a material adverse effect on our business, financial condition and results of operations. Moreover, conducting business outside the United States subjects us to a number of additional risks and challenges, including: • changes in a specific country' s or region' s political, regulatory or economic conditions; • a pandemic, epidemic or other outbreak of an infectious disease, ~~including the current COVID- 19 pandemic,~~ which may cause us or our distributors, vendors and / or customers to temporarily suspend operations in the affected city or country; • compliance with a wide variety of domestic and foreign laws and regulations (including those of municipalities or provinces where we have operations) and unexpected changes in those laws and regulatory requirements, including uncertainties regarding taxes, social insurance contributions and other payroll taxes and fees to governmental entities, tariffs, quotas, export controls, export licenses and other trade barriers; • unanticipated restrictions on our ability to sell to foreign customers where sales of products and the provision of services may require export licenses or are prohibited by government action, unfavorable foreign exchange controls and currency exchange rates; • the risk of substantial penalties and litigation related to violations of a wide variety of laws, treaties and regulations, including labor regulations and anti- corruption regulations (including the U. S. Foreign Corrupt Practices Act and the U. K. Bribery Act); • difficulties and costs of staffing and managing international operations across different geographic areas and cultures; • potential political, legal and economic instability, armed conflict, and civil unrest in the countries in which we and our customers, suppliers and contract manufacturers are located, such as the current conflict between Russia and Ukraine; • difficulty and costs of maintaining effective data security; • inadequate protection of intellectual property; • transportation and other supply chain delays and disruptions; • nationalization and expropriation; • restrictions on the transfer of funds to and from foreign countries, including withholding taxes and other potentially negative tax consequences; • unfavorable and / or changing foreign tax treaties and policies; and • increased exposure to general market and economic conditions outside of the U. S. These factors, individually or in combination, could impair our ability to effectively operate one or more of our foreign facilities or deliver our products, result in unexpected and material expenses, or cause an unexpected decline in the demand for our products in certain countries or regions. Our failure to manage the risks and challenges associated with our international business and operations could have a material adverse effect on our business. For example, Russia' s ~~recent~~ invasion of Ukraine has led to sanctions, export controls and other penalties being levied by the United States, European Union and other countries against Russia, Belarus, the Crimea ~~Region~~ **region** of Ukraine, the so- called Donetsk People' s Republic, and the so- called Luhansk People' s Republic. Additional potential sanctions and penalties have also been proposed and / or threatened. Russian military actions and the resulting sanctions could adversely affect the global economy and financial markets. Any Russian response could also disrupt commercial and financial transactions. Further, conflict between Ukraine and Russia could adversely impact the global supply chain, disrupt our operations and / or our customers' operations, negatively impact the demand for our products in our primary end markets or increase in cyberattacks and espionage. End- user demand for certain HEVs, EVs and green energy products often depends on the availability of rebates, tax credits and other financial incentives. The reduction, modification, expiration or elimination of such government economic incentives could reduce end- user demand and thus affect our customers' demand for our products. The U. S. federal government, some state and local governments, as well as foreign governments provide certain incentives to end- users and purchasers of certain HEVs, EVs and green energy products in the form of rebates, tax credits and other financial incentives. End- users often rely on these governmental rebates, tax credits and other financial incentives to significantly lower the purchase price of these products. However, these incentives may expire on a particular date, end when the allocated funding is exhausted, or be reduced or terminated as a matter of regulatory or legislative policy. Any slowdown in end- user demand for our products as a result of such changes to these incentives could adversely affect our business, financial condition and results of operations. We will lose sales if we are unable to obtain government authorization to export certain of our products, and we will be subject to legal and regulatory consequences if we do not comply with applicable export control laws and regulations. Exports of certain of our products and other products ~~, including Voxtel products,~~ are subject, or could be subject in the future, to export controls imposed by the U. S. government and administered by the U. S. Departments of State and Commerce ~~and a small number of our products are subject to export controls imposed by the International Traffic in Arms Regulations (" ITAR "), administered by the Department of State' s Directorate of Defense Trade Controls~~ . In certain instances, these regulations may require pre- shipment authorization from the administering department. For products subject to the Export Administration Regulations ~~(" EAR ")~~ , administered by the Department of Commerce' s Bureau of Industry and Security, the requirement for a license is dependent on the type and end use of the product, the final destination, the identity of the end user and whether a license exception might apply ~~. Virtually all exports of products subject to the ITAR require a license. Certain of our products are subject to EAR and some products, including certain products developed with government funding, are subject to ITAR~~ . Products developed and manufactured in our foreign locations are subject to export controls of the applicable foreign nation. Obtaining export licenses can be difficult, costly and time- consuming and we may not always be successful in obtaining necessary export licenses, and our failure to obtain required import or export approval for our products or limitations on our ability to export or sell our products imposed by these laws may harm our international and domestic revenues. Noncompliance with these laws could have negative consequences, including government investigations, penalties and reputational harm. The absence of comparable restrictions on competitors in other countries may adversely affect our competitive position. Failure to obtain export licenses for our products or having one or more of our customers be restricted from receiving exports from us could significantly reduce our net sales and materially and adversely affect our business, financial condition and results of operations. Changing currency exchange rates may adversely affect our business, financial condition, results of operations and cash flows. We have operations and assets in the U. S. as well as foreign jurisdictions and we prepare our consolidated financial statements in U. S. dollars, but a portion of our earnings and expenditures are denominated in other currencies. We therefore must translate our foreign assets, liabilities, revenue and expenses into U. S. dollars at applicable exchange rates. Consequently, fluctuations in the value of foreign currencies relative to the U. S. dollar may negatively affect the value of these items in our financial statements. In addition, since many of our sales in foreign jurisdictions are denominated in U. S. dollars, a decrease in the value of foreign currencies relative to the U. S. dollar may effectively increase the price of our products in the currency of the jurisdiction in which the sale took place and may result in our products becoming too expensive for non- U. S. customers who do not conduct their business in U. S. dollars. Furthermore, currency exchange rates have been especially volatile in the recent past, and these currency fluctuations may make it difficult for us to predict our results of operations. To the extent we fail to manage our foreign currency exposure adequately, we may suffer losses in the value of our net foreign currency investment, and our business, financial condition, results of operations and cash flows may be negatively affected. Our ability to raise capital in the future may be limited and could prevent us from executing our growth strategy. Our ability to operate and expand our business depends on the availability of adequate capital, which in turn depends on cash flow generated by our business and the availability of borrowings under our credit facilities and other debt, equity or other applicable financing arrangements. We believe that our existing cash resources and our access to the capital markets will be sufficient to finance our continued operations, growth strategy, **and** planned capital expenditures ~~and the additional expenses we expect to incur as a public company~~ for at least the next 12 months. However, we have based this estimate on our current operating plans and expectations, which are subject to change, and cannot assure you that that our existing resources will be sufficient to meet our future liquidity needs. We may require additional capital to respond to business opportunities, challenges, acquisitions or other strategic transactions and / or unforeseen circumstances. The timing and amount of our working capital and capital expenditure requirements may vary significantly depending on numerous factors, including: • market acceptance of our products; • the need to adapt to changing technologies and technical requirements; • the existence of opportunities for expansion; and • access to and availability of sufficient management, technical, marketing and financial personnel. If our capital resources are insufficient to satisfy our liquidity requirements, we may seek to sell additional equity securities or debt securities or obtain debt financing. The sale of additional equity securities or convertible debt securities would result in additional dilution to our stockholders. Additional debt would result in increased expenses and could result in covenants that would restrict our operations and our ability to incur additional debt or engage in other capital- raising activities. **Interest rates have risen significantly over the last several months and may continue to rise, making the cost of incurring new debt obligations more expensive to the**

**Company.** We have not made arrangements to obtain additional financing **,** and there is no assurance that financing, if required, will be available in amounts or on terms acceptable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us, when we require it, our ability to continue to grow and support our business and respond to business opportunities and challenges could be significantly limited. Our indebtedness may limit our flexibility to operate our business and adversely affect our financial health and competitive position. As of March ~~25~~ **31** , ~~2022~~ **2023** , we had $ 25. 0 million in aggregate principal amount of debt outstanding under our Term Loan Facility (as defined herein), no debt outstanding under our Revolving Credit Facility and $ 50. 0 million of additional borrowings available thereunder. In order to service this indebtedness, and any additional indebtedness or other long- term obligations we may incur in the future, we need to generate sufficient levels of cash from our operating activities. Our ability to generate cash is subject, in part, to our ability to successfully execute our business strategy, as well as general economic, financial, competitive, regulatory and other factors beyond our control. We cannot assure you that our business will be able to generate sufficient levels of cash from operations or that future borrowings or other financings will be available to us in an amount sufficient to enable us to service our indebtedness and fund our other liquidity needs. To the extent we are required to use cash from operations or the proceeds of any future financing to service our indebtedness instead of funding working capital, capital expenditures or other general corporate purposes, we will be less able to plan for, or react to, changes in our business, industry and in the economy generally. This will place us at a competitive disadvantage compared to our competitors that have less indebtedness. In addition, the agreements governing the Senior Secured Credit Facilities (as defined herein) contain, and any agreements evidencing or governing other future indebtedness may also contain, certain covenants that limit our and our restricted subsidiaries' ability to engage in certain transactions that may be in our long- term best interests. Subject to certain limited exceptions, these covenants limit our and our restricted subsidiaries' ability to, among other things: • incur additional indebtedness, or issue equity interests that have features similar to indebtedness; • incur liens; • make investments, including acquisitions and investments in joint ventures; • merge, consolidate, amalgamate, divide, dissolve or liquidate; • pay dividends or make other distributions to our equity holders, or redeem, repurchase or retire equity interests; • prepay indebtedness that ranks junior in right of payment to the Senior Secured Credit Facilities; • amend the documents governing such junior indebtedness; • sell our assets outside the ordinary course of business; • engage in transactions with affiliates; • agree to negative pledge clauses that conflict with the obligation to secure the Senior Secured Credit Facilities, or agree to restrictions on the ability of subsidiaries to make distributions to the loan parties; • amend our organizational documents in a manner materially adverse to the interest of the lenders; • change our line of business from that conducted as the date of such agreements; and • change our fiscal year or method of determining fiscal quarters or fiscal months. Our ability to comply with these covenants may be affected by events and factors beyond our control. In the event that we breach one or more covenants, our lenders may choose to declare an event of default and require that we immediately repay all amounts outstanding, terminate any commitment to extend further credit and foreclose on any collateral granted to them to secure such indebtedness. The occurrence of any of these events could have a material adverse effect on our business, financial condition and results of operations. In addition, we may be able to incur significant additional indebtedness in the future. While the agreements governing our Senior Secured Credit Facilities generally restrict our and our restricted subsidiaries' ability to incur additional indebtedness, these restrictions are subject to important and significant exceptions and limitations. Also, these agreements generally do not prohibit us from incurring obligations that do not constitute indebtedness as defined therein. To the extent that we incur additional indebtedness or such other obligations, the risks associated with our indebtedness described above could increase. We depend on key and highly skilled personnel to operate our business, and if we are unable to retain our current personnel and hire additional personnel, our ability to develop and market our products could be harmed, which in turn could adversely affect our financial results. Our success depends to a large extent upon the continued services of our executive officers, managers and skilled personnel, including our development engineers. From time to time, there may be changes in our executive management team or other key personnel, which could disrupt our business. Generally, our employees are not bound by obligations that require them to continue to work for us for any specified period and, therefore, they could terminate their employment with us at any time. Moreover, our employees are generally not subject to non- competition agreements. Given these limitations, we may not be able to continue to attract, retain and motivate **the** qualified personnel necessary for our business. In addition, we recruit from a limited pool of engineers with expertise in analog mixed- signal semiconductor design **,** and the competition for such personnel can be intense. The loss of one or more of our executive officers or other key personnel or our inability to locate suitable or qualified replacements could be significantly detrimental to our product development efforts and could have a material adverse effect on our business, financial condition and results of operations **. Increases in salaries in the markets in which we have employees have increased our labor costs and made it more competitive to acquire talent** . In addition, we must attract and retain highly qualified personnel, including certain foreign nationals who are not U. S. citizens or permanent residents, many of whom are highly skilled and constitute an important part of our U. S. workforce, particularly in the areas of engineering and product development. Our ability to hire and retain these employees and their ability to remain and work in the U. S. are impacted by laws and regulations, as well as by procedures and enforcement practices of various government agencies. Changes in immigration laws, regulations or procedures may adversely affect our ability to hire or retain such workers, increase our operating expenses and negatively impact our ability to deliver our products and services, any of which would adversely affect our business, financial condition and results of operations. Risks Related to our Information Technology, Intellectual Property, and Data Security and Privacy If we are unable to protect our proprietary technology and inventions through patents, our ability to compete successfully and our financial results could be adversely impacted. We seek to protect our proprietary technology and inventions, particularly those relating to the design of our products, through the use of patents. As of March ~~25~~ **31** , ~~2022~~ **2023** , we owned 1, ~~256~~ **371** patents, including ~~671~~ **742** active U. S. patents (with expiration dates between ~~2022~~ **2023** and ~~2041~~ **2042** ), with an additional ~~362~~ **357** pending patent applications, including ~~151~~ **154** U. S. patent applications. Maintenance of patent portfolios, particularly outside of the U. S., is expensive, and the process of seeking patent protection is lengthy and costly. While we intend to maintain our current portfolio of patents and to continue to prosecute our currently pending patent applications and file future patent applications when appropriate, the value of these actions may not exceed their expense. Existing patents and those that may be issued from any pending or future applications may be subject to challenges, invalidation or circumvention, and the rights granted under our patents may not provide us with meaningful protection or any commercial advantage. In addition, the protection afforded under the patent laws of one country may not be the same as that in other countries. This means, for example, that our right to exclusively commercialize a product in those countries where we have patent rights for that product can vary on a country- by- country basis. We also may not have the same scope of patent protection in every country where we do business. Additionally, it is difficult and costly to monitor the use of our intellectual property. It may be the case that our intellectual property is already being infringed and infringement may occur in the future without our knowledge. The difficulty and failure to identify any violations of our intellectual property rights could materially and adversely affect our business, financial condition and result of operations and hurt our competitive advantage. If we are unable to protect our proprietary technology and inventions through trade secrets, our competitive position and financial results could be adversely affected. We seek to protect our proprietary technology and inventions, particularly those relating to our manufacturing processes, as trade secrets. In the United States, trade secrets are protected under the federal Economic Espionage Act of 1996 and the Defend Trade Secrets Act of 2016 (the " Defend Trade Secrets Act "), and under state law, with many states having adopted the Uniform Trade Secrets Act (the " UTSA ") and several of which that have not. In addition to these federal and state laws inside the United States, under the World Trade Organization' s Trade Related- Aspects of Intellectual Property Rights Agreement, trade secrets are to be protected by World Trade Organization member states as " confidential information. " Under the UTSA and other trade secret laws, protection of our proprietary information as trade secrets requires us to take steps to prevent unauthorized disclosure to third parties or misappropriation by third parties. In addition, the full benefit of the remedies available under the Defend Trade Secrets Act requires specific language and notice requirements present in the relevant agreements, which may not be present in all of our agreements. While we require our officers, employees, consultants, distributors, and existing and prospective customers and collaborators to sign confidentiality agreements and take various security measures to protect unauthorized disclosure and misappropriation of our trade secrets, we cannot assure or predict that these measures will be sufficient. The semiconductor industry is generally subject to high turnover of employees, so the risk of trade secret misappropriation may be amplified. If any of our trade secrets are subject to unauthorized disclosure or are otherwise misappropriated by third parties, our competitive position may be materially and adversely affected. Our ability to compete successfully depends in part on our ability to commercialize our products without infringing the patent, trade secret or other intellectual property rights of others. To the same extent that we seek to protect our technology and inventions with patents and trade secrets, our competitors and other third parties do the same for their technology and inventions. We have no means of knowing the content of patent applications filed by third parties until they are published. It is also difficult and costly to continuously monitor the intellectual property portfolios of our competitors to ensure our technologies do not violate the intellectual property rights of any third parties. Patent assertion entities are common in the semiconductor industry, which is characterized by frequent litigation regarding patent and other intellectual property rights. From time to time, we receive communications from third parties that allege that our products or technologies infringe their patent or other intellectual property rights. As **the** ~~a public company~~ **Company** ~~with~~ **grows** ~~an~~ **and** ~~increased~~ **its** profile and visibility **increases** , we may receive **more or** similar communications in the future. Lawsuits or other proceedings resulting from allegations of infringement could subject us to significant liability for damages, invalidate our proprietary rights and adversely affect our business. In the event that any third party succeeds in asserting a valid claim against us or any of our customers, we could be forced to do one or more of the following: • discontinue selling, importing or using certain technologies that contain the allegedly infringing intellectual property which could cause us to stop manufacturing certain products; • seek to develop non- infringing technologies, which may not be feasible; • incur significant legal expenses; • pay substantial monetary damages to the party whose intellectual property rights we may be found to be infringing; and / or • seek licenses for the infringed technology that may not be available on commercially reasonable terms, if at all. If a third party causes us to discontinue the use of any of our technologies, we could be required to design around those technologies. This could be costly and time **-** consuming and could have an adverse effect on our financial results. Any significant impairments of our intellectual property rights from any litigation we face could materially and adversely impact our business, financial condition, results of operations and our ability to compete in our industry. We or critical third- party service providers may be subject to disruptions or breaches of our information technology systems that could irreparably damage our reputation and our business, expose us to liability and materially and adversely affect our results of operations. We are subject to a number of legal requirements, contractual obligations and industry standards regarding security, data protection and privacy and any failure to comply with these requirements, obligations or standards could have an adverse effect on our reputation, business, financial condition and operating results. We rely on computer systems, hardware, software, technology infrastructure and online sites and networks for both internal and external operations (collectively, " IT Systems ") that are critical to our business. We own and manage some of these IT systems but also rely on third parties for a range of IT Systems and other products and services. In conducting our business, we also routinely collect and store sensitive data, including proprietary technology and information and personal information related to our business and our customers, suppliers and business partners, as well as proprietary technology and information owned by our customers (collectively, " Confidential Information "). The secure processing, maintenance and transmission of this Confidential Information is critical to our operations and business strategy. We or our third- party service providers may be subject to IT System disruptions or breaches or compromises to Confidential Information caused by cyberattacks, computer viruses, malware (including ransomware), illegal hacking, criminal fraud or impersonation, acts of vandalism or terrorism, employee or contractor error or malfeasance, social engineering or phishing, or software related errors, bugs or other vulnerabilities. Security measures that we, our third- party service providers, and our customers have implemented may not detect or prevent such disruptions or security breaches. Cyberattacks are expected to accelerate on a global basis in both frequency and magnitude, and threat actors are increasingly sophisticated in using techniques that circumvent controls, evade detection, and remove forensic evidence, which means that we and our third- party providers may be unable to anticipate, contain or recover from future attacks or incidents in a timely or effective manner. In addition, the **increase in global remote working dynamics since the onset of the** COVID- 19 pandemic ~~has increased cybersecurity risk as a result of global remote working dynamics that present~~ **presents** additional opportunities for threat actors to engage in social engineering (for example, phishing) and to exploit vulnerabilities in non- corporate networks. The costs to us to reduce the risk of or alleviate cybersecurity attacks, breaches and vulnerabilities could be significant. Any type of security breach, attack or misuse of data, whether experienced by us or an associated third **-** party **service provider or in our supply chain** , could harm our reputation or deter existing or prospective customers from using our products and applications, increase our operating expenses in order to contain and remediate the incident, expose us to unbudgeted or uninsured liability, disrupt our operations, divert management focus away from other priorities, increase our risk of regulatory scrutiny, result in the imposition of penalties and fines under state, federal and foreign laws ~~or by payment networks and adversely affect our continued payment network registration and financial institution sponsorship~~ . Moreover, any such compromise of our information security **or IT Systems** could result in the misappropriation or unauthorized publication of our Confidential Information or that of other parties with which we do business, an interruption in our operations, the unauthorized transfer of cash or other of our assets, the unauthorized release of customer or employee data or a violation of privacy or other laws. In addition, computer programmers and hackers also may be able to develop and deploy viruses, worms and other malicious software programs that attack our products, or that otherwise exploit any security vulnerabilities, and any such attack, if successful, could expose us to liabilities for customer claims, regulatory investigations and fines, litigation **(including class actions)** , and increased costs of remediation and compliance. Any of the foregoing could irreparably damage our reputation and business, which could have a material adverse effect on our results of operations. While we maintain various insurance policies, we cannot be certain that any or all cybersecurity or privacy **-** related losses or costs will be covered in whole or in part by our policies. We are subject to governmental regulation and other legal obligations, particularly related to privacy, data protection and information security, and consumer protection laws across different markets where we conduct our business. Our actual or perceived failure to comply with such obligations could harm our business. In the United States and other jurisdictions in which we operate, we are subject to various consumer protection, data privacy and information security laws and related regulations. **These laws and regulations impose significant compliance requirements in relation to our IT Systems and Confidential Information, and in some instances, may expose us to private rights of action and statutory damages for certain types of events.** If we are found to have breached any such laws or regulations in any such jurisdiction, we may be subject to **investigations and** enforcement actions that require us to change our business practices in a manner which may negatively impact our revenue, as well as ~~expose~~ **exposure** ~~us~~ to litigation, fines, civil and / or criminal penalties and adverse publicity that could cause our customers to lose trust in us, negatively impacting our reputation and business in a manner that harms our financial position. As ~~part of our business~~ **a U. S.- based company operating in many countries around the world** , we ~~collect, use, store, share~~ -- **are subject not only to U. S. federal** and ~~otherwise process~~ **varying U. S. state privacy, data protection,** information **security, and consumer protection laws and regulations,** ~~about~~ -- **but** ~~or relating to a range of individuals,~~ also ~~referred~~ to **numerous foreign** ~~as personal data, and other potentially sensitive and / or regulated data from individuals, customers, website visitors, employees, job applicants and employees of other companies with whom we do business, such as vendors, suppliers and business partners. Laws~~ **laws** and regulations ~~in the United States and around the world restrict how personal information is collected, processed, stored, used and disclosed, set standards for its security, implement notice requirements regarding privacy practices, and provide individuals with certain rights regarding the use, disclosure and sale of their protected personal information. In the United States, both the federal and various state governments have adopted or are considering, laws, guidelines or rules for the collection, distribution, use and storage of information collected from or about consumers or their devices. For example, California enacted the California Consumer Privacy Act that requires, among other things, new disclosures to California consumers, imposes new rules for collecting or using information about minors, affords consumers new abilities to opt out of certain disclosures of personal information, and provides for private rights of action and statutory in connection with certain types of data breaches. Several foreign jurisdictions~~ , including ~~the EU and the U. K., have laws and regulations which are more restrictive in certain respects than those in the United States. For example,~~ the EU General Data Protection Regulation **. Complying with** ~~(“ GDPR ”) and the~~ **these** ~~U. K. equivalent~~ **laws and regulations is costly and time- consuming** , **and as** ~~implemented stringent operational requirements for the~~ **these** ~~use of personal data. The European~~ **laws and regulations are being interpreted broadly and in potentially conflicting ways by global regulators, we are subject to increased compliance obligations and** regulatory ~~regime also includes laws~~ **scrutiny, litigation and reputational risks,** which **could have a material adverse impact** ~~, among other things, require EU member states to regulate marketing by electronic means and the use of web cookies and to regulate the cross- border transfer of personal data from the European Economic Area and UK, including to the United States. Each EU member state, as well as the U. K., has transposed the requirements of these and similar laws into its own national data privacy regime, and therefore the laws may differ between jurisdictions. The GDPR introduced more stringent requirements (which will continue to be interpreted through guidance and decisions over the coming years) and require organizations to erase an individual’ s information upon request, implement mandatory data breach notification requirements and additional new obligations~~ on ~~data processors. If our privacy or~~ **our operations** ~~data security measures fail to comply with applicable current or future laws~~ and ~~regulations, we may be subject to litigation, regulatory investigations and fines, enforcement notices requiring us to change the way we use personal data or our marketing practices. For example, under the GDPR we may be subject to fines of up to € 20 million or up to 4 % of the total worldwide annual group turnover of the preceding~~ financial **results** ~~year (whichever is higher)~~ . **Additionally** ~~We may also be subject to other liabilities~~ , ~~as well as negative publicity and a potential~~

~~loss of business. Restrictions~~ **restrictions** on the collection, use, sharing or disclosure of personal information or additional requirements and liability for security and data integrity could require us to modify our solutions and features, possibly in a material manner, limit our ability to develop new products and features ~~and subject us to increased compliance obligations and regulatory scrutiny, litigation and reputational risks, which could have a material adverse impact on our operations and financial results~~ . Risks Related to Regulatory Compliance Our failure to comply with the large body of laws and regulations to which we are subject could have a material adverse effect on our business and operations. We are subject to regulation by various governmental agencies in the United States and other jurisdictions in which we operate. These laws and regulations **include** ~~(and the government agency responsible for their enforcement in the United States) cover~~ : ~~radio frequency emission regulatory activities (Federal Communications Commission);~~ anti- trust regulatory activities ~~(Federal Trade Commission and Department of Justice)~~ ; consumer protection laws ~~(Federal Trade Commission)~~ **; data privacy and cybersecurity laws** ; import / export regulatory activities ~~(Department of Commerce)~~ ; product safety regulatory activities ~~(Consumer Products Safety Commission)~~ ; worker health and safety ~~(Occupational Safety and Health Administration and similar state and local agencies)~~ ; environmental protection ~~(Environmental Protection Agency and similar state and local agencies)~~ ; employment matters ~~(Equal Employment Opportunity Commission)~~ ; and tax and other regulations ~~by a variety of regulatory authorities~~ in each of the areas in which we conduct business. In certain jurisdictions, regulatory requirements in one or more of these areas may be more stringent than in the United States. In the area of employment matters, we are subject to a variety of federal, state and foreign employment and labor laws and regulations, including the Americans with Disabilities Act, the Federal Fair Labor Standards Act, the WARN Act and other regulations related to working conditions, wage and hour pay, overtime pay, employee benefits, anti- discrimination, and termination of employment. Noncompliance with any of these applicable regulations or requirements could subject us to investigations, sanctions, enforcement actions, fines, damages, penalties, or injunctions. In certain instances, former employees have brought claims against us **,** and we expect that we will encounter similar actions against us in the future. An adverse outcome in any such litigation could require us to pay damages, attorneys' fees and costs. These enforcement actions could harm our reputation, business, financial condition and results of operations. If any governmental sanctions are imposed, or if we do not prevail in any possible civil or criminal litigation, our business, financial condition and results of operations could be materially and adversely affected. In addition, responding to any action will likely result in a significant diversion of management' s attention and resources and an increase in professional fees. **Our failure to comply with the Foreign Corrupt Practices Act, other applicable anti- corruption and anti- bribery laws, and applicable economic and trade sanctions and export control laws could subject us to penalties and other adverse consequences.** We have extensive international operations **,** and a substantial portion of our business, particular with respect to our manufacturing processes and sales network, is conducted outside of the United States. Our operations are subject to the U. S. Foreign Corrupt Practices Act (the " FCPA "), as well as the anti- corruption and anti- bribery laws in the countries where we do business. The FCPA prohibits covered parties from offering, promising, authorizing or giving anything of value, directly or indirectly, to a " foreign government official " with the intent of improperly influencing the official' s act or decision, inducing the official to act or refrain from acting in violation of lawful duty, or obtaining or retaining an improper business advantage. The FCPA also requires publicly traded companies to maintain records that accurately and fairly represent their transactions, and to have an adequate system of internal accounting controls. In addition, other applicable anti- corruption laws prohibit bribery of domestic government officials, and some laws that may apply to our operations prohibit commercial bribery, including giving or receiving improper payments to or from non-government parties, as well as so- called " facilitation " payments. In addition, we are subject to U. S. and other applicable **economic and** trade **sanctions and export** control **laws and** regulations that restrict with whom we may transact business, including the **economic and** trade sanctions enforced by the U. S. Treasury, Office of Foreign Assets Control **and export control laws and regulations administered and enforced by the U. S. Department of Commerce** . Though we maintain policies, internal controls and other measures reasonably designed to promote compliance with applicable anti- corruption and anti- bribery laws and regulations, and certain safeguards designed to ensure compliance with U. S. **economic and** trade **sanctions and export** control laws, our employees or agents may nevertheless engage in improper conduct for which we might be held responsible. Any violations of these ~~anti- corruption or trade controls~~ laws **or regulations** , or even allegations of such violations, can lead to an investigation and / or enforcement action, which could disrupt our operations, cause significant management distraction, and lead to significant costs and expenses, including legal fees. If we, or our employees or agents acting on our behalf, are found to have engaged in practices that violate these laws and regulations, we could suffer severe fines and penalties, profit disgorgement, injunctions on future conduct, securities litigation, bans on transacting government business, delisting from securities exchanges and other consequences that may have a material adverse effect on our business, financial condition and results of operations. In addition, our reputation, our net sales or our stock price could be adversely affected if we become the subject of any negative publicity related to actual or perceived violations of anti- corruption, anti- bribery or **economic or** trade **sanctions or export** control laws and regulations. In order to comply with environmental and occupational health and safety laws and regulations, we may need to modify our activities or incur substantial costs, and such laws and regulations, including any failure to comply with such laws and regulations, could subject us to substantial costs, liabilities, obligations and fines, or require us to have our suppliers alter their processes. The semiconductor industry is subject to a variety of international, federal, state, local and non- U. S. laws and regulations governing pollution, environmental protection and occupational health and safety, including those relating to ~~the release, storage, use, discharge, handling, generation, transportation, disposal, and labeling of, and human exposure to,~~ hazardous and toxic materials, product composition, and the investigation and cleanup of contaminated sites, including sites we currently or formerly owned or operated, due to the release of hazardous materials, regardless of whether we caused such release. In addition, we may be strictly liable for joint and several costs associated with investigation and remediation of sites at which we have arranged for the disposal of hazardous wastes if such sites become contaminated, even if we fully comply with applicable environmental laws and regulations. Failure to comply with such laws and regulations could subject us to civil or criminal costs, obligations, sanctions or property damage or personal injury claims, or suspension of our facilities' operating permits. Compliance with current or future environmental and occupational health and safety laws and regulations could restrict our ability to expand our business or require us to modify processes or incur other substantial expenses which could harm our business. In the event of an incident involving hazardous materials, we could be liable for damages and such liability could exceed the amount of any liability insurance coverage and the resources of our business. In addition, in the event of the discovery of contaminants or the imposition of clean up obligations for which we are responsible, we may be required to take remedial or other measures which could have a material adverse effect on our business, financial condition and results of operations. In response to environmental concerns, some customers and government agencies impose requirements for the elimination and / or labeling of hazardous substances, such as lead (which is widely used in soldering connections in the process of semiconductor packaging and assembly), in electronic equipment, as well as requirements related to the take- back of products discarded by customers. For example, the EU adopted its RoHS which prohibits, with specified exceptions, the sale in the EU market of electrical and electronic equipment containing more than agreed levels of lead or other hazardous materials **,** and China has enacted similar regulations. Environmental and occupational health and safety laws and regulations have tended to become more stringent over time, causing a need to redesign technologies, imposing greater compliance costs and increasing risks and penalties associated with violations, which could seriously harm our business. Risks Related to Ownership of Our Common Stock Our principal stockholders **,** Sanken and OEP **,** ~~will continue to~~ have substantial control over us, which could limit your ability to influence the outcome of key transactions, including a change of control, and otherwise affect the prevailing market price of our common stock. Our principal stockholders **,** Sanken and OEP **,** beneficially own, in the aggregate, approximately ~~63~~ **60** . 6 % of our outstanding common stock as of March ~~25~~ **31** , ~~2022~~ **2023** ~~.~~ ~~In addition, Sanken currently intends to maintain its majority ownership interest in us~~ . The Stockholders' Agreement gives each of Sanken and OEP SKNA, L. P., a fund affiliated with OEP (the " OEP Investor ") (in each case, for so long such party beneficially owns at least 5 % of our common stock) certain rights with respect to the composition of our board of directors, including certain rights to designate members of our board of directors. As a result, these stockholders and their affiliates ~~will~~ have significant influence over the management and affairs of our ~~company~~ **Company** , as well as the ability to control the outcome of matters submitted to our stockholders for approval, including the election of directors and the approval of significant corporate transactions, including any merger, consolidation or sale of all or substantially all of our assets and the issuance or redemption of equity interests in certain circumstances. The interests of these stockholders may not always ~~coincide~~ **align** with, and in some cases may conflict with, our interests and the interests of our other stockholders. For instance, these stockholders could attempt to delay or prevent a change in control of our ~~company~~ **Company** , even if such change in control would benefit our other stockholders, which could deprive our other stockholders of an opportunity to receive a premium for their common stock. This concentration of ownership may also affect the prevailing market price of our common stock due to investors' perceptions that conflicts of interest may exist or arise. As a result, this concentration of ownership may not be in your best interests. Our Certificate of Incorporation provides that the doctrine of " corporate opportunity " does not apply with respect to any director or stockholder who is not employed by us or our subsidiaries. The doctrine of corporate opportunity generally provides that a corporate fiduciary may not develop an opportunity using corporate resources, acquire an interest adverse to that of the corporation or acquire property that is reasonably incident to the present or prospective business of the corporation or in which the corporation has a present or expectancy interest, unless that opportunity is first presented to the corporation and the corporation chooses not to pursue that opportunity. The doctrine of corporate opportunity is intended to preclude officers, directors and other fiduciaries from personally benefiting from opportunities that belong to the corporation. Our Certificate of Incorporation provides that the doctrine of " corporate opportunity " does not apply with respect to the OEP Investor or its affiliates (other than us and our subsidiaries), including any of its or their respective principals, members, directors, partners, stockholders, officers, employees or other representatives (other than any such person who is also an employee of ours or our subsidiaries) or to any director or stockholder who is not employed by us or our subsidiaries (collectively, " Exempted Persons "). The Exempted Persons therefore have no duty to communicate or present corporate opportunities to us, and have the right to either hold any corporate opportunity for their own account and benefit or to recommend, assign or otherwise transfer such corporate opportunity to persons other than us, including to any other director or stockholder who is not employed by us or our subsidiaries. As a result, the Exempted Persons are generally not prohibited from operating or investing in competing businesses. We therefore may find ourselves in competition with any one or more of these parties, and we may not have knowledge of, or be able to pursue, transactions that could potentially be beneficial to us. To the extent we find ourselves in competition with Exempted Persons, we may lose a corporate opportunity or suffer competitive harm, which could negatively impact our business, financial condition, results of operations or prospects. ~~Future sales of shares by our stockholders could cause the market price of our common stock to drop significantly, even if our business is doing well. Sales of a substantial number of shares of our common stock in the public market, or the perception in the market that such sales may occur, could reduce the market price of our common stock. We have outstanding 190, 473, 595 shares of common stock as of March 25, 2022. We have also filed a registration statement on Form S- 8 to register shares of common stock issuable under the 2020 Omnibus Incentive Compensation Plan (the " 2020 Plan ") and the 2020 Employee Stock Purchase Plan (the " 2020 ESPP "). These shares can be freely sold in the public market upon issuance, subject to volume limitations applicable to affiliates. The market price of our common stock could drop significantly if the holders of those shares sell them or are perceived by the market as intending to sell them. These declines in our stock price could occur even if our business is otherwise doing well. Our issuance of additional capital stock in connection with financings, acquisitions, investments, our stock incentive plans or otherwise could dilute the ownership and voting power of existing stockholders. As of March 25, 2022, we have 809, 526, 405 shares of common stock authorized but unissued. In addition, our Certificate of Incorporation authorizes us to issue up to 20, 000, 000 shares of preferred stock with such rights and preferences as may be determined by our board of directors. Our~~

~~Certificate of Incorporation authorizes us to issue shares of common stock or other securities convertible into or exercisable or exchangeable for shares of our common stock from time to time, for the consideration and on the terms and conditions established by our board of directors in its sole discretion, whether in connection with a financing, an acquisition, an investment, our stock incentive plans or otherwise. Such additional shares of our common stock or such other securities may be issued at a discount to the market price of our common stock at the time of issuance. Our preferred stock could be issued with voting, liquidation, dividend and other rights superior to the rights of our common stock. As discussed below, the potential issuance of preferred stock may delay or prevent a change in control of us, discourage bids for our common stock at a premium to the market price, and materially and adversely affect the market price and the voting and other rights of the holders of our common stock. Any issuance of such securities could result in substantial dilution to our existing stockholders and cause the market price of shares of our common stock to decline. We do not expect to declare or pay any dividends on our common stock for the foreseeable future. We do not intend to pay cash dividends on our common stock for the foreseeable future. Consequently, investors must rely on sales of their shares of our common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investment. Investors seeking dividends should not purchase shares of our common stock. Any future determination to pay dividends will be at the discretion of our board of directors and subject to, among other things, our compliance with applicable law, and depending on, among other things, our business prospects, financial condition, results of operations, cash requirements and availability, debt repayment obligations, capital expenditure needs, the terms of any preferred equity securities we may issue in the future, covenants in the agreements governing our current and future indebtedness, other contractual restrictions, industry trends, the provisions of the DGCL affecting the payment of dividends and distributions to stockholders and any other factors or considerations our board of directors may regard as relevant. Furthermore, because we are a holding company, our ability to pay dividends on our common stock will depend on our receipt of cash distributions and dividends from our direct and indirect wholly owned subsidiaries, which may be similarly impacted by, among other things, the terms of any preferred equity securities these subsidiaries may issue in the future, debt agreements, other contractual restrictions and provisions of applicable law.~~ Provisions in our Certificate of Incorporation and Bylaws and under the DGCL contain anti- takeover provisions that could prevent or discourage a takeover. Provisions in our Certificate of Incorporation and our Bylaws may discourage, delay or prevent a merger, acquisition or other change in control of our ~~company~~ **Company** that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our common stock, thereby depressing the market price of our common stock. In addition, because our board of directors is responsible for appointing the members of our management team, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors. Among other things, these provisions include those establishing: • a classified board of directors with three- year staggered terms, which may have the effect of deferring, delaying or discouraging hostile takeovers, or changes in control of us or our management; • no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates; • the exclusive right of our board of directors to elect a director to fill a vacancy created by, among other things, the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from filling vacancies on our board of directors; • the ability of our board of directors to authorize the issuance of shares of preferred stock and to determine the terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer; • the ability of our board of directors to alter our bylaws without obtaining stockholder approval; • the required approval of the holders of at least two- thirds of the shares entitled to vote at an election of directors to amend or repeal our bylaws or amend the provisions of our Certificate of Incorporation regarding the election and removal of directors; • a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders; • the requirement that a special meeting of stockholders may be called only by a majority of our board of directors, which may delay the ability of our stockholders to force consideration of a proposal or for stockholders controlling a majority of our capital stock to take action, including the removal of directors; and • advance notice procedures that stockholders must comply with in order to nominate candidates to our board of directors or to propose matters to be acted upon at an annual meeting or special meeting of stockholders, which may discourage or delay a potential acquirer from conducting a solicitation of proxies to elect the acquirer' s own slate of directors or otherwise attempting to obtain control of us until the next stockholder meeting or at all. In addition, we have opted out of Section 203 of the DGCL, but our Certificate of Incorporation provides that engaging in any of a broad range of business combinations with any " interested " stockholder (any stockholder with 15 % or more of our voting stock (subject to certain exceptions, including OEP and its affiliates)) for a period of three years following the date on which the stockholder became an " interested " stockholder is prohibited, subject to certain exceptions. ~~Our Certificate of Incorporation provides that the Court of Chancery of the State of Delaware will be the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees. Our Certificate of Incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (the " Delaware Court of Chancery ") will be the exclusive forum for (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees or stockholders to us or our stockholders; (3) any action asserting a claim against us, any director or our officers and employees arising pursuant to any provision of the DGCL, our Certificate of Incorporation or our Bylaws, or as to which the DGCL confers exclusive jurisdiction on the Delaware Court of Chancery; or (4) any action asserting a claim against us, any director or our officers or employees that is governed by the internal affairs doctrine; provided that, the exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Securities Act, the Exchange Act, the rules and regulations thereunder or any other claim for which the~~

~~federal courts have exclusive jurisdiction; and provided further that, if and only if the Delaware Court of Chancery dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state or federal court sitting in the State of Delaware. Our Certificate of Incorporation further provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and to have consented to the provisions of our Certificate of Incorporation described above. We believe these provisions benefit us by providing increased consistency in the application of the DGCL by chancellors particularly experienced in resolving corporate disputes and in the application of the Securities Act by federal judges, as applicable, efficient administration of cases on a more expedited schedule relative to other forums and protection against the burdens of multi- forum litigation. However, these provisions may limit a stockholder' s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees or agents, which may discourage such lawsuits against us and our directors, officers and other employees and agents. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with any applicable action brought against us, a court could find the choice of forum provisions contained in our Certificate of Incorporation to be inapplicable or unenforceable in such action. If a court were to find the choice of forum provision contained in our Certificate of Incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business, financial condition or results of operations.~~ Failure to comply with requirements to design, implement and maintain effective internal control over financial reporting could have a material adverse effect on our business and stock price. As a public company, we have significant requirements for enhanced financial reporting and internal controls. If we are unable to maintain appropriate internal financial reporting controls and procedures, it could cause us to fail to meet our reporting obligations on a timely basis, result in material misstatements in our consolidated financial statements and adversely affect our operating results. In addition, we are required, pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 (" Section 404 "), to furnish a report by our management on, among other things, the effectiveness of our internal control over financial reporting. This assessment needs to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. The rules governing the standards that must be met for our management to assess our internal control over financial reporting are complex and require significant documentation and testing. Testing and maintaining internal controls may divert our management' s attention from other matters that are important to our business. In addition, pursuant to Section 404, we are required to include in the annual reports that we file with the SEC an attestation report on our internal control over financial reporting issued by our independent registered public accounting firm, and the costs and burdens of complying with Section 404 could be significant. General Risks We could be subject to changes in tax rates or the adoption of new tax legislation, whether in or out of the United States, or could otherwise have exposure to additional tax liabilities, which could adversely affect our results of operations or financial condition. As a multinational business, we are subject to income and other taxes in both the United States and various foreign jurisdictions. Changes to tax laws or regulations in the jurisdictions in which we operate, or in the interpretation of such laws or regulations, could significantly increase our effective tax rate and reduce our cash flow from operating activities, and otherwise have a material adverse effect on our financial condition. In addition, other factors or events, including business combinations and investment transactions, changes in the valuation of our deferred tax assets and liabilities, adjustments to taxes upon finalization of various tax returns or as a result of deficiencies asserted by taxing authorities, increases in expenses not deductible for tax purposes, changes in available tax credits, changes in transfer pricing methodologies, other changes in the apportionment of our income and other activities among tax jurisdictions, and changes in tax rates, could also increase our effective tax rate **and / or valuation of our deferred tax assets and liabilities. On October 4, 2021, 136 members of the Organisation for Economic Co- operation and Development (" OECD ") agreed to a global minimum tax rate of 15 %. On December 20, 2021, OECD published its model rules on the agreed minimum tax known as the Global Anti- Base Erosion (" GloBE ") rules. The GloBE rules provide a framework for a coordinated multi- country system of taxation intended to ensure large multinational enterprise groups pay a minimum level of tax on the income arising in each of the jurisdictions where they operate. On December 14, 2022, the European Council approved its directive to implement Pillar Two of the GloBE rules regarding a 15 % global minimum tax rate. Many EU countries have already indicated they plan to enact certain provisions of this directive as of January 1, 2024. In addition, many G20 nations have indicated their plan to follow the OECD guidance as early as January 1, 2024. Pillar Two may increase our future effective tax rate** . Our tax filings are subject to review or audit by the U. S. Internal Revenue Service (the " IRS ") and state, local and foreign taxing authorities ~~. For example, we previously settled a tax audit relating to fiscal years 2016, 2017 and 2018~~ . We exercise significant judgment in determining our worldwide provision for taxes and, in the ordinary course of our business, there may be transactions and calculations where the proper tax treatment is uncertain. We may also be liable for taxes in connection with businesses we acquire. Our determinations are not binding on the IRS or any other taxing authorities, and accordingly the final determination in an audit or other proceeding may be materially different than the treatment reflected in our tax provisions, accruals and returns. An assessment of additional taxes because of an audit could have a material adverse effect on our business, financial condition, results of operations and cash flows. **Sustained inflation** ~~Further changes in the tax laws of foreign jurisdictions~~ could **have a material adverse effect on our business, financial condition, results of operations and liquidity. Inflation rates in the markets in which we operate have increased and may continue to** ~~arise~~ **rise. Inflation over the last several quarterly periods has led us to experience higher costs** , ~~in particular~~ **including higher labor costs** , **wafer and other costs for materials from suppliers, and transportation and energy costs. Our suppliers have raised their prices and may continue to raise prices, and in the competitive markets in which we operate, we may not be able to make corresponding**

**price increases to preserve our gross margins and profitability. If inflation rates continue to rise or remain elevated for a sustained period of time, they could have a material adverse effect on our business, financial condition, results of operations and liquidity. Disruptions in the banking and financial sector could limit our or our critical partners' ability to access capital and borrowings or result in losses of uninsured deposits, which could significantly limit or disrupt our business operations. We are dependent on the operation and functioning of the banking and financial sector, not only** as ~~a~~ **it relates to our direct banking and financial relationships that we have control over, but also indirectly due to the relationships that our customers, suppliers, manufacturers, distributors and other counterparties have with their banking and financial institutions over which we have no control. Disruptions in the banking and financial sector that limit our or business partners' liquidity or access to capital, or** result **in defaults, non- performance or loss** of **uninsured deposits could significantly limit or disrupt our business operations. Our business and operations are highly dependent on our ability to utilize key physical locations for the design, manufacture, assembly and testing of our products, particularly our AMPI Facility and the facilities utilized by our third- party wafer fabrication partners. Natural disasters and** ~~the~~ **other** ~~base erosion and profit shifting project~~ **severe or frequent weather events caused by climate change** that ~~was undertaken~~ **interrupt operations at or transportation to and from these facilities could result in delays in our ability to sell our products that would negatively impact our net sales, potentially damage our customer relationships and our reputation and may have a material adverse effect on our business, financial condition and results of operations. Additionally, natural disasters and other severe or frequent weather events caused** by **climate change in** the ~~Organization~~ **markets in which we operate could cause economic hardships and a reduction in the demand** for **our products** ~~Economic Co- operation and Development (the " OECD ")~~. ~~The OECD~~ **While our anticipated future growth is highly dependent on the adoption of EV powertrain vehicles** , which **are expected** ~~represents a coalition of member countries, recommended changes~~ to ~~numerous long- standing tax principles~~ **have increased sensor and power product content, and our products in the industrial market which have applications in clean energy and EV charging, both of which we anticipate will benefit from a transition to lower emission vehicles and clean energy, we are subject to transition risks as the world moves away from fossil fuels. Regulation, outside pressure from stakeholders or necessity could force us to incur greater costs in the future to invest in green technology for use in our operations, or retrofit existing equipment with technology that is more environmentally friendly, while also exposing us to greater compliance costs and litigation risks** . These ~~changes~~ **same factors and risks apply to our manufacturing partners and suppliers** , **who** ~~if adopted,~~ could **pass their increased transition costs on to us by charging us higher prices. Any material** increase ~~tax uncertainty and may~~ **in costs as a result of a transition to a reduced carbon economy could have a material** ~~adversely~~ -- **adverse** ~~affect~~ **effect on** our ~~provision for income taxes~~ **business, financial condition, results of operations** and **liquidity** ~~increase our tax liabilities~~ .