Risk Factors Comparison 2024-01-31 to 2023-02-01 Form: 10-K

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This Annual Report on Form 10- K, or Form 10- K, including any information that may be incorporated by reference herein, contains forward- looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, referred to as the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. In some cases, you can identify forward- looking statements by terms such as " may, " " will, " " should, " " expect, " " plan, " " intend, " " forecast, " " anticipate, " " believe, " " estimate, " " predict, " " potential, " " continue " or the negative of these terms or other comparable terminology. The forward- looking statements contained in this Form 10- K involve known and unknown risks, uncertainties and situations that may cause our or our industry' s actual results, level of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these statements. These factors include those listed below in this Item 1A and those discussed elsewhere in this Form 10- K. We encourage investors to review these factors carefully. We may from time to time make additional written and oral forward- looking statements, including statements contained in our filings with the Securities and Exchange Commission, or SEC. However, we do not undertake to update any forward- looking statement that may be made from time to time by or on behalf of us, whether as a result of new information, future events, or otherwise, except as required by law. The following discussion provides information concerning the material risks and uncertainties that we have identified and believe may adversely affect our business, our financial condition and our results of operations. Before you decide whether to invest in our securities, you should carefully consider these risk factors together with all of the other information included in this Form 10- K, and in our other public filings, which could materially affect our business, financial condition or future results. Our risk factors are not guarantees that no such conditions exist as of the date of this report and should not be interpreted as an affirmative statement that such risks or conditions have not materialized, in whole or in part. For the risks relating to our ~~pending~~ **terminated** merger with Silicon Motion, please refer to the section of these risk factors captioned ~~"~~ **"** Risks Relating to the ~~Proposed~~ **Terminated** Merger with Silicon Motion. ~~"~~ **"** Risk Factor Summary • **The termination of the Merger Agreement and the related legal proceedings have caused us to incur substantial costs, may divert management' s attention from our business and could otherwise adversely affect our business, financial results and operations. •** If **we are required to pay** ~~the merger is completed, our actual results could differ materially from~~ any **damages in connection** ~~expectations or guidance, including~~ with ~~respect~~ **legal proceedings related** to ~~any cost savings and other~~ -- **the termination of the Merger Agreement with** ~~potential synergies. • Failure to integrate~~ Silicon Motion ~~with~~ **, including for any alleged breaches of the Merger Agreement,** ~~our~~ - **or** ~~business successfully in the expected timeframe may adversely affect our results and financial condition~~ if **we agree to make any payments in any settlement of legal proceedings related to** the **termination of the** ~~merger~~ **Merger Agreement** ~~is completed. • Our business relationships~~ , ~~including customer relationships, and those~~ -- **the amount** of ~~Silicon Motion, may~~ **such damages or payments could** be **significant** ~~subject to disruption due to uncertainty associated with the merger. • Motivating~~ and ~~retaining senior management and other key personnel may be difficult in light of the pending merger. • The merger agreement contains provisions that could~~ require us to **draw down on all** ~~pay Silicon Motion a termination fee of $ 160 million under certain circumstances. • If the proposed merger is not completed, we will have incurred substantial costs that may adversely affect~~ our **existing lines** ~~operating results and financial condition, as well as the market price~~ of **credit and use** our **cash resources** ~~common stock. • Our ability to complete the merger is subject to various closing conditions, including regulatory approval by SAMR in China~~ , which may ~~contain burdensome conditions that~~ **not be sufficient to satisfy any damages or payments and** could have a material adverse effect on our ~~operation of the~~ business ~~following the merger. • As a result of the transaction~~ , ~~we will materially increase our indebtedness which adversely affects our~~ operating results **,** and **financial** ~~cash flows and our new loan agreements will likely contain~~ - **condition** ~~covenants~~ **. We expect** that ~~could adversely affect our operational freedom and ability to pursue strategic transactions. • Servicing our materially increased indebtedness will require a significant amount of cash, and~~ we may not ~~have sufficient cash flow from~~ **be able to obtain financing on favorable terms if at all** ~~our~~ - **or** ~~business to pay~~ **raise additional capital for any** such **payments** ~~indebtedness. • Additional securityholder lawsuits may delay or prevent the consummation of the merger and cause us and / or Silicon Motion to incur substantial defense or settlement costs, or otherwise adversely affect us or Silicon Motion. • The fact that there is a merger pending could materially harm us or Silicon Motion and our results of operations. • Counterparties of Silicon Motion may acquire certain rights which could negatively affect us following the merger. • If the merger is consummated, the ownership percentage interests of our stockholders will be reduced. • After completion of the merger, we will be exposed to intensified risks associated with doing business in Taiwan. • We expect to incur substantial expenses related to the merger of MaxLinear and Silicon Motion. • The market value of our common stock could decline if large amounts of our common stock are sold post- merger~~ . Risks Related to Our Business • **We face** ~~Intense~~ **intense** ~~and increasing~~ competition **and expect competition to increase in the future, which** could have a material adverse effect on our revenue **, revenue** growth **rate, if any,** and market share. • Global economic conditions, including factors such as high inflation ~~and~~ **or a potential** recession, could **continue to** adversely affect our **business, financial condition, and results of operations. • We are subject to the cyclical nature of the semiconductor industry. • A significant variance in our operating results or rates of growth, if any, could continue to lead to substantial volatility in our stock price. Our revenue has declined, and we may not sustain our current level of revenue, which has declined, and / or manage future growth effectively. The impact of excess inventory in the channel has continued to influence our customers' expected demand for certain of our products. • Our business, financial** condition and results of operations could continue to be adversely affected by military conflicts, geopolitical and economic tensions among countries in which we conduct business, including between the United States and China, among other countries. For example, as more entities are added to restricted export control lists, or as semiconductor technology exports to other countries are further controlled, our need to seek authorization from the U. S. government may impact our ability to do business. • Changes in trade policies among the United States and other countries, in particular the imposition of new or higher tariffs, could place pressure on our average selling prices as our customers seek to offset the impact of increased tariffs on their own products. Increased tariffs or the imposition of other barriers to international trade could decrease demand and have a material adverse effect on our revenues ~~, margins,~~ and operating results. • We will lose sales if we are unable to obtain or retain government authorization to export certain of our products or technology or if such authorizations are revoked, and we will be subject to legal and regulatory consequences ~~for any noncompliance~~ if we do not comply with applicable export control laws ~~. • Our business, financial condition~~ and regulations ~~results could be adversely affected by the political and economic conditions of the countries in which we conduct business and other factors related to our international operations. • Increased tariffs or imposition of other trade barriers could have a material adverse effect on our revenues and results~~ . • We also are subject to risks associated with international geopolitical and military conflicts ~~involving the U. S. and other governments~~ . • ~~The~~ We depend on a limited number of customers for a substantial portion of our revenue, and the loss of, or a significant reduction in orders from major customers has had and could continue to have a material adverse effect on our revenue and operating results. • Any legal proceedings or claims against us could be costly and time- consuming to defend and could harm our reputation regardless of the outcome. • We have been and may in the future be subject to information technology failures, including security breaches, cyber- attacks, design defects or system failures, that could disrupt our operations, damage our reputation and adversely affect our business, operations, and financial results. • Average selling prices of our products have and could decrease ~~rapidly~~ in the future , which could have a material adverse effect on our ~~profit~~ revenue and gross margins . • If we fail to penetrate new applications and markets, our revenue, revenue growth rate, if any, and financial condition could be materially and adversely affected. • A significant portion of our revenue is attributable to demand for our products in markets for broadband solutions, and ~~Development~~ development delays and consolidation trends ~~in our industry~~ among cable and satellite Pay- TV and broadband operators could adversely affect our future revenues and operating results. • We may be unable to make the substantial ~~R & D~~ productive research and development investments that are required to remain competitive in our business . • The complexity of ~~A significant variance in our operating results or~~ our products ~~rates of growth, if any,~~ could result ~~lead to substantial volatility~~ in ~~our stock price. We may not sustain our current growth rate and / or manage future growth effectively. • Unforeseen~~ unforeseen delays or expenses caused by undetected defects or bugs , which ~~in our products~~ could reduce the market acceptance of our new products, damage our reputation with current or prospective customers and adversely affect our operating costs. • ~~We must be able~~ Our operating results are subject to substantial quarterly ~~attract, train~~ and annual fluctuations ~~retain qualified personnel~~ and ~~senior management, or~~ have fluctuated in the past and may fluctuate significantly due to a number of factors that could adversely affect our business ~~, financial conditions, results of operations~~ and ~~prospects could suffer~~ our stock price . • If we fail to ~~timely~~ develop and introduce new or enhanced products on a timely basis , our ability to attract and retain customers could be impaired and our ~~compete~~ competitive position could be harmed. • We are subject to order and shipment uncertainties, and differences between our estimates of customer demand and product mix and our actual results could continue to negatively affect our inventory levels, sales and operating results. • We may have difficulty accurately predicting our future revenue and appropriately budgeting our expenses particularly as we seek to enter new markets where we may not have prior experience. • Our ~~Customers~~ customers require ~~us~~ our products and our third- party contractors to undergo a lengthy and expensive qualification process which does not assure product sales. • We incur significant expenditures to win business and customer product plan cancellations may adversely affect our results of operations. • ~~Our operating results may fluctuate significantly from factors that could adversely affect our business and stock price. • We are subject to the cyclical nature of the semiconductor industry. •~~ A failure to maintain compliance with governmental regulations could have a material adverse effect on our business. • If we are unable to attract, train and retain qualified personnel and senior management, our business, financial condition, results of operations and prospects could suffer. • We ~~have been~~ are subject to a variable amount of interest on the principal balance of our credit agreements and ~~may~~ could continue to be ~~subject to~~ adversely impacted by rising interest rates in the future ~~information technology failures, including security breaches~~ . Such indebtedness adversely affects our operating results and ~~cyber~~ cash - ~~attacks~~ flows , as we satisfy our underlying interest and principal payment obligations and contains financial and operational covenants that could ~~disrupt our operations and~~ adversely affect our operational freedom or ability to pursue strategic transactions that we would otherwise consider to be in the best interests of stockholders, including obtaining additional indebtedness to finance such transactions. In addition, rising interest rates may make it more difficult for us, our customers, and our distributors to obtain financing and service our respective interest and debt obligations, which in turn has an impact on customer demand for our products and our distributors' business . • We are subject to governmental laws , regulations ~~operations,~~ and ~~financial results~~ other legal obligations related to privacy, data protection, and cybersecurity. • Our products must conform to industry standards in order to be accepted by end users in our markets. • We may, from time to time, make additional business acquisitions or investments, which involve significant risks . Risks Relating to Intellectual Property • We ~~are currently facing~~ have settled in the past intellectual property litigation and may in the future face additional claims of intellectual property infringement ~~, which~~ . Any current or future litigation could be time- consuming, costly to defend or settle and result in the loss of significant rights. • If we are unable to protect our ~~significant amount of~~ intellectual property, our business could be adversely affected . • We face risks related to security vulnerabilities in our products. • The use of open source software in our products, processes and technology may expose us to additional

risks and harm our intellectual property . Risks Relating to Reliance on Third Parties • Failure to manage our relationships with ~~, or~~ **our** ~~negative~~ **third- party contractors successfully, or** impacts from **volatility in global supply** , ~~third parties~~ **natural disasters, public health crises, or other labor stoppages in the regions where such contractors operate,** could adversely affect our ability to market and sell our products. • Should any of our distributors cease or be forced to stop distributing our products, our business would suffer. • A lack of long- term supply contracts, and any supply disruption could have a material adverse effect on our business. • Any failure of third parties to provide services and technology could have a material adverse effect on our business. Risks Relating to Our Common Stock • Our ~~senior~~ management team may use our available cash and cash equivalents in ways with which you may not agree or in ways which may not yield a return. • Anti- takeover provisions in our charter **documents** and under Delaware law could make an acquisition of us more difficult **, limit attempts by our stockholders to replace or remove our current management and limit the market price of our common stock** . • Our share price may be volatile as a result of various factors. **• Any future decisions to reduce or discontinue purchasing our common stock, after we resume such purchasing, pursuant to our stock repurchase programs could cause the market price for our common stock to decline.** Risks Relating to our ~~Proposed~~ **Terminated** Merger with Silicon Motion **We terminated the Merger Agreement on July 26, 2023 and notified Silicon Motion that we are relieved of our obligation to close the merger. Silicon Motion has challenged the validity of that termination. On August 16, 2023, Silicon Motion delivered to us a notice, which Silicon Motion publicly disclosed, that it was purporting to terminate the Merger Agreement and that Silicon Motion would be commencing an arbitration before the Singapore International Arbitration Centre to seek damages from us arising from our alleged breaches of the Merger Agreement. On October 5, 2023, Silicon Motion filed a Notice of Arbitration with the Singapore International Arbitration Centre alleging that we breached the Merger Agreement. Additionally, on August 31, 2023, a Silicon Motion stockholder filed a class action complaint against us and certain of our current officers alleging that we materially misrepresented the likelihood the merger would close. Other potential plaintiffs may file additional lawsuits related to the previously contemplated merger. See Part I, Item 3 (Legal Proceedings) of this report for more information on the Silicon Motion arbitration and the class action lawsuit. We intend to vigorously defend against these legal proceedings and any alleged breaches of the Merger Agreement, but due to the uncertainties inherent in any legal proceedings, we cannot predict the outcome of any legal proceedings. Legal proceedings are time- consuming, and may divert management' s attention from our business. Legal proceedings are also expensive and could result in substantial costs to us, including any damages we are required to pay and costs associated with the indemnification of directors and officers. Please refer to the Risk Factor entitled "** If **we are required to pay** ~~the merger is completed, our actual financial and operating results could differ materially from~~ any **damages in connection** ~~expectations or guidance provided by us concerning future results, including (without limitation) expectations or guidance~~ with ~~respect~~ **legal proceedings related** to ~~the financial impact of any cost savings and other~~ -- **the termination** ~~potential synergies. Although we currently expect to realize material synergies as a result~~ of **the** ~~our proposed merger~~ **Merger Agreement** with Silicon Motion, ~~the expectations and guidance we have provided with respect to the potential financial impact of the merger are subject to numerous assumptions~~ including ~~assumptions derived from our diligence efforts concerning the status of and prospects~~ for ~~Silicon Motion' s business~~ **any alleged breaches of the Merger Agreement, or if we agree to make any payments in any settlement of legal proceedings related to the termination of the Merger Agreement, the amount of such damages or payments could be significant and require us to draw down on all our existing lines of credit and use our cash resources** , which ~~we do not currently control, and assumptions relating to the near- term prospects for the semiconductor industry generally and the markets for Silicon Motion' s products in particular. Additional assumptions we have made relate to numerous matters, including (without limitation) the following: • projections of Silicon Motion' s future revenues; • the anticipated financial performance of Silicon Motion' s products and products currently in development; • anticipated cost savings and other synergies associated with the merger, including potential revenue synergies; • our capital structure after the merger; • the amount of goodwill and intangibles that will result from the merger; • certain other purchase accounting adjustments that we expect to record in our financial statements in connection with the merger; • merger costs, including restructuring charges and transaction costs payable to our financial, legal, and accounting advisors; • our ability to maintain, develop, and deepen relationships with customers of Silicon Motion; and • other financial and strategic risks of the merger, including the possible impact of our reduced liquidity resulting from deal- related cash outlays, the credit risk associated from the potential debt facility described below, and continued uncertainty arising from the COVID- 19 pandemic. We cannot provide any assurances with respect to the accuracy of our assumptions, including our assumptions with respect to future revenues or revenue growth rates, if any, of Silicon Motion, and we cannot provide assurances with respect to our ability to realize the cost savings that we currently anticipate. Risks and uncertainties that could cause our actual results to differ materially from currently anticipated results include, but are not limited to, risks relating to our ability to integrate Silicon Motion successfully; currently unanticipated incremental costs that we may incur in connection with integrating the two companies; risks relating to our ability to realize incremental revenues from the merger in the amounts that we currently anticipate; risks relating to the willingness of Silicon Motion' s customers and other partners to continue to conduct business with MaxLinear; risks related to changes in government regulations, including those related to export controls; and numerous risks and uncertainties that affect the semiconductor industry generally and the markets for our products and those of Silicon Motion specifically. Any failure to integrate Silicon Motion successfully and to realize the financial benefits we currently anticipate from the merger would have a material adverse impact on our future operating results and financial condition and could materially and adversely affect the trading price or trading volume of our common stock. Failure to integrate our business and operations successfully with those of Silicon Motion in the expected timeframe or otherwise may adversely affect our operating results and financial condition if the merger is completed. The success of the proposed merger with Silicon Motion will depend, in substantial part, on our ability to integrate Silicon Motion' s business and operations successfully with those of~~

~~MaxLinear and to realize fully the anticipated benefits and potential synergies from combining our companies, including, among others, currently expected cost savings from duplicative functions; potential operational efficiencies in our respective supply chains and in research and development investments; and potential revenue growth resulting from the addition of Silicon Motion' s product portfolio. Historically, we and Silicon Motion have been independent companies, and we will continue to operate as such until the consummation of the merger. We expect that the integration will be complex and time consuming and will require substantial management time and attention, which may divert attention and resources from other important areas, including our existing businesses. We may face significant challenges in consolidating our operations with Silicon Motion, integrating the two companies' technologies, and addressing the different corporate cultures of the two companies. Additional unanticipated costs may be incurred in the course of integrating our respective businesses. If the companies are not successfully integrated, the anticipated benefits of the merger~~ may not be **sufficient** ~~realized fully or at all or may take longer~~ to **satisfy any damages** ~~realize than expected. In such a case, we would expect our~~ **or payments** ~~operating results~~ and ~~financial condition to be materially and adversely affected, which~~ could ~~also~~ have a material adverse effect on ~~the trading price or trading volume of our common stock. Our business relationships, including customer relationships, and those of Silicon Motion may be subject to disruption due to uncertainty associated with the merger. Customers, vendors, licensors, and other third parties with whom we or Silicon Motion do business or otherwise have relationships may experience uncertainty associated with the merger, and this uncertainty could materially affect their decisions with respect to existing or future business relationships with MaxLinear or Silicon Motion while the merger is pending or with MaxLinear after the merger is consummated. As a result, we are in many instances unable to evaluate the impact of the merger on certain assumed contractual rights and obligations, including intellectual property rights. These business relationships may be subject to disruption as customers and others may elect to delay or defer purchase or design- win decisions or switch to other suppliers due to the uncertainty about the direction of our offerings, any perceived unwillingness on our part to support existing Silicon Motion products after the merger is consummated, or any general perceptions by customers or other third parties that impute operational or business challenges to us arising from the merger. In addition, customers or other third parties may attempt to negotiate changes in existing business relationships, which may result in additional obligations imposed on us. These disruptions could have a material adverse effect on~~ our business, operating results, and financial condition ~~while the merger is pending~~ **. We expect that we may not be able to obtain financing on favorable terms if at all or raise additional capital** ~~or~~ **for** ~~after it is consummated. The adverse effect of~~ any such **payments** ~~disruptions could be exacerbated by a delay in the consummation of the merger for any reason, including delays associated with obtaining regulatory approval from SAMR, or termination of the agreement and plan of merger, or the Merger Agreement, with Silicon Motion. Any loss of customers, customer products, design win opportunities, or other important strategic relationships could have a material adverse effect on our business, operating results, and financial condition and could have a material adverse effect on the trading price or trading volume of our common stock. We and Silicon Motion may have difficulty motivating and retaining senior management and other key personnel in light of the pending merger. Uncertainty about the effect of the merger on our employees and those of Silicon Motion may have a material adverse effect on MaxLinear or Silicon Motion while the merger is pending or on MaxLinear after the merger is consummated. This uncertainty may impair our or Silicon Motion' s ability to retain and motivate key personnel in the months leading up to the consummation of the merger and our ability to retain and motivate them following the merger. Employee retention may be particularly challenging as our and Silicon Motion' s employees may experience frustrations during the integration process and uncertainty about their future roles with us following consummation of the merger. For the merger to be successful, we and Silicon Motion must continue to retain and motivate senior management and other key employees during the period before the merger is completed. Furthermore, after the merger is consummated, we must be successful at retaining and motivating key employees in order for the benefits of the transaction to be fully realized. If key employees depart, we may incur significant costs in identifying, hiring, and retaining replacements, which could substantially reduce or delay our ability to realize the anticipated benefits of the merger, which could have a material adverse effect on our business, operating results, and financial condition. The merger agreement with Silicon Motion contains provisions that could require us to pay Silicon Motion a termination fee of $ 160 million under certain circumstances. The consummation of the merger is subject to certain customary closing conditions such as regulatory approval from SAMR. Under certain circumstances, we could be required to pay Silicon Motion a termination fee if the Merger Agreement is terminated by MaxLinear or Silicon Motion as a result of a court or other competent authority issuing an order pursuant to regulatory law permanently prohibiting the consummation of the merger, or the merger is not consummated by February 6, 2023, or the Outside Date. The Outside Date will be automatically extended to May 5, 2023 and further to August 7, 2023, if all conditions to closing have been met, other than certain exceptions related to regulatory matters. However, in certain circumstances, the right to terminate the Merger Agreement would not be available to a party in material breach of the Merger Agreement. If the proposed merger is not completed, we will have incurred substantial costs that may adversely affect our operating results and financial condition as well as the market price of our common stock. If the merger is not consummated, the price of our common stock may decline to the extent that such market price reflects a market assumption that the merger will be completed. In addition, we have incurred and will incur substantial costs in connection with the proposed merger. These costs are primarily associated with the fees of our financial advisors, accountants, lenders, and legal counsel and, with limited exceptions relating to a portion of our financial advisor fees, will be payable regardless of whether the merger is completed. In addition, we have diverted significant management resources in an effort to complete the merger and are subject to restrictions contained in the Merger Agreement on the conduct of our business during the pendency of the merger. If the merger is not completed, we will have received little or no benefit in respect of such costs incurred. If the merger is not completed under certain circumstances specified in the Merger Agreement, we may be required to pay a termination fee to Silicon Motion of $ 160 million, as described above. Furthermore, if the merger is not consummated, we may experience negative reactions from the financial markets and our suppliers, customers, customer prospects, and employees. Any of these factors could have a material~~

~~adverse effect on our business, operating results, and financial condition or on the trading price of our common stock. Our ability to complete the merger is subject to various closing conditions, including certain required regulatory approval from SAMR, which may contain burdensome conditions, that could have a material adverse effect on our operation of the business following the merger. Although the statutory waiting period under the Hart- Scott- Rodino Antitrust Improvements Act of 1976, as amended, expired on June 27, 2022, and Silicon Motion' s shareholders approved the merger at Silicon Motion' s extraordinary general meeting of shareholders held on August 31, 2022, completion of the merger is subject to the satisfaction of the remaining customary closing conditions, including receipt of clearance from SAMR, among other things~~. Even if ~~this approval is obtained, governmental authorities could impose conditions on the completion of the merger that could delay consummation of the acquisition or have a material adverse effect on our business following the acquisition. MaxLinear and Silicon Motion cannot predict with certainty the length of review by SAMR but expect a final determination in the second or third quarter of 2023, or even later. If~~ we are ~~unable~~ -- **able** to **finance such payments through** ~~complete the merger, we would be subject to a number of risks, including the following: • we would not realize the anticipated benefits of the acquisition, including, among other~~ -- **the incurrence** ~~things, increased operating efficiencies; • the attention~~ of **additional indebtedness** ~~our senior management team and other key personnel may have been diverted to the merger rather than to our own operations and the pursuit of other opportunities that could have been beneficial to us; • the potential loss of key personnel during the pendency of the merger as employees and other service providers may experience uncertainty about their future roles with us following completion of the merger; and • the trading price of our common stock may decline to the extent that the current market prices reflect a market assumption that the merger will be completed. We can provide no assurance that the various closing conditions will be satisfied~~, ~~that the necessary regulatory approval from SAMR will be obtained, or that~~ any ~~required conditions will not materially adversely affect our business following the merger. If we are required to undertake divestitures or to commit to certain behavioral remedies in order to obtain any approvals required to complete the acquisition, we may be less able to realize anticipated benefits of the acquisition, and our business, operating results, and financial condition after the merger may be adversely affected. In addition, we can provide no assurance that these conditions will not result in the abandonment or delay of the merger. The occurrence of any of these events individually or in combination could have a material adverse effect on our business, financial condition, and results of operations and on the trading price of our common stock. In order to consummate the merger and distribute the cash consideration payable to Silicon Motion securityholders, we will incur material indebtedness of up to $ 3. 5 billion and we may also use a portion of Silicon Motion' s and our cash resources. This~~ material increase in our indebtedness ~~will~~ **would** adversely affect our operating results and cash- flows as we satisfy our underlying interest and principal payment obligations. ~~The~~ **Issuing additional shares of our common stock, if material, will result in dilution of existing shares outstanding. Any** loan agreement is also expected to contain financial and operational covenants that would adversely affect our operational freedom or ability to pursue strategic transactions that we would otherwise consider to be in the best interests of stockholders, including obtaining additional indebtedness to finance such transactions. ~~As~~ **" We have already incurred, and expect to continue to incur, substantial costs in connection with the** previously ~~disclosed~~ **pending merger** , ~~MaxLinear~~ **the termination of the Merger Agreement, and the related legal proceedings. Aside from any damages or settlement amounts we may be required to pay, these costs are primarily associated with the fees of our financial advisors, accountants, lenders, and legal counsel. Since the merger has been terminated, we** will **have received little or no benefit in respect of such costs incurred. We may also experience negative reactions from the financial markets and our suppliers, customers, customer prospects, and employees with regard to legal proceedings related to the termination of the Merger Agreement. Any of these factors could have a material adverse effect on our business, operating results, and financial condition or on the trading price of our common stock. If we are required to pay any damages in connection with legal proceedings related to the termination of the Merger Agreement, including for any alleged breaches of the Merger Agreement, or if we agree to make any payments in any settlement of legal proceedings related to the termination of the Merger Agreement, the amount of such damages or payments could be significant and require us to draw down on all our existing lines of credit and use our cash resources, which may not be sufficient to satisfy any damages or payments and could have a material adverse effect on our business, operating results, and financial condition. We expect that we may not be able to obtain financing on favorable terms if at all or raise additional capital for any such payments. However, if we** finance **all or a** ~~the merger in part with the Senior Secured Credit Facilities, which will provide funding of up to $ 3. 5 billion. A~~ portion of the **payment** ~~proceeds from the Senior Secured Credit Facilities will be used to repay existing debt in full. As~~ of **damages** ~~December 31, 2022, our~~ - **or** ~~aggregate~~ **settlement amounts through the incurrence of additional** indebtedness **, any** ~~was $ 125. 0 million. The~~ material **payment and** increase in our indebtedness **would** ~~to up to $ 3. 5 billion will adversely affect our operating expenses through materially increased interest payment obligations and will~~ adversely affect our ability to use cash generated from operations as we repay interest and principal under the term loans and revolving credit facility, as applicable. **Issuing additional shares of common stock, if material, would result in dilution of existing shares outstanding.** In addition, ~~the~~ **our current credit agreement, and any new** loan agreements ~~will~~ **, contain and would likely** contain financial and operational covenants that may adversely affect our ability to engage in certain activities, including certain financing and acquisition transactions, stock repurchases, guarantees, and similar transactions, without obtaining the consent of the lenders, which may or may not be forthcoming. Such financial and operational covenants ~~will~~ include compliance with a secured net leverage ratio test. Accordingly, outstanding indebtedness could adversely affect our operational freedom or ability to pursue strategic transactions that we would otherwise consider to be in the best interests of stockholders. Specifically, **if we are required to pay damages in connection with legal proceedings related to the termination of the Merger Agreement, including for alleged breaches of the Merger Agreement,** ~~our~~ - **or if we agree to make any payments in any settlement of legal proceedings related to the termination of the Merger Agreement, and we finance all or a portion of the payment of damages through the incurrence of additional indebtedness, any** materially increased indebtedness could have important consequences to investors in our common stock, including the following: • **our ability to obtain any necessary financing in the future for working capital, capital expenditures, debt service requirements, or other purposes may be limited or financing may be unavailable; • rising interest rates may make it more difficult for us, our customers, and our distributors to obtain financing and service our respective interest and debt obligations, which in turn has an impact on customer demand for our products as well as the business of our distributors; •** we could be subject to substantial variable interest rate risk because our interest rate under term loans typically ~~vary~~ **varies** based on a fixed margin over an indexed rate **(such as for the Initial Term Loan under the June 23, 2021 Credit Agreement)** or an adjusted base rate. **If** ~~While we are mitigating the impact of rising interest rates with large amounts of prepayments on our outstanding debt, if~~ interest rates were to ~~further~~ **continue to** increase substantially, **and we incur additional indebtedness** ~~particularly with respect to our anticipated debt associated with the Silicon Motion merger~~ , it would ~~have a material adverse~~ **adversely** ~~effect~~ **affect** our operating results and could affect our ability to service the indebtedness; • ~~our ability to obtain any necessary financing in the future for working capital, capital expenditures, debt service requirements, or other purposes may be limited or financing may be unavailable; •~~ a ~~substantial~~ portion of our cash flows **is** ~~must be~~ dedicated to the payment of **interest and when applicable,** principal **,** ~~and interest~~ on our indebtedness and other obligations and will not be available for use in our business; • our level of indebtedness **, combined with rising interest rates,** could limit our flexibility in planning for, or reacting to, changes in our business and the markets in which we operate **, including limiting our future investments or ability to enter into acquisitions and strategic partnerships, and obtain financing for such transactions** ; and • our high degree of indebtedness ~~will~~ **may** make us more vulnerable to changes in general economic conditions and / or a downturn in our business, thereby making it more difficult for us to satisfy our obligations. If we fail to make required debt payments, or if we fail to comply with other covenants in our debt service agreements, we would be in default under the terms of these agreements. Subject to customary cure rights, any default would permit the holders of the indebtedness to accelerate repayment of this debt and could cause defaults under other indebtedness that we have, any of which could have a material adverse effect on the trading price of our common stock ~~. Servicing our materially increased indebtedness will require a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial indebtedness. Under the Senior Secured Credit Facilities, we may incur up to $ 3. 5 billion in aggregate principal amount of senior indebtedness. Our substantial indebtedness may increase our vulnerability to any generally adverse economic and industry conditions. Our ability to make scheduled payments of the principal and interest when due, or to refinance our borrowings under the Senior Secured Credit Facilities, will depend on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to satisfy our obligations under our indebtedness, and any future indebtedness we may incur and to make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as reducing or delaying investments or capital expenditures, selling assets, refinancing or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance the term loans or existing or future indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on the Senior Secured Credit Facilities or future indebtedness. MaxLinear stockholders or Silicon Motion securityholders could file additional lawsuits in the future challenging the merger, which may delay or prevent the consummation of the merger and cause us and / or Silicon Motion to incur substantial defense or settlement costs, or otherwise adversely affect us or Silicon Motion. As of the date of this filing of our annual report on Form 10- K, four lawsuits challenging the merger with Silicon Motion have been dismissed. However, Silicon Motion has received several shareholder demand letters, and potential plaintiffs may file additional lawsuits challenging the merger. The outcome of any current demand letters or future litigation is uncertain. Such litigation, if not resolved, could prevent or delay completion of the merger and result in substantial costs to us and / or Silicon Motion, including any costs associated with the indemnification of directors and officers. One of the conditions to the closing is the absence of any provision of applicable law or order by any court or governmental entity (subject to certain limited exceptions) that has the effect of restraining, enjoining or otherwise prohibiting the consummation of the merger. Therefore, if a plaintiff were successful in obtaining an injunction prohibiting the consummation of the merger on the agreed- upon terms, then such injunction may prevent the merger from being completed, or from being completed within the expected timeframe. The defense or settlement of any lawsuit or claim that remains unresolved at the time the merger is completed may adversely affect our or Silicon Motion' s business, financial conditions, results of operations and cash flows. The fact that there is a merger pending could materially harm our or Silicon Motion' s businesses and results of operations. While the merger is pending, we and Silicon Motion are subject to a number of risks that may harm our business and results of operations, including: • the diversion of management and employee attention from implementing growth strategies in existing markets or in new markets we or Silicon Motion are targeting; • potential diversion of public attention from positioning of our or Silicon Motion' s independent brand and products in a manner that appeals to customers; • the fact that we and Silicon Motion have and will continue to incur expenses related to the merger prior to its closing; • the potential inability to respond effectively to competitive pressures, industry developments and future opportunities, in particular, given the restrictions on the conduct of our or Silicon Motion' s business during the interim period between signing and closing due to the pre- closing covenants in the Merger Agreement; • We or Silicon Motion could be subject to costly litigation associated with the merger; and • current and prospective employees may be uncertain about their roles and relationships with us or Silicon Motion following completion of the merger, which may adversely affect the ability of us or Silicon Motion to attract and retain key personnel. Counterparties of Silicon Motion may acquire certain rights upon the merger, which could negatively affect us following the merger. Silicon Motion is party to numerous contracts, agreements, licenses, permits, authorizations and other arrangements that contain provisions giving counterparties certain rights (including, in some cases, termination rights) in the event of an " assignment " of such agreement or a " change in control " of~~

~~Silicon Motion or its subsidiaries. The definitions of " assignment " and " change in control " vary from contract to contract and, in some cases, the " assignment " or " change in control " provisions may be implicated by the merger. If an " assignment " or " change in control " occurs, a counterparty may be permitted to terminate its contract with Silicon Motion or to exercise other remedies thereunder. Whether a counterparty would have cancellation rights or other rights in connection with the merger depends upon the language and governing law of its agreement with Silicon Motion. Whether a counterparty exercises any cancellation rights or other rights it has would depend on, among other factors, such counterparty' s views with respect to our financial strength and business reputation following the merger, prevailing market conditions and the business implications of exercising any such rights. We and Silicon Motion cannot presently predict the effects, if any, if the merger is deemed to constitute an assignment or change in control under certain of Silicon Motion' s contracts and other arrangements, including the extent to which cancellation rights or other rights would be exercised, if at all, or the effect on our financial condition, results of operations or cash flows following the merger, but such effect could be material. If the merger with Silicon Motion is consummated, the issuance of shares of our common stock to Silicon Motion securityholders will reduce the ownership percentage interests of our stockholders. At the completion of the proposed merger with Silicon Motion, we expect to issue shares of our common stock to former Silicon Motion securityholders entitled to receive consideration pursuant to the Merger Agreement. If the merger is consummated, we expect that our stockholders will own approximately 86 % and that Silicon Motion stockholders will own approximately 14 % of our outstanding capital stock following completion of the merger. The issuance of shares of our common stock to Silicon Motion securityholders in the acquisition and the assumption by us of Silicon Motion restricted stock units will cause a reduction in the relative percentage voting and economic interests of our current stockholders. After completion of the merger, we will be exposed to intensified risks associated with doing business in Taiwan because of tense regional geopolitical risk with China. Following the merger, the revenue and operations of Silicon Motion will form a substantial portion of our revenue and operations, and since most of Silicon Motion' s business operations are in Taiwan and its principal executive offices are in Hong Kong, risks of conducting business in Taiwan and Hong Kong, as described in the section " Risks Related to Our Business " under the risk factor " We are also subject to risks associated with international geopolitical conflicts involving the U. S. and other governments such as China and Russia " will be further intensified. Past and recent developments in relations between Taiwan and China have on occasion depressed the market prices of the securities of companies with significant business activities in Taiwan. We cannot assure you that any contentious situation between Taiwan and China will always resolve in maintaining the current status quo or remain peaceful. Relations between Taiwan and China, potential confrontations between the United States and China and other factors affecting military, political, social or economic conditions in Taiwan and Hong Kong could have a material adverse effect on our financial condition and results of operations, as well as the market price and the liquidity of our common stock. We expect to incur substantial expenses in connection with the pending merger and subsequent integration of Silicon Motion' s business with MaxLinear. We expect operational integration to require substantial management attention. Numerous factors, many of which are beyond our control, could affect the total cost or the timing of expected merger and integration expenses. Moreover, many of the expenses that will be incurred are by their nature difficult to estimate accurately at the present time. These expenses could, particularly in the near term, reduce the savings that we expect to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings related to the integration of Silicon Motion. These merger and integration expenses may result in MaxLinear' s taking significant charges against earnings. The market value of our common stock could decline if large amounts of our common stock are sold following the merger with Silicon Motion. Following the merger with Silicon Motion, our stockholders and former securityholders of Silicon Motion will own interests in a company operating an expanded business with more assets and a different mix of liabilities. Our current stockholders (and the securityholders of Silicon Motion who will receive our common stock in connection with the merger) may not wish to continue to invest in us, or may wish to reduce their investment in us, in order to comply with institutional investing guidelines, to increase diversification or to track any rebalancing of stock indices in which our common stock and Silicon Motion ADS are or were included. If, following the merger, large amounts of our common stock are sold, the price of our common stock could decline. We will record goodwill in connection with the Silicon Motion merger that could become impaired and adversely affect our future operating results. The merger with Silicon Motion will be accounted for as a business combination using the acquisition method of accounting by MaxLinear in accordance with accounting principles generally accepted in the United States. Under the acquisition method of accounting, the assets and liabilities of Silicon Motion will be recorded, as of completion, at their respective fair values and added to our assets and liabilities. Our reported financial condition and results of operations after completion of the merger will reflect Silicon Motion' s balances and results but will not be restated retroactively to reflect the historical financial position or results of operations of Silicon Motion for periods prior to the merger. As a result, comparisons of future results against prior period results will be more difficult for investors. Under the acquisition method of accounting, the total purchase price will be allocated to Silicon Motion' s tangible assets and liabilities and identifiable intangible assets based on their fair values as of the date of completion of the merger. The excess of the purchase price over those fair values will be recorded as goodwill. We expect that the merger will result in the creation of a material amount of intangible assets and goodwill based upon the application of the acquisition method of accounting. To the extent the value of goodwill or intangibles becomes impaired, we may be required to incur material charges relating to such impairment. Any such impairment charge could have a material impact on our operating results in future periods, and the announcement of a material impairment could have a material adverse effect on the trading price and trading volume of our common stock. We face intense competition and expect competition to increase in the future, which could have a material adverse effect on our revenue, revenue growth rate, if any, and market share~~. The global semiconductor market in general, and the broadband, wired and wireless infrastructure, and broader industrial and communications analog and mixed-signal markets in particular, are highly competitive. We compete in different target markets to various degrees on the basis of a number of principal competitive factors, including our products' performance, features and functionality, energy efficiency, size, ease of system design, customer support, product roadmap, reputation, reliability and price. We expect competition to increase and intensify as a result of industry consolidation and the resulting creation of larger semiconductor companies. Large semiconductor companies resulting from industry consolidation could enjoy substantial market power, which they could exert through, among other things, aggressive pricing that could adversely affect our customer relationships, revenues, margins and profitability. In addition, we expect the internal resources of large, integrated ~~original equipment manufacturers, or~~ OEMs ~~,~~ may continue to enter our markets. Increased competition ~~could~~ **has** ~~result~~ **resulted** in price pressure, **decreased demand,** reduced **revenue and** profitability **,** and loss of market share, any of which could **in the future** materially and adversely affect our business, revenue, revenue growth rates, if any, and operating results. As our products are integrated into a variety of communications and industrial platforms, our competitors range from large, international merchant semiconductor companies offering a wide range of semiconductor products to smaller companies specializing in narrow markets, to internal or vertically integrated engineering groups within certain of our customers. Our primary merchant semiconductor competitors include Broadcom Inc., Qualcomm Incorporated, Realtek Semiconductor Corp., ~~Nokia Corp.,~~ Skyworks Solutions, Inc. ~~, Xilinx, Inc., Altera Corporation~~ , Credo Semiconductor Inc., MediaTek, Inc., Marvell Technology Group Ltd., MACOM Technology Solutions Holdings, Inc., Texas Instruments Incorporated, Analog Devices, Inc., Renesas Electronics Corporation, ~~and~~ Microchip Technology Inc **. and Semtech Corporation** . It is quite likely that competition in the markets in which we participate will increase in the future as existing competitors improve or expand their product offerings. In addition, ~~a number of~~ other ~~public and private~~ companies are in the process of developing competing products for our current and target markets. Because our products often are building block semiconductors which provide functions that in some cases can be integrated into more complex integrated circuits, we also face competition from manufacturers of integrated circuits, some of which may be existing customers or platform partners that develop their own integrated circuit products. If we cannot offer an attractive solution for applications where our competitors offer more fully integrated products, we may lose significant market share to our competitors. Some of our targeted customers for our optical interconnect solutions are module makers who are vertically integrated, where we compete with internally supplied components, and we compete with much larger analog and mixed- signal catalog competitors in the multi- market high- performance analog markets. Our ability to compete successfully depends on factors both within and outside of our control, including industry and general economic trends. During past periods of downturns in our industry, competition in the markets in which we operate intensified as manufacturers of semiconductors reduced prices in order to combat production overcapacity and high inventory levels. Many of our competitors have substantially greater financial and other resources with which to withstand similar adverse economic or market conditions in the future. Moreover, the competitive landscape is changing as a result of intense consolidation within our industry as some of our competitors have merged with or been acquired by other competitors, and other competitors have begun to collaborate with each other, which could result in significant changes to the competitive landscape. In addition, changes in government trade policies, including the imposition of tariffs and export restrictions, could limit our ability to sell our products to certain customers and adversely affect our ability to compete successfully. These developments may materially and adversely affect our current and future target markets and our ability to compete successfully in those markets. ~~Global economic conditions, including factors such as high inflation or a recession could adversely affect our business, financial condition, and results of operations.~~ Inflation and uncertainty in customer demand and the worldwide economy has continued, and we **expect to** ~~have experienced and may~~ experience continued **decline in our sales and revenues in the first quarter of 2024. In particular, we believe an economic slowdown and inventory oversupply will continue to add to** volatility in **managing the business. In addition, inventory oversupply could potentially lead to more inventory write- downs, including charges for any excess** ~~our~~ - **or** ~~sales and revenues in the near future~~ **obsolete inventory which could negatively impact our gross margins** . Our products are incorporated in numerous consumer devices, and demand for such products ~~will~~ **is** ultimately ~~be~~ driven by consumer demand for products such as televisions, personal computers, automobiles, **and** cable modems ~~, and set- top boxes~~ . Many of these purchases are discretionary. Global economic volatility and economic volatility in the specific markets in which the devices that incorporate our products are ultimately sold, including the impacts of current high rates of inflation and **a potential** recession, can cause extreme difficulties for our customers and third- party vendors in accurately forecasting and planning future business activities. **If banks and financial institutions with whom we have banking relationships enter receivership or become insolvent in the future, we may be unable to access, and we may lose, some or all of our existing cash, cash equivalents and investments to the extent those funds are not insured or otherwise protected by the FDIC.** This unpredictability **has and** could **continue to** cause our customers to delay or reduce their capital expenditures and spending on our products, which would delay and lengthen sales cycles and negatively affect the overall demand for our products. Worsening economic instability could **continue to** result in a cancellation of such orders or otherwise adversely affect spending for information technology and limit our ability to forecast future demand for our products, which could reduce expected revenues or result in a write- down of any excess or obsolete inventory. Furthermore, during challenging economic times, our customers may face challenges in gaining timely access to sufficient credit, which could impact their ability to make timely payments to us. These events, together with economic volatility that may face the broader economy and, in particular, the semiconductor and communications industries, may adversely affect, our business, particularly to the extent that consumers decrease their discretionary spending for devices deploying our products. However, the magnitude of such volatility on our business and its duration is uncertain and cannot be reasonably estimated at this time. Other areas of our business which could be disrupted or subject to negative impacts of negative global economic conditions may include, but may not be limited to, the following: • Reduced ability to accurately predict our future revenue and budget future expenses; • Inefficiencies, delays and additional costs in design win, product development, production and fulfillment; • Accounts receivable collection issues should any of our limited and significant customers experience liquidity concerns; • Material impacts to the value of our common stock, which may result in impairment of our goodwill; • Material impairment of our assets, if recoverability thereof becomes a concern; and

• Decreased availability of capital or access thereto in the United States and from other jurisdictions in which we operate. ~~Any failure to adjust spending or our operations quickly enough to compensate for a revenue shortfall could magnify its adverse impact on our results of operations.~~ The semiconductor industry is highly cyclical and is characterized by constant and rapid technological change,rapid product obsolescence and price erosion,evolving standards,short product life cycles and wide fluctuations in product supply and demand. ~~Any~~ **The current downturn,which was aggravated by certain factors such as high interest rates and excess channel inventory,has resulted in,or any** future downturns may result in **,** diminished product demand,production overcapacity,high inventory levels and accelerated erosion of our average selling prices.Furthermore,any **future** upturn in the semiconductor industry could result in increased competition for access to third- party foundry and assembly capacity.We are dependent on the availability of this capacity to manufacture and assemble all of our products.None of our third- party foundry or assembly contractors has provided assurances that adequate capacity will be available to us in the future.A significant downturn or upturn could have a material adverse effect on our business and operating results. Our ~~business, financial condition and results of operations could be adversely affected by the political and economic conditions of the countries in which we conduct business and other factors related to our international operations. We sell our products throughout the world. Products shipped to Asia accounted for 82 % of our~~ net revenue **decreased from $ 1. 1 billion** in the year ended December 31, 2022 **to $ 693. 3 million in the year ended December 31, 2023 and the decline in net revenue could continue in future periods. Among other factors, the decrease is as a result of macroeconomic conditions impacting customer demand. Prior to 2023, our net revenues grew to $ 1. 1 billion for the year ended December 31, 2022. We currently expect that revenue will fluctuate in the future, from period- to- period, consistent with the cyclical nature of our industry, and we expect to experience further decline in revenue in the first quarter of 2024 due to current macroeconomic conditions impacting customer demand for various products. Further, the impact of excess inventory in the channel has continued to influence our customers' expected demand for some of our products** . In addition, **in October 2023, we initiated a reduction of our workforce to align our operational needs with the changes in macroeconomic conditions and the demand environment. We may not realize, in full or in part, the anticipated benefits, savings and improvements from our reduction of our workforce due to unforeseen difficulties, delays or unexpected costs. If we are unable to realize the expected operational efficiencies and cost savings from our reduction of our workforce, our operating results and financial condition would be adversely affected. You should not rely on our operating results for any prior quarterly or annual periods** as **an indication** of ~~should not rely on our operating results for any prior quarterly or annual periods as an indication of~~ our future operating performance.Please refer to the Risk Factor entitled " Our operating results are subject to substantial quarterly and annual fluctuations and **have fluctuated in the past and** may fluctuate significantly due to a number of factors that could adversely affect our business and our stock price " for a discussion of factors contributing to variances in our operating results or rates of growth **,if any** .If we are unable to ~~sustain~~ **resume** adequate revenue growth **and manage our operating expenses** ,our financial results could suffer and our stock price could decline.To ~~sustain and~~ manage any future growth successfully,we believe we must effectively,among other things:• successfully develop new products and penetrate new applications and markets;• recruit,hire,train and manage additional qualified engineers for our research and development activities,especially in the positions of design engineering,product and test engineering and applications engineering;• ~~add sales personnel and expand customer engineering support offices;•~~ implement and improve our administrative,financial and operational systems,procedures and controls;and • enhance our information technology support for enterprise resource planning and design engineering by adapting and expanding our systems and tool capabilities,and properly training new hires as to their use.If we are unable to ~~sustain~~ **resume** and manage our growth effectively,we may not be able to take advantage of market opportunities or develop new products and we may fail to satisfy customer requirements,maintain product quality,execute our business plan,or respond to competitive pressures. **We sell** ~~The complexity of~~ our products ~~could result~~ **throughout the world.Products shipped to Asia accounted for 75 % of our net revenue in the year ended** December 31, ~~2022~~ **2023 . In addition, as of December 31, 2023** , approximately ~~77~~ **78** % of our employees are located outside of the United States. The majority of our products are manufactured, assembled and tested in Asia, and our major distributors are located in Asia. Multiple factors relating to our international operations and to particular countries in which we operate could have a material adverse effect on our business, financial condition and results of operations. These factors include: • changes in political, regulatory, legal or economic conditions; • **geopolitical conflicts and tensions, especially as between the United States and China, that could destabilize trading relationships and economic activity; •** restrictive governmental actions, such as restrictions on the transfer or repatriation of funds and foreign investments and trade protection measures, including export controls and restrictions, duties and quotas and customs duties and tariffs; • disruptions of capital and trading markets; • changes in import **and /** or export **control restrictions and regulations by governments, such as changes to** licensing requirements **or other anti- diversion enforcement measures, as a result of ongoing armed conflict and geopolitical tensions among the United States, China, Russia, Ukraine and other countries** ; • transportation delays; • civil disturbances or political instability; • **other unpredictable** geopolitical turmoil, including terrorism, war or political or military coups ~~; • public health emergencies~~ , including the ~~COVID- 19 pandemic~~ **current conflict in Israel (and any broadening of the conflict)** ; • differing employment practices and labor standards; • limitations on our ability under local laws to protect our intellectual property; • local business and cultural factors that differ from our customary standards and practices; • nationalization and expropriation; • changes in tax laws; • **public health emergencies, such as another outbreak of COVID- 19 or other communicable disease; •** currency fluctuations relating to our international operating activities; and • difficulty in obtaining distribution and support. In addition to a significant portion of our wafer supply coming from Taiwan, Singapore, ~~and~~ China **and South Korea** , substantially all of our products undergo packaging and final testing in Taiwan, Singapore, China, South Korea, **Malaysia,** and Thailand. Any conflict or uncertainty in these countries, including due to **geopolitical conditions,** natural ~~disaster~~ **disasters** , public health or safety concerns, could have a material adverse effect on our business, financial condition and results of operations. In addition, if the government of any country in which our products are manufactured or sold sets technical standards for products manufactured in or imported into their country that are not widely shared, it may lead some of our customers to suspend imports of their products into that country, require manufacturers in that country to manufacture products with different technical standards and disrupt cross- border manufacturing relationships which, in each case, could have a material adverse effect on our business, financial condition and results of operations. ~~Changes in trade policies among the United States and other countries, in particular the imposition of new or higher tariffs, could place pressure on our average selling prices as our customers seek to offset the impact of increased tariffs on their own products. Increased tariffs or the imposition of other barriers to international trade could have a material adverse effect on our revenues and operating results.~~ The United States has imposed or proposed new or higher tariffs on certain products exported by a number of U. S. trading partners, including China, Europe, Canada, and Mexico. In response, many of those trading partners, including China, have imposed or proposed new or higher tariffs on American products. **We have experienced weakening demand in China, and** ~~Continuing~~ **continuing** changes in government trade policies create a heightened risk of further increased tariffs that impose barriers to international trade **and could further decrease international demand** . Our business and operating results are substantially dependent on international trade. Many of our manufacturers sell products incorporating our integrated circuits into international markets. Tariffs on our customers' products may adversely affect our gross profit margins in the future due to the potential for increased pressure on our selling prices by customers seeking to offset the impact of tariffs on their own products. In addition, tariffs could make our OEM and ODM customers' products less attractive relative to products offered by their competitors, which may not be subject to similar tariffs. Some OEM and ODMs in our industry have already implemented short- term price adjustments to offset such tariffs and transitioned their production and supply chain to locations outside of China. We believe that increases in tariffs on imported goods or the failure to resolve current international trade disputes could **further decrease demand and** have a material adverse effect on **our business and operating results. Furthermore, compliance with export controls and implementation of additional tariffs may increase compliance costs and further affect** our business and operating results. We will lose sales if we are unable to obtain **or retain** government authorization to export certain of our products or technology related to the development or production of our products **or if such authorizations are revoked** , and we will be subject to legal and regulatory consequences if we do not comply with applicable export control laws and regulations. Certain of our products and technologies are subject to export and / or import controls imposed by countries in which we do business ~~. In certain instances~~ , **including** ~~these~~ -- **the United States** ~~regulations may require pre- shipment authorization approval from a government authority; depending on the country and / or individual or entity involved, approval may not be granted. For products subject to the~~ Export Administration Regulations, or EAR, administered by the U. S. Department of Commerce' s Bureau of Industry and Security, or BIS **. Certain of our products and technologies are subject to the EAR** , **which may require** a license **authorization from BIS prior to the shipment or sharing of certain products and technologies with certain end users or destinations. Such approval** may be ~~required~~ **delayed, denied, or even revoked after initially being granted by BIS** , depending on one or more factors including the type of product or technology at issue, the intended end use, the identity of the end user, the identity of other companies involved in the production process, and whether a license exception might apply **, among others** . **We** ~~Certain of our products and technologies~~ are subject to **similar** ~~the EAR. Obtaining export licenses can be difficult, costly and time- consuming and we may not always be successful in obtaining necessary export licenses. Our failure to obtain required import or export approval for our products may adversely affect our business, and other limitations imposed on our ability to export or sell our products may also harm our international and domestic revenue. Although our policies, controls, and procedures are designed to maintain ongoing compliance with applicable~~ export controls ~~laws, we cannot assure you that we have been or will be at all times in complete compliance with such laws and~~ regulations ~~. If~~ **in other jurisdictions where** we **operate** ~~violate or fail to comply with any of them, a range of consequences could result~~ , including ~~fines~~ **the European Union** , **Singapore** ~~import / export restrictions~~ , ~~sales limitations, criminal~~ and ~~civil liabilities or~~ **Taiwan, among** ~~other~~ **others** ~~sanctions. In addition, if our customers fail to comply with these regulations and laws, we may be required to suspend sales to these customers, which could damage our reputation and negatively impact our results of operations. The absence of comparable restrictions imposed on competitors based in other countries may adversely affect our competitive position. In October 2022, the BIS issued an interim final rule to implement (1) additional export controls on advanced computing integrated circuits (ICs), computer commodities that contain such ICs and certain semiconductor manufacturing items; (2) additional export control requirements for products and / or technologies that may be destined for facilities meeting certain criteria; and (3) additional export controls on transactions involving items for supercomputer and semiconductor manufacturing end uses. The additional export controls on certain manufacturing end- uses resulted in an expansion of the scope of foreign- produced items subject to license requirements for 28 Chinese entities already on the Entity List (a list of entities to which the transfer of EAR- controlled technology or software is generally prohibited absent a U. S. export license), which includes one immaterial customer of MaxLinear located in China~~ . Export control laws, regulations, and orders are complex, change frequently and with limited or no notice, have generally become more stringent over time and have intensified as U. S.- China geopolitical tensions worsen. **Since October 2022, the United States has announced export control restrictions on a number of entities based in China due to national security and human rights concerns and additional more severe restrictions may be possible.** The addition of new entities to restricted party lists can further increase the scope of export restrictions applicable to our business **. The United States has also announced measures intended to further restrict the export of certain advanced semiconductor products and technology, as well as products that incorporate those advanced semiconductor products, to the People' s Republic of China, or China, and / or certain companies located in China due to national security and human rights concerns, including the imposition of new license requirements for certain semiconductor technologies** . Failure to obtain required export licenses for our products or the placement of one or more of our customers on any restricted parties lists could significantly reduce our revenue and harm our business. **Obtaining export licenses can be difficult, costly and time- consuming and we may not always be successful in**

obtaining necessary export licenses. Our failure to obtain required import or export approval for our products may adversely affect our business, and other limitations imposed on our ability to export or sell our products may also harm our international and domestic revenue. In addition, it is possible that BIS can revoke licenses that have been granted or decline to re- issue such licenses upon their expiration. Although our policies, procedures, and controls are designed to detect and prevent potential violations and maintain ongoing compliance with applicable export controls laws, we cannot assure you that we have been or will be at all times in complete compliance with such laws and regulations. For example, our products could be diverted to bad actors. In addition, if our customers or business partners fail to comply with applicable regulations and laws, we may be subject to liability and may be required to suspend sales or take other action which could damage our reputation and negatively impact our results of operations. If we violate or fail to comply with any of them, a range of consequences could result, including fines, import / export restrictions, sales limitations, criminal and civil liabilities or other sanctions. The absence of comparable restrictions imposed on competitors based in other countries may adversely affect our competitive position. To the extent that we do business with parties on the Entity List under approved export licenses, our business could be affected if the government delays, denies, or otherwise does not grant or renew required licenses. We currently have licenses from BIS that permit certain of our transactions with two restricted parties, but those licenses may be revoked at any time or denied for renewal when the license expires. One of our third party foundry partners, Semiconductor Manufacturing International Corporation, or SMIC, was added to the BIS Entity list in December 2020. As a result of that Entity List listing, we must obtain export licenses from BIS for the export or reexport to SMIC of any technology for the development or production (fabrication) of our products. Although we have obtained export licenses in order to have SMIC manufacture certain products for us, those export licenses could be revoked at any time. Revocation of any of those export licenses could significantly disrupt our ability to obtain the products in question and fulfill customer requirements. Moreover, the issuance of export licenses for other technology transfers to SMIC is a matter of discretion with the U. S. government, and it is uncertain whether we will be able to obtain export licenses, in a timely manner, for the transfer of technology required by SMIC to produce semiconductor wafers for us. If we are unable to obtain those export licenses, it may be necessary to have the products fabricated by other semiconductor foundries, which may be more costly alternatives to SMIC, and which may have limited capacity to fabricate sufficient products to meet our requirements. Additionally, current and future business with parties subject to significant export restrictions, including those named on the Entity List may be limited in scope or suspended entirely in order to comply with the EAR or other applicable laws or regulations and, as a result, our revenue could be adversely impacted until a license is granted **or renewed** . It is possible that the U. S. government may not grant licenses or renew licenses to transact business with entities on the Entity List. In September 2022, we self- identified a potential violation of the EAR related to certain transactions with one of our foundry partners in China on the Entity List ~~, or Specific Foundry Partner,~~ in which limited technology **was** ~~in the form of test results and failure analysis reports were~~ furnished to our Specific Foundry Partner without authorization under the EAR. Upon discovery, ~~(1)~~ we took immediate action to remediate, including by **implementing additional measures to** ~~preventing~~ --- **prevent** recurrence **. Our** ~~and (2) our~~ Audit Committee engaged outside counsel to conduct a privileged investigation ~~into the potential violation, which investigation is ongoing~~ . ~~In October~~ **On March 3,** ~~2022~~ **2023** , we submitted **a comprehensive** ~~an initial notification of~~ voluntary self- disclosure to ~~the~~ BIS regarding the potential EAR violation described above **and other potential export control violations** . ~~Our notification submission~~ **On June 8, 2023, BIS closed out** ~~is~~ **its** ~~currently under~~ review ~~at BIS, and it is unknown when such review will be completed. Concurrently with the filing~~ of **our** ~~the initial notification of~~ voluntary self- disclosure ~~, we submitted~~ **without monetary or other penalties** ~~an~~ **and** ~~export license application~~ **with the issuance of a " warning letter. " Our business has been impacted and may continue** to ~~BIS~~ **be impacted by geopolitical conditions such as international trade wars (including between the United States and China)** , **the military conflict** in ~~order~~ **Israel, the Russia- Ukraine conflict, and increased political tensions in Russia, Europe, the Middle East and Asia. Currently, significant uncertainty surrounds the future trade relationships among the United States, China, and Russia. The U. S. government continues** to ~~ensure~~ **make significant changes in U. S. trade policies** that **could negatively affect** ~~all prospective transactions with~~ our **business** ~~Specific Foundry Partner are conducted in full compliance with the EAR~~ . **Additionally** ~~That license was issued on November 29~~ , **policies made by** ~~2022. As part of the ongoing investigation, we identified~~ other **countries** ~~export control violations and have taken actions to remediate such infractions and continue to evaluate if any additional remedial actions should be taken. We are also continuing to review our export compliance procedures and program to enhance our programs~~ , ~~policies and or procedures, as appropriate. We also are subject to risks associated with international geopolitical conflicts involving the U. S. and other governments~~ such as China and Russia **or their allies, could also negatively impact our business** . In ~~recent years, diplomatic and trade relationships between the U. S. government and China have been frayed. Events in Hong Kong and the threat of~~ a ~~takeover~~ **number** of **cases, compliance** ~~Taiwan by China have also prompted other governments such as that of the United Kingdom to reconsider its trade and business relationships~~ with ~~China and with certain Chinese companies. Difficulties in~~ these **policies has** ~~relationships have in a number of cases~~ required us to take actions adverse to our business ~~to comply with governmental restrictions on business and trade with China~~ . Beginning in May 2019 ~~and subsequently, other than for certain transactions for which we have a valid export license issued by BIS~~ , we ceased **normal** business operations with entities affiliated with Huawei Technologies Co., Ltd., ~~or Huawei~~ and certain other entities ~~,~~ following an amendment to the EAR ~~adding such~~ **which added these** entities to the Entity List for acting contrary to the national security or foreign policy ~~interests~~ of the United States **. We obtained export licenses for certain transactions with these entities. As noted above, export licenses can be revoked or BIS could choose not to renew such licenses, which would halt the currently- approved licensed activities** . In September 2020, we further restricted business operations with additional entities affiliated with Huawei when the BIS again amended the EAR to add such entities to the Entity List. **Since October 2022, the United States government has taken steps to restrict the export of**

certain advanced semiconductor products and technology to the People' s Republic of China and / or certain companies located in China due to national security and human rights concerns. In October 2022, ~~the~~ BIS ~~again amended~~ **announced additional restrictions on products and / or technology destined for use in the People' s Republic of China, including additional export controls and / or requirements on (1) certain advanced computing integrated circuits, computer commodities that contain such integrated circuits and certain semiconductor manufacturing items; (2) products and / or technologies that may be destined for facilities capable of producing certain advanced node integrated circuits; and (3) transactions involving items for supercomputer and semiconductor manufacturing end uses. In October 2023, BIS announced additional restrictions on the export of certain advanced semiconductors and semiconductor manufacturing technology to China, primarily focused on integrated circuits with military, data center, or artificial intelligence applications. Pursuant to** ~~the~~ **those** ~~EAR~~ **October 2023 export control amendments** , ~~among~~ **various categories of integrated circuits are now subject to export licensing and export control restrictions for export or reexport to China and certain** other ~~things~~ **countries. We have confirmed that some of our products are subject to these new controls. BIS also announced restrictions on exports to (1) companies headquartered in China or Macau** , **and (2) end users in certain countries of concern, in order to prevent diversion of controlled products or technology to China. The United States government has also continued** to add ~~31~~ **Chinese entities to the Entity List. We regularly monitor changes to applicable export control regulations to assess the impact to our business, if any. To date, none of our material customers located in China has been added to the Entity List or other restricted party list. The BIS continues to add many** new entities ~~in China~~ to the **Entity List and** Unverified List ~~. It is possible that entities currently on the Unverified List may be added to the Entity List if certain conditions are not met~~ . As noted above, our ability to ~~manufacture~~ **sell** or distribute products or technology will be limited if BIS further amends the EAR to add restrictions against parties who are or may be our customers. ~~This also raises an additional risk that China may enact retaliatory legislation or regulations that may raise similar adverse risks.~~ We are required to obtain special licenses to conduct business with entities on the Entity List and to conduct additional diligence and recordkeeping, including obtaining user statements from entities on the Unverified List. Failure to obtain any required license would likely result in a loss of business and a corresponding negative impact on our financial position and results of operations. We **cannot predict what actions may ultimately be taken with respect to trade relations between the United States and China or other countries, which products may be subject to such actions or what actions may be taken by other countries in retaliation. In response to the United States tightening export controls on China, China has instituted restrictions of its own that affect U. S. companies and may impact us and related entities. We have experienced weakening demand in China, and such future developments related to U. S.- China relations may also have an impact on our supply chain. Additionally, the geopolitical developments in relations between Taiwan and China could affect the supply of our products from Taiwan, including from Taiwan Semiconductor Manufacturing Company, Limited, or TSMC. We** believe direct impacts of the economic sanctions against Russia and the military conflict in Ukraine are currently limited to volatility in the prices of metals used by our outsourced semiconductor assembly and test, or OSAT, supply chain, in particular around the supply of palladium, for which Russia is the top producer in the world, as well as increased fuel costs, which has global impact on transportation costs, including the shipping and delivery of our products. However, the magnitude of such price volatility on our business and its duration is uncertain and cannot be reasonably estimated at this time. We **currently do not sell product in Russia, or sell product to distributors for resale in Russia. The ongoing military conflict in Israel has resulted in our employees located in Israel having to perform military service and / or being negatively impacted by violence or political instability, which could interrupt business and increase costs associated with relocating employees, engaging with alternative third- party contractors or hiring additional employees outside of Israel. As the conflict continues, we** cannot provide assurances that ~~similar~~ **our business will not be impacted in the future. We cannot provide assurances that we will not face** disruptions of distribution arrangements in the future, **including through** the imposition of governmental prohibitions on selling our products to particular customers, further sanctions on Russia or other countries, and / or increases in costs of certain raw materials and transportation **that** will ~~not~~ also adversely affect our revenues and operating results. Loss of a key distributor or customer under similar circumstances could have a material adverse effect on our business, revenues and operating results. We depend on a limited number of customers for a substantial portion of our revenue, and the loss of, or a significant reduction in orders from **,** one or more of our major customers **has had and** could **continue to** have a material adverse effect on our revenue and operating results. In the year ended December 31, ~~2022~~ **2023** , ~~two~~ **one** ~~customers~~ - **customer** accounted for ~~31~~ **10** % of our net revenue, and our ten largest customers collectively accounted for ~~65~~ **54** % of our net revenue, of which distributor customers accounted for ~~18~~ **16** % of our net revenue **. In the year ended December 31, 2023, we have experienced a decrease in customer demand, and consequently a reduction in orders, primarily due to macroeconomic factors and excess inventory in the channel following the industry- wide supply shortage in 2021 and 2022** . We expect that our operating results for the foreseeable future will continue to show a substantial percentage of sales dependent on a relatively small number of customers. In the future, these customers may decide **, as they have at times before,** not to purchase our products at all, may purchase fewer products than they did in the past, or may defer or cancel purchases or otherwise alter their purchasing patterns. Factors that could affect our revenue from these large customers include the following: • **macroeconomic and business factors influencing such customers' demand for our products, including excess inventory in the channel; •** substantially all of our sales to date have been made on a purchase order basis, **and we do not have long- term** ~~which permits our customers to cancel, change or delay~~ product purchase commitments with ~~little or~~ **our customers** ~~no notice to us and without penalty~~ ; • some of our customers have sought or are seeking relationships with current or potential competitors which may affect their purchasing decisions; • service provider and OEM consolidation across cable, satellite, and fiber markets could result in significant changes to our customers' technology development and deployment priorities and roadmaps, which could affect our ability to forecast demand accurately and could lead to increased volatility in our business; and • technological changes in our markets could lead to substantial volatility in our revenues based on product transitions, and particularly in our broadband markets, we face risks based on changes in the way consumers are accessing and using broadband and cable services, which could affect operator demand for our products. In addition, delays in development could impair our relationships with our strategic customers and negatively impact sales of the products under development. Moreover, it is possible that our customers may develop their own products or adopt a competitor' s solution for products that they currently buy from us. ~~If that happens~~ **When this occurs** , our sales **have previously and** ~~would~~ **could in the future** decline **and / or our market share has previously and may in the future be reduced or smaller than anticipated** and our business, financial condition and results of operations could be materially and adversely affected **. Our relationship with customers has been and could continue to be impaired by our sale of patents. For example, our customers are and could be subject to patent infringement based on patents we divested to the extent that our customers also source components from our competitors, such as those referenced in Part I, Item 3 (Legal Proceedings) of this report** . Our relationships with some customers may deter other potential customers who compete with these customers from buying our products. To attract new customers or retain existing customers, we ~~may~~ **sometimes** offer ~~these~~ customers favorable prices on our products ~~. In that event,~~ **which results in a decline in** our average selling prices and **, if material, a decline in our** gross margins ~~would decline~~ . The loss of a key customer, a reduction in sales to any key customer or our inability to attract new significant customers could seriously impact our revenue and materially and adversely affect our results of operations. A significant portion of our revenues are from sales of product to distributors, who then resell our product. Our agreements with certain of these distributors provide protection against price reduction on their inventories of our products. The loss of certain distributors could have a material adverse effect on our business and results of operations, and price reductions associated with their inventories of our products could have a material adverse effect on our operating results in the event of a dramatic decline in selling prices for these products. In addition, the current situation relating to trade with China and governmental and regulatory concerns relating to specific Chinese companies continue to remain fluid and unpredictable. **Products shipped to mainland China accounted for 11 % of our net revenue during the year ended December 31, 2023 compared to 16 % during the year ended December 31, 2022.** Our current and future operating results could be materially and adversely affected by limitations on our ability to sell to one or more Chinese customers, as described in the section " Risks Related to Our Business " under the risk factor " We are also subject to risks associated with international geopolitical conflicts involving the U. S. and other governments such as China and Russia ", and by tariffs and other trade barriers that may be implemented by governmental authorities. ~~Despite a relatively short~~ **In addition to the legal proceedings referenced in Part I, Item 3** - **Legal Proceedings** ~~term positive pricing environment, average selling prices~~ of **this report, we are subject to legal proceedings and claims that arise in the ordinary course of business, including intellectual property, product liability, employment, class action, customer claims, whistleblower and other litigation claims, and governmental and other regulatory investigations and proceedings and we may not be successful in such proceedings. In addition, we have implemented a reduction in force and the attendant layoffs has resulted and could result in the risk of claims being made by** ~~our~~ - **system failures,that** could **disrupt our operations,damage our reputation and** adversely affect our business, **operations,and** financial ~~condition,and~~ results ~~of operations~~ .We rely on our information technology systems for the effective operation of our business and for the secure maintenance and storage of confidential data relating to our business and third- party businesses.In June 2020,we announced a security incident resulting from a Maze ransomware attack affecting certain but not all operational systems within our information technology infrastructure.Because we did not satisfy the attacker' s monetary demands,on June 15,2020,the attacker released online certain proprietary information obtained from our network.Since that time,our internal information technology team,supplemented by a leading cyber defense firm,took steps aimed at containing and assessing this incident,including implementing enhanced security controls aimed at protecting our information technology systems.Since that event,security breaches and incidents,computer malware and computer hacking attacks have continued to become more prevalent and sophisticated.These threats are constantly evolving,making it increasingly difficult to successfully defend against or implement adequate preventive measures.We experience cyber- attacks of varying degrees on our technology infrastructure and systems and notwithstanding our defensive measures,experienced programmers,hackers ~~,~~ **or** state actors ~~,or others~~ may be able to penetrate our security controls through attacks such as phishing,impersonating authorized users,ransomware,viruses,worms and other malicious software programs, ~~software supply chain attacks,~~ exploitation of design flaws,bugs and other security weaknesses and vulnerabilities,covert introduction of malware to computers and networks,including those using techniques that change frequently or may be disguised or difficult to detect,or designed to remain dormant until a triggering event or that may continue undetected for an ~~extended period~~ products **and services provided by third parties, and these providers can experience breaches of their systems and products, or provide inadequate updates or support, which can impact the security of our systems and our proprietary or confidential information. A cybersecurity incident or other compromise of our information technology systems** could ~~decrease rapidly~~ **result in unauthorized publication of confidential business or proprietary information belonging to us** , **can impact the security of our systems and our proprietary or confidential information.A cybersecurity incident or other compromise of our information technology systems could result in unauthorized publication of confidential business or proprietary information belonging to us,** a customer,supplier,employee or other third party,including personal data,result in violations of privacy or other laws,expose us to a risk of litigation,cause us to incur direct losses if attackers initiate wire transfers or access our bank or investment accounts,or damage our reputation.More generally,any theft,loss,misuse,or other unauthorized processing of any confidential business or proprietary information,including personal data,collected,used,stored,transferred,or otherwise processed by us or on our behalf could result in significantly increased costs,expenses,damage to our reputation,and claims,litigation,demands,and regulatory investigations or other proceedings.The cost and operational consequences of implementing further data protection measures either as a response to specific breaches or incidents or as a result of evolving risks could be significant.In addition,our inability to use or access our information systems at critical points in time ~~could adversely affect the timely and efficient operation of our business.Any delayed sales,significant costs or lost customers resulting from these technology failures could adversely affect our business,operations and financial results.We also may~~ which **case we may be unable to timely or accurately prepare financial reports, make payments to our suppliers and employees, or ship to, invoice and collect from our customers. We may be subject to supply chain attacks where threat actors attempt to inject malicious code into our products thus infecting our products and the systems of our customers. Any such supply chain attack** ~~would~~ **could as planned or if we experience issues relating to any implementation,or accessing our software as has happened in a previous cybersecurity attack,in which case we may be unable to timely or accurately prepare financial reports,make payments to our suppliers and employees,or ship to,invoice and collect from our customers.We may be subject to supply chain attacks where threat actors attempt to inject malicious code into our products thus infecting our products and the systems of our customers.Any such supply chain attack could** have magnified damages to our business as a direct result of the attack as well as due to a ~~loss~~ **lock** of credibility or reputation with our customers.Such attempts are increasing in number and in technical sophistication,and if successful,expose us and the affected parties to risk of loss or misuse of proprietary or confidential information or disruptions of our business operations,including our manufacturing operations.Third parties with which we conduct business,such as foundries,assembly and test contractors,and distributors,have access to certain portions of our sensitive data,and we rely on third parties to store and otherwise process data ~~for us.We are dependent on the information security systems of these third parties and they face substantial security risks similar to those outlined above.Any security breaches or incidents or other unauthorized access by third parties to the systems of our suppliers,service providers,or other third parties with access to our sensitive data,or the existence of computer viruses,ransomware or other malicious code in their data,software,or hardware,could result in disruptions or failures of systems used in our business,payments~~ have a material adverse ~~effect~~ **impact** on our ~~revenue~~ **business, operations** and ~~gross margins~~ **financial results. Additionally, we cannot be certain that our insurance coverage will be adequate or otherwise protect us with respect to claims, expenses, fines, penalties, business loss, data loss, litigation, regulatory actions, or other impacts arising from any of the security breaches or incidents outlined above, or that such coverage will continue to be available on acceptable terms or at all. Any of these results could adversely affect our business, operations and financial results, potentially in a material manner** . We **have and** may **in the future** experience substantial period- to- period fluctuations in ~~future~~ **our** operating results due to ~~the~~ erosion of our average selling prices. From time to time, we have reduced the average unit price of our products due to competitive pricing pressures, new product introductions by us or our competitors, and for other reasons, and we expect that we will have to do so again in the future ~~, despite a relatively short- term positive pricing environment~~ . In particular, we believe that industry consolidation has provided a number of larger semiconductor companies with substantial market power, which has had a material adverse impact on selling prices in some of our markets. If we are unable to offset any reductions in our average selling prices by increasing our sales volumes or introducing new products with higher margins, our revenue and gross margins will suffer. To support our gross margins, we must develop and introduce new products and product enhancements on a timely basis and continually reduce our and our customers' costs. Our inability to do so would cause our revenue and gross margins to decline. In addition, under certain of our agreements with key distributors, we provide protection for reductions in selling prices of the distributors' inventory, which could have a material adverse effect on our operating results if the selling prices for those products fell dramatically. We sell a significant portion of our products to manufacturers of cable broadband voice and data modems and gateways ~~, Pay- TV set- top boxes and gateways into cable and satellite operator markets~~ , satellite outdoor units or LNB' s, optical modules for long- haul and metro telecommunications markets, and RF transceivers and modem solutions for wireless infrastructure markets. Our product offerings also include broadband data access, power management and interface technologies which are ubiquitous functions in new and existing markets such as wireless and wireline communications infrastructure, broadband access, industrial, enterprise network, and automotive applications. We have further expanded our product offerings to include Wi- Fi, ethernet and broadband gateway processor ~~systems- on- chip, or~~ SoCs ~~,~~ and intellectual property that utilizes patented machine learning techniques to improve signal integrity and power efficiency in SoCs, ASICs, and field- programmable gate arrays, or FPGAs, used in next- generation communication and artificial intelligence systems. Our future revenue growth, if any, will depend in part on our ability to further penetrate into, and expand beyond, these markets with analog, digital and mixed- signal solutions targeting the markets for Wi- Fi and broadband, high- speed optical interconnects for data center, metro, and long- haul optical modules, telecommunications wireless infrastructure, and cable DOCSIS 3. 1 network infrastructure products. Each of these markets presents distinct and substantial risks. If any of these markets do not develop as we currently anticipate, or if we are unable to penetrate them successfully, it could materially and adversely affect our revenue and revenue growth rate, if any. Broadband data modems and gateways and ~~Pay- TV and satellite set- top boxes and~~ video gateways continue to represent a significant North American and European revenue generator. The North American and European Pay- TV market is dominated by ~~only~~ a few OEMs, including ~~Technicolor~~ **Vantiva** SA, Commscope Holding Company, Inc., Hitron Technologies ~~,~~ Inc., Compal Broadband Networks **,** Inc., Humax Co., Ltd., and Samsung Electronics Co., Ltd. These OEMs are large multinational corporations with ~~substantial~~ negotiating power relative to us and are undergoing significant consolidation. Securing design wins with any of these companies requires a substantial investment of our time and resources. Even if we succeed, additional testing and operational certifications will be required by the OEMs' customers, which include large Pay- TV television companies such as Comcast Corporation, Liberty Global plc, Charter Communications, Inc., Sky UK Limited, AT & T Inc. and EchoStar Corporation. In addition, our products will need to be compatible with other components in our customers' designs, including components produced by our competitors or potential competitors. There can be no assurance that these other companies will support or continue to support our products. If we fail to penetrate these or other new markets upon which we target our resources, our revenue and revenue growth rate, if any, likely will decrease over time and our financial condition could suffer. ~~A significant portion of our revenue is attributable to demand for our products in markets for broadband solutions, and~~

~~development delays and consolidation trends among cable and satellite Pay- TV and broadband operators could adversely affect our future revenues and operating results.~~ For the ~~years~~ **year** ended December 31, **2023 and** 2022 ~~and 2021~~, revenue directly attributable to broadband applications accounted for approximately **29 % and** 44 % ~~and 55 %~~ of our net revenue, respectively. **We have experienced a decrease in broadband net revenue of $ 289. 7 million for the year ended December 31, 2023, as compared to the year ended December 31, 2022, and the decline in revenue could continue in future periods.** Delays in the development of, or unexpected developments in **,** the broadband markets **, including international macroeconomic headwinds,** could have an adverse effect on order activity by **OEMs** ~~original equipment manufacturers~~ in these markets and, as a result, on our business, revenue, operating results and financial condition. In addition, consolidation trends among Pay- TV and broadband operators may continue, which could delay or lead to cancellations of major spending programs and have a material adverse effect on our future operating results and financial condition. We may be unable to make the substantial and productive research and development investments that are required to remain competitive in our business. The semiconductor industry requires substantial investment in research and development in order to develop and bring to market new and enhanced technologies and products. Many of our products originated with our research and development efforts, which we believe have provided us with a significant competitive advantage. For ~~years~~ **year** ended December 31, **2023,** 2022, **and** 2021 ~~and 2020~~, our research and development expense was $ **269. 5 million, $** 296. 4 million, **and** $ 278. 4 million, ~~and $ 180. 0 million~~ respectively. ~~We expect~~ **While we are closely monitoring** our **current** research and development expenses **, we expect our research and development expenses** to increase in future years ~~as~~ **when** we ~~continue~~ **return** to ~~expand~~ **expanding** our product portfolio and ~~enhance~~ **enhancing** existing products. We monitor such expenditures as part of our strategy of devoting focused research and development efforts on the development of innovative and sustainable product platforms. We are committed to investing in new product development internally in order to stay competitive in our markets and plan to maintain research and development and design capabilities for new solutions in advanced semiconductor process nodes such as 16nm and 5nm and beyond **, as well as to address challenges of capturing and processing high quality broadband communications and high-speed optical interconnect signals** . However, we do not know whether we will have sufficient resources to maintain the level of investment in research and development required to remain competitive as semiconductor process nodes continue to shrink and become increasingly complex. In addition, we cannot assure you that the technologies that are the focus of our research and development expenditures will become commercially successful. **Furthermore** ~~A significant variance in our operating results or rates of growth~~ , ~~if~~ **we currently receive grants from certain non- U. S. governments, but those grants and** any **future grants** ~~, could lead to substantial volatility in our stock price. We may not sustain our current growth rate, and we~~ may not be ~~able~~ **available** to ~~manage~~ **us in the** future growth effectively. Our net revenue increased...... customers and adversely affect our operating costs . Highly complex products like our Wi- Fi and broadband RF receivers and RF receiver SoCs, physical medium devices for optical modules, RF transceiver and modem solutions for wireless infrastructure markets, and high- performance analog solutions may contain defects and bugs when they are first introduced or as new versions are released. Where any of our products, including legacy acquired products, contain defects or bugs, or have reliability, quality or compatibility problems, we may not be able to successfully correct these problems. Consequently, our reputation may be damaged and customers may be reluctant to buy our products, which could materially and adversely affect our ability to retain existing customers and attract new customers, and our financial results. In addition, these defects or bugs could interrupt or delay sales to our customers. If any of these problems are not found until after we have commenced commercial production of a new product, we may be required to incur additional development costs and product recall, repair or replacement costs, and our operating costs could be adversely affected. These problems may also result in warranty or product liability claims against us by our customers or others that may require us to make significant expenditures to defend these claims or pay damage awards. In the event of a warranty claim, we may also incur costs if we compensate the affected customer. We maintain product liability insurance, but this insurance is limited in amount and subject to significant deductibles. There is no guarantee that our insurance will be available or adequate to protect against all claims. We also may incur costs and expenses relating to a recall of one of our customers' products containing one of our devices. The process of identifying a recalled product in devices that have been widely distributed may be lengthy and require significant resources, and we may incur significant replacement costs, contract damage claims from our customers and reputational harm. Costs or payments made in connection with warranty and product liability claims and product recalls could materially affect our financial condition and results of operations, and ability to obtain future coverage. Although we purchase insurance to mitigate certain losses, any uninsured losses could negatively affect our operating results. Although we maintain reserves for reasonably estimable liabilities and purchase product liability insurance, if a catastrophic product liability claim were to occur, our reserves may be inadequate to cover the uninsured portion of such claims. Further, our business liability insurance may be inadequate, may not cover the claims, and future coverage may be unavailable on acceptable terms, which could adversely impact our financial results. ~~operating results are subject to substantial quarterly and annual fluctuations and may fluctuate significantly due to a number of factors that could adversely affect our business and our stock price.~~ Our revenue and operating results have fluctuated in the past and are likely to fluctuate in the future **.For example,our revenue declined from $ 1.1 billion for the year ended December 31,2022 to $ 693.3 million for the year ended December 31,2023 and revenue could continue to decline** .These fluctuations may occur on a quarterly and on an annual basis and are due to a number of factors,many of which are beyond our control.These factors include,among others:• **seasonality or cyclical fluctuations in our markets;• overall demand volatility for semiconductor solutions across a diverse range of communications,industrial and multimarket applications;•** changes in end- user demand for the products manufactured and sold by our customers;• the receipt,reduction or cancellation of significant orders by customers;• fluctuations in the levels of component inventories held by our customers;• the gain or loss of significant customers;• market acceptance of our products and our customers' products;• our ability to develop,introduce,and market new products and technologies on a timely basis;• the **availability and cost of products from our suppliers;• the** timing and extent of **operating expenses,including costs related**

to product development ~~costs~~ **and personnel compensation and benefits** ;• new product announcements and introductions by us or our competitors;• incurrence of research and development and related new product expenditures;• ~~seasonality or cyclical fluctuations in our markets;•~~ government actions,by the United States,China or other countries,that impose barriers or restrictions that would impact our ability to sell or ship products to customers;• currency fluctuations;• fluctuations in ~~IC~~ manufacturing yields **of integrated circuits** ;• significant warranty claims,including those not covered by our suppliers;• changes in our product mix or customer mix;• potential indemnification claims,including those arising as a result of our contractual arrangements or intellectual property disputes;• intellectual property disputes;• **timing and extent of product development costs;•** loss of key personnel or inability to attract,retain and motivate qualified skilled workers;• impairment of long- lived assets,including masks and production equipment; **and** • the effects of competitive pricing pressures,including decreases in average selling prices of our products ~~;~~ **.For example,we often experience flat- to declining revenue in the first quarter of each fiscal year** and ~~• uncertainties arising from~~ **increasing revenue in the second quarter of each fiscal year.Our historical growth may have reduced** the impact of **seasonal or cyclical factors that might have influenced** ~~the COVID- 19 pandemic on the market and~~ our business ~~operations.These factors are difficult~~ to **date** ~~forecast,and these,as well as other factors,could materially adversely affect our quarterly or annual operating results~~ . ~~We typically are required to incur substantial development costs in advance of a prospective sale with no certainty that we will ever recover these costs.A substantial amount of time may pass between a design win and the generation of revenue related to the expenses previously incurred,which can potentially cause our operating results to fluctuate significantly from period to period.In addition,a~~ If ~~we are unable~~ **our growth rate continues** to ~~attract~~ **slow** , ~~train~~ **seasonal or cyclical variations in our operations may become more pronounced over time** and **may materially affect** ~~retain qualified personnel and senior management,~~ our business, financial condition, results of operations and prospects ~~could suffer~~ . **These factors are** ~~Our future success depends on our ability to retain, attract and motivate qualified personnel, including our management, sales and marketing and finance teams, and especially our design and technical staff. We do not know whether we will be able to attract and retain the required and desirable personnel as we continue to pursue our business strategy. Historically, we have encountered difficulties~~ --- **difficult** ~~in hiring~~ **to forecast,** and ~~retaining qualified engineers because there is a limited pool of engineers with the expertise required in our field. Competition for~~ these ~~personnel is intense in the semiconductor industry. As the source of our technological and product innovations~~ , ~~our design and technical personnel represent a significant asset. In addition, in making employment decisions, particularly in the high- technology industry, job candidates often consider the value of the stock- based compensation they are to receive in connection with their employment. We have recently experienced fluctuations in the market price of our stock and declines in the market price of our stock could adversely affect our ability to attract, motivate or retain key employees. In addition, our future performance also depends on the continued services and continuing contributions of our senior management to execute our business plan and to identify and pursue new opportunities and product innovations. Our employment arrangements with our employees do not generally require that they continue to work for us for any specified period, and therefore, they could terminate their employment with us at any time. The loss of the services of one or more of our key employees, especially our management and key design and technical personnel, or our inability to retain, attract and motivate qualified design and technical and other personnel, could have a material adverse effect on our business, financial condition and results of operations. Our future success also depends on the continued contributions of our senior management team and other key personnel. None of our senior management team or other key personnel is bound by written employment contracts to remain with us for a specified period. In addition, we have not entered into non- compete agreements with members of our senior management team or other key personnel, except in limited circumstances (e. g., in connection with the acquisition of other companies). We are fortunate that many members of our senior management team have long tenures with us, but from time to time we also have been required to recruit new members of senior management. With respect to recruitment and retention of senior management, we need to ensure that our compensation programs provide sufficient recruitment and retention incentives~~ as well as ~~incentives to achieve~~ **other factors, could materially adversely affect our quarterly** ~~our~~ - **or annual operating results** ~~long- term strategic business and financial objectives~~ . We ~~expect competition~~ **typically are required to incur substantial development costs in advance of a prospective sale with no certainty that we will ever recover these costs. A substantial amount of time may pass between a design win and the generation of revenue related to the expenses previously incurred, which can potentially cause our operating results to fluctuate significantly from period to period. In addition, a significant amount of our operating expenses are relatively fixed in nature due to our significant sales, research and development costs. Any failure to adjust spending or our operations quickly enough to compensate** for **a revenue shortfall** ~~individuals with our required skill sets, particularly technical and engineering skills, to remain intense even in weak global macroeconomic environments. The loss of any member of our senior management team or other key personnel~~ could **magnify its adverse impact** ~~harm our ability to implement our business strategy and respond to the rapidly changing market conditions in which we operate. If we fail to develop and introduce new or enhanced products~~ on ~~a timely basis,~~ our **results of operations** ~~ability to attract and retain customers could be impaired and our competitive position could be harmed~~ . We operate in a dynamic environment characterized by rapidly changing technologies and industry standards and technological obsolescence. To compete successfully, we must design, develop, market and sell new or enhanced products that provide increasingly higher levels of performance and reliability and meet the cost expectations of our customers. The introduction of new products by our competitors, the market acceptance of products based on new or alternative technologies, or the emergence of new industry standards could render our existing or future products obsolete. Our failure to anticipate or timely develop new or enhanced products or technologies in response to technological shifts **has resulted, and** could **in the future,** result in decreased revenue and our competitors winning more competitive bid processes, known as " design wins. " In particular, we may experience difficulties with product design, manufacturing, marketing or certification that could delay or prevent our development, introduction or marketing of new or enhanced products. If we fail **or are slow** to introduce new or enhanced products that meet the needs of our customers or penetrate new markets in a timely fashion **, as has happened previously or in the future** , we will lose market share and our operating results will be adversely affected. In particular, we believe that we will need to develop new products in part to respond to changing dynamics and trends in our end user markets, including (among other trends) consolidation among cable and satellite operators, potential industry shifts away from the hardware devices and other technologies that incorporate certain of our products, **advances in artificial intelligence,** and changes in consumer television viewing habits and how consumers access and receive broadcast content and digital broadband services. We cannot predict how these trends will continue to develop or how or to what extent they may affect our future revenues and operating results. We believe that we will need to continue to make substantial investments in research and development in an attempt to ensure a product roadmap that anticipates these types of changes; however, we cannot provide any assurances that we will accurately predict the direction in which our markets will evolve or that we will be able to develop, market, or sell new products that respond to such changes successfully or in a timely manner, if at all. Our revenue is generated on the basis of shipments of products under purchase orders with our customers rather than long- term purchase commitments. In addition, our customers can **and have requested to** cancel purchase orders or defer the shipments of our products under certain circumstances. Our products are manufactured using a silicon foundry according to our estimates of customer demand, which requires us to make separate demand forecast assumptions for every customer, each of which may introduce significant variability into our aggregate estimate. We have limited visibility into future customer demand and the product mix that our customers will require, which has in the past affected and could in the future adversely affect our revenue forecasts and operating margins. **Also, as customer lead times continue to improve, we have seen and expect to continue to see a more normalized demand- planning horizon. While we expect inventory to remain elevated in the near term, we expect that channel inventory will continue to decline thereafter.** Moreover, because our target markets are relatively new, many of our customers have difficulty accurately forecasting their product requirements and estimating the timing of their new product introductions, which ultimately affects their demand for our products. Historically, because of this limited visibility, actual results have been different from our forecasts of customer demand. Some of these differences have been material ~~, leading~~ **which has led to and could continue to lead** to excess inventory or product shortages and revenue and margin forecasts above those we were actually able to achieve. These differences may occur in the future, and the adverse impact of these differences between forecasts and actual results could grow if we are **not** successful in ~~selling in and~~ expanding the customer base for our products. In addition, the rapid pace of innovation in our industry could render significant portions of our inventory obsolete. Excess or obsolete inventory levels could result in unexpected expenses or increases in our reserves that could adversely affect our business, operating results and financial condition. Conversely, if we were to underestimate customer demand or if sufficient manufacturing capacity were unavailable, we could forego revenue opportunities, potentially lose market share and damage our customer relationships. In addition, any significant future cancellations or deferrals of product orders or the return of previously sold products due to manufacturing defects could materially and adversely impact our profit margins, increase our write- offs due to product obsolescence and restrict our ability to fund our operations. Our operating history had historically focused on developing integrated circuits for specific applications and more recently, the wired whole- home broadband connectivity market and markets for wireless telecommunications infrastructure and power management and interface technologies which are ubiquitous functions in wireless and wireline communications infrastructure, broadband access, industrial, enterprise network, and automotive applications. As part of our growth strategy, we seek to expand our addressable market into new product categories. For example, we expanded into the markets for Wi- Fi, Ethernet and Broadband Gateway Processor SoCs and intellectual property that utilizes patented machine learning techniques to improve signal integrity and power efficiency in SoCs, ASICs, and FPGAs used in next- generation communication and artificial intelligence systems. Our limited operating experience in new markets or potential markets we may enter, combined with the rapidly evolving nature of our markets in general, substantial uncertainty concerning how these markets may develop and other factors beyond our control reduces our ability to accurately forecast quarterly or annual revenue. If our revenue does not increase as anticipated, we could incur significant losses due to our higher expense levels if we are not able to decrease our expenses in a timely manner to offset any shortfall in future revenue. ~~Our customers require our products and our third- party contractors to undergo a lengthy and expensive qualification process which does not assure product sales.~~ Prior to purchasing our products, our customers require that both our products and our third- party contractors undergo extensive qualification processes, which involve testing of the products in the customer' s system and rigorous reliability testing. This qualification process may continue for six months or more. However, qualification of a product by a customer does not assure any sales of the product to that customer. Even after successful qualification and sales of a product to a customer, a subsequent revision to our solutions, or changes in our customer' s manufacturing process or our selection of a new supplier may require a new qualification process, which may result in delays and in us holding excess or obsolete inventory. After our products are qualified, it can take six months or more before the customer commences volume production of components or devices that incorporate our products. Despite these uncertainties, we devote substantial resources, including design, engineering, sales, marketing and management efforts, to qualifying our products with customers in anticipation of sales. If we are unsuccessful or delayed in qualifying any of our products with a customer, sales of this product to the customer may be precluded or delayed, which may result in a decrease in our revenue and cause our business to suffer. Winning business is subject to lengthy competitive selection processes that require us to incur significant expenditures. Even if we begin a product design, customers may decide to cancel or change their product plans, which could cause us to generate no revenue from a product and adversely affect our results of operations. We are focused on securing design wins to develop RF receivers and RF receiver SoCs, MoCA and G. hn SoCs, DBS- ODU SoCs, physical medium devices for optical modules, interface and power management devices, and SoC solutions targeting infrastructure opportunities within the telecommunications, wireless, industrial and multimarket and Wi- Fi and broadband operator markets for use in our customers' products. These selection processes typically are lengthy and can require us to incur significant design and development expenditures and dedicate scarce engineering resources in pursuit of a single customer opportunity. We may not win the competitive selection process and may never generate any revenue despite incurring significant design and development expenditures. These risks are exacerbated by the fact that some of our customers' products likely will have short life cycles. Although this has not occurred to date, failure to obtain a design win could prevent us from offering an entire generation of a product. This could cause us to lose revenue and require us to write off obsolete inventory, and could weaken our position in future competitive selection processes. After securing a design win, we may experience delays in generating revenue from our products as a result of the lengthy development cycle typically required. Our customers generally take a considerable amount of time to evaluate our products. The typical time from early engagement by our sales force to actual product introduction runs from nine to twelve months for the ~~consumer~~ **broadband and communications** market ~~, to as much as 18 to 24 months for the satellite markets~~ , and 36 months or longer for industrial, wired and wireless infrastructure markets. The delays inherent in these lengthy sales cycles increase the risk that a customer will decide to cancel, curtail, reduce or delay its product plans, causing us to lose anticipated sales. In addition, any delay or cancellation of a customer' s plans could materially and adversely affect our financial results, as we may have incurred significant expense and generated no revenue. Finally, our customers' failure to successfully market and sell their products could reduce demand for our products and materially and adversely affect our business, financial condition and results of operations. If we were unable to generate revenue after incurring substantial expenses to develop any of our products, our business would suffer. Our operating results are subject to substantial quarterly...... our business and operating results. Our business is subject to various international and U. S. laws and governmental regulations, and compliance with these laws and regulations may cause us to incur significant expenses. A failure to maintain compliance with applicable laws and regulations could result in a material adverse effect on our business and operating results, and we could be subject to civil or criminal penalties. Our business is subject to various laws and regulations in the United States and other jurisdictions where we do business, including but not limited to laws, regulations and other legal requirements related to packaging; product content; labor and employment; ~~imports~~ - **import and customs** ; export controls; anti- corruption; personal and data privacy; cybersecurity; human rights; conflict minerals; environment, health and safety; competition and antitrust; and intellectual property ownership and infringement. These laws and regulations are complex, change frequently and with little or no notice, occasionally are conflicting or ambiguous, and have generally become more stringent over time. ~~We~~ **Complying with these laws and regulations can be costly and we** may be required to incur significant costs to ~~comply with these laws and regulations or to~~ remedy **any potential gaps or** violations **that are identified** . In addition, because many of our products are regulated or sold into regulated industries, we must comply with additional regulations in marketing our products. Although our policies, **procedures, and** controls ~~, and procedures~~ are designed to **detect and prevent potential violations and** maintain ongoing compliance with applicable laws, we cannot assure you that we have been or will be at all times in compliance with such laws and regulations. If we violate or fail to comply with any of them, a range of consequences could result, including fines, import / export restrictions, sales limitations, criminal and civil liabilities or other sanctions. The costs of complying with these laws (including the costs of any investigations, **remediation,** auditing and monitoring) could adversely affect our current or future business. As indicated elsewhere in this report, we do a substantial portion of our business in Asia and particularly in China. **Since October 2022, the United States has taken steps to restrict the export of certain advanced semiconductor products and technology to the People' s Republic of China as well as a number of specific Chinese companies, due to national security and human rights concerns.** There has **also** been a substantial focus by regulators in the United States and Europe on the business practices of certain major Chinese technology companies. ~~In~~ **Complying with changing export control laws may require us to develop additional policies, procedures, and controls, or incur additional costs, including in connection with the development or performance of additional due diligence in order to prevent diversion of restricted products or technology to China, Russia, or other destinations. Compliance with these laws and regulations may also result in the loss of revenue. Since** October 2022, we **have** restricted shipments and exports to certain major Chinese technology companies, including a semiconductor foundry and OSAT providers. While we intend to continue to conduct our businesses in compliance with all applicable laws, including laws relating to export controls and anti- corruption, it is possible that the nature of our business and customers could result in a review of our relationships and practices by regulatory authorities. ~~We~~ **At times, we may discover issues that we bring to the attention of the relevant government agencies, as we did on March 3, 2023, when we submitted a comprehensive voluntary self- disclosure to BIS regarding the potential EAR violation described above and other potential export control violations. Although the March 2023 voluntary self-disclosure to BIS resulted in a warning letter, we** could incur increased administrative and legal costs in order to **remediate any potential compliance gaps or violations, to** respond to any inquiries, **or in connection with the preparation** and **submission of** any **voluntary self- disclosures to the government agencies, as appropriate. Any** failure to comply with applicable laws could adversely affect our business and operating results. We have implemented policies and procedures, including adoption of an anti- corruption policy and procedures with respect to applicable export control laws, but there can be no assurance that our policies and procedures will prove effective. Our products and operations are also subject to the rules of industrial standards bodies, like the International Standards Organization, as well as regulation by other agencies, such as the U. S. Federal Communications Commission. If we fail to adequately address any of these rules or regulations, our business could be harmed. **In addition, climate change and new or revised rules and regulations related thereto, including regulations with respect to greenhouse gas emissions and regulations enacted by the SEC and recent legislation enacted in California, which may impact our business in numerous ways. Climate change and its effects could lead to further increases in raw material prices or their reduced availability due to, for example, increased frequency and severity of extreme weather events and any supply chain disruptions resulting therefrom, and could cause increased incidence of disruption to the production and distribution of our products and an adverse impact on consumer demand and spending. In recent months, there have been substantial legislative and regulatory developments on climate- related issues, including**

proposed, issued and implemented legislation and rulemakings that would require companies to assess and / or disclose climate metrics, risks, opportunities, policies and practices. For example, in 2022, the SEC proposed climate- related disclosure requirements that would require increased climate change- related disclosure in our periodic reports and other filings with the SEC. The potential impact to us of these legislative and regulatory developments is uncertain at this time, although we expect that the emerging legal and regulatory requirements on climate- related issues will result in additional compliance and may require us to spend significant resources and divert management attention. We cannot be sure that we will be able to successfully adapt our operations in response to any climate- related changes or comply with any increased reporting obligations in a cost- effective manner, and our business, financial condition and results of operations could be materially and adversely affected. We must **also** conform the manufacture and distribution of our semiconductors to various laws and adapt to regulatory requirements in all countries as these requirements change. If we fail to comply with these requirements in the manufacture or distribution of our products, we could be required to pay civil penalties, face criminal prosecution and, in some cases, be prohibited from distributing our products in commerce until the products or component substances are brought into compliance. **Our future success depends on our ability to retain, attract and motivate qualified personnel, including our management, sales and marketing and finance teams, and especially our design and technical staff. In March and October 2023, we initiated reductions of our workforce to align our operational needs with the changes in macroeconomic conditions and the demand environment. These workforce reductions may yield unintended consequences, such as attrition beyond our intended reduction in workforce and reduced employee morale, which may cause our employees who were not affected by the reduction in workforce to seek alternate employment. Employees whose positions were eliminated or those who determine to seek alternate employment may seek employment with our competitors. In addition, our reduction in workforce may adversely impact our ability to implement our business strategy and respond rapidly to any new product, growth or revenue opportunities. Additionally, reductions in workforce may make it more difficult to recruit and retain new employees. If we need to increase the size of our workforce in the future, we may encounter a competitive hiring market due to labor shortages, increased employee turnover, changes in the availability of workers and increased wage costs. Employee litigation related to the reduction of our workforce could be costly and time- consuming. We do not know whether we will be able to attract and retain the required and desirable personnel as we continue to pursue our business strategy. Historically, we have encountered difficulties in hiring and retaining qualified engineers because there is a limited pool of engineers with the expertise required in our field. Competition for these personnel is intense in the semiconductor industry. As the source of our technological and product innovations, our design and technical personnel represent a significant asset. In addition, in making employment decisions, particularly in the high- technology industry, job candidates often consider the value of the stock- based compensation they are to receive in connection with their employment.** We have **experienced fluctuations** ~~been and may in the future be subject to information technology failures~~ , including **declines** ~~security breaches~~ , **in the market price of** ~~cyber- attacks, design defects or~~ **our stock** system failures, that could disrupt our...... or that may continue undetected for an **and reductions in force** ~~extended period of time. Geopolitical tensions or conflicts may create heightened risk of cyber- attacks. Our information technology infrastructure also includes products and services provided by third parties, and these providers can experience breaches of their systems and products, or provide inadequate updates or support,~~ which can impact the security of our systems...... information systems at critical points in time could adversely affect **our ability to attract, motivate or retain key employees. In addition, our future performance also depends on** the ~~timely~~ **continued services** and ~~efficient operation~~ **continuing contributions** of **our senior management to execute** our business **plan** ~~. Any delayed sales, significant costs or lost customers resulting from these technology failures could adversely affect our business, operations~~ and **to** ~~financial results. We also may face difficulties or delays in identifying~~ --- **identify** and ~~remediating~~ **pursue new opportunities** and ~~otherwise responding to any security breach~~ **product innovations. Our employment arrangements with** ~~or~~ **our employees do not generally require** ~~incident. From time- to- time, we upgrade software~~ that **they continue to** ~~we use in our business, including our enterprise resource planning, or ERP, system. Our business may be disrupted if our software does not~~ work as planned or if we experience issues...... parties to store and otherwise process data for us **for any specified period,** ~~. We are dependent on the information security systems of these third parties~~ and **therefore,** they ~~face substantial security risks similar to~~ **could terminate their employment with us at any time. The loss of** ~~those~~ -- **the** ~~outlined above. Any security breaches~~ **services of one or more of** ~~or~~ **our** ~~incidents~~ **key employees, especially** ~~or~~ **our management and key design and technical personnel, or our inability to retain, attract and motivate qualified design and technical and** other ~~unauthorized access by third parties to the systems of our suppliers, service providers, or other third parties with access to our sensitive data, or the existence of computer viruses, ransomware or other malicious code in their data, software, or hardware, could result in disruptions or failures of systems used in our business and expose us to a risk of loss, misappropriation, unavailability and other unauthorized processing of information. Any of the foregoing, or the perception any of them has occurred, could have a material adverse impact on our business, operations and financial results. Additionally, we cannot be certain that our insurance coverage will be adequate or otherwise protect us with respect to claims, expenses, fines, penalties, business loss, data loss, litigation, regulatory actions, or other impacts arising from any of the security breaches or incidents outlined above, or that such coverage will continue to be available on acceptable terms or at all. Any of these results could adversely affect our business, operations and financial results, potentially in a material manner. We are subject to governmental laws, regulations and other legal obligations related to privacy, data protection, and cybersecurity. The legislative, enforcement policy and regulatory framework for privacy, data protection and cybersecurity issues worldwide is rapidly evolving and complex and is likely to remain uncertain for the foreseeable future. We collect and otherwise process personal~~ **personnel** ~~data and other data as part of our business processes and activities. This data is subject to a variety of U. S. and international laws and regulations~~ , including oversight by various regulatory or other...... our business practices, all of which could have a material adverse effect on our business ~~. Any inability~~ , ~~or perceived inability, to adequately address privacy and data protection concerns, or to comply with applicable laws, regulations, policies, industry standards, contractual obligations or other legal obligations, even if unfounded, could result in additional cost and liability to us, damage our reputation, inhibit sales and have a material adverse effect on our business, results of operations, and~~ financial condition **and results of operations** . Our ~~products must conform to industry standards in order to be accepted~~ **future success also depends on the continued contributions of our senior management team and other key personnel. None of our senior management team or other key personnel is bound** by **written employment contracts to remain** ~~end users in our markets. Generally, our products comprise only a part or parts of a communications device. All components of these devices must uniformly comply~~ with ~~industry standards~~ **us for a specified period. In addition, we have not entered into non- compete agreements with members of our senior management team or other key personnel, except** in ~~order~~ **limited circumstances (e. g., in connection with the acquisition of other companies). We are fortunate that many members of our senior management team have long tenures with us, but from time** to **time we also have been required to recruit new members of senior management. With respect to recruitment and retention of senior management, we need to ensure that our compensation programs provide sufficient recruitment and retention incentives as well as incentives to achieve our long- term strategic business and financial objectives. We expect competition for individuals with our required skill sets, particularly technical and engineering skills, to remain intense even in weak global macroeconomic environments. The loss of any member of our senior management team or other key personnel could harm our ability to implement our business strategy and respond to the rapidly changing market conditions in which we** operate ~~efficiently together. We depend on companies that provide other components of the devices to support prevailing industry standards. Many of these companies are significantly larger and more influential in driving industry standards than we are. Some industry standards may not be widely adopted or implemented uniformly, and competing standards may emerge that may be preferred by our customers or end users. If larger companies do not support the same industry standards that we do, or if competing standards emerge, market acceptance of our products could be adversely affected, which would harm our business. Products for communications applications are based on industry standards that are continually evolving. Our ability to compete in the future will depend on our ability to identify and ensure compliance with these evolving industry standards. The emergence of new industry standards could render our products incompatible with products developed by other suppliers. As a result, we could be required to invest significant time and effort and to incur significant expense to redesign our products to ensure compliance with relevant standards. If our products are not in compliance with prevailing industry standards for a significant period of time, we could miss opportunities to achieve crucial design wins. We may not be successful in developing or using new technologies or in developing new products or product enhancements that achieve market acceptance. Our pursuit of necessary technological advances may require substantial time and expense~~ . As of December 31, ~~2022~~ **2023** , our aggregate indebtedness was $ 125. 0 million **, and we are subject to a variable amount of interest on the principal balance of our credit agreements and could continue to be adversely impacted by rising interest rates in the future** . Such indebtedness adversely affects our operating results and cash- flows as we satisfy our underlying interest and principal payment obligations and contains financial and operational covenants that could adversely affect our operational freedom or ability to pursue strategic transactions that we would otherwise consider to be in the best interests of stockholders, including obtaining additional indebtedness to finance such transactions. **In addition, rising interest rates may make it more difficult for us, our customers, and our distributors to obtain financing and service our respective interest and debt obligations, which in turn has an impact on customer demand for our products and our distributors' business.** As of December 31, ~~2022~~ **2023** , our aggregate indebtedness was $ 125. 0 million from an initial secured term B loan facility, or the Initial Term Loan under the June 23, 2021 Credit Agreement. The June 23, 2021 Credit Agreement also provides for a revolving credit facility of up to $ 100. 0 million, or the Revolving Facility, which remains undrawn as of December 31, ~~2022~~ **2023** . The credit agreement also permits us to request incremental loans in an aggregate principal amount not to exceed the sum of an amount equal to the greater of (x) $ 175. 0 million and (y) 100 % of " Consolidated EBITDA " (as defined in such agreement), plus the amount of certain voluntary prepayments, plus an unlimited amount that is subject to pro forma compliance with certain first lien net leverage ratio, secured net leverage ratio and total net leverage ratio tests. The **June 23, 2021 Credit Agreement was amended on June 29, 2023 to implement a benchmark replacement. The** Initial Term Loan under the June 23, 2021 Credit Agreement has a seven- year term expiring in June 2028 and bears interest at either an Adjusted ~~LIBOR~~ **Term SOFR** plus a fixed applicable margin of 2. 25 % or an Adjusted Base Rate plus a fixed applicable margin of 1. 25 %, at our option. Commencing on September 30, 2021, the Initial Term Loan under the June 23, 2021 Credit Agreement ~~will amortize~~ **amortizes** in equal quarterly installments equal to 0. 25 % of the original principal amount, with the balance payable on June 23, 2028. We are subject to commitment fees ranging from 0. 175 % to 0. 25 % on the undrawn portion of the Revolving Facility, and any outstanding loans under the Revolving Facility will bear interest at either an Adjusted ~~LIBOR~~ **Term SOFR** plus a margin of 1. 00 % to 1. 75 % or an Adjusted Base Rate plus a margin of 0 % to 0. 75 %. Our obligations under the June 23, 2021 Credit Agreement are required to be guaranteed by certain of our domestic subsidiaries meeting materiality thresholds set forth in the credit agreement. Such obligations, including the guaranties, are secured by substantially all of our assets and those of the subsidiary guarantors. Our material indebtedness adversely affects our operating expenses through increased interest payment obligations and adversely affects our ability to use cash generated from operations as we repay interest **at a variable rate, which has been increasing,** and principal under the term loans. In addition, the Revolving Facility provisions under the June 23, 2021 Credit Agreement include financial covenants such as an initial maximum secured net leverage ratio of 3. 5 to 1, which temporarily increases to 3. 75 to 1 following the consummation of certain material permitted acquisitions, and operational covenants that may adversely affect our ability to engage in certain activities, including obtaining additional financing, granting liens, undergoing certain fundamental changes, or making investments or certain restricted payments, and selling assets, and similar transactions, without obtaining the consent of the lenders, which may or may not be forthcoming. The Initial Term Loan under the June 23, 2021 Credit Agreement is only subject to operational covenants. Lastly, our borrowing costs can be affected by periodic credit ratings from independent rating agencies. Such ratings are largely based on our performance, which may be measured by credit metrics such as leverage and interest coverage ratios. Accordingly, outstanding indebtedness could adversely affect our operational freedom or ability to pursue strategic transactions that we would otherwise consider to be in the best interests of stockholders, including obtaining additional indebtedness to finance such transactions. Specifically, our indebtedness ~~has~~ **and rising interest rates have** important consequences to investors in our common stock, including the following: • we are subject to variable interest rate risk because our interest rate under the Initial Term Loan under the June 23, 2021 Credit Agreement varies based on a fixed margin of 2. 25 % per annum over an adjusted ~~LIBOR~~ **Term SOFR** rate or 1. 25 % per annum over an adjusted base rate and our interest rate for any outstanding principal under the revolving credit facility varies based a margin of 0 % to 0. 75 % over adjusted base rate or a margin of 1. 00 % to 1. 75 % over an adjusted ~~LIBOR~~ **Term SOFR** rate, and we are also subject to commitment fees ranging from 0. 175 % to 0. 25 % on the undrawn portion of the Revolving Facility. If interest rates were to **continue to** increase substantially, it would adversely affect our operating results and could affect our ability to service our indebtedness; ~~• a portion of our cash flows is dedicated to the payment of interest and when applicable, principal, on our indebtedness and other obligations and will not be available for use in our business; • our level of indebtedness could limit our flexibility in planning for, or reacting to, changes in our business and the markets in which we operate, including limiting our future investments or ability to enter into acquisitions and strategic partnerships; and • our high degree of indebtedness may make us more vulnerable to changes in general economic conditions and / or a downturn in our business, thereby making it more difficult for us to satisfy our obligations.~~ If we fail to make required debt payments, or if we fail to comply with financial or other covenants in our debt service agreements, which include a maximum leverage ratio, we would be in default under the terms of these agreements. Subject to customary cure rights, any default would permit the holders of the indebtedness to accelerate repayment of this debt and could cause defaults under other indebtedness that we have, any of which could have a material adverse effect on the trading price of our common stock. We ~~may still incur substantially more debt or take other actions, which would intensify the risks discussed immediately above. We~~ and our subsidiaries may, subject to any limitations in the terms of our existing loan facilities ~~or the Senior Secured Credit Facilities~~ , incur additional debt, secure existing or future debt, recapitalize our debt or take a number of other actions that are not limited by the terms of our term loans that could have the effect of diminishing our ability to make payments under the indebtedness when due. If we incur any additional debt, the related risks that we and our subsidiaries face could intensify. ~~We plan~~ **Please refer** to ~~finance~~ the ~~cash portion of~~ **Risk Factor entitled " If we are required to pay any damages in connection with legal proceedings related to** the **termination** ~~purchase price~~ of the ~~merger~~ **Merger Agreement** with Silicon Motion **, including for any alleged breaches** ~~with approximately $ 3. 5 billion~~ of ~~cash on hand and new debt. In connection with entering into~~ the Merger Agreement, **or if** we ~~entered into a commitment letter~~ **agree to make any payments in any settlement of legal proceedings related to the termination of the Merger Agreement** , ~~dated~~ **the amount of such damages or payments could be significant and require us to draw down on all our existing lines of credit and use our cash resources, which may not be sufficient to satisfy any damages or payments and could have a material adverse effect on our business, operating results, and financial condition. We expect that we may not be able to obtain financing on favorable terms if at all or raise additional capital for any such payments. Even if we are able to finance such payments through the incurrence of additional indebtedness, any material increase in our indebtedness would adversely affect our operating results and cash- flows** as **we satisfy our underlying interest and principal payment obligations. Issuing additional shares** of **our common stock, if material, will result in dilution of existing shares outstanding. Any loan agreement is also expected to contain financial and operational covenants that would adversely affect our operational freedom or ability to pursue strategic transactions that we would otherwise consider to be in the best interests of stockholders, including obtaining additional indebtedness to finance such transactions ". The legislative, enforcement policy and regulatory framework for privacy, data protection and cybersecurity issues worldwide is rapidly evolving and complex and is likely to remain uncertain for the foreseeable future. We collect and otherwise process data, including personal data and other regulated or sensitive data, as part of our business processes and activities. This data is subject to a variety of U. S. and international laws and regulations, including oversight by various regulatory or other governmental bodies. Many foreign countries and governmental bodies, including China, the European Union and other relevant jurisdictions where we conduct business, have laws and regulations concerning the collection and use of personal data, and other data obtained from their residents or by businesses operating within their jurisdictions that are currently more restrictive than those in the U. S. These laws may require that our overall information technology security environment meet certain standards and / or be certified. For example, effective** May ~~5~~ **2018** , ~~2022, and amended on June 17, 2022 and October 24, 2022 with Wells Fargo Bank, N. A. and Wells Fargo Securities, LLC, or collectively, Wells Fargo, pursuant to which, subject to~~ the ~~terms and conditions set forth therein~~ **European Union adopted the General Data Protection Regulation** , **or GDPR, that imposed stringent data protection requirements** ~~Wells Fargo has committed to provide us (i) a senior secured term B loan facility in an~~ **and** ~~aggregate principal amount of up to $ 2. 7375 billion, (ii) a senior secured term A loan facility in an aggregate principal amount of up to $ 512. 5 million, and (iii) a senior secured revolving credit facility in an aggregate principal amount of up to $ 250. 0 million. The funding of these secured credit facilities~~ provided for **greater penalties for noncompliance. The United Kingdom has adopted legislation that substantially implements the GDPR and provides for a similar penalty structure. Similarly, California has adopted the California Consumer Privacy Act of 2018, or CCPA, which took effect** in **2020. The CCPA gives California residents the right to access, delete and opt out of certain sharing of** ~~the~~ **their** ~~commitment letter~~ **information, and imposes penalties for failure to comply. California has adopted a new law, the California Privacy Rights Act of 2020, or CPRA, that substantially expands the CCPA and was effective as of January 1, 2023. Additionally, other U. S. states continue to propose privacy- focused legislation, and**

such legislation has been passed in over ten states to date. In 2021, the National People' s Congress passed the Data Security Law of the People' s Republic of China, or the Data Security Law. The Data Security Law is the first comprehensive data security legislation in the People ~~'~~**'** s Republic of China,or China,and aims to regulate a wide range of issues in relation to the collection,storage,processing,use,provision,transaction and publication of any kind of data.There is significant uncertainty in how regulators will interpret and enforce the law,but it contains provisions that allow substantial government oversight and include fines for failure to obtain required approval from China' s cyber and data protection regulators for cross- border personal data- related data transfers.The laws outlined above are only a sample of the governmental laws,regulations and other legal obligations related to privacy,data protection,and cybersecurity to which we are subject.Various aspects of these laws,including their interpretation and enforcement,remain unclear,resulting in further uncertainty and potentially requiring us to modify our data practices and policies and to incur substantial additional costs and expenses in an effort to comply.Because the interpretation and application of many such laws and regulations,remain uncertain and ~~contingent -~~ - **continue to evolve, it is possible that these laws and regulations may be interpreted and applied in a manner that is inconsistent with our data management practices or the features of our products or solutions, and we could face fines, lawsuits, regulatory investigations, and other claims and penalties, and we could be required to fundamentally change our products or our business practices, all of which could have a material adverse effect** on ~~the satisfaction of customary conditions~~ **our business. Any inability** , ~~including (i) the execution~~ **or perceived inability, to adequately address privacy** and ~~delivery of definitive documentation~~ **data protection concerns, or to comply** with ~~respect to such credit facilities~~ **applicable laws, regulations, policies, industry standards, contractual obligations or other legal obligations, even if unfounded, could result** in ~~accordance~~ **additional cost and liability to us, damage our reputation, inhibit sales and have a material adverse effect on our business, results of operations, and financial condition. Generally, our products comprise only a part or parts of a communications device. All components of these devices must uniformly comply** with **industry standards in order to operate efficiently together. We depend on companies that provide** ~~the~~ **other** ~~terms sets forth in~~ **components of the devices to support prevailing industry standards. Many of** ~~the~~ **these** ~~commitment letter~~ **companies are significantly larger** and ~~(ii) the consummation of the~~ **more influential in driving industry standards than we are. Some industry standards may not be widely adopted or implemented uniformly, and competing standards may** ~~merger -~~ **emerge that may be preferred by our customers or end users. If larger companies do not support the same industry standards that we do, or if competing standards emerge, market acceptance of our products could be adversely affected, which would harm our business. Products for communications applications are based on industry standards that are continually evolving. Our ability to compete** in ~~accordance~~ **the future will depend on our ability to identify and ensure compliance** with ~~the~~ **these** ~~Merger Agreement~~ **evolving industry standards** . ~~In addition to~~ **The emergence of new industry standards could render** our ~~pending merger~~ **products incompatible** with ~~Silicon Motion~~ **products developed by other suppliers. As a result** , we **could be required to invest significant time and effort and to incur significant expense to redesign our products to ensure compliance with relevant standards. If our products are not in compliance with prevailing industry standards for a significant period of time, we could miss opportunities to achieve crucial design wins. We** may ~~, from~~ **not be successful in developing or using new technologies or in developing new products or product enhancements that achieve market acceptance. Our pursuit of necessary technological advances may require substantial** time **and expense** ~~to time, make additional business acquisitions or investments, which involve significant risks~~ . We have completed multiple acquisitions in the past ~~seven~~ **eight** years. We may also enter into alliances or make investments in other businesses to complement our existing product offerings, augment our market coverage or enhance our technological capabilities. Any such transactions **has resulted and** could result in: • issuances of equity securities dilutive to our existing stockholders; • substantial cash payments; • the incurrence of substantial debt and assumption of unknown liabilities; • large one- time write- offs; • amortization expenses related to intangible assets; • a limitation on our ability to use our net operating loss carryforwards; • the diversion of management ~~'~~**'** s time and attention from operating our business to acquisition integration challenges; • stockholder or other litigation relating to the transaction; • adverse tax consequences; • costs and expenses associated with any undisclosed or potential liabilities; and • the potential loss of, or ability to attract, key personnel, customers and suppliers of the acquired businesses. To the extent we pay the purchase price of any acquisition or investment in cash or through borrowings under our Revolving Facility, it would reduce our cash balances and / or result in indebtedness we must service, which may have a material adverse effect on our business and financial condition. If the purchase price is paid with our stock, it would be dilutive to our stockholders. In addition, we may assume liabilities associated with a business acquisition or investment, including unrecorded liabilities that are not discovered at the time of the transaction, and the repayment of those liabilities may have a material adverse effect on our financial condition. Integrating acquired organizations and their products and services, including the integration of completed acquisitions, may be expensive, time- consuming and a strain on our resources and our relationships with employees, customers, distributors and suppliers, and ultimately may not be successful. The benefits or synergies we may expect from the acquisition of complementary or supplementary businesses may not be realized to the extent or in the time frame we initially anticipate. Some of the risks that may affect our ability to successfully integrate acquired businesses include those associated with: • failure to successfully further develop the acquired products or technology; • conforming the acquired company' s standards, policies, processes, procedures and controls with our operations; • coordinating new product and process development, especially with respect to highly complex technologies; • loss of key employees or customers of the acquired business; • hiring additional management and other key personnel; • in the case of foreign acquisitions, the need to integrate operations across different cultures and languages and to address the particular economic, currency, political and regulatory risks associated with specific countries; • increasing the scope, geographic diversity and complexity of our operations; • consolidation of facilities, integration of the acquired businesses ~~'~~**'** accounting, human resource and other administrative functions and coordination of product, engineering and sales and marketing functions; • the geographic distance between the businesses; • liability for activities of the acquired businesses before the acquisition, including patent and trademark infringement claims, violations of laws, commercial disputes, tax liabilities and other known and unknown liabilities; and • litigation or other claims in connection with the acquired businesses, including claims for terminated employees, customers, former stockholders or other third parties. We may not be able to identify suitable acquisition or investment candidates, or even if we do identify suitable candidates, they may be difficult to finance, expensive to fund and there is no guarantee that we can obtain any necessary ~~regulatory~~ **antitrust** approvals or complete such transactions on terms that are favorable to us. We have in the past been and may in the future be party to ligation related to acquisitions. Any adverse determination in litigation resulting from acquisitions could have a material adverse effect on our business and operating results ~~.~~ ~~We have settled in the past intellectual property litigation, are currently facing, and may in the future face additional claims of intellectual property infringement. Any current or future litigation could be time- consuming, costly to defend or settle and result in the loss of significant rights~~ . The semiconductor industry is characterized by companies that hold large numbers of patents and other intellectual property rights and that vigorously pursue, protect and enforce intellectual property rights. Third parties have in the past and may in the future assert against us and our customers and distributors their patent and other intellectual property rights to technologies that are important to our business. **For example, we were recently involved in a litigation with Bell Semiconductor, which has since been settled pursuant to a Settlement and Patent License Agreement.** In ~~particular~~ **addition** , from time to time, we receive correspondence from competitors and other third parties seeking to engage us in discussions concerning potential claims against us, and we receive correspondence from customers seeking indemnification for potential claims related to infringement claims asserted against down- stream users of our products. We investigate these requests and claims as received and could be required to enter license agreements with respect to third party intellectual property rights or indemnify third parties, either of which could have a material adverse effect on our future operating results. Claims that our products, processes or technology infringe third- party intellectual property rights, regardless of their merit or resolution are costly to defend or settle and could divert the efforts and attention of our management and technical personnel. In addition, many of our customer and distributor agreements require us to indemnify and defend our customers or distributors from third- party infringement claims and pay damages and attorneys' fees in the case of adverse rulings. Claims of this sort also could harm our relationships with our customers or distributors and might deter future customers from doing business with us. In order to maintain our relationships with existing customers and secure business from new customers, we have been required from time to time to provide additional assurances beyond our standard terms. If any of our current or future proceedings result in an adverse outcome, we could be required to: • cease the manufacture, use or sale of the infringing products, processes or technology; • pay substantial damages, indemnification expenses and attorneys' fees; • expend significant resources to develop non- infringing products, processes or technology; • license technology from the third- party claiming infringement, which license may not be available on commercially reasonable terms, or at all; • cross- license our technology to a competitor to resolve an infringement claim, which could weaken our ability to compete with that competitor; or • pay substantial damages to our customers or end users to discontinue their use of or to replace infringing technology sold to them with non- infringing technology. Any of the foregoing results could have a material adverse effect on our business, financial condition, and results of operations. We utilize a significant amount of intellectual property in our business. If we are unable to protect our intellectual property, our business could be adversely affected. Our success depends in part upon our ability to protect our intellectual property. To accomplish this, we rely on a combination of intellectual property rights, including patents, copyrights, trademarks and trade secrets in the United States and in selected foreign countries where we believe filing for such protection is appropriate. Effective patent, copyright, trademark and trade secret protection may be unavailable, limited or not applied for in some countries. Some of our products and technologies are not covered by any patent or patent application. We cannot guarantee that: • any of our present or future patents or patent claims will not lapse or be invalidated, circumvented, challenged or abandoned; • our intellectual property rights will provide competitive advantages to us; • our ability to assert our intellectual property rights against potential competitors or to settle current or future disputes will not be limited by our agreements with third parties; • any of our pending or future patent applications will be issued or have the coverage originally sought; • our intellectual property rights will be enforced in jurisdictions where competition may be intense or where legal protection may be weak; • any of the trademarks, copyrights, trade secrets or other intellectual property rights that we presently employ in our business will not lapse or be invalidated, circumvented, challenged or abandoned; or • we will not lose the ability to assert our intellectual property rights against or to license our technology to others and collect royalties or other payments. In addition, our competitors or others may design around our protected patents or technologies. Effective intellectual property protection may be unavailable or more limited in one or more relevant jurisdictions relative to those protections available in the United States, or may not be applied for in one or more relevant jurisdictions. If we pursue litigation to assert our intellectual property rights, an adverse decision in any of these legal actions could limit our ability to assert our intellectual property rights, limit the value of our technology or otherwise negatively impact our business, financial condition and results of operations. Monitoring unauthorized use of our intellectual property is difficult and costly. Unauthorized use of our intellectual property may have occurred or may occur in the future. Although we have taken steps to minimize the risk of this occurring, any such failure to identify unauthorized use and otherwise adequately protect our intellectual property would adversely affect our business. Moreover, if we are required to commence litigation, whether as a plaintiff or defendant as has occurred in the past, not only will this be time- consuming, but we will also be forced to incur significant costs and divert our attention and efforts of our employees, which could, in turn, result in lower revenue and higher expenses. We also rely on customary contractual protections with our customers, suppliers, distributors, employees and consultants, and we implement security measures to protect our trade secrets. We cannot assure you that these contractual protections and security measures will not be breached, that we will have adequate remedies for any such breach or that our suppliers, employees or consultants will not assert rights to intellectual property arising out of such contracts. **For example, as described in Part I, Item 3 — Legal Proceedings –**

Comcast Litigation, Comcast shared our proprietary designs with our direct competitor. Comcast then worked with our competitor to develop the FDX- amplifier technology. We have brought claims for trade secret misappropriation, unfair competition, and breach of the parties' non- disclosure agreement, and sought an unspecified amount of compensatory damages, punitive damages, pre- judgment and post- judgment interest, costs, expenses, and attorney fees as well as an injunction against Comcast' s use or disclosure of our trade secrets. However, our claims may not be successful. In addition, we have a number of third- party patent and intellectual property license agreements. Some of these license agreements require us to make one- time payments or ongoing royalty payments. Also, a few of our license agreements contain most-favored nation clauses or other price restriction clauses which may affect the amount we may charge for our products, processes or technology. We cannot guarantee that the third- party patents and technology we license will not be licensed to our competitors or others in the semiconductor industry. In the future, we may need to obtain additional licenses, renew existing license agreements or otherwise replace existing technology. We are unable to predict whether these license agreements can be obtained or renewed or the technology can be replaced on acceptable terms, or at all. When we **originally** settled a trademark dispute with **Analog Devices International Unlimited Company (ADIUC) and its predecessor,** Linear Technology Corporation, we agreed not to register the " MAXLINEAR " mark or any other marks containing the term " LINEAR ". **Pursuant to the original settlement agreement, we agreed not to use the " MAXLINEAR " mark on our products.** We ~~may~~ **have since entered into another settlement agreement with ADIUC that now allows us to use and register the " MAXLINEAR " mark on our products, in addition to** ~~continue~~ **continuing** to use " MAXLINEAR " as a corporate identifier, including to advertise our products and services ~~, but may not use that mark on our products~~ . ~~Due to our agreement not~~ **We have filed trademark applications** to register the " MAXLINEAR " mark **, but prior to approval of the applications and registration of the mark in the relevant jurisdictions** , our ability to effectively prevent third parties from using the " MAXLINEAR " mark in connection with similar products or technology **will be based on our common law rights in the mark, which** may ~~be affected~~ **make enforcement challenging** . If we are unable to protect our trademarks **in certain jurisdictions** , we may experience difficulties in achieving and maintaining brand recognition and customer loyalty ~~. We face risks related to security vulnerabilities~~ in ~~our products~~ **such jurisdictions** . We regularly are subject to security vulnerabilities with respect to our products as well as intellectual property that we purchase or license from third parties for use in our products. Our products are used in application areas that create new or increased cybersecurity and privacy risks, including applications that gather and process large amounts of data, such as the cloud or Internet of Things, and critical infrastructure, payment card applications, and automotive applications. Security features in our products cannot make our products entirely secure, and security vulnerabilities identified in our products have resulted in, and are expected to continue to result in, attempts by third parties to identify and exploit additional vulnerabilities. Vulnerabilities are not always mitigated before they become known. We, our customers, and the users of our products do not always promptly learn of or have the ability to fully assess the magnitude or effects of a vulnerability, including the extent, if any, to which a vulnerability has been exploited. Mitigation techniques designed to address security vulnerabilities, including software and firmware updates or other preventative measures, are not always available on a timely basis, or at all, and at times do not operate as intended or effectively resolve vulnerabilities for all applications. In addition, we are often required to rely on third parties, including hardware, software, and services vendors, as well as our customers and end users, to develop and / or deploy mitigation techniques, and the availability, effectiveness, and performance impact of mitigation techniques can depend solely or in part on the actions of these third parties in determining whether, when, and how to develop and deploy mitigations. We and such third parties make prioritization decisions about which vulnerabilities to address, which can delay, limit, or prevent development or deployment of a mitigation and harm our reputation. Subsequent events or new information can develop that changes our assessment of the impact of a security vulnerability, which can cause certain claims or customer satisfaction considerations, as well as result in litigation or regulatory inquiries or actions over these matters. Security vulnerabilities and / or mitigation techniques can result in adverse performance or power effects, reboots, system instability or unavailability, loss of functionality, non- compliance with standards, data loss or corruption, unpredictable system behavior, decisions by customers, regulators and end users to limit or change the applications in which they use our products or product features, and / or the misappropriation of data by third parties. Security vulnerabilities and any limitations or adverse effects of mitigation techniques can adversely affect our results of operations, financial condition, customer relationships, prospects, and reputation in a number of ways, any of which may be material ~~. The use of open source software in our products, processes and technology may expose us to additional risks and harm our intellectual property~~ . Our products, processes and technology sometimes utilize and incorporate software that is subject to an open source license. Open source software is typically freely accessible, usable and modifiable. Certain open source software licenses require a user who intends to distribute the open source software as a component of the user' s software to disclose publicly part or all of the source code to the user' s software. In addition, certain open source software licenses require the user of such software to make any derivative works of the open source code available to others on unfavorable terms or at no cost. This can subject previously proprietary software to open source license terms. While we monitor the use of all open source software in our products, processes and technology and try to ensure that no open source software is used in such a way as to require us to disclose the source code to the related product, processes or technology when we do not wish to do so, such use could inadvertently occur. Additionally, if a third party software provider has incorporated certain types of open source software into software we license from such third party for our products, processes or technology, we could, under certain circumstances, be required to disclose the source code to our products, processes or technology. This could harm our intellectual property position and have a material adverse effect on our business, results of operations and financial condition. Risks Relating to Reliance on Third- Parties We do not have our own manufacturing facilities and rely on a limited number of third parties to manufacture, assemble, and test our products. The failure to manage our relationships with our third- party contractors successfully, or impacts from volatility in global supply, natural disasters, public health crises, or other labor stoppages in the regions where such contractors operate, could adversely affect our ability to market and sell our products. We operate an outsourced manufacturing business model that utilizes third- party foundry and assembly and test capabilities. As a result, we rely on third- party foundry wafer fabrication, including sole sourcing for many components or products. Currently, ~~the majority~~ **a large portion** of our products are manufactured by **Advanced** Semiconductor **Engineering** ~~Manufacturing International Corporation~~ , or ~~SMIC~~ **ASE** , ~~Taiwan Semiconductor Manufacturing Company, Limited, or~~ TSMC, and United Microelectronics Corporation, or UMC, at foundries located in Taiwan, Singapore, and China. We also rely on Intel Corporation, or Intel, for certain products on a turnkey basis under a supply agreement with an initial term of five years. We also use third- party contractors for all of our assembly and test operations. Relying on third party manufacturing, assembly and testing presents significant risks to us, including the following: • capacity shortages during periods of high demand or from events beyond our control or inventory oversupply during periods of decreased demand. For example, we ~~believe~~ **have experienced and could continue to experience** inventory oversupply **in certain of our products** due to changes in customer demand ~~will~~ **which has** ~~add~~ **added** to volatility in managing the business. Inventory oversupply **has also led and** could ~~also~~ **continue to** lead to inventory write- downs, including charges for any excess or obsolete inventory **,** which could negatively impact our gross margins; • failure by us, our customers, or their end customers to qualify a selected supplier; • reduced control over delivery schedules and quality; • shortages of materials; • misappropriation of our intellectual property; • limited warranties on wafers or products supplied to us; ~~and~~ • potential increases in prices **; and • our use of foundry partners who are currently subject to BIS restrictions, to manufacture certain of our products may be impaired if one or more of the following were to occur: (1) we are unable to obtain U. S. export licenses authorizing its interactions and technology exchanges with these foundry partners, or (2) if BIS increases export control restrictions to Chinese foundries without the ability for us to obtain a U. S. export license, or (3) U. S. providers of semiconductor manufacturer equipment are unable to export such equipment or related spare or replacement parts used in the manufacture of our products, or obtain a license to export such equipment and parts, to current or future Chinese foundry partners** . The ability and willingness of our third- party contractors to perform is largely outside our control. If one or more of our contract manufacturers or other outsourcers fails to perform its obligations in a timely manner or at satisfactory quality levels, our ability to bring products to market and our reputation could suffer. For example, in the event that manufacturing capacity is reduced or eliminated at one or more facilities, manufacturing could be disrupted, we could have difficulties fulfilling our customer orders and our net revenue could decline. In addition, if these third parties fail to deliver quality products and components on time and at reasonable prices, we could have difficulties fulfilling our customer orders, our net revenue could decline and our business, financial condition and results of operations would be adversely affected. Additionally, our product shipment and manufacturing capacity may be similarly reduced or eliminated at one or more facilities due to the fact that the majority of our fabrication and assembly and test contractors are all located in the Pacific Rim region, principally in China, Taiwan, and Singapore. The risk of earthquakes in these geographies is significant due to the proximity of major earthquake fault lines, and Taiwan in particular is also subject to typhoons and other Pacific storms, and more recently, a drought impacting the water supply which chip manufacturers rely upon to fabricate chip products. Earthquakes, fire, flooding, drought, or other natural disasters in Taiwan or the Pacific Rim region, or political unrest, war, labor strikes, work stoppages or public health crises, such as the outbreak of COVID- 19, in countries where our contractors' facilities are located could result in the disruption of our product shipments, foundry, assembly, or test capacity. ~~For example, as a result of the extension of the lunar new year holidays due to the outbreak of COVID- 19, certain of our product shipments from China were temporarily delayed in the first quarter of 2020. Although we continue to monitor impacts from COVID- 19 globally on our business, it is currently unknown whether any resurgence of the outbreak will occur and disrupt our product shipments or impact manufacturing in the region over future periods.~~ If such disruption were to recur over a prolonged period, it could have a material impact on our revenues and our business. Any disruption resulting from similar events on a larger scale or over a prolonged period could cause significant delays in shipments of our products until we are able to resume such shipments, or shift our manufacturing, assembly, or test from the affected contractor to another third- party vendor, if needed **. If such disruption were to recur over a prolonged period, it could have a material impact on our revenue and business** . There can be no assurance that alternative capacity could be obtained on favorable terms, if at all. We are subject to risks associated with our distributors' product inventories and product sell- through. Should any of our distributors cease or be forced to stop distributing our products, our business would suffer. We currently sell a large portion of our products to customers through our distributors, who maintain their own inventories of our products. Sales to distributors accounted for approximately **50 %,** 46 % ~~,~~ **and** 47 % ~~and 49 %~~ of our net revenue in the ~~years~~ - **year** ended December 31, **2023,** 2022, **and** 2021 ~~and 2020~~ , respectively. Upon shipment of product to these distributors, title to the inventory transfers to the distributor and the distributor is invoiced, generally with 30 to 60 day terms. Distributor sales are also recognized upon shipment to the distributor and estimates of future pricing credits and / or stock rotation rights reduce revenue recognized to the net amount before the actual amounts are known. If our estimates of such credits and rights are materially understated it could cause subsequent adjustments that negatively impact our revenues and gross profits in a future period. If our distributors are unable to sell an adequate amount of their inventories of our products in a given quarter to manufacturers and end users or if they decide to decrease their inventories of our products for any reason, our sales through these distributors and our revenue may decline. In addition, if some distributors decide to purchase more of our products than are required to satisfy end customer demand in any particular quarter, inventories at these distributors would grow in that quarter. These distributors could then reduce future orders until inventory levels realign with end customer demand, which **has in the past and** could **in the future** adversely affect our product revenue. Our reserve estimates with respect to the products stocked by our distributors are based principally on reports provided to us by our distributors, typically on a weekly basis. To the extent that this resale and channel inventory data is inaccurate or not received in a timely manner, we may not be able to make reserve estimates accurately or at all. We do not have any long- term supply contracts with our contract manufacturers or suppliers, and any disruption in our supply of products or materials could have a material adverse effect on our business, revenue and operating results. While certain products are supplied to us by Intel on a turnkey basis under the terms of a supply agreement with an initial term of five years, currently we do not have long- term supply contracts with any other third- party vendors, including but, not limited to **ASE** ~~GF, SMIC~~, TSMC, and UMC. We make substantially all of our purchases on a purchase order basis, and our contract manufacturers are not required to supply us products for any specific period or in any specific quantity. Foundry capacity may not be available when we need it or at reasonable prices. Availability of foundry capacity has in the past been reduced from time to time due to strong demand. Foundries can allocate capacity to the production of other companies' products and reduce deliveries to us on short notice. It is possible that foundry customers that are larger and better financed than we are, or that have long- term agreements with our foundry, may induce our foundry to reallocate capacity to them. This reallocation could impair our ability to secure the supply of components that we need. We generally place orders for products with some of our suppliers approximately four to five months prior to the anticipated delivery date, with order volumes based on our forecasts of demand from our customers. Accordingly, if we inaccurately forecast demand for our products, we may be unable to obtain adequate and cost- effective foundry or assembly capacity from our third- party contractors to meet our customers' delivery requirements, which could harm our reputation and customer relationships, or we may accumulate excess inventories. On occasion, we have been unable to adequately respond to unexpected increases in customer purchase orders and therefore were unable to benefit from this incremental demand. None of our third- party contractors has provided any assurance to us that adequate capacity will be available to us within the time required to meet additional demand for our products. We rely on third parties to provide services and technology necessary for the operation of our business. Any failure of one or more of our partners, vendors, suppliers or licensors to provide these services or technology could have a material adverse effect on our business. We rely on third- party vendors to provide critical services, including, among other things, services related to accounting, billing, **compliance, internal audit,** human resources, information technology, network development, network monitoring, in- licensing and intellectual property that we cannot or do not create or provide ourselves. We depend on these vendors to ensure that our corporate infrastructure will consistently meet our business requirements **and legal obligations** . The ability of these third- party vendors to successfully provide reliable and high quality services is subject to technical and operational uncertainties that are beyond our control. While we may be entitled to damages if our vendors fail to perform under their agreements with us, our agreements with these vendors limit the amount of damages we may receive. In addition, we do not know whether we will be able to collect on any award of damages or that these damages would be sufficient to cover the actual costs we would incur as a result of any vendor' s failure to perform under its agreement with us. Any failure of our corporate infrastructure could have a material adverse effect on our business, financial condition and results of operations. Upon expiration or termination of any of our agreements with third- party vendors, we may not be able to replace the services provided to us in a timely manner or on terms and conditions, including service levels and cost, that are favorable to us and a transition from one vendor to another vendor could subject us to operational delays and inefficiencies until the transition is complete. Additionally, we incorporate third- party technology into and with some of our products, and we may do so in future products. The operation of our products could be impaired if errors occur in the third- party technology we use. It may be more difficult for us to correct any errors in a timely manner if at all because the development and maintenance of the technology is not within our control. There can be no assurance that these third parties will continue to make their technology, or improvements to the technology, available to us, or that they will continue to support and maintain their technology. Further, due to the limited number of vendors of some types of technology, it may be difficult to obtain new licenses or replace existing technology. Any impairment of the technology or our relationship with these third parties could have a material adverse effect on our business. ~~Our management team may use our available cash and cash equivalents in ways with which you may not agree or in ways which may not yield a return.~~ We use our cash and cash equivalents for general corporate purposes, including working capital and for repayment of outstanding long- term debt. We may also, in the future, use a portion of our assets to acquire other complementary businesses, products, services or technologies. Our management has considerable discretion in the application of our cash and cash equivalents, and resources, and you will not have the opportunity to assess whether these liquid assets are being used in a manner that you deem best to maximize your return. We may use our available cash and cash equivalents and resources for corporate purposes that do not increase our operating results or market value. In addition, in the future our cash and cash equivalents, and resources may be placed in investments that do not produce significant income or that may lose value ~~. Anti- takeover provisions in our charter documents and under Delaware law could make an acquisition of us more difficult, limit attempts by our stockholders to replace or remove our current management and limit the market price of our common stock~~ . Provisions in our certificate of incorporation and bylaws, as amended and restated, may have the effect of delaying or preventing a change of control or changes in our management. These provisions provide for the following: • authorize our Board of Directors to issue, without further action by the stockholders, up to 25, 000, 000 shares of undesignated preferred stock; • require that any action to be taken by our stockholders be effected at a duly called annual or special meeting and not by written consent; • specify that special meetings of our stockholders can be called only by our Board of Directors, our Chairman of the Board of Directors, or our President; • establish an advance notice procedure for stockholder approvals to be brought before an annual meeting of our stockholders, including proposed nominations of persons for election to our Board of Directors; • establish that our Board of Directors is divided into three classes, Class I, Class II and Class III, with each class serving staggered terms; • provide that our directors may be removed only for cause; • provide that vacancies on our Board of Directors may be filled only by a majority of directors then in office, even though less than a quorum; • specify that no stockholder is permitted to cumulate votes at any election of directors; and • require supermajority votes of the holders of our common stock to amend specified provisions of our charter documents. 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, which is responsible for appointing the members of our management. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which generally restricts a Delaware corporation from engaging in any of a broad range of business combinations with any " interested " stockholder for a period of three years following the date on which the stockholder became an " interested " stockholder. The trading price of our common stock is highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control. For example, in the year ended December 31, ~~2022~~ **2023** , the trading price of our common stock ranged from a low of $ ~~29~~ **13** . ~~27~~ **43** to a high of $ ~~77~~ **43** . ~~57~~ **66** . These factors include those discussed in this " Risk Factors " section of **this** ~~the Annual Report~~ **report** ~~on Form 10- K~~ and others such as: • any developments related to our ~~pending~~ **terminated** merger with Silicon Motion; • actual or anticipated fluctuations in our financial condition and operating results; • overall conditions in the semiconductor market; • addition or loss of significant customers; • changes in laws or regulations applicable to our products, including export controls; • geopolitical changes impacting our business, including with respect to China and Taiwan; • actual or anticipated changes in our growth rate relative to our competitors; • announcements of technological innovations by us or our competitors; • announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures, or capital commitments; • departures of, and inability to attract, qualified key personnel; • competition from existing products or new products that may emerge; • issuance of new or updated research or reports by securities analysts; • fluctuations in the valuation of companies perceived by investors to be comparable to us; • disputes or other developments related to proprietary rights, including patents, litigation matters, and our ability to obtain intellectual property protection for our technologies; • **actions by institutional or activist stockholders; •** acquisitions may not be accretive and may cause dilution to our earnings per share; • announcement or expectation of additional financing efforts; • sales of our common stock by us or our stockholders; and • general economic and market conditions, including the impacts from sanctions against Russia and the military conflict in Ukraine **and Israel** , increased inflationary pressures, interest rate changes, and the global COVID- 19 pandemic. Furthermore, the stock markets have experienced extreme price and volume fluctuations that have affected the market prices of equity securities of many companies. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. These broad market and industry fluctuations, as well as general economic, political, and market conditions such as recessions, interest rate changes or international currency fluctuations, may negatively impact the market price of our common stock. In the past, companies that have experienced volatility in the market price of their stock **are attractive to momentum, hedge, day- trading, or activist investors who often shift funds into and out of stocks rapidly, exacerbating price fluctuations in either direction, and** have **also** been subject to securities class action litigation. We **may be the target of momentum, hedge, day- trading, or activist investors, and** have been and may continue to be the target of ~~this type of~~ **securities class action** litigation in the future. **Stockholder activism or** ~~Securities~~ **securities** litigation against us could result in substantial costs and divert our management' s attention from other business concerns, which could seriously harm our business. **A proxy contest or other activist behaviors could have an adverse effect on us. Even if a proxy contest or other activist efforts are not successful, the increased costs that we would bear and the distraction of our Board of Directors and senior management could negatively impact our business, although we cannot predict with certainty the extent of such negative impacts.** We have adopted a stock repurchase program to repurchase shares of our common stock; however, any future decisions to reduce or discontinue purchasing our common stock **, after we resume such purchasing,** pursuant to our stock repurchase programs could cause the market price for our common stock to decline. Our share repurchase program has been temporarily suspended since July 2022 due to our **previously** pending **(now terminated)** merger with Silicon Motion. Although our ~~board~~ **Board** of ~~directors~~ **Directors** has authorized a stock repurchase program, any determination to resume our stock repurchase program and execute our stock repurchase program will be subject to, among other things, our financial position and results of operations, available cash and cash flow, capital requirements, and other factors, as well as our ~~board~~ **Board** of ~~director~~ **Director** ' s continuing determination that the repurchase program are in the best interests of our ~~shareholders~~ **stockholders** and is in compliance with all laws and agreements applicable to the repurchase program. Our stock repurchase program does not obligate us to acquire any common stock. If we fail to meet any expectations related to stock repurchases, the market price of our common stock could decline, and could have a material adverse impact on investor confidence. Additionally, price volatility of our common stock over a given period may cause the average price at which we repurchase our common stock to exceed the stock' s market price at a given point in time. We may further increase or decrease the amount of repurchases of our common stock in the future. Any reduction or discontinuance by us of repurchases of our common stock **, after we resume such repurchases,** pursuant to our current stock repurchase program could cause the market price of our common stock to decline. Moreover, in the event repurchases of our common stock are reduced or discontinued, our failure or inability to resume repurchasing common stock at historical levels could result in a lower market valuation of our common stock. If securities or industry analysts do not publish research or reports about our business, or publish negative reports about our business, our share price and trading volume could decline. The trading market for our common stock depends in part on the research and reports that securities or industry analysts publish about us or our business. We do not have any control over these analysts. If one or more of the analysts who cover us downgrade our shares or change their opinion of our shares, our share price would likely decline. If one or more of these analysts cease coverage of us or fails to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our share price or trading volume to decline. Future sales of our common stock in the public market could cause our share price to decline. Sales of a substantial number of shares of our common stock in the public market, or the perception that these sales might occur, could depress the market price of our common stock and could impair our ability to raise capital through the sale of additional equity securities. As of December 31, ~~2022~~ **2023** , we had approximately ~~78~~ **81** . ~~7~~ **8** million shares of common stock outstanding. All shares of our common stock are freely tradable without restrictions or further registration under the Securities Act unless held by our " affiliates, " as that term is defined under Rule 144 of the Securities Act. Our Executive Incentive Bonus Plan permits the settlement of awards under the plan in the form of shares of our common stock. We have issued shares of our common stock to settle such bonus awards for our employees, including executives, for the 2014 to ~~2021~~ **2022** performance periods, and we intend to continue this practice in the foreseeable future. We issued 0. ~~5~~ **9** million shares of our common stock for the ~~2021~~ **2022** performance period in February ~~2022~~ **2023** . If we issue additional shares of our common stock to settle bonus awards in the future, such shares may be freely sold in the public market immediately following the issuance of such shares, subject to the applicable conditions of Rule 144 and our insider trading policy, and the issuance of such shares may have a material adverse effect on our share price once they are issued. We do not intend to pay dividends for the foreseeable future. We have never declared or paid any cash dividends on our common stock and do not intend to pay any cash dividends in the foreseeable future. We anticipate that we will retain all of our future earnings for use in the development of our business and for general corporate purposes. Any determination to pay dividends in the future will be at the discretion of our Board of Directors. Accordingly, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments. General Risk Factors If we suffer losses to our facilities or distribution system due to catastrophe, our operations could be seriously harmed. Our facilities and distribution system, and those of our third- party contractors, are subject to risk of catastrophic loss due to fire, flood, drought or other natural or man- made disasters. A number of our facilities and those of our contract manufacturers are located in areas with above average seismic activity. The risk of an earthquake in the Pacific Rim region or Southern California is significant due to the proximity of major earthquake fault lines, and Taiwan in particular is also subject to typhoons and other Pacific storms, and more recently, a drought impacting the water supply which chip manufacturers rely upon to fabricate chip products. Any catastrophic loss to any of these facilities would likely disrupt our operations, delay production, shipments and revenue and result in significant expenses to repair or replace the facility. The majority of the factories we use for foundry, assembly and test, and warehousing services, are located in Asia, principally in China, Taiwan, ~~and~~ **South Korea, Malaysia,** Singapore **and Thailand** . Our corporate headquarters is located in Southern California. Our operations and financial condition could be seriously harmed in the event of a major earthquake, fire, flooding, drought, or other natural disasters in Taiwan or the Pacific Rim region, or political unrest, war, labor strikes, work stoppages or public health crises, such as the outbreak of COVID- 19, or other natural or man- made disaster in countries where our contractors' facilities are located. Such catastrophes could result in the disruption of our product shipments, foundry, assembly, or test capacity. We have recorded goodwill and other intangible assets in connection with business acquisitions. Goodwill and other acquired intangible assets could become impaired and adversely affect our future operating results. We account for business acquisitions as business combinations under the acquisition method of accounting in accordance with accounting principles generally accepted in the United States. Under the acquisition method of accounting, the total purchase price is allocated to net tangible assets and identifiable intangible assets of acquired businesses based on their fair values as of the date of completion of the acquisition. The excess of the purchase price over those fair values is recorded as goodwill. Our acquisitions have resulted in the creation of goodwill and recording of a large amount of intangible assets based upon the application of the acquisition method of accounting. To the extent the value of goodwill or other intangible assets become impaired, we may be required to incur material charges relating to such impairment. We conduct our annual goodwill and indefinite- lived intangible asset impairment analysis on October 31 each year, or more frequently if we believe indicators of impairment exist. Our reported financial condition and results of operations reflect the balances and results of the acquired businesses but are not restated retroactively to reflect the historical financial position or results of operations of acquired businesses for periods prior to the acquisitions. As a result, comparisons of future results against prior period results will be more difficult for investors. In addition, there can be no guarantee that acquired intangible assets, particularly in- process research and development, will generate revenues or profits that we include in our forecast that is the basis for their fair values as of the acquisition date. Any such impairment charges relating to goodwill or other intangible assets could have a material impact on our operating results in future periods, and the announcement of a material impairment could have a material adverse effect on the trading price and trading volume of our common stock. As of December 31, ~~2022~~ **2023** , our balance sheet reflected goodwill of $ ~~306~~ **318** . ~~7~~ **6** million and other intangible assets of $ ~~109~~ **73** . ~~3~~ **6** million. Consequently, we could recognize material impairment charges in the future. Unanticipated changes in our tax rates or unanticipated tax obligations could affect our future results. We are subject to income taxes in the United States, Singapore and various other foreign jurisdictions. The amount of income taxes we pay is subject to our interpretation and application of tax laws in jurisdictions in which we file. Changes in current or future laws or regulations, the imposition of new or changed tax laws or regulations or new interpretations by taxing authorities or courts could affect our results of operations and lead to volatility with respect to tax expenses and liabilities from period to period. For example, beginning in 2022, the Tax Cuts and Jobs Act, or the Tax Act, eliminated the option to deduct research and development expenditures currently and requires taxpayers to capitalize and amortize them over five or fifteen years pursuant to Internal Revenue Code Section 174. This has increased our effective tax rate and our cash tax payable ~~in~~ **since** 2022. If the requirement to capitalize Section 174 expenditures is not modified, it may also impact our effective tax rate and our cash tax liability in future years ~~. On August 9, 2022, the CHIPS and Science Act of 2022, or the CHIPS Act, was enacted in the United States. The CHIPS Act will provide financial incentives to the semiconductor industry which are primarily directed at manufacturing activities within the United States for qualifying property placed in service after December 31, 2022. As the Company currently outsources its manufacturing, the CHIPS Act is not expected to have a material impact to the Company' s consolidated tax provision for the year ending December 31, 2023. The Inflation Reduction Act of 2022, or IRA, was signed into law on August 16, 2022. The bill was meant to address the high inflation rate in the United States through various climate, energy, healthcare, and other incentives. These incentives are meant to be paid for by the tax provisions included in the IRA, such as a new 15 percent corporate minimum tax, a 1 percent new excise tax on stock buybacks, additional IRS funding to improve taxpayer compliance, and others. The IRA provisions are effective for tax years beginning after December 31, 2022. At this time, none of the IRA tax provisions are expected to have a material impact to our consolidated tax provision for the year ending December 31, 2023~~ . The application of tax laws and related regulations is subject to legal and factual interpretation, judgment and uncertainty. We cannot determine whether any legislative proposals may be enacted into law or what, if any, changes may be made to such proposals prior to their being enacted into law. If U. S. or international tax laws change in a manner that increases our tax obligation, it could result in a material adverse impact on our results of operations and our financial position. **In addition, many countries are implementing legislation and other guidance to align their international tax rules with the Organisation for Economic Co- operation and Development' s, or OECD, Base Erosion and Profit Shifting recommendations and action plan that aim to standardize and modernize global corporate tax policy, including changes to cross- border tax, transfer pricing documentation rules, and nexus- based tax incentive practices. The OECD is also continuing discussions surrounding fundamental changes in allocation of profits among tax jurisdictions in which companies do business, as well as the implementation of a global minimum tax (namely the " Pillar One " and " Pillar Two " proposals). Some countries have implemented or intend to implement laws based on Pillar Two proposals, which may adversely impact our provision for income taxes, existing tax incentives, net income and cash flows. As a result of this heightened scrutiny, prior decisions by tax authorities regarding treatments and positions of corporate income taxes could be subject to enforcement activities, and legislative investigation and inquiry, which could also result in changes in tax policies or prior tax rulings. Any such changes may also result in the taxes we previously paid being subject to change.** Our income tax provision is subject to volatility and our ability to use our deferred tax assets to offset future taxable income may be limited since we are subject to tax examinations, which may adversely impact our future effective tax rate and operating results. Excess tax benefits associated with employee stock- based compensation are included in income tax expense. However, since the amount of such excess tax benefits and deficiencies depend on the fair market value of our common stock, our income tax provision is subject to volatility in our stock price and in the future, could unfavorably affect our future effective tax rate. Our future effective tax rate could be unfavorably affected by unanticipated changes in the valuation of our deferred tax assets and liabilities, and the ultimate use and depletion of these various tax credits and net operating loss carryforwards. Changes in our effective tax rate could have a material adverse impact on our results of operations. We record a valuation allowance to reduce our net deferred tax assets to the amount that we believe is more likely than not to be realized. In making such determination, we consider all available positive and negative evidence quarterly, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies, and recent financial performance. To the extent we believe it is more likely than not that some portion of our deferred tax assets will not be realized, we record a valuation allowance against the deferred tax asset. Realization of our deferred tax assets is dependent primarily upon future taxable income in the applicable jurisdiction. On a periodic basis we evaluate our deferred tax assets for realizability. Based upon our review of all positive and negative evidence, as of December 31, ~~2022~~ **2023** , we continue to have a valuation allowance on state deferred tax assets, certain federal deferred tax assets, and certain foreign deferred tax assets in jurisdictions where we have cumulative losses or otherwise are not expected to utilize certain tax attributes. The impact of releasing some or all of such valuation allowance in a future period could be material in the period in which such release occurs **. Additionally, the amount of the deferred tax asset considered realizable, however, could be adjusted in the subsequent periods if estimates of future taxable income are reduced or if objective negative evidence in the form of cumulative losses is present. Any future changes in the deferred tax asset realizability assertion may require a valuation allowance to reduce our deferred tax assets, which would increase our tax expense in the period the allowance is recognized and affect our results of operations** . Our corporate income tax liability could materially increase if tax incentives we have negotiated in Singapore cease to be effective or applicable or if we are challenged on our use of such incentives. We operate under certain favorable tax incentives in Singapore which are effective through March 2027, and generally are dependent on our meeting certain headcount and investment thresholds. Such incentives allow certain qualifying income earned in Singapore to be taxed at reduced rates and are conditional upon our meeting certain employment and investment thresholds over time. If we fail to satisfy the conditions for receipt of these tax incentives, or to the extent U. S. or other tax authorities challenge our operation under these favorable tax incentive programs or our intercompany transfer pricing agreements, our taxable income could be taxed at higher federal or foreign statutory rates and our income tax liability and expense could materially increase beyond our projections. Each of our Singapore tax incentives is separate and distinct from the others, and may be granted, withheld, extended, modified, truncated, complied with or terminated independently without any effect on the other incentives. Absent these tax incentives, our corporate income tax rate in Singapore would generally be the 17 % statutory tax rate. We are also subject to operating and other compliance requirements to maintain our favorable tax incentives. If we fail to comply with such requirements, we could lose the tax benefits and could possibly be required to refund previously realized material tax benefits. Additionally, in the future, we may fail to qualify for renewal of our favorable tax incentives or such incentives may not be available to us, which could also cause our future taxable income to increase and be taxed at higher statutory rates. Loss of one more of our tax incentives could cause us to modify our tax strategies and our operational structure, which could cause disruption in our business and have a material adverse impact on our results of operations. Further, there can be no guarantee that such modification in our tax strategy will yield tax incentives as favorable as those we have negotiated with Singapore. Our interpretations and conclusions regarding the tax incentives are not binding on any taxing authority, and if our assumptions about tax and other laws are incorrect or if these tax incentives are substantially modified or rescinded we could suffer material adverse tax and other financial consequences, which would increase our expenses, reduce our profitability and adversely affect our cash flows. Investor confidence may be adversely impacted if we are unable to comply with Section 404 of the Sarbanes- Oxley Act of 2002, and as a result, our stock price could decline. We are subject to rules adopted by the SEC pursuant to Section 404 of the Sarbanes- Oxley Act of 2002, or Sarbanes- Oxley Act, which require us to include in our Annual Report on Form 10- K our management' s report on, and assessment of the effectiveness of, our internal controls over financial reporting. If we fail to maintain the adequacy of our internal controls, there is a risk that we will not comply with all of the requirements imposed by Section 404. Moreover, effective internal controls, particularly those related to revenue recognition, are necessary for us to produce reliable financial reports and are important to helping prevent financial fraud. Any of these possible outcomes could result in an adverse reaction in the financial marketplace due to a loss of investor confidence in the reliability of our consolidated financial statements and could result in investigations or sanctions by the SEC, the Nasdaq Stock Market LLC, or Nasdaq, or other regulatory authorities or in stockholder litigation. Any of these factors ultimately could harm our business and could negatively impact the market price of our securities. Ineffective control over financial reporting could also cause investors to lose confidence in our reported financial information, which could adversely affect the trading price of our common stock. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives. However, our management, including our principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.