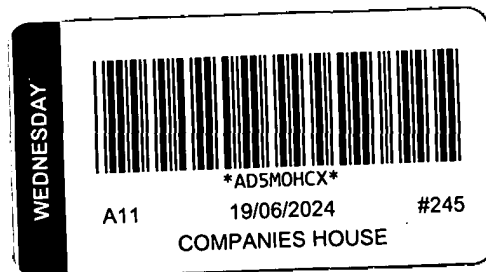


Cirrus Logic International Semiconductor Ltd
Registered number: SC495735

Financial Statements
for the 53 week period ended
30 March 2024



Contents

Company Information	1
Strategic Report	2
Directors' Report	16
Statement of Directors' Responsibilities	22
Independent Auditor's Report to the members of Cirrus Logic International Semiconductor Ltd	23
Income Statement	26
Balance Sheet	27
Statement of Changes in Equity	28
Notes to the Financial Statements	29

Company Information
For the 53 week period ended 30 March 2024

Directors: Allan W. Hughes
Sarah Wallis
Venk Nathamuni (resigned 24 May 2024)

Secretary: Andrew Keir

Registered Office: Cirrus Logic International Semiconductor Ltd
7B Nightingale Way
Quartermile
Edinburgh
Scotland
EH3 9EG
United Kingdom

Registered Number: SC495735

Independent Auditor: Ernst & Young LLP
144 Morrison Street
Edinburgh
EH3 8EB
United Kingdom

Principal Bankers: Wells Fargo Bank, N.A.
London Branch
One Plantation Place
30 Fenchurch Street
London
EC3M 3BD
United Kingdom

Legal Advisors: Baker McKenzie LLP
100 New Bridge Street
London
EC4V 6JA
United Kingdom

Strategic Report

For the 53 week period ended 30 March 2024

The directors present their Strategic Report for Cirrus Logic International Semiconductor Ltd (the 'Company') for the 53 week period ended 30 March 2024.

Principal Activities and Products

Audio Products

The Company designs low-power, low-latency, high-precision audio components that are used in a variety of applications including smartphones, laptops, tablets, AR/VR headsets, wearables, home theatre systems, automotive entertainment systems and professional audio systems. The Company has an extensive portfolio of products: amplifiers, "codecs", which are components that integrate analogue-to-digital converters ("ADCs") and digital-to-analogue converters ("DACs") into a single integrated circuit ("IC"); "smart codecs," which are codecs with integrated digital signal processing; and standalone digital signal processors ("DSPs"). Additionally, the Company's SoundClear® technology consists of a broad portfolio of tools, software and algorithms that help to differentiate our customers' products by improving the user experience with features such as louder, high-fidelity sound, high-quality audio playback, voice capture, and hearing augmentation.

High-Performance Mixed-Signal Products

Drawing on our extensive mixed-signal design and low-power processing expertise, the Company has expanded beyond our traditional audio domain to now also provide a range of High-Performance Mixed-Signal "HPMS" products, such as camera controllers, haptic and sensing solutions, and battery and power ICs. These products are primarily used in smartphones to help deliver a more immersive and compelling user experience while also improving battery health and performance. This product line also includes legacy industrial and energy applications such as digital utility meters, power supplies, energy control, energy measurement and energy exploration.

Future Developments

There are no expected changes to the Company's activities in the coming year.

Research and Development

The Company concentrates its research and development efforts on the design and development of new products for each of our principal markets. We also fund certain advanced-process technology development, as well as other emerging product opportunities. Our future success is highly dependent upon our ability to develop complex new products, transfer new products to volume production, introduce them into the marketplace in a timely fashion, and have them selected for design into products of systems manufacturers. Our future success may also depend on assisting our customers with integration of our components into their new products, including providing support from the concept stage through design, launch and production ramp. Research and development expenditure for the 53 week period ended 30 March 2024 was \$417.2 million (52 week period ended 25 March 2023: \$398.8 million).

Strategic Report (continued)

For the 53 week period ended 30 March 2024

Financial Performance

Key Performance Indicators

	53 weeks ended 30 March 2024	52 weeks ended 25 March 2023
Revenue	\$727.5 million	\$741.9 million
Gross profit (as a % of revenue)	100.0%	100.0%
Research and development expenses (as a % of revenue)	57.3%	53.8%
Administrative expenses (as a % of revenue)	1.2%	1.2%
Operating profit (as a % of revenue)	41.5%	45.1%

Revenue

The Company earned royalty income in respect of an intellectual property license from another Group company, Cirrus Logic International (UK) Ltd of \$727.5 million during the 53 week period ended 30 March 2024 (52 week period ended 25 March 2023: \$741.9 million).

Operating Expenses

The amount of expenditure on research and development ('R&D') for the 53 week period ended 30 March 2024 was \$417.2 million (52 week period ended 25 March 2023: \$398.8 million).

Administrative expenses were \$8.5 million in the 53 week period ended 30 March 2024, compared to \$8.7 million in the 52 week period ended 25 March 2023.

Operating Profit

The operating profit for the 53 week period ended 30 March 2024 and the 52 week period ended 25 March 2023 was \$301.8 million and \$334.3 million respectively.

Taxation

The total effective tax rate for the 53 week period ended 30 March 2024 was 12.2% primarily due to the UK patent box claim (52 week period ended 25 March 2023: 10.5% primarily due to the UK patent box claim). A reconciliation of the effective tax rate is presented in note 6 to the financial statements.

Financial Position

Cash and cash equivalents totalled \$388.4 million at 30 March 2024 (25 March 2023: \$229.3 million).

Strategic Report (continued)

For the 53 week period ended 30 March 2024

Principal Risks and Uncertainties

Risk Factors

The Company's business faces significant risks. The risk factors set forth below may not be the only risks that we face and there is a risk that we may have failed to identify all possible risk factors. Additional risks that we are not aware of yet or that currently are not material may adversely affect our business operations. You should read the following cautionary statements in conjunction with the factors discussed elsewhere in this document. These cautionary statements are intended to highlight certain factors that may affect the financial condition and results of operations of the Company and are not meant to be an exhaustive discussion of risks that apply to companies such as ours.

Risks Related to Operating our Business

If we fail to attract, hire and retain qualified personnel, we may not be able to develop, market, or sell our products or successfully manage our business.

Competition for highly qualified personnel in our industry, particularly for employees with technical backgrounds, is intense. Some companies in our industry have adopted flexible remote work arrangements providing more flexibility than ours that further increase competition for talent. Accordingly, we expect competition for qualified personnel to intensify because there are only a limited number of individuals in the job market with the skills that we require.

There also is a risk that changes in immigration laws and regulations, or their administration or enforcement, can impair our ability to attract and retain qualified engineering personnel. In the U.S., where a significant portion of our research and development teams are located, tightening of immigration controls may adversely affect the employment status of non-U.S. engineers and other key technical employees or further impact our ability to hire new non-U.S. employees. Moreover, certain immigration policies in the U.S. may make it more difficult for us to recruit and retain highly skilled foreign national graduates of universities in the U.S., additionally limiting the pool of available talent.

There are significant costs to the Company associated with attracting and retaining qualified personnel in key technology positions. Recruiting and employee costs, such as cash and stock-based compensation, have increased relative to historic levels and may continue to increase, which could adversely affect our results of operations. Further, the loss of the services of key personnel or our inability to hire new personnel with the requisite skills or to assimilate talent could restrict our ability to develop new products or timely enhance existing products, sell products to our customers, or manage our business effectively.

Risks relating to the adoption, use or application of emerging technologies, including artificial intelligence may impact financial results and could result in reputational and financial harm and liability.

Artificial intelligence ("AI") is a rapidly developing field that presents both risks and opportunities. For example, our business operations and research and development tasks may benefit from the use of AI tools. It is possible that we may not leverage this technological change as effectively as our competitors. Additionally, while we have developed internal policies to govern the use of AI, risks exist relating to the protection of data (including the potential exposure of our or our customers' proprietary and confidential information), the misuse of third-party intellectual property, or our failure to identify and correct deficiencies or inaccuracies generated by AI. Our failure to utilize AI responsibly may impact our reputation and could have a negative impact our business, operating results, and financial condition.

Strategic Report (continued) For the 53 week period ended 30 March 2024

Principal Risks and Uncertainties (continued)

Risks Related to Research and Development and New Technologies

Our failure to develop new products in a timely manner could harm our operating results.

Our success depends upon our ability to develop new products for new and existing CLI customers. The development of new products involves significant investment and is highly complex. From time-to-time, we have experienced delays in developing these new products. Successful product development depends on a number of factors including, but not limited to:

- proper new product definition;
- timely completion of design and testing of new products;
- assisting our customers with integration of our components into their new products; and
- successfully developing and implementing software necessary to integrate our products into our customers' products.

Both sales and/or margins may be materially affected if new product developments are delayed, or if our products are not designed into successive generations of new or existing CLI customers' products. Our failure to develop new products successfully could harm our business and operating results..

We continue to invest in research and development efforts for several new markets. If we are unable to commercialize these technologies, our future results and profits could be negatively affected.

Our investments into new markets subject us to additional risks. We may have limited or no experience in these markets, and CLI's customers may not adopt our new offerings. These developing products and market segments may not grow as significantly or as quickly as projected, or at all, and we may not realize an adequate return on our investments or may be required to write-down the value of certain tangible and intangible assets.

We may be unable to protect our intellectual property rights.

Our success depends in part on our ability to obtain patents and to preserve our other intellectual property rights covering our products. We seek patent protection for those inventions and technologies for which we believe such protection is suitable and is likely to provide a competitive advantage to us. We also rely on trade secrets, proprietary technology, non-disclosure and other contractual terms, and technical measures to protect our technology. We actively work to foster continuing technological innovation to maintain and protect our competitive position. We cannot provide assurances that steps taken by us to protect our intellectual property will be adequate, that our competitors will not independently develop or design around our patents, or that our intellectual property will not be misappropriated. In addition, the laws of some non-U.K. countries may not protect our intellectual property as well as the laws of the United Kingdom.

Any of these events could materially and adversely affect our business, operating results, or financial condition. Policing infringement of our technology is difficult, and litigation may be necessary in the future to enforce our intellectual property rights. Any such litigation could be expensive, take significant time, and divert management's attention.

Risks Related to our Financial Performance

Our foreign currency exposures may change over time as the level of activity in foreign markets grows and could have an adverse impact upon financial results.

As a global enterprise, we face exposure to adverse movements in foreign currency exchange rates. Certain of our assets, including certain bank accounts, exist in non-U.S. dollar-denominated currencies, which are sensitive to foreign currency exchange rate fluctuations. The non-U.S. dollar-denominated currencies are principally the British Pound Sterling. We also have a significant number of employees that are paid in non-U.S. dollar-

Strategic Report (continued) For the 53 week period ended 30 March 2024

Principal Risks and Uncertainties (continued)

denominated currency, the largest group being United Kingdom-based employees who are paid in British Pounds Sterling.

If the value of the U.S. dollar weakens relative to these specific currencies, the cost of doing business in terms of U.S. dollars rises. With the growth of our international business, our foreign currency exposures may grow and under certain circumstances, could harm our business.

If we do not hedge against these risks, or our attempts to hedge against these risks are not successful, our financial condition and results of operations could be adversely affected.

We could be subject to changes in tax laws, the adoption of new U.K. or international tax legislation, or exposure to additional tax liabilities.

We are subject to taxes in the U.K. and numerous foreign jurisdictions where a number of our branches are organized. Due to economic and political conditions, tax laws in various jurisdictions may be subject to significant change. For example, many countries have started to implement legislation and other guidance to align their international tax rules with the Organization of Economic Cooperation and Development's Base Erosion and Profit Shifting recommendations and action plan that aim to standardize and modernize global corporate tax policy, including implementation of a global minimum tax ("Pillar Two"). These and other changes in tax laws and regulations may impact our worldwide tax liabilities and result in increased complexity and uncertainty and may adversely affect our provision for income taxes. Our future effective tax rates could be affected by changes in the valuation of deferred tax assets and liabilities, or changes in tax laws or their interpretation. Significant judgment is required in the calculation of our tax provision and the resulting tax liabilities. Our estimates of future taxable income can change as new information becomes available. Any such changes in our estimates or assumptions can significantly impact our tax provision in a given period.

We are also subject to the examination of our tax returns and other tax matters by His Majesty's Revenue and Customs ("HMRC") and other tax authorities and governmental bodies. We regularly assess the likelihood of an adverse outcome resulting from these examinations to determine the adequacy of our provision for taxes. There can be no assurance as to the outcome of these examinations. If our effective tax rates were to increase, or if the ultimate determination of taxes owed is for an amount in excess of amounts previously accrued, our operating results, cash flows, and financial condition could be adversely affected.

Strategic Report (continued) For the 53 week period ended 30 March 2024

Non-Financial and Sustainability Information Statement

Environmental, social and governance (ESG) is assessed and managed at an overall Group level, rather than an individual company level. This Non-Financial and Sustainability Information Statement sets out the Group's response to ESG factors which impact on the Company. References to "we", "our", the Board and various Committees throughout this statement are to Cirrus Logic, Inc., the Group Board and Committee structure.

This report centres on the priority focus areas of our ESG strategy that have been identified through conversations with the Board of Directors, executive leaders, and external stakeholders. We regularly reflect on our performance and review key ESG topics to ensure they remain consistent with the company's long-term strategy, while also assessing emerging issues and their relevance to the business.

Governance

Responsibility for ESG oversight, including climate-related issues, belongs to the Board of Directors with delegation to the Audit, Compensation and Human Resources, and Governance and Nominating Committees within their respective areas of expertise. The Board receives updates from members of the ESG team (including representatives from investor relation, legal, and quality) twice annually.

The executive steering committee supports and guides the execution of our environmental strategy. This committee is comprised of the CEO and members of the leadership team, including finance, human resources, legal, and global operations. The committee reviews the program's direction, addresses potential barriers, and supports the identification of ESG risks and opportunities, including those related to climate change.

Risk Management

Climate-related initiatives are operationalized through our ESG team, which collaborates on an ongoing basis within the organization to monitor climate-related issues and promote sustainability initiatives across our value chain.

We completed our first climate risk assessment in FY22. A cross-functional group of Cirrus Logic executives worked with the ESG team and a global sustainability consultancy to determine which risks are the most relevant to our sector, stakeholders, the regions in which we operate, and the regions from which we source materials and services. The group considered risks for the short (< 1 year), medium, (1-3 years), and long (3+ years) time horizons. Based on this assessment, we selected a subset of risks to examine in more detail through scenario analyses, discussed herein.

Physical Risks and Opportunities

As a fabless semiconductor company, we depend on third-party subcontractors, primarily in Asia, for the fabrication, assembly, testing, and distribution of our products. The potential physical impacts of climate change, including high-heat events, power or water shortages, fires, rising sea levels, changes in storm patterns or intensities, or other extreme weather conditions, are uncertain and could impact operations at our subcontractors. Any disruption to our manufacturing or delays in shipping could adversely affect our operations and financial results, as well as damage customer relationships and our reputation.

Relevant physical risks for our primary manufacturing region include increased severity of acute events such as cyclones. Additionally, we have considered chronic risks such as increased frequency, severity, and/or duration of drought conditions, which are particularly relevant to semiconductor manufacturing given these operations' reliance on large volumes of ultra-clean water. Where we have control, the company plans and manages our operations to mitigate physical risks.

Strategic Report (continued)

For the 53 week period ended 30 March 2024

Non-Financial and Sustainability Information Statement (continued)

Transitional Risks and Opportunities

We have identified transitional risks and opportunities related to potential future costs associated with renewable energy prices and carbon pricing policies. Having set a greenhouse gas (GHG) reduction target in FY22, the uncertainty surrounding future prices for renewable energy and other emissions reduction investments creates a risk of increased operational and/or capital costs. If we do not invest in reducing our emissions footprint, future carbon pricing policies and/or climate-related regulations could translate into higher costs. By making investments in renewable energy, we believe we have an opportunity to reduce future costs as fossil fuel prices increase in the face of carbon pricing policies.

Cirrus Logic, Inc. Group ("CLI") Risks with Potential Environmental, Social and Governance Impacts

Corporate social responsibility initiatives, specifically related to environmental, social and governance ("ESG") matters, may impose additional costs and expose us to emerging areas of risk.

Providing public disclosures regarding ESG matters, for example sustainability reporting, is becoming more broadly expected by investors, shareholders, existing and potential employees, customers, and other third parties. Certain organizations currently, and other organizations may in the future, use such disclosures to evaluate companies regarding ESG activities and publish scores or ratings based upon ESG or "sustainability" metrics. Potential and current investors may use CLI's ESG ratings to guide their investment strategies and may decrease or withdraw investment, or alternatively increase investment in CLI's competitors, if CLI's ESG performance is perceived to be lagging. The qualitative and quantitative criteria regarding ESG may continue to evolve and CLI may need to modify practices and/or incur additional or unexpected costs to satisfy these expectations. CLI may communicate certain goals or initiatives regarding ESG activities from time to time, including goals relating to CLI's carbon footprint, and if CLI is unable to meet those goals or they are perceived to be inadequate, CLI could be exposed to reputational damage and other emerging areas of risk.

In addition, one or more of CLI's customers has required, and other customers may in the future request, that CLI achieves certain carbon emission reductions and/or commit to the use of renewable energy in the manufacture of goods. Such requests may require CLI to modify supply chain practices, make capital investments to modify certain aspects of operations, or increase operating costs. There can be no assurance of the extent to which any of CLI's climate goals or the goals of CLI's customers will be achieved or that any future investments that CLI makes in furtherance of achieving CLI's climate goals or the goals of CLI's customers will produce the expected results or meet increasing stakeholder environmental, social and governance expectations. If CLI does not meet these goals, CLI could incur adverse publicity and reaction or the loss of business from certain of CLI's customers, which could adversely impact CLI's reputation, and in turn adversely impact CLI's results of operations.

Further, CLI are subject to increased government laws, regulations, and other standards that impose operational and reporting requirements related to ESG matters, and will likely be subject to further evolving ESG reporting standards in the future. For example, the SEC has adopted final rules that would require registrants to include certain climate-related disclosures in their registration statements and periodic reports, although the SEC has issued an order to stay its rules pending the outcome of litigation challenging the rules. Collecting, measuring, and reporting ESG information and metrics in response to these increased requirements can be costly, difficult, and time consuming. With these additional regulations and disclosures, CLI may see legal compliance, financial reporting, and auditing costs increase along with the emergence of risks associated with the collection, data assurance, and disclosure related to such ESG information.

Strategic Report (continued)

For the 53 week period ended 30 March 2024

Non-Financial and Sustainability Information Statement (continued)

CLI is dependent on third-party manufacturing and supply chain relationships for all of CLI's products. CLI's reliance on third-party foundries and suppliers involves certain risks that may result in increased costs, delays in meeting customers' demand, and loss of revenue.

CLI does not own or operate a semiconductor fabrication facility and does not have the resources to manufacture products internally. CLI uses third parties to fabricate, assemble, package, and test the vast majority of products. As a result, CLI are subject to risks associated with these third parties, including:

- insufficient capacity available to meet demand on time;
- inability of suppliers to obtain the equipment or replacement parts necessary to fully operate their facilities or expand available manufacturing capacity;
- inadequate manufacturing yields and excessive costs;
- inability of these third parties to obtain an adequate supply of raw materials;
- extended lead times on supplies used in the manufacturing of products;
- difficulties selecting and integrating new subcontractors;
- limited warranties on products supplied to CLI;
- potential increases in prices (including the cost of freight); and
- increased exposure to potential misappropriation of CLI's intellectual property.

Outside of CLI's long-term supply agreement for wafer fabrication supply with GlobalFoundries, CLI's outside foundries and assembly and test suppliers generally manufacture products on a purchase order basis, and there are few other long-term supply arrangements with these suppliers. Therefore, CLI's third-party manufacturers and suppliers are not obligated to supply CLI with products for any specific period of time, quantity, or price, except as may be provided in any particular purchase order or in relation to an existing supply agreement. A manufacturing or supply disruption experienced by one or more of CLI's outside suppliers or a disruption of the relationship with an outside foundry could negatively impact the production of certain of CLI's products for a substantial period of time.

CLI has experienced the effects of industry-wide manufacturing capacity constraints. These supply challenges have impacted, and may continue to impact, CLI's ability to fully satisfy increases in demand for some of CLI's products. CLI does not typically manufacture the majority of these products at more than one foundry or more than one assembly and test subcontractor, and the costs and effort associated with the potential transfer of any portion of the supply chain to a backup supplier would likely be substantial. Therefore, if one or more of CLI's third-party manufacturers and suppliers are not able to provide sufficient capacity to meet current demand, CLI may not be able to ship products to customers on time and in the quantity requested, which could cause an unanticipated decline in CLI's sales and damage existing customer relationships and the ability to establish new customer relationships. Capacity constraints could further result in increased prices in CLI's supply chain, which, if CLI is unable to increase selling prices or have previously committed to pricing, could result in lower revenues and margins that could adversely affect CLI's financial results.

In addition, difficulties associated with adapting CLI's technology and product design to the proprietary process technology and design rules of outside foundries can lead to reduced yields of CLI's products. Since low yields may result from either design or process technology failures, yield problems may not be effectively determined or resolved until an actual product exists that can be analysed and tested to identify process sensitivities relating to the design rules that are used. As a result, yield problems may not be identified until well into the production process, and resolution of yield problems may require cooperation between CLI's manufacturer and CLI. This risk could be compounded by the offshore location of certain of CLI's manufacturers, increasing the effort and time required to identify, communicate, and resolve manufacturing yield problems. Manufacturing defects that CLI does not discover during the manufacturing or testing process may lead to costly product recalls. These risks may lead to increased costs or delayed product delivery, which would harm CLI's profitability and customer relationships.

In some cases, CLI's requirements may represent a small portion of the total production of the third-party suppliers. As a result, CLI is subject to the risk that a producer will cease production of an older or lower-

Strategic Report (continued)

For the 53 week period ended 30 March 2024

Non-Financial and Sustainability Information Statement (continued)

volume process that it uses to produce CLI parts. CLI cannot provide any assurance that CLI's external foundries will continue to devote resources to the production of parts for CLI products or continue to advance the process design technologies on which the manufacturing of CLI products are based. Each of these events could increase CLI's costs, lower CLI's gross margin, and cause CLI to hold more inventories, or materially impact CLI's ability to deliver products on time.

CLI's international operations subject CLI's business to additional political and economic risks that could have an adverse impact on our business.

In addition to international sales constituting a large portion of CLI's net sales, CLI maintains international operations, sales, and technical support personnel. International expansion has required, and will continue to require, significant management attention and resources in CLI. There are risks inherent in expanding CLI's presence into non-U.S. regions, including, but not limited to:

- difficulties in staffing and managing non-U.S. operations, including compliance with local employment regulations;
- failure in non-U.S. regions to adequately protect CLI's intellectual property, patent, trademarks, copyrights, know-how, and other proprietary rights and the risk of potential theft or compromise of CLI's intellectual property;
- global health conditions and potential natural disasters, including those resulting from climate change;
- power or water shortages or other operational disruptions, including those resulting from extreme weather conditions;
- political, social and economic instability in international regions, including wars;
- international currency controls and exchange rate fluctuations;
- financial accounting and reporting burdens and complexities;
- vulnerability to terrorist groups targeting U.S. interests abroad;
- legal uncertainty regarding liability and compliance with non-U.S. laws and regulatory requirements; and
- changing U.S. regulation of foreign operations, including potential sanctions.

If CLI is unable to successfully manage the demands of CLI's international operations, it may have an adverse effect on CLI's business, financial condition, or results of operations.

As CLI carries only limited insurance coverage, uninsured or under-insured losses could adversely affect CLI's financial condition and results of operations.

CLI's insurance policies may not be adequate to fully offset losses from covered incidents, and CLI does not have coverage for certain losses. For example, there is limited coverage available with respect to the services provided by CLI's third-party foundries and assembly and test subcontractors. Although CLI believes that the existing insurance coverage is consistent with common practices of companies in CLI's industry, CLI's insurance coverage may be inadequate to protect CLI against product recalls, natural disasters (including those related to changes in climate), cybersecurity and/or information security breaches, and other unforeseen catastrophes that could adversely affect CLI's financial condition and results of operations.

CLI are subject to the risks of owning real property.

CLI currently owns the U.S. headquarters and research facility in Austin, Texas. The ownership of CLI's U.S. properties subjects CLI to the risks of owning real property, which may include:

- the possibility of environmental contamination and the costs associated with correcting any environmental problems;
- adverse changes in the value of these properties, due to interest rate changes, changes in the neighbourhood in which the property is located, or other factors; and
- the risk of financial loss in excess of amounts covered by insurance, or uninsured risks, such as the loss caused by damage to the buildings as a result of fire, floods, or other natural disasters (including those related to changes in climate)

Strategic Report (continued)

For the 53 week period ended 30 March 2024

Non-Financial and Sustainability Information Statement (continued)

CLI's Board of Directors considers ESG risks, including climate-related issues, as part of its overall strategic decision-making process.

Management of Physical Risks

Preparedness for potential disruption in our manufacturing supply chain, including the impact from climate-related events, is a part of our business continuity strategy and related engagement with our subcontractors. Although we have not experienced any impact specifically resulting from climate change as of the date of this report, we have implemented certain mitigation mechanisms.

Our risk exposure is mitigated in part by dual-sourcing strategies we have in place for certain high-volume products. Our largest semiconductor manufacturing partner in Taiwan has well-established business continuity and disaster recovery processes. This partner took measures to ensure continuity of water supply during recent droughts in Taiwan; therefore, we did not see any resulting impact to production. Anticipating increased drought risk in the future, our Taiwan-based manufacturing partner is taking steps to increase investment in water infrastructure and recycling. We receive regular communications in the event of foreseen and unforeseen events that could disrupt production.

Management of Transitional Risks

Our ESG team closely monitors stakeholder expectations for our ESG performance, oversees our communications with stakeholders, and tracks our ESG ratings to review opportunities for improvement. This informs engagement with functional teams to identify and operationalize initiatives that manage climate-related risks, including those arising from our GHG emissions footprint. Because electricity consumption in our offices, research facilities, and co-located data centres is the primary driver for our Scope 1 and 2 emissions, we are managing related risks and opportunities by transitioning to renewable sources of energy where available.

Our climate-related risk management strategy forms part of our overall enterprise risk management program. We conduct regular risk assessments identifying reasonably foreseeable potential internal and external risks, the likelihood of occurrence, and any potential impact that could result from such risks. We also evaluate the sufficiency of our existing internal controls and monitor the effectiveness of all such safeguards. In response, we adjust our processes and controls as necessary.

Strategy

We have experienced a minimal impact to our financial planning through the addition of dedicated headcount and consulting resources to ensure that we are effectively responding to stakeholder expectations for improved ESG disclosures and performance. Having established our first Scope 1 and 2 GHG reduction target in FY22, we incorporate anticipated costs to procure energy attribute certificates into our financial planning.

CLI's environmental strategy includes:

1. Reducing emissions from our direct operations;
2. Implementing our environmental policy;
3. Continuing to evaluate and incorporate climate-related risks and opportunities into strategic business operations;
4. Engaging suppliers to better understand their emissions and environmental commitments; and
5. Expanding and improving our Scope 3 GHG emissions disclosures.

Scenario Analysis: Physical Risk

To better understand physical risks arising in our supply chain, we identified two key manufacturing locations in Taiwan and modelled possible changes in drought and extreme precipitation patterns under varying warming scenarios and over various timeframes. Extreme precipitation events such as cyclones have the potential to interrupt continuity of manufacturing operations, for example if workers are unable to commute to work due to

Strategic Report (continued)

For the 53 week period ended 30 March 2024

Non-Financial and Sustainability Information Statement (continued)

flooding directly impacting a manufacturing facility. Increased drought potential could have implications for supply chain continuity and/or cost, given the water-intensive nature of semiconductor manufacturing. The results are perhaps counterintuitive with respect to extreme precipitation risk, indicating the highly complex and localized nature of physical climate changes. For both physical risks, the analysis was conducted for three different temperature scenarios—<2 degrees, between 2 and 4 degrees, and >4 degrees—for 2030 and 2050.

Extreme Precipitation Risk

The analysis indicates that both locations could experience a decrease in extreme precipitation events (quantified by the number of monthly precipitation events greater than a 5-year recurrence interval over the 20-year period) with <2 degrees of warming in 2030. One location sees an increase in extreme precipitation frequency under warming scenarios of >2 degrees in 2050. Climate models indicate that the other location may experience reductions in extreme precipitation events across all warming scenarios.

Drought Risk

For the 2030 timeframe based on climate models, one of the two manufacturing locations is anticipated to experience an increase in annual drought months (calculated from the Standardized Precipitation Index, which is the number of standard deviations that observed cumulative precipitation for a given time scale deviates from the climatological average for the same time scale), depending upon the warming scenario.

For the 2050 timeframe, the analysis indicates that both locations are expected to experience an increase in annual drought months with the <2 degree warming scenario, and less substantial increase under the >2 degree warming scenarios. The potential impacts of climate-driven physical events are considered in our business continuity planning, as we further describe below.

Scenario Analysis: Transitional Risk

As a fabless semiconductor company, we rely on manufacturing and distribution partners to make and distribute our products. In the future, these partners may increasingly be subject to carbon pricing policies and may pass these costs through to their customers, thereby increasing overall supply chain costs. In FY22, we conducted a scenario analysis to assess the potential impact of such pass-through costs resulting from carbon prices being levied on our product distribution operations. Four alternative carbon price scenarios were evaluated for each of the periods 2022–2030, 2031–2040, and 2041–2050. The carbon price scenarios were drawn from the Network for Greening the Financial System (NGFS) database.

Assuming a worst-case scenario without mitigation, flat emissions growth, and that our distribution partners pass through 100 percent of carbon pricing costs to CLI, potential increased costs under all four carbon price scenarios are not considered financially significant. We expect to continue to expand our transitional risk assessment and reporting in future years.

To address these physical risks, we are selecting facilities with geographic diversity where possible; dual sourcing for assembly and test where possible; and bringing up new fabs outside Taiwan.

To address these transitional risks, we are doing our part to reduce GHG emissions generally. We are making progress towards our target to reduce our Scope 1 and Scope 2 GHG emissions by 90 percent by FY30 compared to FY21 baseline. With respect to Scope 3 GHG emissions, we are actively engaging with our suppliers to better understand their existing sustainability practices and identify areas for collaboration and continuous improvement. In FY24, we also introduced a new program to conduct additional due diligence and further assess potential risk in our supply chain. This program consists of two pillars. The first pillar leverages existing industry standards available through the Responsible Business Alliance (RBA) to assess the risk profiles of our foundry, assembly, and test suppliers through their performance as measured by the RBA's Validated Assessment Program (VAP). The VAP is the industry standard for on-site supplier compliance assessment and is conducted by independent third-party audit firms. These audits produce in-depth evaluations of each supplier, as measured against the RBA Code of Conduct, which includes environmental standards. The second pillar establishes and communicates to our suppliers through a supply chain policy, specific expectations

Strategic Report (continued)

For the 53 week period ended 30 March 2024

Non-Financial and Sustainability Information Statement (continued)

for their activities relating to emissions and commitment to sustainability. A critical part of this program requires our suppliers to track and report relevant data to us on an annual basis. We believe this program will assist in differentiating the risk level of our manufacturing suppliers and enable CLI to focus resources on higher-risk suppliers to help improve their sustainability performance. We believe these actions may contribute positively to our business resilience long term.

Metrics and Targets

Metrics used to help us understand our exposure to climate-related risks and opportunities include:

- Scope 1, 2, and 3 (upstream) GHG emissions and progress towards our Scope 1 and 2 GHG reduction target;
- Customer and shareholder requests for information about our corporate climate strategies and performance; and
- ESG ratings that include climate risk management indicators.

In FY22, we partnered with a global sustainability consultancy to evaluate and establish a Scope 1 and 2 GHG emissions reduction target. This process involved making assumptions about our future operations, simulating emissions reduction scenarios, and identifying opportunities to achieve the target. As we continue to enhance our understanding of our carbon footprint, we may reevaluate assumptions and update our target as appropriate. We used the Science Based Targets initiative as our guide, and our approach exceeds the minimum reductions required to meet the Paris Agreement's goal of limiting the rise in global temperatures to 1.5 degrees Celsius above pre-industrial levels.

We have set an absolute target to reduce our Scope 1 and Scope 2 GHG emissions for all operations by 90 percent by FY30, compared to our FY21 baseline. Since FY21, we have decreased our Scope 1 and Scope 2 emissions by 75 percent, progressing against our stated reduction target.

To achieve our target, we are:

1. Implementing energy efficiency improvements to our facilities;
2. Expanding the use of renewable energy;
3. Purchasing energy attribute certificates; and
4. Encouraging our co-located data centre providers to use renewable energy.

Refer to the Streamlined Energy and Carbon Reporting section on page [19](#) for details of the U.K. annual GHG emissions and total energy consumption.

Our emissions have been verified in line with the ISO 14064-3 Greenhouse Gases Specification, with guidance for the validation and verification of GHG assertions—limited assurance. This third-party verification improves the reliability, accuracy, and objectivity of our emissions data, allowing us to make more strategic decisions and progress against our goals.

Strategic Report (continued)

For the 53 week period ended 30 March 2024

Section 172 Statement

Introduction

The directors, in line with their duties under section 172 (“s172”) of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long-term. Key decisions and matters that are of strategic importance to the Company are appropriately informed by s172 factors.

Board training and support on s172 duties

Directors are supported in the discharge of their duties by the office of the Company Secretary. All directors receive guidance on their statutory duties including s172 and were briefed on the governance and reporting requirements introduced by the Companies (Miscellaneous Reporting) Regulations 2018.

Stakeholders

The Company Board’s responsibility to promote the long-term success of the Company, relies on inputs from, and positive relationships with, a wide range of stakeholders.

Employees

The Company directors are actively involved in promoting employee engagement. The Company and the Group believe our employees are at the centre of why our Company continues to be recognized as one of the top companies to work for on a national level. By fostering a family-focused culture based on regular employee feedback used to direct new employee programs and services, we continue to build strong core values based on communication, integrity, innovation, continuous improvement and job satisfaction.

During the year we have engaged with our employees in the following ways:

- Energage survey: allowing employees to rate the work environment at the Company and the Group.
- Quarterly “all employee” meetings: the CEO of the Group communicates the quarterly results to all employees and provides an update on the business, with time for Q&A from employees.
- New hire sessions: allowing new hires the opportunity to feedback on their initial experiences with the Company.
- Coffee and chat sessions: the CEO of the Group and one of the Company's Directors hold informal sessions with small groups of employees allowing them the opportunity to ask questions and get to know the senior team.
- Health and Safety Committee: the Health and Safety Committee provides a forum for employees and management to work together to address matters relating to employee health and safety.

Other Stakeholders

As the majority of the Group revenues are generated by the Company, the key strategic decisions and stakeholder engagement is addressed at the Group Board level. The Group Board takes account of all stakeholders, including the stakeholders of the Company. This includes directing employees of the Company and other Group companies to work alongside customers to help support their future products and working closely with foundries, assembly and test houses to understand impacts of new product lines on the supply chain. To the extent matters are raised relating to the Company, these are brought to the attention of the Company Board. The Chief Financial Officer of the Group was an active member of the Company’s Board during the fiscal year and discussed the decisions made at the Group Board with the other Company directors. Additional details on the Group Board approach to stakeholder engagement, which applies to the Company and all Group companies, can be found within the Group annual report and on the Corporate Social Responsibility and Corporate Governance sections of our public website.

Strategic Report (continued) **For the 53 week period ended 30 March 2024**

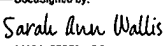
Section 172 Statement (continued)

Principal Decisions

When making decisions, the directors have regard to the longer-term impact of such decisions and any possible impact on all stakeholders. Examples of principal decisions made by the Company board during the fiscal year include:

- Dividend Policy: in the current year, the directors approved the payment of \$200 million of dividends, having concluded that the future forecasts of the Company supported positive cash generation and the payment of the dividend to the parent company would not adversely impact on any of our stakeholders.

For and on behalf of the Board of Directors

DocuSigned by:

Sarah Wallis
85003FF9C741D01
Director
12 June 2024

Directors' Report

For the 53 week period ended 30 March 2024

The directors hereby submit their report and financial statements for the 53 week period ended 30 March 2024 (referred to as '2024'). The previous financial period was the 52 week period ended 25 March 2023 (referred to as 2023')

The financial statements and related notes comprise those of Cirrus Logic International Semiconductor Ltd (the 'Company') and its overseas branch based in the United States of America.

Financial

Results

The Company's profit after taxation for the 53 week period ended 30 March 2024 was \$280.3 million (52 week period ended 25 March 2023: \$308.8 million).

Financial Risk Management

The financial risk management objectives and policies are discussed below.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The management of market risk involves the control of market risk exposures within acceptable parameters.

Currency Risk

The Company operates internationally and is exposed to currency risk on operating expenses that are denominated in a currency other than United States dollars. The currency giving rise to this risk is primarily Pounds Sterling. Foreign exchange risk arises from transactions, recognised assets and liabilities and net investments in foreign operations.

Interest Rate Risk

The Company's primary financial instruments include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. The Company earns interest from bank deposits held with highly rated financial institutions.

The Company's cash and cash equivalents are subject to floating interest rates.

Credit Risk

Counterparties for cash and cash equivalents are limited to financial institutions that have a high credit rating.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company regularly reviews its cash flow requirements.

As at 30 March 2024, the Company had cash and cash equivalents of \$388.4 million (as at 25 March 2023: \$229.3 million).

Directors' Report (continued)

For the 53 week period ended 30 March 2024

Going Concern

The Company has, as at 30 March 2024, net assets of \$681.4 million (2023: \$604.3 million) and cash and cash equivalent balances of \$388.4 million (2023: \$229.3 million). The Company has no external loans or borrowings or complex financial instruments as at 30 March 2024 (2023: none). The Company generated a profit after tax of \$280.3 million in the 53 week period ended 30 March 2024 (52 week period ended 25 March 2023: \$308.8 million).

The directors have reviewed the latest forecast results and cash flow projections covering the period to 28 June 2025 and have considered the risk factors set out in the strategic report and the financial performance of the Company. The directors have considered downside scenarios and concluded that revenue would have to fall substantially, and for an extended duration exceeding 12 months, for there to be a going concern risk. The directors have concluded that this level of downside revenue risk is not a plausible scenario based on current forecasts and recent trading results. The ultimate parent company, Cirrus Logic, Inc. has issued a letter of support to the Company indicating that it will provide support to the Company, to the extent required, to meet its obligations if necessary. After making enquiries, and in view of the recent trading results and liquidity position of the Company in the period since 30 March 2024 until the date of approval of these financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for 12 months from the date of signing these financial statements, until at least 28 June 2025. The financial statements for the 53 week period ended 30 March 2024 have therefore been prepared on a going concern basis.

Dividends

Dividends totalling \$200.0 million were declared and paid to Cirrus Logic UK International Holding Co. Ltd in the period ended 30 March 2024 (period ended 25 March 2023: \$300.0 million).

A further dividend of \$150.0 million was declared and paid on 30 April 2024.

Strategic Report

The report of the directors should be read in conjunction with the Strategic Report on pages 2 to 15, which contains details of the principal activities of the Company during the period and an indication of main trends and factors likely to affect the future development, performance and position of the Company's business.

All of the information detailed in those sections, which is required for the Strategic Report or otherwise for this Directors' Report, is incorporated by reference in (and shall be deemed to form part of) this report.

Post Balance Sheet Events

There are no post balance sheet events, other than the dividend detailed above.

Directors' Report (continued) For the 53 week period ended 30 March 2024

Directors

The directors who served during the period and those holding office at 30 March 2024 and at the date of approval of these financial statements were:

Allan W. Hughes
Sarah Wallis
Venk Nathamuni (resigned 24 May 2024)

None of these directors hold an interest in the shares of the Company for the period ended 30 March 2024 or 25 March 2023. No director had, during or at the end of the financial period, any material interest in any contract of significance in relation to the Company's business.

The emoluments for the directors were paid by other Group members and were deemed to be wholly attributable to their services for those entities.

Each of the directors confirm that, to the best of each person's knowledge and belief:

- the financial statements, prepared in accordance with UK Accounting Standards, give a true and fair view of the assets, liabilities and financial position of the Company; and
- the Directors' Report contained in these financial statements includes a fair review of the business and position of the Company, together with a description of the principal risks and uncertainties that they face.

Employees

Employee involvement

The Company is committed to employee involvement throughout the business.

Discretionary employee share schemes are an established and effective part of reward packages for employees, encouraging and supporting employee share ownership. A summary of the employee share schemes, which have operated at any time during the period, is included in note 14 to the financial statements.

Employees with disabilities

The Company policy is to give full and fair consideration to suitable applications for employment from people with disabilities. If existing employees become disabled they will continue to be employed, wherever practicable, in the same job or, if this is not practicable, every effort will be made to find suitable alternative employment and to provide appropriate training.

Disclosure of Information to the Auditor

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor for the fiscal year ended 30 March 2024 was Ernst & Young LLP. An auditor for the fiscal year ended 29 March 2025 will be proposed in accordance with Section 487 of the Companies Act 2006.

Directors' Report (continued)

For the 53 week period ended 30 March 2024

Streamlined Energy and Carbon Reporting (SECR)

This report was prepared in accordance with the Streamlined Energy and Carbon Reporting (“SECR”) requirements outlined in the Companies Act 2006 for large quoted and unlisted companies which requires Cirrus Logic International (UK) Ltd (“CLI(UK)”) to report on its Greenhouse Gas (“GHG”) emissions.

CLI(UK) shares premises with Cirrus Logic International Semiconductor Ltd (“CLIS”) and it is therefore not possible to allocate energy consumption to a specific entity. All references to the Company in this report are references to the combined operations and data for CLI(UK) and CLIS. This report contains details on annual GHG emissions and total energy consumption of the Company covering our offices, transport assets, and energy efficiency and environmental management actions implemented during fiscal years 2023 and 2024.

Methodology

Scope of Analysis and Data Collection

Over 2023/24 we have collected primary data for our offices and business travel activities including: electricity consumption (kWh), gas consumption (kWh), fuel expenses (£), and employee mileage claims. All primary data used within this report is from 1 April 2023 to 31 March 2024, covering the majority of our financial year, as our suppliers report the data to us on a calendar month basis. The scope of our GHG emissions calculation covers all of our UK operations; we have prepared our inventory using the operational control approach.

Calculation Methodology

We have used the Department for Business, Energy and Industrial Strategy (“BEIS”) and Greenhouse Gas Protocol Corporate Reporting Standard (“GHG Protocol”) methodology for compiling this GHG data and have calculated our GHG emissions in accordance with the UK Government’s reporting guidelines for company reporting, using location-based methodology.

To ensure consistency in our reporting we are reporting all GHG emissions in units of CO₂e (carbon dioxide equivalent) and have used 2023 GHG Conversion Factors for Company Reporting, published annually by Defra and BEIS.

Where incomplete electricity consumption or gas consumption datasets have had to be used, we have estimated consumption based on the pro-rated average of previous months’ energy consumption or utilised an equivalent 12-month data set. Where fuel expenses have been provided as a cost, we have estimated fuel use based on average prices per litre for petrol and diesel.

GHG Emissions Scopes

The following reporting scopes (as outlined by the GHG Protocol) are included within this disclosure:

- **Scope 1 emissions:** direct emissions from sources which the Company owns or controls. This includes natural gas consumption in our offices and research facilities.
- **Scope 2 emissions:** indirect emissions relating solely to the generation of purchased electricity that is consumed by the Company.
- **Scope 3 emissions:** indirect emissions relating to business travel by employees in their own vehicles (mileage and fuel claims).

Directors' Report (continued)

For the 53 week period ended 30 March 2024

Energy Consumption

The table below displays our annual energy consumption for electricity, natural gas, and business travel for fiscal years 2023 and 2024. As per SECR reporting requirements this information is presented in kilowatt hours (kWh).

Emissions Source	GHG Scope (GHG Protocol)	Reporting Units	1 April 2023 - 31 March 2024	1 April 2022 - 31 March 2023
Electricity	Scope 2	Kilowatt hour (kWh)	4,201,959	4,012,788
Natural Gas	Scope 1	Kilowatt hour (kWh)	1,015,706	1,169,655
Fuel Expenses	Scope 3	Kilowatt Hour (kWh)	2,708	2,724
Grey Fleet Mileage	Scope 3	Kilowatt Hour (kWh)	7,902	10,537
Total Energy Consumption (kWh)			5,228,275	5,195,704

GHG Emissions Reporting

In accordance with the SECR Emissions Reporting requirements outlined in the Companies Act 2006 for large companies our GHG disclosure for fiscal years 2023 and 2024 is listed below. Results have been split by Scope as outlined by the GHG Protocol calculation methodology.

GHG Emissions Scope	Result units	1 April 2023 - 31 March 2024	Percentage of GHG Emissions
Scope 1	tonnes CO ₂ e	185.80	17.6 %
Scope 2	tonnes CO ₂ e	870.12	82.2 %
Scope 3	tonnes CO ₂ e	2.44	0.2 %
Total GHG Emissions	tonnes CO₂e	1,058.36	100.0 %
GHG Emissions Intensity 1	tonnes CO₂e/m² floor area	0.07	
GHG Emissions Intensity 2	tonnes CO₂e/employee	2.42	

GHG Emissions Scope	Result units	1 April 2022 - 31 March 2023	Percentage of GHG Emissions
Scope 1	tonnes CO ₂ e	213.51	21.5 %
Scope 2	tonnes CO ₂ e	775.99	78.2 %
Scope 3	tonnes CO ₂ e	3.11	0.3 %
Total GHG Emissions	tonnes CO₂e	992.61	100.0 %
GHG Emissions Intensity 1	tonnes CO₂e/m² floor area	0.07	
GHG Emissions Intensity 2	tonnes CO₂e/employee	2.20	

Our total energy consumption was broadly comparable to the prior year with only a 0.6% increase, however our GHG emissions increased by 6.6%. This is driven by a 7% increase in the conversion factor applied to electricity consumption to reflect the increase in natural gas use in electricity generation and a decrease in

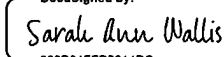
Directors' Report (continued) **For the 53 week period ended 30 March 2024**

renewable generation. In addition, there was a decrease in the number of employees during fiscal year 2024, resulting in higher emissions per employee compared to fiscal year 2023.

Energy Efficiency and Environmental Management

Since fiscal year 2021, all of our UK locations have requested our energy suppliers to provide electricity that is classified as renewable. Additionally, our Edinburgh office building is highly rated on the BREEAM scale, a leading sustainability building assessment scheme, and all U.K. sites have an energy performance asset rating of B or above.

For and on behalf of the Board of Directors

DocuSigned by:

680D34FFD7214DC...
Sarah Wallis
Director
12 June 2024

Statement of Directors' Responsibilities For the 53 week period ended 30 March 2024

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor’s Report to the members of Cirrus Logic International Semiconductor Ltd.

Opinion

We have audited the financial statements of Cirrus Logic International Semiconductor Ltd. for the 53 week period ended 30 March 2024 which the Income Statement, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 “Reduced Disclosure Framework.

In our opinion, the financial statements:

- give a true and fair view of the company’s affairs as at 30 March 2024 and of its result for the 53 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company’s ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue to 28 June 2025.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company’s ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial

Independent Auditor’s Report to the members of Cirrus Logic International Semiconductor Ltd. (continued)

statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors’ report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors’ report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors’ report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors’ responsibilities statement set out on page 22, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed

Independent Auditor’s Report to the members of Cirrus Logic International Semiconductor Ltd. (continued)

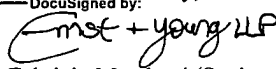
below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006). In addition, the company has to comply with laws and regulations relating to its operations, including health and safety, employees, GDPR and anti-bribery and corruption.
- We understood how the company is complying with those frameworks by making enquiries of management to understand how the company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation and consideration of the results of our audit procedures.
- We assessed the susceptibility of the company’s financial statements to material misstatement, including how fraud might occur considering risk of management override.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved review of company board minutes to identify any non-compliance with laws and regulations; a review of the Cirrus Logic Inc. board and audit committee minutes; and enquiries of those charged with governance and management.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Fabrizio Marchetti (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Edinburgh
13 June 2024

Income Statement

For the 53 week period ended 30 March 2024

		53 weeks ended 30 March 2024	52 weeks ended 25 March 2023
	<i>Notes</i>	\$'000	\$'000
Revenue		727,506	741,866
Cost of sales		<u>—</u>	<u>—</u>
Gross profit		727,506	741,866
Research and development expenses		(417,190)	(398,846)
Administrative expenses		(8,547)	(8,732)
Operating profit	3	301,769	334,288
Finance income	5	17,559	10,889
Finance costs	5	(44)	(48)
Net finance income		17,515	10,841
Profit before tax		319,284	345,129
Income tax expense	6	(39,006)	(36,361)
Profit for the period attributable to equity holders of the Company		280,278	308,768

The notes are an integral part of these financial statements.

Other Comprehensive Income

The Company has no Other Comprehensive Income for the current or prior period.

Balance Sheet As at 30 March 2024

	Notes	As at 30 March 2024 \$'000	As at 25 March 2023 \$'000
Assets			
Property, plant and equipment	7	34,682	41,410
Leases ROU Assets	8	1,778	2,026
Intangible assets	9	26,158	1,408
Deferred tax assets	10	25,075	21,134
Other assets	11	45,801	11,791
Income tax receivable	6	—	26,029
Loans due from other group companies	16	200,067	255,000
Total non-current assets		333,561	358,798
Trade and other receivables	11	73,268	91,241
Income tax receivable	6	25,531	20,161
Cash and cash equivalents	12	388,427	229,326
Total current assets		487,226	340,728
Total assets		820,787	699,526
Equity			
Issued share capital	13	—	—
Capital contribution	13	12,010	12,010
Retained earnings	13	669,401	592,325
Total equity attributable to equity holders of the parent		681,411	604,335
Liabilities			
Other payables	15	40,758	6,072
Deferred tax liabilities	10	—	—
Lease liability – non-current	8	1,581	1,772
Total non-current liabilities		42,339	7,844
Trade and other payables	15	96,753	87,071
Lease liability – current	8	284	276
Total current liabilities		97,037	87,347
Total liabilities		139,376	95,191
Total equity and liabilities		820,787	699,526

The notes are an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 12 June 2024 and were signed on its behalf by:

DocuSigned by:
Sarah Ann Wallis
960034FFD7214DC
Sarah Wallis
Director

Statement of Changes in Equity As at 30 March 2024

	Share capital	Capital contribution	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000
Balance at 26 March 2022	—	12,010	578,960	590,970
Profit for the period	—	—	308,768	308,768
Total comprehensive income for the period ended 25 March 2023	—	—	308,768	308,768
<i>Transactions with owners of the Company recognised directly in equity:</i>				
Current tax on equity settled share-based payment transactions recognised in equity	—	—	28	28
Deferred tax on equity settled share-based payment transactions recognised in equity	—	—	4,569	4,569
Dividends paid	—	—	(300,000)	(300,000)
Total contributions by and distributions to the owners of the Company	—	—	(295,403)	(295,403)
Balance at 25 March 2023	—	12,010	592,325	604,335
Profit for the period	—	—	280,278	280,278
Total comprehensive income for the period ended 30 March 2024	—	—	280,278	280,278
<i>Transactions with owners of the Company recognised directly in equity:</i>				
Current tax on equity settled share-based payment transactions recognised in equity	—	—	(19)	(19)
Deferred tax on equity settled share-based payment transactions recognised in equity	—	—	(3,183)	(3,183)
Dividends paid	—	—	(200,000)	(200,000)
Total contributions by and distributions to the owners of the Company	—	—	(203,202)	(203,202)
Balance at 30 March 2024	—	12,010	669,401	681,411

The notes are an integral part of these financial statements.

Notes to the Financial Statements

For the 53 week period ended 30 March 2024

1 Basis of Preparation

Cirrus Logic International Semiconductor Ltd (the ‘Company’) is a company domiciled and incorporated in Scotland. The comparative period presented for these financial statements is the 52 weeks ended 25 March 2023, referred to as ‘2023’ for the purposes of these notes to the financial statements.

The Company’s business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 2 to 15. The financial position of the Company and liquidity positions are described within the Financial Performance section of the Strategic Report on page 3. In addition, the Directors’ Report and note 16 to the financial statements include the Company’s financial risk management objectives; details of its financial instruments and hedging activities; its exposures to credit and liquidity risk; and its objectives, policies and processes for managing its capital.

1.1 Going Concern

The Company has, as at 30 March 2024, net assets of \$681.4 million (2023: \$604.3 million) and cash and cash equivalent balances of \$388.4 million (2023: \$229.3 million). The Company has no external loans or borrowings or complex financial instruments as at 30 March 2024 (2023: none). The Company generated a profit after tax of \$280.3 million in the 53 week period ended 30 March 2024 (52 week period ended 25 March 2023: \$308.8 million).

The directors have reviewed the latest forecast results and cash flow projections covering the period to 28 June 2025 and have considered the risk factors set out in the strategic report and the financial performance of the Company. The directors have considered downside scenarios and concluded that revenue would have to fall substantially, and for an extended duration exceeding 12 months, for there to be a going concern risk. The directors have concluded that this level of downside revenue risk is not a plausible scenario based on current forecasts and recent trading results. The ultimate parent company, Cirrus Logic, Inc. has issued a letter of support to the Company indicating that it will provide support to the Company, to the extent required, to meet its obligations if necessary. After making enquiries, and in view of the recent trading results and liquidity position of the Company in the period since 30 March 2024 until the date of approval of these financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for 12 months from the date of signing these financial statements, until at least 28 June 2025. The financial statements for the 53 week period ended 30 March 2024 have therefore been prepared on a going concern basis.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

1 Basis of Preparation (continued)

1.2 Statement of Compliance

The financial statements of the Company for the 53 week period ended 30 March 2024 were authorised for issue by the directors on 12 June 2024. The financial statements of the Company were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') and in accordance with applicable accounting standards. The principal accounting policies adopted by the Company are set out in note 2.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 'Share-based Payment' because the share-based payment arrangements concern the instruments of another Group company;
- the requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors';
- the requirements of IAS 7 'Statement of Cash Flows';
- the requirements of paragraph 35H of IFRS 7 'Financial Instruments: Disclosure';
- the requirements of IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of paragraph 17 of IAS 24 'Related Party Disclosures';
- the requirements of paragraphs 6 and 21 of IFRS 1 'First-time Adoption of International Financial Reporting Standards';
- the requirements of paragraphs 110 (second sentence), 113 (a), 114, 115, 118, 119 (a) to (c), 120 to 127 and 129 of IFRS 15 'Revenue from Contracts with Customers'.

1.3 Basis of Measurement

The financial statements have been prepared on the historical cost basis.

1.4 Functional and presentation currency

The financial statements are presented in United States dollars ('US dollars'), the Company's functional currency, rounded to the nearest thousand.

1.5 New standards, amendments and IFRIC interpretations

There were no new accounting standards applicable in the 53 week period ended 30 March 2024 which had a material impact on the financial statements.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

1 Basis of Preparation (continued)

1.6 Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key Sources of Estimation Uncertainty

Impairment testing for intangible assets

The Company tests whether intangible assets have suffered any impairment at least annually. If management concludes that it is more likely than not that impairment exists, the recoverable amounts of the intangible assets would be determined based on value-in-use calculations. These calculations require the use of estimates of asset useful lives and the timing and amount of projected cash flows.

Leases – estimating the incremental borrowing rate

The interest rate implicit in the lease cannot be readily determined, therefore the incremental borrowing rate ('IBR') is used to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar value to the ROU asset in a similar economic environment. The Company estimates the IBR using observable inputs, such as market interest rates, when available and is required to make certain entity-specific estimates, such as the Company's credit rating.

Judgements

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company's lease for its lab facility includes a termination option. The Company applies judgement in evaluating whether it is reasonably certain or not to exercise the option to terminate the lease. In doing so, all relevant factors are considered that create an economic incentive for the Company to exercise the termination. After the commencement date, the lease term is reassessed if there is a significant event or change in circumstances that is within the Company's control and affects its ability to exercise or not to exercise the option to terminate, for example, construction of significant leasehold improvements.

The Company has included the period covered by the termination option, as part of the lease term for the lab facility lease as this is considered reasonably certain not to be exercised. The lab facility is a key part to our business, and we have invested significant amounts of money in leasehold improvements to make them fit for the Company's purpose.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

2 Significant Accounting Policies

The accounting policies set out below, unless otherwise stated in note 1 above, have been applied consistently to all periods presented in these financial statements.

2.1 Foreign Currency

Transactions in currencies other than US dollars, are remeasured at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in currencies other than US dollars at the balance sheet date are remeasured to US dollars at the exchange rate ruling at that date. Exchange differences arising on remeasurement are recognised in the income statement at the average exchange rate. Non-monetary assets and liabilities that are measured in terms of historical cost in a currency other than US dollars are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in currencies other than US dollars that are measured at fair value are retranslated to US dollars at the date that fair value was determined.

2.2 Property, Plant and Equipment

2.2.1 Owned Assets

Items of property, plant and equipment are measured at cost less accumulated depreciation (see accounting policy 2.2.2) and accumulated impairment losses (see accounting policy 2.6).

Cost includes the expenditure that is directly attributable to the acquisition of the asset.

Where parts of an item of property, plant and equipment have different estimated useful lives, they are accounted for and depreciated as separate items of property, plant and equipment.

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance expenditure is expensed as incurred.

2.2.2 Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset less its residual value. Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of property, plant and equipment. Freehold land is not depreciated.

The estimated useful lives are as follows:

Leasehold improvements	shorter of term of lease or 10 years
Plant and machinery	3 to 10 years
Computer hardware	3 years
Furniture and fittings	3 to 10 years

The residual values and estimated useful lives of items of property, plant and equipment are reviewed annually and adjusted if appropriate.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the net disposal proceeds with the carrying amount and are included in the income statement.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

2 Significant Accounting Policies (continued)

2.3 Intangible Assets

2.3.1 Research and Development

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised as an expense in the income statement as incurred.

2.3.2 Computer Software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring into use the specific software. These costs are amortised using the straight-line method over their estimated useful lives (three years).

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Computer software development costs recognised as assets are amortised using the straight-line method over their estimated useful lives (three years).

Amortisation methods, useful lives and the estimated residual values are reviewed and adjusted, if appropriate, at each balance sheet date.

2.3.3 Other Intangible Assets

Other intangible assets are stated at cost net of amortisation and any provision for impairment. The directors are primarily responsible for determining the fair value of intangible assets acquired as part of a business combination although the Company may choose to obtain independent valuations for those intangible assets which are significant.

Amortisation is provided at rates so as to write off the cost or fair value, less estimated residual value, of each asset on a straight-line basis over its expected useful economic life.

The principal economic lives used for this purpose are:

Intellectual property rights	1 to 6 years
Technology licences	3 years
Computer software	3 years

Amortisation methods, useful lives and the estimated residual values are reviewed and adjusted, if appropriate, at each balance sheet date.

2.4 Trade and Other Receivables

Trade and other receivables are initially stated at their fair value plus any directly attributable transactions costs. Subsequent to initial recognition, such assets are measured at amortised cost using an effective interest rate less any impairment losses (see accounting policy 2.6). A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the estimated future cash flows, discounted if material. The amount of the provision is recognised in the income statement.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

2 Significant Accounting Policies (continued)

2.5 Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances held with banks and money market funds.

2.6 Impairment

The carrying amounts of the Company's actual assets, other than financial assets and deferred tax assets (see accounting policy 2.14), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised for the amount by which the carrying amount of an asset or its cash-generating unit ('CGU') exceeds its estimated recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGUs and then to reduce the carrying amount of the other assets in the CGU on a pro rata basis.

2.7 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

2.8 Interest-bearing Borrowings

Interest-bearing borrowings are recognised initially at fair value, net of attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost, with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest rate basis.

2.9 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A single recognition and measurement approach is applied for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and ROU assets representing the right to use the underlying assets.

2.9.1 ROU Assets

ROU assets are recognised at the commencement date of the lease, being the date the underlying asset is available for use. ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before commencement date less any lease incentives received. ROU assets are depreciated on a straight-line basis over the lease term. The ROU assets are also subject to impairment (see accounting policy 2.6).

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

2 Significant Accounting Policies (continued)

2.9 Leases (continued)

2.9.2 Lease Liabilities

At the commencement date of the lease, lease liabilities are measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised, and payments of penalties for terminating the lease if the lease term reflects a termination option being exercised. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the incremental borrowing rate at the lease commencement date is applied, as the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Lease liabilities are presented separately on the balance sheet, split between those that are due within one year and those due after one year.

2.9.3 Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its leases that have a lease term of 12 months or less from commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

2 Significant Accounting Policies (continued)

2.10 Employee Benefits

2.10.1 Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense in the income statement when services are rendered by employees.

2.10.2 Share-based payment transactions

The fair value of share options granted to employees is recognised as an employee expense and spread over the period during which the employee becomes unconditionally entitled to the options. The Black-Scholes model is used in the measurement of the fair value of the options granted.

The grant date fair value of contingent restricted stock units awarded to employees is recognised as an employee expense over the period that the employees become unconditionally entitled to the shares. The amount recognised as an expense, for awards with service and non-market performance conditions, is adjusted to reflect the actual number of shares that vest.

The fair value of performance shares awarded to employees is recognised as an employee expense over the period that the employees become unconditionally entitled to the shares. The Monte Carlo simulation is used in the measurement of the fair value of the awards granted. The amount recognised as an expense is determined at the time of grant, regardless of the actual number of shares that vest.

2.11 Trade and Other Payables

Trade and other payables are stated at amortised cost using the effective interest rate method.

2.12 Revenue

Revenue comprises royalty income earned from other Group companies during the period and is recognised as the underlying product sale is made by the other Group companies.

2.13 Net financing costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method, interest receivable on funds invested, interest on lease liabilities and the unwinding of the discount on provisions and contingent consideration.

Interest income is recognised in the income statement as it accrues, using the effective rate of interest method.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

2 Significant Accounting Policies (continued)

2.14 Income Tax

Income tax on the profit or loss for the period comprises current and deferred tax.

Current tax is provided on taxable profits at the current rate of tax.

Deferred tax is calculated using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are offset where there is a legally enforceable right of offset within the same taxation authority and where the Company intends to either settle them on a net basis or to realise the asset and settle the liability simultaneously.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

2.15 Determination of Fair Values

Some of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information regarding the assumptions made in determining the fair values is disclosed in the notes to the financial statements which are specific to that asset or liability.

2.15.1 Intangible Assets

The fair value of developed technology acquired as a result of a business combination is based on the discounted royalty payments that have been avoided as a result of the developed technology being owned. For in-process research and development acquired as a result of a business combination, the fair value is estimated based either on the income method taking into account the cash flows post technological feasibility or on the cost method, taking into account the estimated current cost to recreate or duplicate the technology. The fair values of licence agreements and of customer relationships acquired as a result of a business combination are estimated based on the risk adjusted present value of the marginal cash flows derived from the agreements and relationships respectively.

2.15.2 Non-derivative functional liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal cash flows, discounted at the market rate of interest at the reporting date.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

3 Operating Profit

	53 weeks ended 30 March 2024	52 weeks ended 25 March 2023
	\$'000	\$'000
<i>Operating profit is stated after charging:</i>		
Depreciation (notes 7 and 8)	14,599	15,621
Amortisation of intangible assets (note 9)	4,940	1,543
(Gain)/Loss on disposal of property, plant and equipment and intangible assets	404	(7)
Variable lease payments	139	98
Short-term lease cost	102	25
	53 weeks ended 30 March 2024	52 weeks ended 25 March 2023
	\$'000	\$'000
<i>Amounts receivable by the auditor and their associates in respect of:</i>		
Audit of these financial statements	100	100
All other services (including non-audit services)	—	—

4 Personnel Expenses

	53 weeks ended 30 March 2024	52 weeks ended 25 March 2023
	Number	Number
Average number of employees, including executive directors, by activity:		
Research and development	1,183	1,149
General and administration	7	8
	1,190	1,157
	53 weeks ended 30 March 2024	52 weeks ended 25 March 2023
	\$'000	\$'000
Wages and salaries	206,973	193,764
Social security costs	15,630	15,012
Contributions to defined contribution pension plans	8,085	7,294
Equity settled share-based payment transactions	63,979	57,002
	294,667	273,072

Information regarding the remuneration of the directors is included in note 18.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

5 Net Finance Income

	53 weeks ended 30 March 2024	52 weeks ended 25 March 2023
	\$'000	\$'000
Bank interest receivable	11,723	5,293
Foreign exchange gain	169	294
Interest receivable on loan to other group company	5,237	5,157
Other financial income	430	145
Finance income	17,559	10,889
Interest on lease liabilities (note 8)	(44)	(48)
Foreign exchange loss	—	—
Finance costs	(44)	(48)
Net finance income	17,515	10,841

6 Income Tax

Current Tax

Current tax for the current and prior periods is classified as a current liability to the extent that it is unpaid. Amounts paid in excess of amounts owed are classified as a non-current asset or a current asset, depending when the Company expect to realise those assets. The Company has a net non-current tax asset and a net current tax asset of and \$0.0 million and \$25.5 million respectively at 30 March 2024 (2023: \$26.0 million and \$20.2 million respectively).

Recognised in the Income Statement:	53 weeks ended 30 March 2024	52 weeks ended 25 March 2023
	\$'000	\$'000
Current Tax Expense		
<i>UK Taxes</i>		
Current year tax charge	46,113	41,542
Adjustments for prior years	17	(3)
	46,130	41,539
Deferred Tax Expense		
Origination and reversal of temporary differences	(7,161)	(2,768)
Adjustments for prior years	37	56
Impact of changes in tax rates	—	(2,466)
	(7,124)	(5,178)
Total income tax charge in the income statement	39,006	36,361

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

6 Income Tax (continued)

Recognised Directly in Other Comprehensive Income and Equity:	53 weeks ended 30 March 2024 \$'000	52 weeks ended 25 March 2023 \$'000
Recognised in Equity:		
Relating to equity settled transactions – current tax	19	(28)
Relating to equity settled transactions – deferred tax	3,183	(4,569)
(Increase)/Decrease in equity	3,202	(4,597)

The standard rate of UK corporation tax was 25% for the period ended 30 March 2024 (*period ended 25 March 2023: 19%*).

Reconciliation of Effective Tax Rate

	53 weeks ended 30 March 2024		52 weeks ended 25 March 2023	
	%	\$'000	%	\$'000
Profit before tax		<u>319,284</u>		<u>345,129</u>
Income tax charge using the UK corporation tax rate	25.0 %	79,821	19.0 %	65,575
Non-deductible expenses	0.1 %	314	— %	164
UK patent box claim	(12.9)%	(41,183)	(7.8)%	(26,965)
Adjustments relating to prior years	— %	54	— %	53
Impact of changes in tax rates	— %	—	(0.7)%	(2,466)
Total Tax Charge	12.2 %	39,006	10.5 %	36,361

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

7 Property, Plant and Equipment

	Leasehold Improvements \$'000	Plant and Machinery \$'000	Computer Hardware \$'000	Furniture and Fittings \$'000	Total \$'000
<i>Cost</i>					
As at 26 March 2022	27,305	49,005	18,972	6,620	101,902
Additions	27	9,397	4,638	40	14,102
Disposals	—	(309)	(2,572)	—	(2,881)
As at 25 March 2023	27,332	58,093	21,038	6,660	113,123
Additions	5	4,125	3,477	90	7,697
Disposals	(6)	(1,199)	(254)	—	(1,459)
As at 30 March 2024	27,331	61,019	24,261	6,750	119,361
<i>Depreciation</i>					
As at 26 March 2022	12,660	32,092	10,796	3,136	58,684
Charge for the period	2,676	6,820	5,216	661	15,373
Impairment	367	—	—	163	530
Disposals	—	(308)	(2,566)	—	(2,874)
As at 25 March 2023	15,703	38,604	13,446	3,960	71,713
Charge for the period	2,568	6,409	4,750	624	14,351
Disposals	—	(1,131)	(254)	—	(1,385)
As at 30 March 2024	18,271	43,882	17,942	4,584	84,679
<i>Net Book Value</i>					
As at 25 March 2023	11,629	19,489	7,592	2,700	41,410
As at 30 March 2024	9,060	17,137	6,319	2,166	34,682

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

8 Leases

Company as Lessee

The Company has a lease contract for a lab facility. The remaining lease term is 7 years. The lease includes a termination option which is included in the lease term, and variable lease payments, which are recognised as an expense in the income statement when incurred.

Set out below are the carrying amounts of the ROU assets recognised and the movements during the period.

	Facilities	Facilities
	2024	2023
	\$'000	\$'000
Opening balance	2,026	2,274
Additions	—	—
Depreciation – ROU asset	(248)	(248)
Closing balance	1,778	2,026

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2024	2023
	\$'000	\$'000
Opening balance	2,048	2,448
Additions	—	—
Accretion of interest (note 5)	44	48
Payments	(287)	(277)
Foreign currency on GBP denominated lease liabilities	60	(171)
Closing balance	1,865	2,048
<i>Split:</i>		
Current lease liabilities	284	276
Non-current lease liabilities	1,581	1,772
	1,865	2,048

The maturity analysis of lease payments is set out below:

	2024	2023
	\$'000	\$'000
Less than one year	288	279
Between one and five years	1,151	1,118
More than five years	576	838
Total future minimum lease payments	2,015	2,235
Less imputed interest	(150)	(187)
Total lease liabilities	1,865	2,048

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

9 Intangible Assets

	Intellectual property rights \$'000	Technology licences \$'000	Computer software \$'000	Total \$'000
<i>Cost</i>				
As at 26 March 2022	217,720	8,642	3,090	229,452
Additions	—	505	66	571
Disposals	—	(5,487)	(278)	(5,765)
As at 25 March 2023	217,720	3,660	2,878	224,258
Additions	30,000	—	30	30,030
Disposals	—	(1,239)	(1,066)	(2,305)
As at 30 March 2024	247,720	2,421	1,842	251,983
<i>Amortisation</i>				
As at 26 March 2022	217,720	6,637	2,367	226,724
Amortisation for the period	—	1,162	381	1,543
Disposals	—	(5,139)	(278)	(5,417)
As at 25 March 2023	217,720	2,660	2,470	222,850
Amortisation for the period	4,286	366	288	4,940
Disposals	—	(899)	(1,066)	(1,965)
As at 30 March 2024	222,006	2,127	1,692	225,825
<i>Net Book Value</i>				
As at 25 March 2023	—	1,000	408	1,408
As at 30 March 2024	25,714	294	150	26,158

Amortisation Charge

The amortisation charge is recognised in the following line items in the income statement:

	53 weeks ended 30 March 2024 \$'000	52 weeks ended 25 March 2023 \$'000
Research and development expenses	4,940	1,543
	4,940	1,543

Impairment Loss

No indications of impairment were identified in relation to any intangible assets in the period ended 30 March 2024 or 25 March 2023, and therefore no impairment charge was recognised in accordance with IAS 36 'Impairment of Assets'.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

10 Deferred Tax Assets and Liabilities

Recognised deferred tax assets and liabilities (see note 6)

	Assets		Liabilities		Net	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment	—	—	3,176	6,843	3,176	6,843
Employee benefits – share-based payments	(26,689)	(26,390)	—	—	(26,689)	(26,390)
Other items	(1,562)	(1,587)	—	—	(1,562)	(1,587)
Deferred tax (assets) / liabilities	(28,251)	(27,977)	3,176	6,843	(25,075)	(21,134)
Set off tax	3,176	6,843	(3,176)	(6,843)	—	—
Net deferred tax (assets) / liabilities	(25,075)	(21,134)	—	—	(25,075)	(21,134)

Movement in deferred tax balances during the period (see note 6)

	Balance at	Recognised	Recognised	Balance at
	26 March	in profit or	in equity	25 March
	2022	loss		2023
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment	6,740	103	—	6,843
Employee benefits – share-based payments	(16,575)	(5,246)	(4,569)	(26,390)
Other items	(1,552)	(35)	—	(1,587)
	(11,387)	(5,178)	(4,569)	(21,134)
	Balance at	Recognised	Recognised	Balance at
	25 March	in profit or	in equity	30 March
	2023	loss		2024
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment	6,843	(3,667)	—	3,176
Employee benefits – share-based payments	(26,390)	(3,482)	3,183	(26,689)
Other items	(1,587)	25	—	(1,562)
	(21,134)	(7,124)	3,183	(25,075)

The Company has no unrecognised deferred tax assets at 30 March 2024 and 25 March 2023.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

11 Trade and Other Receivables

	2024	2023
	\$'000	\$'000
Non-current assets		
Other assets	45,801	11,791
Current assets		
Other receivables	1,852	943
Amounts due from other Group companies	35,688	66,171
Prepayments and accrued income	35,728	24,127
	<u>73,268</u>	<u>91,241</u>

Amounts due from Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

The Company's exposure to credit and currency risks and impairment losses related to trade and other receivables are disclosed in the Directors' Report on page 16.

12 Cash and Cash Equivalents

	2024	2023
	\$'000	\$'000
Bank balances	<u>388,427</u>	<u>229,326</u>
	<u>388,427</u>	<u>229,326</u>

The Company's exposure to interest rate risk for financial assets and liabilities are disclosed in the Directors' Report on page 16.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

13 Capital and Reserves

Share capital

	2024 Number	2024 \$'000	2023 Number	2023 \$'000
In issue at start and end of period	<u>1</u>	<u>0</u>	<u>1</u>	<u>0</u>

The Company's share capital during the current and prior period comprises ordinary shares which have a nominal value of \$ 0.01 per share. All issued shares are fully paid.

The holders of the ordinary shares are entitled to one vote per share at meetings of the Company and are entitled to receive dividends as recommended by the directors. The holders of ordinary shares also have an unlimited right to share in the surplus remaining on a winding up after all creditors are satisfied.

The Company did not issue or purchase any of its own ordinary shares of \$0.01 each in the current or prior financial period.

Retained earnings reserve

The movements in this reserve for the Company, in the 53 week period ended 30 March 2024 and the 52 week period ended 25 March 2023 are shown in the statement of changes in equity on page [28](#).

The Company declared and paid dividends totalling \$200.0 million in the period ended 30 March 2024 (*period ended 25 March 2023: \$300.0 million*).

Capital contributions from parent

The capital contribution of \$12.0 million comprises a cash contribution of \$10.0 million received from the Company's ultimate parent company, and the contribution of Cirrus Logic Korea and Cirrus Logic Japan of \$0.6 million and \$1.4 million respectively. There were no capital contributions in the current or prior period.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

14 Share-based Payments

Employees of the Company have been granted contingent restricted stock units ('RSUs'), stock options and performance shares by Cirrus Logic, Inc. under the Cirrus Logic, Inc. 2006 Stock Incentive Plan and the 2018 Long Term Incentive Plan.

The ordinary shares of Cirrus Logic, Inc. are traded on NASDAQ in the United States of America.

The Cirrus Logic, Inc. 2006 Stock Incentive Plan and 2018 Long Term Incentive Plan

RSUs

The fair value of the RSU awards granted from these Plans to the Company's employees is the market value of the Cirrus Logic, Inc. shares on the date of the award. Vesting of these awards is dependent on the individual remaining an employee within the Cirrus Logic, Inc. Group of companies throughout the specified vesting period, which is 3 years. In accordance with the terms of these share scheme awards, no amounts are payable by the employees in respect of the grant of these RSUs.

Performance shares

The fair value of the performance shares granted from these Plans to the Company's employees is determined using the Monte Carlo simulation. Vesting of these shares is dependent on the individual remaining an employee within the Cirrus Logic, Inc. Group of companies throughout the specified vesting period, which is 3 years, as well as the relative total shareholder return of the Company as compared to that of the Philadelphia Semiconductor Index. In accordance with the terms of these share scheme awards, no amount is payable by the employees in respect of the grant of these performance shares.

Options

The fair value of the options granted from these Plans to the Company's employees is determined using the Black-Scholes model. Vesting of these options is dependent on the individual remaining an employee within the Cirrus Logic, Inc. Group of companies throughout the specified vesting period, which is generally 4 years. In accordance with the terms of the share option scheme, options are exercisable over 10 years at the market price of the shares at the date of grant.

The exercise price on options granted in the period was \$93.24 per share. The range of exercise prices of options outstanding at the end of the period and the weighted average contractual life of options outstanding at 30 March 2024 and 25 March 2023 is shown in the table below.

Exercise Price/Range	As at 30 March 2024		As at 25 March 2023	
	Number outstanding	Weighted average remaining contractual term (years)	Number outstanding	Weighted average remaining contractual term (years)
\$38.34	30,000	4.09	30,000	5.10
\$41.49 - \$78.00	42,922	6.31	49,172	7.10
\$88.00	21,126	7.92	21,126	8.94
\$93.24	24,320	9.86	—	—
102.37	20,270	8.86	20,270	9.87
	138,638	7.07	120,568	7.39

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

15 Trade and Other Payables

	2024	2023
	\$'000	\$'000
Non-current liabilities		
Other payables	<u>40,758</u>	<u>6,072</u>
Current liabilities		
Trade payables	5,849	10,036
Amounts due to ultimate parent company	24,617	19,966
Amounts due to other Group companies	195	172
Accruals	34,584	36,393
Non-trade payables	<u>31,508</u>	<u>20,504</u>
	<u>96,753</u>	<u>87,071</u>

Amounts due to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

The Company's exposure to currency and liquidity risk related to trade and other payables is disclosed in the Directors' Report.

16 Financial Instruments and Financial Risk Management

The Company's principal financial instruments as at 30 March 2024 and 25 March 2023 comprise cash and cash equivalents. The main purpose of these financial instruments is to finance the Company's operations. The Company has other financial instruments which mainly comprise trade receivables and trade payables which arise directly from its operations.

The Company does not hold or issue derivative financial instruments for trading purposes.

Exposure to market risk (which includes currency and interest rate risk) and credit risk arises in the normal course of the Company's business.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

16 Financial Instruments and Financial Risk Management (continued)

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value approximation for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Loans and receivables	Other financial liabilities	Total
As at 30 March 2024	\$'000	\$'000	\$'000
Financial assets not measured at fair value			
Trade and other receivables	73,268	—	73,268
Cash and cash equivalents	388,427	—	388,427
Interest-bearing loans and borrowings	200,067	—	200,067
	<u>661,762</u>	<u>—</u>	<u>661,762</u>
Financial liabilities not measured at fair value			
Trade and other payables	—	(96,753)	(96,753)
	<u>—</u>	<u>(96,753)</u>	<u>(96,753)</u>
	\$000	\$000	\$000
As at 25 March 2023			
Financial assets not measured at fair value			
Trade and other receivables	91,241	—	91,241
Cash and cash equivalents	229,326	—	229,326
Interest-bearing loans and borrowings	255,000	—	255,000
	<u>575,567</u>	<u>—</u>	<u>575,567</u>
Financial liabilities not measured at fair value			
Trade and other payables	—	(87,071)	(87,071)
	<u>—</u>	<u>(87,071)</u>	<u>(87,071)</u>

Interest-bearing loans and borrowings

The Company entered into a \$300.0 million intercompany loan agreement during fiscal year 2022 and has advanced \$255.0 million during fiscal year 2022. A capital repayment of \$55.0 million was received during fiscal year 2024. This loan is unsecured and is receivable in full on 30 September 2026, with early repayment permitted. The outstanding principal accrues interest at a rate of 2.0% per annum, receivable quarterly in arrears.

Notes to the Financial Statements (continued)

For the 53 week period ended 30 March 2024

16 Financial Instruments and Financial Risk Management (continued)

Capital Management

The Board's policy is to maintain a strong balance sheet so as to maintain customer and creditor confidence and to sustain the future development of the business. The Company is part of a larger Group of companies whose ultimate parent company, Cirrus Logic, Inc. has its ordinary shares traded on NASDAQ in the United States of America.

Management of cash and cash equivalents balances

The total cash and cash equivalents balance increased by \$159.1 million to \$388.4 million as at 30 March 2024.

17 Capital Commitments

As at 30 March 2024, the Company had entered into contracts to purchase property, plant and equipment and computer software for \$76.6 million (*as at 25 March 2023: \$26.1 million*) of which \$35.8 million (*as at 25 March 2023: \$20.0 million*) is expected to be settled in the next financial year and \$40.8 million (*as at 25 March 2023: \$6.1 million*) in later financial years.

18 Related Parties

Identity of related parties

The Company has a related party relationship with its ultimate parent company, fellow Group companies and with its directors. The names of the directors who have served during the period are included in the Directors' Report on page [18](#).

Transactions with key management personnel

Key management personnel compensation

None of the directors received compensation from the Company in respect of their directorships of the Company (*2023: none*).

Key management personnel and director transactions

Directors of the Company as at 30 March 2024 do not own, or otherwise have an interest in, the shares of the Company.

19 Post Balance Sheet Events

A dividend of \$150.0 million was declared and paid on 30 April 2024. There are no other post balance sheet events.

Notes to the Financial Statements (continued)
For the 53 week period ended 30 March 2024

20 Ultimate Parent Company

The Company is a wholly owned subsidiary undertaking of Cirrus Logic UK International Holding Co. Ltd, a company incorporated in England, which is the Company's immediate parent undertaking. Cirrus Logic, Inc. is the parent undertaking of the Group of undertakings for which Group financial statements are drawn up and of which the Company is a member. Copies of Cirrus Logic, Inc.'s financial statements can be obtained from 800 West Sixth Street, Austin, TX 78701, United States of America. The Company's ultimate parent undertaking and controlling party is Cirrus Logic, Inc. The common shares of Cirrus Logic, Inc. are listed and traded on NASDAQ. The financial results of the Company are included in the consolidated financial statements of the Cirrus Logic, Inc. Group of companies. The consolidated financial statements of the Cirrus Logic, Inc. Group of companies are available on the website www.cirrus.com.