

Risk Factors Comparison 2025-02-24 to 2024-02-23 Form: 10-K

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Because of the following factors, as well as other variables affecting our operating results, past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results or trends in future periods. See also “ Note Regarding Forward- Looking Statements ” at the beginning of this report. Summary Risk Factors Our business is subject to numerous risks and uncertainties that you should consider before investing in our company, as fully described below. The principal factors and uncertainties that make investing in our company risky include, among others:

- We have traditionally operated in, and may enter other, industries that are highly cyclical and competitive.
- Much of our revenue is concentrated in a few customers, and if we lose any of these customers through contract terminations, acquisitions or other means, our revenue may decrease substantially.
- Products that fail to meet their specifications or are defective could impose significant costs on us or result in loss of business.
- **We may not be successful with new product introductions and / or expanding into new markets.**
- If we do not keep pace with technological innovations or customers’ increasing technological requirements, we may not be able to enhance our existing products and our products may not be competitive, and our revenue and operating results may suffer.
- If our customers do not incorporate our technologies into their products, or if our customers’ products are not commercially successful, our business would suffer.
- ~~Our products may not be successful in new markets.~~
- We purchase inventory in advance based on expected demand for our products, and if demand is not as expected, we may have insufficient or excess inventory, which could adversely impact our financial condition.
- **Our business is dependent on distributors**
- ~~The markets for semiconductor products are cyclical, and increased levels of inventory may lead to service overcapacity and lower prices, and conversely, we may not be able to satisfy unexpected demand for our products~~
- ~~end customers~~.
- A meaningful portion of our future revenue depends on sustaining or growing our licensing revenue and the failure to achieve such revenue would lead to a material decline in our results of operations.
- Our licensing cycle is lengthy and costly, and our marketing and licensing efforts may be unsuccessful.
- Some of our license agreements may convert from royalty generating to fully paid- up licenses at the expiration of their terms, or upon certain milestones, and we may not receive royalties after that time.
- Future revenue is difficult to predict for several reasons, and our failure to predict revenue or revenue trends accurately may result in our stock price declining.
- We may fail to meet our publicly announced guidance or other expectations about our business, which would likely cause our stock price to decline.
- A substantial portion of our revenue is derived from sources outside of the United States and this revenue and our business generally are subject to risks related to international operations that are often beyond our control.
- Weak global economic conditions may adversely affect demand for the products and services of our customers and could otherwise harm our business.
- Our operations are subject to the effects ~~of a rising rate~~ of inflation.
- We rely on third parties for a variety of services, including manufacturing, and these third parties’ failure to perform these services adequately or change our allocation of their services / capacity due to industry or other pressures could materially and adversely affect our business.
- Our business and operations could suffer in the event of physical and cybersecurity breaches and incidents.
- We have in the past made and may in the future make acquisitions or enter into mergers, strategic investments, sales of assets, divestitures or other arrangements that may not produce expected operational benefits or operating and financial results.
- If we are unable to attract and retain qualified personnel globally, our business and operations could suffer.
- Our operations are subject to risks of natural disasters, acts of war, terrorism, widespread illness or security breaches or incidents at our domestic and international locations, any one of which could result in a business stoppage and negatively affect our operating results.
- In the future, we may fail to maintain an effective system of internal control over financial reporting or adequate disclosure controls and procedures, which may result in material misstatements of our consolidated financial statements or cause us to fail to meet our periodic reporting obligations.
- Unanticipated changes in our tax rates or in the tax laws, treaties and regulations could expose us to additional income tax liabilities, which could affect our operating results and financial condition.
- We are subject to various government restrictions and regulations, including on the sale of products and services that use encryption and other technology ~~and~~, those related to privacy ~~and~~, other consumer protection **matters, other import / export controls and national security** matters.
- Litigation and government proceedings could affect our business in materially negative ways.
- If we are unable to protect our inventions successfully through the issuance and enforcement of patents, our operating results could be adversely affected.
- Third parties may claim that our products or services infringe on their intellectual property (“ IP ”) rights, exposing us to litigation that, regardless of merit, may be costly to defend.
- Warranty, service level agreement and product liability claims brought against us could cause us to incur significant costs and adversely affect our operating results, as well as our reputation and relationships with customers.
- Compliance with changing regulation of corporate governance and public disclosure may result in additional expenses.

Risks Associated with Our Business, Industry and Market Conditions Our target customers are companies that develop and market high volume business and consumer products in semiconductors, computing, data centers, networks, **artificial intelligence (“ AI ”)**, tablets, handheld devices, mobile applications, gaming and graphics, high- definition televisions, cryptography and data security. The electronics industry is intensely competitive and has been impacted by rapid technological change, short product life cycles, cyclical market patterns, price erosion and increasing foreign and domestic competition. We are subject to many risks beyond our control that influence whether or not we are successful in winning target customers or retaining existing customers, including, primarily, competition in a particular industry, market acceptance of such customers’ products and the financial resources of such customers. In particular, DRAM manufacturers, which make up a significant part of our revenue, are prone to significant business cycles and have suffered material losses and other adverse effects to their businesses, leading to

industry consolidation from time- to- time that may result in loss of revenue under our existing license agreements or loss of target customers. As a result of ongoing competition in the industries in which we operate and volatility in various economies around the world, we may achieve reduced market share, a reduced number of licenses or may experience tightening of customers' operating budgets, difficulty or inability of our customers to pay our licensing fees, reduction in downstream demand, lengthening of the approval process for new products and licenses and consolidation among our customers. All of these factors may adversely affect the demand for our products and technologies and may cause us to experience substantial fluctuations in our operating results and financial condition. We face competition from semiconductor and digital electronics products and systems companies, and other semiconductor IP companies that provide security and interface IP that are available to the market. We believe some of the competition for our technologies may come from our prospective customers, some of which are internally evaluating and developing products based on technologies that they contend or may contend will not require a license from us. Many of these companies are larger and may have better access to financial, technical and other resources than we possess and may be able to develop and advance competitive products more effectively. To the extent that alternative technologies might provide comparable system performance at lower or similar cost to our technologies, or are perceived to require the payment of no or lower fees and / or royalties, or to the extent other factors influence the industry, our customers and prospective customers may adopt and promote such alternative technologies. Even to the extent we determine that such alternative technologies infringe our patents, there can be no assurance that we would be able to negotiate agreements that would result in royalties being paid to us without litigation, which could be costly and the results of which would be uncertain. In addition, our efforts to **introduce new products and / or** expand into new markets subject us to additional risks. We may have limited or no experience in new products and markets, and our customers may not adopt our new offerings **and / or new customers may not adopt our offerings**. These and other new offerings may present new and difficult challenges, which could negatively affect our operating results. ~~Much of our revenue is concentrated in a few customers, and if we lose any of these customers through contract terminations or acquisitions, our revenue may decrease substantially.~~ We have a high degree of revenue concentration. Our top five customers for each reporting period represented approximately 62 % , ~~58 % and 56 %~~ of our **consolidated** revenue for **both** the years ended December 31, **2024 and 2023** **and 58 % of our consolidated revenue for the year ended December 31**, 2022 ~~and 2021, respectively~~. We expect to continue to experience significant revenue concentration for the foreseeable future. Our customers' demand for our products may fluctuate due to factors beyond our control. We could experience fluctuations in our customer base or the mix of revenue by customer as markets and strategies evolve. A disruption in our relationship with any of our customers could adversely affect our business. In addition, any consolidation of our customers could reduce the number of customers to whom our products may be sold or the demand for our products. Our inability to meet our customers' requirements or to qualify our products with them could adversely impact our revenue. The loss of, or restrictions on our ability to sell to, one or more of our major customers or any significant reduction in orders from, or a shift in product mix by customers, could have a material adverse effect on our operating results and financial condition. In addition, our license agreements are complex and some contain terms that require us to provide certain customers with the lowest royalty rate that we provide to other customers for similar technologies, volumes and schedules. These clauses may limit our ability to effectively price differently among our customers, to respond quickly to market forces, or otherwise to compete on the basis of price. These clauses may also require us to reduce royalties payable by existing customers when we enter into or amend agreements with other customers. Any adjustment that reduces royalties from current customers or licensees may have a material adverse effect on our operating results and financial condition. We continue to negotiate with customers and prospective customers to enter into license agreements. Any future agreement may trigger our obligation to offer comparable terms or modifications to agreements with our existing customers, which may be less favorable to us than the existing license terms. We expect licensing fees will continue to vary based on our success in renewing existing license agreements and adding new customers, as well as the level of variation in our customers' reported shipment volumes, sales price and mix, offset in part by the proportion of customer payments that are fixed. In addition, ~~some of our material~~ license agreements may contain rights by the customer to terminate for convenience, or upon certain other events, such as change of control, material breach, insolvency or bankruptcy proceedings. If we are unsuccessful in entering into license agreements with new customers or renewing license agreements with existing customers, on favorable terms or at all, or if these agreements are terminated, our results of operations may decline significantly. Some of our revenue is subject to the pricing policies of our customers over which we have no control. We have no control over our customers' pricing of their products and there can be no assurance that licensed products will be competitively priced or will sell in significant volumes. Any premium charged by our customers in the price of memory and controller chips or other products over alternatives must be reasonable. If the benefits of our technology do not match the price premium charged by our customers, the resulting decline in sales of products incorporating our technology could harm our operating results. Our customers often require our products to undergo a lengthy and expensive qualification process which does not assure product sales. If we are unsuccessful or delayed in qualifying any of our products with a customer, our business and operating results would suffer. Prior to purchasing our products, our customers often require that our products undergo extensive qualification processes, which involve testing of our products in the customers' systems, as well as testing for reliability. This qualification process may continue for several months. 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 in third- party manufacturing processes **or in customer requirements** may require a new qualification process with our customers **or changes to our yield or margin profiles**, which may result in delays, ~~and in our holding of excess or obsolete inventory~~, **or other business challenges**. After our products are qualified, it can take several months or more before the customer commences volume production of components or systems that incorporate our products. Despite these uncertainties, we devote substantial resources, including design, engineering, sales, marketing and management efforts, to qualify 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 those products to the customer may be precluded or delayed, which may impede our growth and cause our business to suffer. Products that do not meet their specifications or that contain, or are perceived by our customers to contain, defects could impose significant costs on us or otherwise materially adversely affect our operating results and financial condition. From time to time, we experience problems with nonconforming, defective, or incompatible products after we have shipped such products. In recent periods, we have further expanded our product offerings, which could potentially increase the chance that one or more of our products could fail to meet specifications in a particular application. Our products and technologies may be deemed fully or partially responsible for functionality in our customers' products and may result in sharing or shifting of product or financial liability from our customers to us for costs incurred by the end user as a result of our customers' products failing to perform as specified. In addition, if our products and technologies perform critical functions in our customers' products or are used in high-risk consumer end products, such as automotive products, our potential liability may increase. We could be adversely affected in several ways, including the following: • we may be required or agree to compensate customers for costs incurred or damages caused by defective or incompatible products and to replace products; • we could incur a decrease in revenue or adjustment to pricing commensurate with the reimbursement of such costs or alleged damages; • we may encounter adverse publicity, which could cause a decrease in sales of our products or harm our reputation or relationships with existing or potential customers; and • our customers may reduce or cancel their orders with us or exclude us from further consideration as a supplier. Any of the foregoing items could have a material adverse effect on our operating results and financial condition. We operate in rapidly changing, highly competitive markets. Technological advances, the introduction of new products and new design techniques could adversely affect our business unless we are able to adapt to changing conditions. Technological advances could render our products and technologies less competitive or obsolete, and we may not be successful with **able to respond effectively to the technological requirements of evolving markets.** Therefore, we may be required to commit significant resources to enhancing and developing new **product introduction** technology, which may include purchasing or licensing advanced design tools and /or test equipment, hiring additional highly qualified engineering and other technical personnel, and continuing and expanding research and development activities on existing and..... Further, we are continuing to expand into new segments and if our memory interface chips..... condition and results of operations. The markets for semiconductor products are cyclical, and..... may negatively impact revenue and inventory reserves. Various target markets for our products, such as AI, may develop slower than anticipated or could utilize competing technologies. The markets for some of these products depend in part upon the continued development and deployment of various other technologies, which may or may not address the needs of the users of these products. We cannot predict the size or growth rate of these markets or the market share we will achieve or maintain in these markets in the future. Our ability to generate significant revenue from new markets will depend on various factors, including the development and growth of these markets; the ability of our technologies and products to address the needs of these markets; the price and performance requirements of our customers, and the preferences of end users; and our ability to provide our customers with products that provide advantages compared with alternative products. Our ongoing success in these markets will require us to offer better performance alternatives to other products at competitive costs. The failure of any of these target markets to develop as we expect, or our failure to serve these markets to a significant extent, will impede the sales growth of products incorporating our technology, which could harm our operating results **for semiconductor products** are cyclical, and increased levels of inventory may lead to overcapacity and lower prices, and conversely, if we do not hold sufficient inventory, we may not be able to satisfy unexpected demand for our products. The cyclical nature of the semiconductor industry has resulted in periods when demand for our products has increased or decreased rapidly. If we overbuild inventory in a period of decreased demand, or we expand our operations too rapidly or procure excessive resources in anticipation of increased demand for our products, and that demand does not materialize at the pace at which we expect, or declines, our operating results may be adversely affected as a result of charges related to obsolete inventory, inventory write-downs, increased operating expenses or reduced margins. We may in the future experience periods of **customer** inventory adjustments by our customers and distributors that may adversely affect our operating results. In addition, we may not be able to expand our operations in a sufficiently timely manner, procure adequate resources and raw materials, locate suitable third-party suppliers or respond effectively to changes in demand for our existing products or to demand for new products requested by our customers and /or distributors, and our current or future business could be materially and adversely affected. We periodically transition to newer generations of our semiconductor products as the market shifts to demand for such products. While we have managed prior product transitions and have previously sold multiple generations of products at the same time, these transitions are difficult to forecast and may result in under-supply or over-supply of inventory by product generation, which may negatively **impact revenue and inventory reserves**. While our business model continues to transform towards greater reliance on product revenue, a large portion of our revenue still consists of fees paid for access to our patented technologies, existing technology and other development and support services we provide to our customers. Our ability to secure and renew the licenses from which that revenue is derived depends on our customers adopting our technology and using it in the products they sell. If customers do not upgrade or enhance their product offerings to include such technologies, our revenue and operating results may be adversely affected. Once secured, license revenue may be negatively affected by factors within and outside our control, including reductions in our customers' sales prices, sales volumes, our failure to timely complete engineering deliverables and the actual terms of such licenses themselves. In addition, our licensing cycle for new licensees, as well as for renewals for existing licensees is lengthy, costly and unpredictable. We cannot provide any assurance that we will be successful in signing new license agreements or renewing existing license agreements on equal or favorable terms or at all. If we do not achieve our revenue goals, our results of operations could decline. The process of persuading customers to adopt and license our chip interface, data security IP and other technologies can be lengthy. Even if successful, there can be no assurance that our technologies will be used in a product that is ultimately brought to market, achieves commercial acceptance or results in significant royalties to us. We generally incur significant marketing and sales expenses prior to entering into our license

agreements, generating a license fee and establishing a royalty stream from each customer. The length of time it takes to establish a new licensing relationship can take many months or even years. We may incur costs in any particular period before any associated revenue stream begins, if at all. If our marketing and sales efforts are very lengthy or unsuccessful, then we may face a material adverse effect on our business and results of operations as a result of failure to obtain, or an undue delay in obtaining, royalties. From time to time, we enter into license agreements that automatically convert from royalty generating arrangements to fully paid-up licenses under which the customer is no longer required to make payments for all or certain components of the licensed technology or IP upon expiration or upon reaching certain milestones. We may not receive further royalties from customers for any licensed technology under those agreements if they convert to fully paid-up licenses because such customers will be entitled to continue using some, if not all, of the relevant IP or technology under the terms of the license agreements without further payment, even if relevant patents or technologies are still in effect. If we cannot find another source of royalties to replace the royalties from those license agreements that convert to fully paid-up licenses, our results of operations following such conversion could be adversely affected. As we commercially launch each of our products, the sales volume of and resulting revenue from such products in any given period will be difficult to predict. Our lengthy license negotiation cycles could make a considerable portion of our future revenue difficult to predict because we may not be successful in entering into or renewing licenses with our customers on our anticipated timelines. In addition, while some of our license agreements provide for fixed, quarterly royalty payments, many of our license agreements provide for volume-based royalties and may also be subject to caps on royalties **or other adjustments** in a given period. The sales volume and prices of our customers' products in any given period can be difficult to predict. **Under** **Because we provide memory interface chips, among others, that are used in end products and systems, demand for our products is influenced by the demand for end products sold by our customers or via distributors. As a result, we may have difficulty in accurately forecasting our product revenue. Our product recognition standard ("ASC 606") adopted during the first quarter of 2018, our revenue depends on the timing, scale, and speed of introductions of new end products and systems, as well as the ongoing demand for existing end products and systems, that incorporate our products, all of which are intrinsically difficult to forecast. In addition, demand for our products is influenced by the ability of our customers and distributors to manage their inventory. If our customers and distributors do not manage their inventory correctly or misjudge their customers' demand, our shipments to and orders from our customers and distributors may vary greatly from quarter to quarter. As a significantly, and we may have difficulty forecasting our inventory levels, which could reduce our product revenue, result in inventory write offs, and adversely affect our financial condition and results of operations. For the these reasons** foregoing items, our actual results may differ substantially from analyst estimates or our forecasts in any given quarter. Also, a portion of our revenue comes from development and support services provided to our customers. Depending upon the nature of the services, a portion of the related revenue may be recognized ratably over the support period or may be recognized according to contract revenue accounting. Contract revenue accounting may result in deferral of the service fees until the completion of the contract or may result in the recognition of service fees over the period in which services are performed on a percentage-of-completion basis. We provide guidance regarding our expected financial and business performance, including our anticipated future revenue, operating expenses and other financial and operation metrics. Correctly identifying the key factors affecting business conditions and predicting future events is an inherently uncertain process. Any guidance that we provide may not always be accurate, or may vary from actual results, due to our inability to correctly identify and quantify risks and uncertainties to our business and to quantify their impact on our financial performance. We offer no assurance that such guidance will ultimately be accurate, and investors should treat any such guidance with appropriate caution. If we fail to meet our guidance or if we find it necessary to revise such guidance, even if such failure or revision is seemingly insignificant, investors and analysts may lose confidence in us and the market value of our common stock could be materially adversely affected. For the years ended December 31, **2024**, 2023, **and** 2022 **and** 2021, revenue received from our international customers constituted approximately **64 %**, 62 %, **and** 39 % **and** 36 %, respectively, of our total **consolidated** revenue. We expect that future revenue derived from international sources will continue to represent a significant portion of our total revenue. To the extent that customer sales are not denominated in U. S. dollars, any royalties that are based on a percentage of the customers' sales and which we receive as a result of such sales could be subject to fluctuations in currency exchange rates. In addition, if the effective price of licensed products sold by our foreign customers were to increase as a result of fluctuations in the exchange rate of the relevant currencies, demand for licensed products could fall, which in turn would reduce our royalties. From time to time, we use limited financial instruments to hedge foreign exchange rate risk, however such instruments may not be sufficient to cover such risk. Trade-related government actions, whether implemented by the United States, China, the European Union or other countries, that impose barriers or restrictions impacting our ability to sell or ship products to certain customers may have a negative impact on our financial condition and results of operations. We cannot predict the actions government entities may take in this context and may be unable to quickly offset or effectively react to government actions that restrict our ability to sell to certain customers or in certain jurisdictions. Government actions that affect our customers' ability to sell products or access critical elements of their supply chains may result in a decreased demand for their products, which may consequently reduce their demand for our products. In addition, the U. S. government has **announced** **implemented** controls affecting the ability to send certain products and technology related to semiconductors, semiconductor manufacturing and supercomputing to China without an export license and added additional entities to restricted party lists. **While in addition to the other** **Company currently has not been materially** **adversely** **import / export and national security laws and regulations. We may be** impacted by **any of** these **current or** new restrictions, **we may be impacted** in the future if such controls are expanded to cover our key products / markets. We currently have international business, business development, and design operations in Bulgaria, Canada, China, **Finland, France**, India, **Finland, France**, the Netherlands, South Korea, and Taiwan. Our international operations and revenue are subject to a variety of risks that are beyond our control, including: • hiring, maintaining and managing a workforce and facilities remotely and under

various legal systems, including compliance with local labor and employment laws; • non-compliance with our code of conduct or other corporate policies; • compliance with and international laws involving international operations, including the Foreign Corrupt Practices Act of 1977, as amended, sanctions and anti-corruption laws, export and import laws and similar rules and regulations; • natural disasters, acts of war, terrorism, widespread global pandemics or illness, such as COVID-19 and its variants, or security breaches or incidents; • export controls, tariffs, import and licensing restrictions, climate-change regulations and other trade barriers; • profits, if any, earned abroad being subject to local tax laws and not being repatriated to the United States or, if repatriation is possible, limited in amount; • adverse tax treatment of revenue from international sources and changes to tax laws and regulations, including being subject to foreign tax laws and being liable for paying withholding, income or other taxes in foreign jurisdictions; • longer payment cycles and greater difficulty in collecting accounts receivable; • unanticipated changes in foreign government laws and regulations, including imposition of bans on sales of goods or services to one or more of our significant foreign customers; • increased financial accounting and reporting burdens and complexities; • lack of protection of our IP and other contract rights by jurisdictions in which we may do business to the same extent as the laws of the United States; • potential vulnerability to computer system, internet or other systemic attacks, such as denial of service, viruses or other malware which may be caused by criminals, terrorists or other groups or sophisticated organizations; • social, political and economic instability; • geopolitical instability, including changes in diplomatic and trade relationships, in particular with China and Taiwan, and potentially in Israel and the Middle East; • **disruptions in global logistics, including air, waterway and other delivery methods;** and • cultural differences in the conduct of business both with customers and in conducting business in our international facilities and international sales offices. We and our customers are subject to many of the risks described above with respect to companies which are located in different countries. There can be no assurance that one or more of the risks associated with our international operations will not result in a material adverse effect on our business, financial condition or results of operations. Our operations and performance depend significantly on worldwide economic conditions. Current and future uncertainty in the worldwide economy due to inflation, geopolitics, major central bank policies, including interest rate ~~increases or related~~ changes, public health crises or other global factors, could adversely affect our business. **Additionally, there is ongoing uncertainty regarding the new U. S. presidential administration's economic and other policies and priorities, such as potential changes in trade restrictions or relationships, tariffs and exchange controls, and potential retaliatory tariffs by other countries, which could impact the cost and / or sale of our products in any countries that are impacted.** Adverse economic conditions could also affect demand for our products and our customers' products. If our customers experience reduced demand or excess inventory as a result of global or regional economic conditions or otherwise, this could result in reduced royalty revenue and / or product sales and our business and results of operations could be harmed. Inflationary pressures and shortages have ~~in the past~~ increased, and may ~~continue to~~ increase ~~in the future~~, costs for materials, supplies and labor, which could cause our expenses to increase at a rate faster than our product pricing to recover such increases, which may further result in a material adverse effect on our business, financial condition or results of operations. Additionally, deterioration of conditions in worldwide credit markets could limit our ability to obtain external financing, if needed, to fund our operations and capital expenditures. In addition, we may experience losses on our holdings of cash and investments due to failures of financial institutions and other parties. Difficult economic conditions may also result in a higher rate of losses on our accounts receivable due to credit defaults. As a result, downturns in ~~or other events or uncertainty that impact,~~ the worldwide economy could have a material adverse effect on our business, results of operations ~~or and~~ financial condition. Any failure in our delivery of high-quality technical support services may adversely affect our relationships with our customers and our financial results. Our customers depend on our support organization to resolve technical issues and provide ongoing maintenance relating to our products and services. We may be unable to respond quickly enough to accommodate short-term increases in customer demand for support services. Increased customer demand for these services, without corresponding revenue, could increase costs and adversely affect our operating results. In addition, our sales process is highly dependent on our offerings and business reputation and on positive recommendations from our existing customers. Any failure to maintain high-quality technical support, or a market perception that we do not maintain high-quality support, could adversely affect our reputation, our ability to sell our solutions to existing and prospective customers and our business, operating results and financial position. The United States has recently experienced historically high levels of inflation. While inflation rates have moderated in recent quarters, if the inflation rate increases again as a result of increases in the costs of labor and supplies, it will affect our expenses, such as employee compensation and research and development charges. Research and development expenses account for a significant portion of our operating expenses. Additionally, the United States ~~is~~ **has recently experiencing** ~~experienced~~ an acute workforce shortage of qualified applicable talent, which in turn ~~has~~ created a competitive wage environment that may increase our operating costs. To the extent inflation results in rising interest rates and has other adverse effects on the market, it may adversely affect our consolidated financial condition and results of operations. Risks Associated with Our Supply and Third-Party Manufacturing We rely on third parties for a variety of services, including our manufacturing supply chain partners and third parties within our sales and distribution channels. Some of these third parties are, and may be, our sole manufacturer or sole source of certain production materials and may be located in regions subject to geopolitical uncertainty (e. g., tensions between China and Taiwan and evolving export / import **and national security** restrictions). If we fail to manage our relationships with these manufacturers and suppliers effectively, or if they experience delays, disruptions, geopolitical changes, capacity constraints / allocation pressures or quality control problems in their operations, our ability to ship products to our customers could be impaired and our competitive position and reputation could be harmed. In addition, any adverse change in any of our manufacturers and suppliers' financial or business condition could disrupt our ability to supply quality products to our customers. If we are required to change our manufacturers, we may lose revenue, incur increased costs and damage our end-customer relationships. In addition, porting to and qualifying a new manufacturer and commencing production can be an expensive and lengthy process. If our third-party manufacturers or suppliers are unable to provide us with adequate supplies of

high- quality products for any other reason, we could experience a delay in our order fulfillment, and our business, operating results and financial condition would be adversely affected. In the event these and other third parties we rely on fail to provide their services adequately, including as a result of errors in their systems, industry pressures or events beyond their control, or refuse to provide these services on terms acceptable to us, and we are not able to find suitable alternatives, our business may be materially and adversely affected. In addition, our orders may represent a relatively small percentage of the overall orders received by our manufacturers from their customers. As a result, fulfilling our orders may not be considered a priority in the event our manufacturers are constrained in their ability to fulfill all of their customer obligations in a timely manner. If our manufacturers are unable to provide us with adequate supplies of high- quality products, or if we or our manufacturers are unable to obtain adequate quantities of components, it could cause a delay in our order fulfillment, in which case our business, operating results and financial condition could be adversely affected. Semiconductor supply chain disruptions have been well publicized in the recent past. We believe that we could experience various supply constraints related to our memory interface chip business in the future. **In particular For example**, to the extent we do not have sufficient wafer and packaging substrate firm commitments from our third- party suppliers or they are otherwise unable to provide such services and materials, we may not obtain the materials needed on our desired timelines or at reasonable prices. Large swings in demand could exceed our contracted supply and / or our suppliers' capacity to meet those demand changes resulting in a shortage of parts, materials or capacity needed to manufacture our products. While we continually work with our suppliers to mitigate the impact of the supply constraints to our customer deliveries, in the event of a shortage or supply interruption from suppliers of our components, we may not be able to develop alternate sources quickly, cost- effectively or at all. An extended period of global supply chain and economic disruption could have a material negative impact on our business, results of operations, access to sources of liquidity and financial condition, though the full extent and duration is uncertain. Additionally, various sources of supply- chain risk, including strikes or shutdowns at delivery ports or loss of or damage to our products while they are in transit or storage, IP theft, losses due to tampering, third- party vendor issues with quality or sourcing control, failure by our suppliers to comply with applicable laws and regulations, potential tariffs or other trade restrictions, geopolitical uncertainty and related military actions or other similar problems could limit or delay the supply of our products. Any interruption or delay in manufacturing or component supply, any increases in manufacturing or component costs, or the inability to obtain these services or components from alternate sources at acceptable prices and within a reasonable amount of time would harm our ability to provide our products to customers on a timely basis. This could harm our relationships with our customers, prevent us from acquiring new customers and materially and adversely affect our business. If the manufacturing and / or packaging process for our products is disrupted by operational issues, natural disasters or other events, our business, results of operations or financial condition could be materially adversely affected. We rely on subcontractors to manufacture and package our products using highly complex processes that require technologically advanced equipment and continuous modification. Our subcontractors maintain operations and continuously implement new product and process technology at facilities which are dispersed in multiple locations in Asia. As a result of the necessary interdependence within our network of manufacturing and packaging facilities, an operational disruption at one of our or a subcontractor' s facilities may have a disproportionate impact on our ability to produce many of our products. From time to time, there have been disruptions in our subcontractors' operations as a result of power outages, improperly functioning equipment, disruptions in supply of raw materials or components or equipment failures. Our subcontractors have manufacturing and other operations in locations subject to natural disasters and possible climate changes, such as severe and variable weather and geological events resulting in increased costs, or disruptions to our manufacturing operations or those of our suppliers or customers. In addition, climate change may pose physical risks to our manufacturing facilities or our suppliers' facilities, including increased extreme weather events that could result in supply delays or disruptions. Other events, including political or public health crises, such as an outbreak of contagious diseases like COVID- 19, may also affect our subcontractors' production capabilities. If production is disrupted for any reason, manufacturing yields may be adversely affected, or we may be unable to meet our customers' requirements and they may purchase products from other suppliers. This could result in a significant increase in manufacturing costs, loss of revenue or damage to customer relationships, any of which could have a material adverse effect on our business. We rely on a number of third- party providers for data center hosting facilities, equipment, maintenance and other services, and the loss of, or problems with, one or more of these providers may impede our growth or cause us to lose customers. We rely on third- party providers to supply data center hosting facilities, equipment, maintenance and other services in order to enable us to provide some of our services and have entered into various agreements for such services. The continuous availability of our services depends on the operations of those facilities, on a variety of network service providers and on third- party vendors. In addition, we depend on our third- party facility providers' ability to protect these facilities against damage or interruption from natural disasters, power or telecommunications failures, criminal acts, cyber- attacks and similar events. If there are any lapses of service or damage to a facility, we could experience lengthy interruptions in our service, as well as delays and additional expenses in arranging new facilities and services. Even with current and planned disaster recovery arrangements, our business could be harmed. Any interruptions or delays in our service, whether as a result of third- party error, our own error, natural disasters, criminal acts, security breaches or other causes, whether accidental or willful, could harm our relationships with customers, harm our reputation and cause our revenue to decrease and / or our expenses to increase. Also, in the event of damage or interruption, our insurance policies may not adequately compensate us for any losses that we may incur. These factors in turn could further reduce our revenue, subject us to liability and cause us to issue credits or cause us to lose customers, any of which could materially adversely affect our business. Certain software and / or IP blocks that we use in or with some of our products **is-are** licensed from third parties and, for that reason, may not be available to us in the future **-which-; this** has the potential to delay product development and production or cause us to incur additional expense, which could materially adversely affect our business, financial condition, operating results and cash flow. Some of our products and services contain or function with software and / or IP blocks licensed from third parties.

Some of these licenses may not be available to us in the future on terms that are acceptable to us or allow our products to remain competitive. The loss of these licenses or the inability to maintain any of them on commercially acceptable terms could delay development of future offerings or the enhancement of existing products and services. We may also choose to pay a premium price for such a license in certain circumstances where continuity of the licensed product would outweigh the premium cost of the license. The unavailability of these licenses or the necessity of agreeing to commercially unreasonable terms for such licenses could materially adversely affect our business, financial condition, operating results and cash flow. Risks Associated with Our Business Operations Attempts by others to gain unauthorized access to and disrupt our information technology systems are becoming more sophisticated. These attempts, which might be related to industrial or other espionage, may include covertly introducing malware to our computers and networks (or those of our customers) and impersonating authorized users, phishing attempts and other forms of social engineering, employee or contractor malfeasance, denial of service attacks and ransomware attacks, among others. We seek to detect and investigate all security incidents impacting our systems and to prevent their recurrence, but in some cases, we might be unaware of an incident or its magnitude and effects. We also utilize third- party service providers to host, transmit or otherwise process electronic data in connection with our business activities, including our supply chain processes, operations and communications. Our customers also often have access to and host our confidential IP and business information on their own internal and directed third- party systems. We, our customers, and / or our third- party service providers have faced and may continue to face security threats and attacks from a variety of sources. Our data, corporate systems, third- party systems and security measures and those of our customers or ~~vendors~~ **the third parties that support us or our services** may be subject to breaches or intrusions due to the actions of outside parties, employee error, malfeasance, a combination of these or otherwise, including social engineering and employee and contractor error or malfeasance, especially as certain of our employees engage in work from home arrangements, and, as a result, an unauthorized party may obtain access to our systems, networks or data, including IP and confidential business information of ourselves and our customers. There have been and may continue to be significant supply chain attacks, and we cannot guarantee that our or our third- party service providers' systems and networks have not been breached or that they do not contain exploitable defects or bugs that could result in a breach of or disruption to our systems and networks or the systems and networks of our customers or of third parties that support us and our services. **Geopolitical tensions, instability and conflicts may increase the cybersecurity risks that we, our customers, and the third parties that support us face.** We and our service providers may face difficulties or delays in identifying or responding to any actual or perceived security breach or incident. The theft or other unauthorized acquisition of, unauthorized use or, publication **or other processing** of or access to our IP and / or confidential business information could harm our competitive position and reputation, reduce the value of our investment in research and development and other strategic initiatives or otherwise adversely affect our business. In the event of any security breach or incident, including any breach or incident that results in inappropriate access to, or loss, corruption, unavailability or unauthorized acquisition, disclosure or other processing of our or our customers' confidential information or any ~~personally~~ **personal identifiable** information we or our third- party service providers maintain, including that of our employees, we could suffer a loss of IP or loss of data, may be subject to claims, liability and proceedings and may incur liability and otherwise suffer financial harm. Any actual, alleged or perceived breach of security in our systems or networks, or any other actual, alleged or perceived data security incident we or our third- party service providers or customers suffer, could result in damage to our reputation, negative publicity, loss of customers and sales, harm to our market position, increased costs to remedy any problems and otherwise respond to any incident, regulatory investigations and enforcement actions, claims, litigation, proceedings and other liability. In addition, we may incur significant costs and operational consequences of investigating, remediating, eliminating and putting in place additional tools and devices designed to prevent actual or perceived security breaches and other security incidents, as well as the costs to comply with any notification or other legal obligations resulting from any security incidents. Any of these negative outcomes could result in substantial costs and diversion of resources, distract management and technical personnel, adversely impact our sales and reputation and seriously harm our business or operating results. Although we maintain insurance coverage that may cover certain liabilities in connection with some security breaches and other security incidents, we cannot be certain our insurance coverage will be adequate for liabilities actually incurred, that insurance will continue to be available to us on commercially reasonable terms (if at all) or that any insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co- insurance requirements, or denials of coverage, could have a material adverse effect on our business, including our financial condition, results of operations and reputation. Failures in our products and services or in the products of our customers, including those resulting from security vulnerabilities, defects, bugs or errors, could harm our business. Our products and services are highly technical and complex, and among our various businesses our products and services are crucial to providing security and other critical functions for our customers' operations. Our products and services have from time to time contained and may in the future contain undetected errors, bugs, defects or other security vulnerabilities. Some errors in our products and services may only be discovered after a product or service has been deployed and used by customers and may in some cases only be detected under certain circumstances or after extended use. In addition, because the techniques used by hackers to access or sabotage our products and services and other technologies change and evolve frequently and generally are not recognized until launched against a target, we may be unable to anticipate, detect or prevent these techniques and may not address them in our data security technologies. Any errors, bugs, defects or security vulnerabilities discovered in our solutions after commercial release could adversely affect our revenue, our customer relationships and the market' s perception of our products and services. We may not be able to correct any errors, bugs, defects, security flaws or vulnerabilities promptly or at all. Any breaches, defects, errors or vulnerabilities in our products and services could result in: • expenditure of significant financial and research and development resources in efforts to analyze, correct, eliminate or work around breaches, errors, bugs or defects or to address and eliminate vulnerabilities; •

financial liability to customers for breach of certain contract provisions, including indemnification obligations; • loss of existing or potential customers; • product shipment restrictions or prohibitions to certain customers; • delayed or lost revenue; • delay or failure to attain market acceptance; • negative publicity, which would harm our reputation; and • litigation, regulatory inquiries or investigations that would be costly and harm our reputation. Changes in accounting principles and guidance could result in unfavorable accounting charges or effects. We prepare our financial statements in accordance with accounting principles generally accepted in the United States and these principles are subject to interpretation by the SEC, the Financial Accounting Standards Board (“ FASB ”) and various bodies formed to interpret and create appropriate accounting principles and guidance. A change in these principles or application guidance, or in their interpretations, may have a material effect on our reported results, as well as our processes and related controls, and may retroactively affect previously reported results. ~~For instance, we adopted ASC 606, the Revenue Standard, effective for us on January 1, 2018, on a modified retrospective basis, with a cumulative effect adjustment to the opening balance of accumulated deficit on January 1, 2018. The Revenue Standard materially impacted the timing of revenue recognition for our fixed-fee IP licensing arrangements (including certain fixed-fee agreements that license our existing IP portfolio, as well as IP added to our portfolio during the license term) as a majority of such revenue would be recognized at inception of the license term (as opposed to over time as was the case under prior U. S. GAAP). We have enhanced the form and content of some of our guidance metrics that we provide following implementation of the Revenue Standard. We expect that any change to current revenue recognition practices may significantly increase volatility in our quarterly revenue, financial results and trends, and may impact our stock price.~~ From time to time, we engage in acquisitions, strategic transactions, strategic investments, divestitures and potential discussions with respect thereto. For example, ~~in 2019, we acquired Northwest Logic, Inc. and the Secure Silicon IP and Protocols business from Verimatrix, formerly Inside Secure. Further, we acquired AnalogX Inc. in July 2021, PLDA Group in August 2021 and Hardent, Inc. in May 2022. We also divested in July 2023, we entered into an asset purchase agreement with Cadence Design Systems to sell our PHY IP group, and the sale was completed in September 2023.~~ Many of our acquisitions or strategic investments entail a high degree of risk, including those involving new areas of technology and such investments may not become accretive for several years after the date of the investment, if at all. Our acquisitions or strategic investments may not provide the advantages that we anticipated or generate the financial returns we expect, including if we are unable to close any pending acquisitions. For example, for any pending or completed acquisitions, we may discover unidentified issues not discovered in due diligence, and we may be subject to regulatory approvals or liabilities that are not covered by indemnification protection or become subject to litigation. Achieving the anticipated benefits of business acquisitions depends in part upon our ability to integrate the acquired businesses in an efficient and effective manner and achieve anticipated synergies, and we may not be successful in these efforts. The integration of companies that have previously operated independently is complex and time consuming and may result in significant challenges, including, among others: retaining key employees; successfully integrating new employees, facilities, products, processes, operations, business models and systems, technology and sales and distribution channels; retaining customers and suppliers of the acquired business; minimizing the diversion of management’ s and other employees’ attention from ongoing business matters; coordinating geographically separate organizations; consolidating research and development operations; consolidating corporate and administrative infrastructures; implementing controls, processes and policies appropriate for a public company at acquired companies that may have previously lacked such controls, processes and policies; and managing the increased scale, complexity and globalization of our business, operations and employee base. Additional risks related to our acquisitions or strategic investments include, but are not limited to: • difficulty in combining the technology, products or operations of the acquired business with our business; • difficulty in integrating and retaining the acquired workforce, including key employees; • diversion of capital and other resources, including management’ s attention; • assumption of liabilities and incurring amortization expenses, impairment charges to goodwill or write- downs of acquired assets; • integrating financial forecasting and controls, procedures and reporting cycles; • coordinating and integrating operations in countries in which we have not previously operated; • acquiring business challenges and risks, including, but not limited to, disputes with management and integrating international operations and joint ventures; • difficulty in realizing a satisfactory return, if any return at all; • difficulty in obtaining or inability to obtain governmental and regulatory consents and approvals, other approvals or financing; • the potential impact of complying with governmental or other regulatory restrictions placed on an acquisition; • the potential impact on our stock price and financial results if we are unable to obtain regulatory approval for an acquisition, are required to pay reverse breakup fees or are otherwise unable to close an acquisition; • failure and costs associated with the failure to consummate a proposed acquisition or other strategic investment; • legal proceedings initiated as a result of an acquisition or investment; • the potential for our acquisitions to result in dilutive issuances of our equity securities; • the potential variability of the amount and form of any performance- based consideration; • uncertainties and time needed to realize the benefits of an acquisition or strategic investment, if at all; • negative changes in general economic conditions in the regions or the industries in which we or our acquired business operate; • the need to determine an alternative strategy if an acquisition **or strategic investment** does not meet our expectations; • potential failure of our due diligence processes to identify significant issues with the acquired assets or company; and • impairment of relationships with, or loss of our acquired business’ employees, vendors and customers, as a result of our acquisition or investment. Our strategic investments in new areas of technology may involve significant risks and uncertainties, including distraction of management from current operations, greater than expected liabilities and expenses, inadequate return of capital and unidentified issues not discovered in due diligence. These investments are inherently risky and may not be successful. In addition, we may record impairment charges related to our acquisitions or strategic investments. Any losses or impairment charges that we incur related to acquisitions, strategic investments or sales of assets will have a negative impact on our financial results and the market value of our common stock, and we may continue to incur new or additional losses related to acquisitions or strategic investments. We may have to incur debt or issue equity securities to pay for any future acquisitions, which debt could involve restrictive covenants or which equity

security issuance could be dilutive to our existing stockholders. We may also use cash to pay for any future acquisitions which will reduce our cash balance. From time to time, we may also divest certain assets. These divestitures or proposed divestitures may involve the loss of revenue and / or potential customers, and the market for the associated assets may dictate that we sell such assets for less than what we paid. In addition, in connection with any asset sales or divestitures, we may be required to provide certain representations, warranties, licenses and / or covenants to buyers. While we would seek to ensure the accuracy of such representations and warranties and fulfillment of any ongoing obligations, we may not be completely successful and consequently may be subject to claims by a purchaser of such assets or related erosion of revenue or loss of customers. If our counterparties are unable to fulfill their financial and other obligations to us, our business and results of operations may be affected adversely. Any downturn in economic conditions or other business factors could threaten the financial health of our counterparties, including companies with which we have entered into licensing, asset / product sale and / or settlement agreements, and their ability to fulfill their financial and other obligations to us. Such financial pressures on our counterparties may eventually lead to bankruptcy proceedings or other attempts to avoid financial obligations that are due to us. Because bankruptcy courts have the power to modify or cancel contracts of the petitioner which remain subject to future performance and alter or discharge payment obligations related to pre- petition debts, we may receive less than all of the payments that we would otherwise be entitled to receive from any such counterparty as a result of bankruptcy proceedings. Our success is dependent upon our ability to identify, attract, compensate, motivate and retain qualified personnel, especially engineers, senior management and other key personnel. The loss of the services of any key employees could be disruptive to our development efforts, business relationships and strategy and could cause our business and operations to suffer. All of our officers and other U. S. employees are at- will employees, which means they may terminate their employment relationship with us at any time, and their knowledge of our business and industry would be extremely difficult to replace. Any changes in our senior management team in particular, even in the ordinary course of business, may be disruptive to our business. While we seek to manage these transitions carefully, including by establishing strong processes and procedures and succession planning, such changes may result in a loss of institutional knowledge and cause disruptions to our business. If our senior management team fails to work together effectively or execute our plans and strategies on a timely basis as a result of management turnover or otherwise, our business could be harmed. Our future success depends in large part upon the continued service and enhancement of our management team and our employees. If there are unexpected changes in management, such changes could be disruptive and could negatively affect our sales, operations, culture, future recruiting efforts and strategic direction. Competition for qualified executives is intense, and if we are unable to compensate our key talent appropriately and continue expanding our management team, or successfully integrate new additions to our management team in a manner that enables us to scale our business and operations effectively, our ability to operate effectively and efficiently could be limited or negatively impacted. In addition, changes in key management positions may temporarily affect our financial performance and results of operations as new management becomes familiar with our business, processes and strategy. The loss of any of our key personnel, or our inability to attract, integrate and retain qualified employees who join us organically and through acquisitions, could require us to dedicate significant financial and other resources to such personnel matters, disrupt our operations and seriously harm our operations and business. Our business operations depend on our ability to maintain and protect our facilities, computer systems and personnel, which are primarily located in the San Francisco Bay Area in the United States, Bulgaria, Canada, France, India, the Netherlands, South Korea, and Taiwan. The San Francisco Bay Area is in close proximity to known earthquake fault zones and sites of recent historic wildfires. Our facilities and transportation for our employees are susceptible to damage from earthquakes and other natural disasters such as fires, floods, droughts, extreme temperatures and similar events. Should a catastrophe disable our facilities, we do not have readily available alternative facilities from which we could conduct our business, so any resultant work stoppage could have a negative effect on our operating results. We also rely on our network infrastructure and technology systems for operational support and business activities which are subject to physical and cyber damage, and also susceptible to other related vulnerabilities common to networks and computer systems. New epidemics, pandemics or outbreaks of novel diseases may arise at any time, ~~and~~ ~~The COVID-19 pandemic or other disease outbreak~~ ~~may continue to~~ adversely affect the economies and financial markets of many countries, resulting in an economic downturn that may impact overall technology spending, ~~adversely affecting~~ demand for our products and ~~impacting~~ our operating results. Furthermore, such disruption in the global financial markets may reduce our ability to access capital or our customers' ability to pay us for past or future purchases, which could negatively affect our liquidity. We and our suppliers could be affected by laws and regulations enacted in response to concerns regarding climate change, conflict minerals, responsible sourcing practices, public health crises, contagious disease outbreaks or other matters, which could limit the supply of our materials and / or increase the cost. Environmental regulations could limit our ability to procure or use certain chemicals or materials in our operations or products. In addition, disruptions in transportation lines could delay our receipt of materials. Acts of terrorism, climate- change related risk, widespread illness or global pandemics, international conflict, war and any event that causes failures or interruption in our network infrastructure and technology systems could have a negative effect at our international and domestic facilities and could harm our business, financial condition and operating results. We rely upon the accuracy of our customers' recordkeeping, and any inaccuracies or payment disputes for amounts owed to us under our licensing agreements may harm our results of operations. Many of our license agreements require our customers to document the manufacture and sale of products that incorporate our technology and report this data to us on a quarterly basis. While licenses with such terms give us the right to audit books and records of our customers to verify this information, audits rarely are undertaken because they can be expensive, time consuming and potentially detrimental to our ongoing business relationship with our customers. Therefore, we typically rely on the accuracy of the reports from customers without independently verifying the information in them. Our failure to audit our customers' books and records may result in our receiving more or less royalty revenue than we are entitled to under the terms of our license agreements. If we conduct royalty audits in the future, such audits may trigger disagreements over contract terms with our

customers and such disagreements could hamper customer relations, divert the efforts and attention of our management from normal operations and impact our business operations and financial condition. Our business and operating results could be harmed if we undertake any restructuring activities. From time to time, we may undertake restructurings of our business, including discontinuing certain products, services and technologies and planned reductions in force. There are several factors that could cause restructurings to have adverse effects on our business, financial condition and results of operations. These include potential disruption of our operations, the development of our technology, the deliveries to our customers and other aspects of our business. Loss of sales, service and engineering talent, in particular, could damage our business. Any restructuring would require substantial management time and attention and may divert management from other important work. Employee reductions or other restructuring activities also would cause us to incur restructuring and related expenses such as severance expenses. Moreover, we could encounter delays in executing any restructuring plans, which could cause further disruption and additional unanticipated expense. Problems with our information systems could interfere with our business and could adversely impact our operations. We rely on our information systems and those of third parties for fulfilling licensing and contractual obligations, processing customer orders, delivering products, providing services and support to our customers, billing and tracking our customer orders, performing accounting operations and otherwise running our business. If our systems fail, our disaster and data recovery planning and capacity may prove insufficient to enable timely recovery of important functions and business records. Any disruption in our information systems and those of the third parties upon whom we rely could have a significant impact on our business. ~~For example, in the third quarter of 2023, we commenced operating a new ERP system. Any failures of this system to operate as intended could impact our ability to timely and accurately manage our business and publicly report our financial results.~~ Additionally, our information systems may not support new business models and initiatives and significant investments could be required in order to upgrade them. Delays in adapting our information systems to address new business models and accounting standards could limit the success or result in the failure of such initiatives and impair the effectiveness of our internal controls. Even if we do not encounter these adverse effects, the implementation of these enhancements may be much more costly than we anticipated. If we are unable to successfully implement the information systems enhancements as planned, our operating results could be negatively impacted. Certain software we use is from open source code sources, which, under certain circumstances, may lead to unintended consequences and ~~therefore~~ could materially adversely affect our business, financial condition, operating results and cash flow. We use open source software in our services and we intend to continue to use open source software in the future. From time to time, there have been claims challenging the ownership of open source software against companies that incorporate open source software into their products or alleging that these companies have violated the terms of an open source license. As a result, we could be subject to lawsuits by parties claiming ownership of what we believe to be open source software or alleging that we have violated the terms of an open source license. Litigation could be costly for us to defend, have a negative effect on our operating results and financial condition or require us to devote additional research and development resources to change our solutions. In addition, if we were to combine our proprietary software solutions with open source software in certain manners, we could, under certain open source licenses, be required to publicly release the source code of our proprietary software solutions. If we inappropriately use open source software, we may be required to re-engineer our solutions, discontinue the sale of our solutions, release the source code of our proprietary software to the public at no cost or take other remedial actions. There is a risk that open source licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to commercialize our solutions, which could adversely affect our business, operating results and financial condition. If we are not able to comply with the requirements of the Sarbanes- Oxley Act or if we are unable to maintain effective internal control over financial reporting and disclosure controls and procedures, we may not be able to produce timely and accurate financial statements or guarantee that information required to be disclosed by us in the reports that we file with the SEC is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms. ~~In connection with the audit of our consolidated financial statements as of and for the year ended December 31, 2020, we and our independent registered public accounting firm identified a material weakness in our internal control over financial reporting that impacted our consolidated financial statements and related disclosures as of and for the years ended December 31, 2020 and 2019, and revised our consolidated financial statements for the year ended December 31, 2018. While we believe this material weakness has been remediated, we cannot assure you that we have identified all of our existing material weaknesses, or that we will not in the future have additional material weaknesses.~~ Any failure of our internal control over financial reporting or disclosure controls and procedures could result in material misstatements of our consolidated financial statements, which could cause our investors to lose confidence in our publicly reported information, cause the market price of our stock to decline, expose us to sanctions or investigations by the SEC or other regulatory authorities, or impact our results of operations. We are subject to income taxes in both the United States and various foreign jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes and, in the ordinary course of business, there are many transactions and calculations where the ultimate tax determination is uncertain. Our effective tax rate could be adversely affected by several factors, many of which are outside of our control, including changes in the mix of earnings and losses in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, changes in tax laws, rates, treaties and regulations or the interpretation of the same, changes to the financial accounting rules for income taxes, the outcome of current and future tax audits, examinations or administrative appeals and certain non- deductible expenses. Our tax determinations are regularly subject to audit by tax authorities and developments in those audits could adversely affect our income tax provision, and we are currently undergoing such audits of certain of our tax returns. Although we believe that our tax estimates are reasonable, the final determination of tax audits or tax disputes may be different from what is reflected in our historical income tax provisions, which could affect our operating results. The Organization for Economic Cooperation and Development has proposed imposing a 15 % global minimum tax, and ~~the Council of the European Union adopted~~ this proposal **has been adopted for** ~~or~~ **implementation is being considered** by **a number of**

countries member states by December 31, 2023. **The** Further, the United States has recently enacted the Inflation Reduction Act, which includes, among other changes, **imposes** a 1 % excise tax on certain stock repurchases and a 15 % alternative minimum tax on adjusted financial statement income. If we are subject to additional tax liabilities, our financial performance may be adversely affected. In addition, many jurisdictions are actively considering changes to existing tax laws or have proposed or enacted new laws that could increase our tax obligations in countries where we do business or cause us to change the way we operate our business. Any of these developments or changes in **U. S.** federal, state or international tax laws or tax rulings could adversely affect our effective tax rate and our operating results. Risks Associated with Litigation, Regulation and Our Intellectual Property Various countries have adopted controls, license requirements and restrictions on the export, import and use of products or services that contain encryption technology. In addition, governmental agencies have proposed additional requirements for encryption technology, such as requiring the escrow and governmental recovery of private encryption keys. Restrictions on the sale or distribution of products or services containing encryption technology may impact our ability to license data security technologies to the manufacturers and providers of such products and services in certain markets or may require us or our customers to make changes to the licensed data security technology that is embedded in such products to comply with such restrictions. Government restrictions, or changes to the products or services of our customers to comply with such restrictions, could delay or prevent the acceptance and use of such customers' products and services. In addition, the United States and other countries have imposed export controls that prohibit the export of encryption and other technology to certain countries, entities and individuals. Our failure to comply with export and use regulations concerning encryption technology could subject us to sanctions and penalties, including fines, and suspension or revocation of export or import privileges. Additionally, climate change concerns and the potential resulting environmental impact may result in new environmental, health and safety laws and regulations that may affect us, our suppliers and our customers. Such laws or regulations could cause us to incur additional direct costs for compliance, as well as increased indirect costs resulting from our customers, suppliers or both incurring additional compliance costs that are passed on to us. These costs may adversely impact our results of operations and financial condition. We are subject to a variety of laws and regulations in the United States, the European Union and other countries that involve, for example, user privacy, data protection and security, content and consumer protection. **For example, Privacy and data protection regimes implemented in the 2016, a new European Union data protection regime, the United Kingdom, California and the other jurisdictions have been enacted that** General Data Protection Regulation ("GDPR") was adopted, with it fully effective on May 25, 2018. The GDPR includes **include** significant penalties for noncompliance **that potentially could run into**, which may result in monetary penalties of up to the **higher tens** of € 20 million **millions** or 4 % of **dollars**, a group's worldwide turnover for the **Other jurisdictions** preceding financial year for the most serious violations. The United Kingdom's version of the GDPR, **including numerous states** which it maintains along with its Data Protection Act, **countries and the U. S. federal government, are also contemplating** provides for substantial penalties that, for the most serious violations, can go up to the greater of £ 17. 5 million or 4 % of a group's worldwide turnover for the preceding financial year. In the United States, California enacted the California Consumer Privacy Act ("CCPA"), which became effective on January 1, 2020. The CCPA includes a framework with potentially severe statutory damages and private rights of action. Moreover, a new privacy law, the California Privacy Rights Act ("CPRA"), was approved by California voters in November 2020. The CPRA significantly modifies the CCPA, effective as of January 1, 2023. Numerous other states have passed laws that share similarities with the CCPA and CPRA, and other states are considering such legislation. **Existing** The U. S. federal government also is contemplating federal privacy legislation. The GDPR and **potential future** CCPA, new and evolving laws such as the CPRA and other future changes in laws or regulations relating to **these matters** cross-border data transfer, data localization and other aspects of privacy, data protection and information security may require us to modify our existing practices with respect to the collection, use, disclosure and other processing of data. **The GDPR, CCPA and other existing Existing** and proposed laws and regulations **relating to these matters** can be costly and challenging to comply with and can delay or impede the development of new products, result in negative publicity, increase our operating costs and subject us to claims or other remedies. We are subject to disclosure and reporting requirements for companies that use "conflict" minerals mined from the Democratic Republic of Congo and adjoining countries in their products, whether or not these products are manufactured by third parties. These requirements could affect the sourcing and availability of minerals that are used in the manufacture of our products. We have to date incurred costs and expect to incur significant additional costs associated with complying with the disclosure requirements, including for example, due diligence in regard to the sources of any conflict minerals used in our products, in addition to the cost of remediation and other changes to products, processes or sources of supply as a consequence of such verification activities. Additionally, we may face reputational challenges with our customers and other stakeholders if we are unable to sufficiently verify the origins of all minerals used in our products through the due diligence procedures that we implement. We may also face challenges with government regulators and our customers and suppliers if we are unable to sufficiently verify that the metals used in our products are conflict free. We **have been and** may be subject to legal claims or regulatory matters involving consumer, stockholder **class action and derivative**, employment, competition, IP and other issues on a global basis. Litigation, **such as we experienced in our history**, can be lengthy, expensive and disruptive to our operations, and results cannot be predicted with certainty. An adverse decision could include monetary damages or, in cases for which injunctive relief is sought, an injunction prohibiting us from manufacturing or selling one or more of our products or technologies. If we were to receive an unfavorable ruling on a matter, our business, operating results or financial condition could be materially harmed. We have in the past, and may in the future, become engaged in litigation stemming from our efforts to protect and enforce our patents and IP and make other claims, which could adversely affect our IP rights, distract our management and cause substantial expenses and declines in our revenue and stock price. We seek to diligently protect our IP rights and will continue to do so. While we are not currently involved in IP litigation, any future litigation, whether or not determined in our favor or settled by us, would be expected to be costly, may cause delays applicable

to our business (including delays in negotiating licenses with other actual or potential customers), would be expected to discourage future design partners, would tend to impair adoption of our existing technologies and would divert the efforts and attention of our management and technical personnel from other business operations. In addition, we may be unsuccessful in any litigation if we have difficulty obtaining the cooperation of former employees and agents who were involved in our business during the relevant periods related to our litigation and are now needed to assist in cases or testify on our behalf. Furthermore, any adverse determination or other resolution in litigation could result in our losing certain rights beyond the rights at issue in a particular case, including, among other things: our being effectively barred from suing others for violating certain or all of our IP rights; our patents being held invalid or unenforceable or not infringed; our being subjected to significant liabilities; our being required to seek licenses from third parties; our being prevented from licensing our patented technology; or our being required to renegotiate with current customers on a temporary or permanent basis. From time to time, we are subject to proceedings by government agencies that may result in adverse determinations against us and could cause our revenue to decline substantially. An adverse resolution by or with a governmental agency could result in severe limitations on our ability to protect and license our IP and could cause our revenue to decline substantially. Third parties have and may attempt to use adverse findings by a government agency to limit our ability to enforce or license our patents in private litigation, to challenge or otherwise act against us with respect to such government agency proceedings. Further, third parties have sought and may seek review and reconsideration of the patentability of inventions claimed in certain of our patents by the U. S. Patent and Trademark Office (“USPTO”) and / or the European Patent Office (the “EPO”). Any re-examination or inter partes review proceedings may be initiated by the USPTO’s Patent Trial and Appeal Board (“PTAB”). The PTAB and the related former Board of Patent Appeals and Interferences have previously issued decisions in a few cases, finding some challenged claims of our patents to be valid and others to be invalid. Decisions of the PTAB are subject to further USPTO proceedings and / or appeal to the Court of Appeals for the Federal Circuit. A final adverse decision, not subject to further review and / or appeal, could invalidate some or all of the challenged patent claims and could also result in additional adverse consequences affecting other related U. S. or European patents, including in any IP litigation. If a significant number of such patents are impaired, our ability to enforce or license our IP would be significantly weakened and could cause our revenue to decline substantially. The pendency of any governmental agency acting as described above may impair our ability to enforce or license our patents or collect royalties from existing or potential customers, as any litigation opponents may attempt to use such proceedings to delay or otherwise impair any pending cases and our existing or potential customers may await the final outcome of any proceedings before agreeing to new licenses or to paying royalties. Litigation or other third-party claims of IP infringement could require us to expend substantial resources and could prevent us from developing or licensing our technology on a cost-effective basis. Our research and development and product programs are in highly competitive fields in which numerous third parties have issued patents and patent applications with claims closely related to the subject matter of our programs. We and / or our customers may be named as a defendant in lawsuits claiming that our technology infringes upon the IP rights of third parties. As we develop additional products and technology, we may face claims of infringement of various patents and other IP rights by third parties. In the event of a third-party claim or a successful infringement action against us, we may be required to pay substantial damages, to stop developing and licensing our infringing technology, to develop non-infringing technology and to obtain licenses, which could result in our paying substantial royalties or our granting of cross licenses to our technologies. We may not be able to obtain licenses from other parties at a reasonable cost, or at all, which could cause us to expend substantial resources, or result in delays in, or the cancellation of, new products. Moreover, customers and / or suppliers of our products may seek indemnification for alleged infringement of IP rights. We could be liable for direct and consequential damages and expenses including attorneys’ fees. A future obligation to indemnify our customers and / or suppliers may harm our business, financial condition and operating results. We have an active program to protect our proprietary inventions through the filing of patents. There can be no assurance, however, that:

- any current or future U. S. or foreign patent applications will be approved and not be challenged by third parties;
- our issued patents will protect our IP and not be challenged by third parties;
- the validity of our patents will be upheld;
- our patents will not be declared unenforceable;
- the patents of others will not have an adverse effect on our ability to do business;
- Congress or the U. S. courts or foreign countries will not change the nature or scope of rights afforded patents or patent owners or alter in an adverse way the process for seeking or enforcing patents;
- changes in law will not be implemented, or changes in interpretation of such laws will occur, that will affect our ability to license, protect and / or enforce our patents and other IP;
- new legal theories and strategies utilized by our competitors will not be successful;
- others will not independently develop similar or competing chip interfaces or design around any patents that may be issued to us; or
- factors such as difficulty in obtaining cooperation from inventors, pre-existing challenges or litigation or license or other contract issues will not present additional challenges in securing protection with respect to patents and other IP that we acquire. If any of the above were to occur, our operating results could be adversely affected. Furthermore, patent reform legislation, such as the Leahy-Smith America Invents Act, could increase the uncertainties and costs surrounding the prosecution of any patent applications and the enforcement or defense of our licensed patents. The federal courts, the USPTO, the Federal Trade Commission, and the U. S. International Trade Commission have also recently taken certain actions and issued rulings that have been viewed as unfavorable to patentees. While we cannot predict what form any new patent reform laws or regulations may ultimately take, or what impact recent or future reforms may have on our business, any laws or regulations that restrict or negatively impact our ability to enforce our patent rights against third parties could have a material adverse effect on our business. In addition, our patents will continue to expire according to their terms, with expected expiration dates ranging from 2024-2025 to 2043. Our failure to continuously develop or acquire successful innovations and obtain patents on those innovations could significantly harm our business, financial condition, results of operations, or cash flows. Our inability to protect the IP we create and own would cause our business to suffer. We rely primarily on a combination of license, development and nondisclosure agreements, trademark, trade secret and copyright law and contractual provisions to protect our non-patentable IP rights. If we fail to protect these IP

rights, our customers and others may seek to use our technology without the payment of license fees and royalties, which could weaken our competitive position, reduce our operating results and increase the likelihood of costly litigation. The growth of our business depends in part on the use of our IP in the products of third-party manufacturers, and our ability to enforce IP rights against them to obtain appropriate compensation. In addition, effective trade secret protection may be unavailable or limited in certain foreign countries. Although we intend to protect our rights vigorously, if we fail or are otherwise unable to do so, our business will suffer. Effective protection of trademarks, copyrights, domain names, patent rights and other IP rights is expensive and difficult to maintain, both in terms of application and maintenance costs, as well as the costs of defending and enforcing those rights. The efforts we have taken to protect our IP rights may not be sufficient or effective. Our IP rights may be infringed, misappropriated or challenged, which could result in them being narrowed in scope or declared invalid or unenforceable. In addition, the laws or practices of certain countries do not protect our proprietary rights to the same extent as do the laws of the United States. Significant impairments of our IP rights, and limitations on our ability to assert our IP rights against others, could have a material and adverse effect on our business. Third parties may claim that our products or services infringe on their IP rights, exposing us to litigation that, regardless of merit, may be costly to defend. Our success and ability to compete are also dependent upon our ability to operate without infringing upon the patent, trademark and other IP rights of others. Third parties may claim that our current or future products or services infringe upon their IP rights. Defense of any such claim, with or without merit, could be time consuming, divert management's attention from our business operations and result in significant expenses. We cannot assure you that we would be successful in defending against any such claims. In addition, parties making these claims may be able to obtain injunctive or other equitable relief affecting our ability to commercialize the products that incorporate the challenged IP. As a result of such claims, we may be required to obtain licenses from third parties, develop alternative technology or redesign our products. We cannot be sure that such licenses would be available on terms acceptable to us, if at all. **We also may not have sufficient indemnification from our applicable vendors, if any.** If a successful claim is made against us and we are unable to develop or license alternative technology, our business, financial condition, operating results and cash flows could be materially adversely affected. Any dispute regarding our products or services may require us to indemnify certain customers, the cost of which could severely hamper our business operations and financial condition. In any potential dispute involving our products, our customers could also become the target of litigation. Some of our agreements provide for indemnification, and some require us to provide technical support and information to a customer that is involved in litigation involving use of our technology. In addition, we may be exposed to indemnification obligations, risks and liabilities that were unknown at the time that we acquired assets or businesses for our operations. Any of these indemnification and support obligations could result in substantial and material expenses. In addition to the time and expense required for us to indemnify or supply such support to our customers, a customer's development, marketing and sales of licensed semiconductors, mobile communications and data security technologies could be severely disrupted or shut down as a result of litigation, which in turn could severely hamper our business operations and financial condition as a result of lower or no royalty payments. We may from time to time be subject to warranty, service level agreement and product liability claims with regard to product performance and our services. We could incur material losses as a result of warranty, support, repair or replacement costs in response to customer complaints or in connection with the resolution of contemplated or actual legal proceedings relating to such claims. In addition to potential losses arising from claims and related legal proceedings, warranty and product liability claims could affect our reputation and our relationship with customers. We **also may not have sufficient indemnification from our applicable vendors, if any.** We generally attempt to limit the maximum amount of indemnification or liability that we could be exposed to under our contracts, however, this is not always possible. ~~We have been party to, and may in the future be subject to, lawsuits relating to securities law matters which may result in unfavorable outcomes and significant judgments, settlements and legal expenses which could cause our business, financial condition and results of operations to suffer. We and certain of our current and former officers and directors, as well as our current independent auditors, have been subject to several stockholder derivative actions, securities fraud class actions and / or individual lawsuits filed in federal court. The complaints generally alleged that the defendants violated the federal and state securities laws and stated state law claims for fraud and breach of fiduciary duty. Although to date these complaints have either been settled or dismissed, the amount of time to resolve any future lawsuits is uncertain, and these matters could require significant management and financial resources. Unfavorable outcomes and significant judgments, settlements and legal expenses in litigation related to any future securities law claims could have material adverse impacts on our business, financial condition, results of operations, cash flows and the trading price of our common stock.~~ Participation in standards setting organizations may subject us to IP licensing requirements or limitations that could adversely affect our business and prospects. In the course of our participation in the development of emerging standards for some of our present and future products, we may be obligated to grant to all other participants a license to our patents that are essential to the practice of those standards on reasonable and non-discriminatory, or RAND, terms, **or on a royalty-free basis.** As a result of such obligations, we may be required to license our patents or other IP to others in the future, which could limit the value of the patents and effectiveness of our patents against competitors. Risks Associated with Capitalization Matters The price of our common stock may continue to fluctuate. Our common stock is listed on The Nasdaq Global Select Market under the symbol "RMBS." The trading price of our common stock has at times experienced price volatility and may continue to fluctuate significantly in response to various factors, some of which are beyond our control. Some of these factors include: • any progress, or lack of progress, real or perceived, in the development of products that incorporate our innovations and technology companies' acceptance of our products, including the results of our efforts to expand into new target markets; • our signing or not signing new licenses or renewing existing licenses, and the loss of strategic relationships with any customer; • announcements of technological innovations or new products by us, our customers or our competitors; • changes in our strategies, including changes in our licensing focus and / or acquisitions or dispositions of companies or businesses with business models or target markets different from our core; • changes in macroeconomic conditions, increased risk of recession and

geopolitical issues, including the effects of tensions between China and Taiwan, and potentially in Israel and the Middle East; • positive or negative reports by securities analysts as to our expected financial results and business developments; • developments with respect to patents or proprietary rights and other events or factors; • new litigation and the unpredictability of litigation results or settlements; • repurchases of our common stock on the open market; • issuance of additional securities by us, including in acquisitions, or large cash payments, including in acquisitions; and • changes in accounting pronouncements. In addition, the stock market in general, and prices for companies in our industry in particular, have experienced extreme volatility that often has been unrelated to the operating performance of such companies. The trading price of our common stock may fluctuate widely due to various factors, including, but not limited to, actual or anticipated fluctuations in our financial condition and operating results, changes in financial forecasts or estimates by us or financial or other market estimates and ratings by securities and other analysts, changes in our capital structure, including issuance of additional debt or equity to the public, interest rate changes, regulatory changes, news regarding our products or products of our competitors and broad market and industry fluctuations.

~~While the trading price of our common stock has been trending upward, there is no guarantee that the trading price will continue to increase.~~ Investors in our common stock may not realize any return on their investment in us and may lose some or all of their investment. Volatility in the trading price of our common stock could also result in the filing of securities class action litigation matters, which could result in substantial costs and the diversion of management time and resources. Changing laws, regulations and standards relating to corporate governance and public disclosure have historically created uncertainty for companies such as ours. Any new or changed laws, regulations and standards are subject to varying interpretations due to their lack of specificity, and as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. Our amended and restated certificate of incorporation and amended and restated bylaws, Delaware law, and certain other agreements contain provisions that could discourage transactions resulting in a change in control, which may negatively affect the market price of our common stock. Our amended and restated certificate of incorporation, our amended and restated bylaws and Delaware law contain provisions that might enable our management to discourage, delay or prevent a change in control. In addition, these provisions could limit the price that investors would be willing to pay in the future for shares of our common stock. Pursuant to such provisions: • our board of directors is authorized, without prior stockholder approval, to create and issue preferred stock, commonly referred to as “blank check” preferred stock, with rights senior to those of common stock, which means that a stockholder rights plan could be implemented by our board; • our board of directors is staggered into two classes, only one of which is elected at each annual meeting; • stockholder action by written consent is prohibited; • nominations for election to our board of directors and the submission of matters to be acted upon by stockholders at a meeting are subject to advance notice requirements, including compliance with the “universal proxy rules” under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), for nominations for election to the board of directors or for proposing matters that can be acted upon at stockholder meetings; • certain provisions in our amended and restated certificate of incorporation and amended and restated bylaws, such as notice to stockholders, the ability to call a stockholder meeting, advance notice requirements and action of stockholders by written consent may only be amended with the approval of stockholders holding 66 2 / 3 % of our outstanding voting stock; • our stockholders have no authority to call special meetings of stockholders; and • our board of directors is expressly authorized to make, alter or repeal our bylaws. We are also subject to Section 203 of the Delaware General Corporation Law, which provides, subject to enumerated exceptions, that if a person acquires 15 % or more of our outstanding voting stock, the person is an “interested stockholder” and may not engage in any “business combination” with us for a period of three years from the time the person acquired 15 % or more of our outstanding voting stock. Our amended and restated bylaws provide that the Court of Chancery of the State of Delaware and the federal district courts of the United States will be the exclusive forums for substantially all disputes between us and our stockholders, which could limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees. Our amended and restated bylaws provide that the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another state court in Delaware or the federal district court for the District of Delaware) is the exclusive forum for the following (except for any claim as to which such court determines that there is an indispensable party not subject to the jurisdiction of such court (and the indispensable party does not consent to the personal jurisdiction of such court within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than such court or for which such court does not have subject matter jurisdiction): • any derivative action or proceeding brought on behalf of us; • any action asserting a claim of breach of a fiduciary duty; • any action asserting a claim against us arising under the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws (as either may be amended from time to time); and • any action asserting a claim against us that is governed by the internal affairs doctrine. This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the U. S. federal courts have exclusive jurisdiction. Our amended and restated bylaws further provide that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act of 1933, as amended. These exclusive- forum provisions may limit a stockholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. Any person or entity purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions. There is uncertainty as to whether a court would enforce such provisions, and the enforceability of similar choice of forum provisions in other companies’ charter documents has been challenged in legal proceedings. It is possible that a court could find these types of provisions to be inapplicable or unenforceable, and if a court were to find either exclusive- forum provision in our amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could seriously harm our business.

