

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549  
**FORM 10-Q**

(Mark One)

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

For the quarterly period ended July 31, 2021

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 000-30877



**MARVELL TECHNOLOGY, INC.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

85-3971597  
(I.R.S. Employer  
Identification No.)

1000 N. West Street, Suite 1200  
Wilmington, Delaware 19801  
(302) 295-4840

(Address of principal executive offices, zip code and registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.002 per share	MRVL	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

The number of common shares of the registrant outstanding as of August 20, 2021 was 823.6 million shares.

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**PART I: FINANCIAL INFORMATION**
**Item 1. Financial Statements**

**MARVELL TECHNOLOGY, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In thousands, except par value per share)

	July 31, 2021	January 30, 2021
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 559,617	\$ 748,467
Accounts receivable, net	785,611	536,668
Inventories	459,532	268,228
Prepaid expenses and other current assets	103,717	63,782
Total current assets	1,908,477	1,617,145
Property and equipment, net	433,091	326,125
Goodwill	10,976,443	5,336,961
Acquired intangible assets, net	6,285,388	2,270,700
Deferred tax assets	517,123	672,424
Other non-current assets	718,110	541,569
Total assets	<u>\$ 20,838,632</u>	<u>\$ 10,764,924</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 370,502	\$ 252,419
Accrued liabilities	519,214	435,616
Accrued employee compensation	153,327	189,421
Short-term debt	41,390	199,641
Total current liabilities	1,084,433	1,077,097
Long-term debt	4,662,844	993,170
Other non-current liabilities	350,158	258,853
Total liabilities	6,097,435	2,329,120
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Common stock, \$0.002 par value	1,646	1,350
Additional paid-in capital	13,090,669	6,331,013
Retained earnings	1,648,882	2,103,441
Total stockholders' equity	14,741,197	8,435,804
Total liabilities and stockholders' equity	<u>\$ 20,838,632</u>	<u>\$ 10,764,924</u>

See accompanying notes to unaudited condensed consolidated financial statements

**MARVELL TECHNOLOGY, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share amounts)

	Three Months Ended		Six Months Ended	
	July 31, 2021	August 1, 2020	July 31, 2021	August 1, 2020
Net revenue	\$ 1,075,881	\$ 727,297	\$ 1,908,160	\$ 1,420,938
Cost of goods sold	704,051	368,041	1,118,189	734,780
Gross profit	371,830	359,256	789,971	686,158
Operating expenses:				
Research and development	367,043	277,139	653,143	556,723
Selling, general and administrative	259,161	112,794	460,627	234,821
Restructuring related charges	12,294	120,590	25,180	141,877
Total operating expenses	638,498	510,523	1,138,950	933,421
Operating loss	(266,668)	(151,267)	(348,979)	(247,263)
Interest income	150	577	372	1,635
Interest expense	(33,814)	(15,635)	(68,955)	(32,465)
Other income (loss), net	(1,654)	(440)	(431)	3,314
Interest and other income (loss), net	(35,318)	(15,498)	(69,014)	(27,516)
Loss before income taxes	(301,986)	(166,765)	(417,993)	(274,779)
Benefit for income taxes	(25,558)	(8,872)	(53,323)	(3,853)
Net loss	<u>\$ (276,428)</u>	<u>\$ (157,893)</u>	<u>\$ (364,670)</u>	<u>\$ (270,926)</u>
Net loss per share - basic	<u>\$ (0.34)</u>	<u>\$ (0.24)</u>	<u>\$ (0.48)</u>	<u>\$ (0.41)</u>
Net loss per share - diluted	<u>\$ (0.34)</u>	<u>\$ (0.24)</u>	<u>\$ (0.48)</u>	<u>\$ (0.41)</u>
Weighted-average shares:				
Basic	<u>821,062</u>	<u>667,574</u>	<u>757,205</u>	<u>665,541</u>
Diluted	<u>821,062</u>	<u>667,574</u>	<u>757,205</u>	<u>665,541</u>

See accompanying notes to unaudited condensed consolidated financial statements

**MARVELL TECHNOLOGY, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
**(In thousands)**

	Three Months Ended		Six Months Ended	
	July 31, 2021	August 1, 2020	July 31, 2021	August 1, 2020
Net loss	\$ (276,428)	\$ (157,893)	\$ (364,670)	\$ (270,926)
Other comprehensive income (loss), net of tax:				
Net change in unrealized gain (loss) on cash flow hedges	—	(418)	—	450
Other comprehensive income (loss), net of tax	—	(418)	—	450
Comprehensive loss, net of tax	<u>\$ (276,428)</u>	<u>\$ (158,311)</u>	<u>\$ (364,670)</u>	<u>\$ (270,476)</u>

See accompanying notes to unaudited condensed consolidated financial statements

**MARVELL TECHNOLOGY, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(In thousands, except per share amounts)

	Common Stock				
	Shares	Amount	Additional Paid-in Capital	Retained Earnings	Total
<b>Balance at January 30, 2021</b>	675,402	\$ 1,350	\$ 6,331,013	\$ 2,103,441	\$ 8,435,804
Issuance of common stock in connection with equity incentive plans	2,179	5	505	—	510
Tax withholdings related to net share settlement of restricted stock units	—	—	(68,416)	—	(68,416)
Share-based compensation	—	—	92,705	—	92,705
Common stock issued to Inphi common stockholders	128,030	256	5,871,869	—	5,872,125
Stock consideration for Inphi accelerated awards	1,192	3	39,058	—	39,061
Equity related issuance cost	—	—	(8,177)	—	(8,177)
Replacement equity awards attributable to pre-acquisition service	—	—	82,346	—	82,346
Conversion feature of convertible notes	—	—	244,155	—	244,155
Impact of repurchases of convertible notes	7,115	14	234,333	—	234,347
Conversion of convertible notes to common stock	2,502	5	59,704	—	59,709
Cash dividends declared and paid (\$0.06 per share)	—	—	—	(40,557)	(40,557)
Net loss	—	—	—	(88,242)	(88,242)
<b>Balance at May 1, 2021</b>	<u>816,420</u>	<u>1,633</u>	<u>12,879,095</u>	<u>1,974,642</u>	<u>14,855,370</u>
Issuance of common stock in connection with equity incentive plans	2,947	5	40,168	—	40,173
Tax withholdings related to net share settlement of restricted stock units	—	—	(41,928)	—	(41,928)
Share-based compensation	—	—	122,322	—	122,322
Common stock issued to Inphi common stockholders	145	—	6,625	—	6,625
Conversion of convertible notes to common stock	3,865	8	84,387	—	84,395
Cash dividends declared and paid (\$0.06 per share)	—	—	—	(49,332)	(49,332)
Net loss	—	—	—	(276,428)	(276,428)
<b>Balance at July 31, 2021</b>	<u>823,377</u>	<u>\$ 1,646</u>	<u>\$ 13,090,669</u>	<u>\$ 1,648,882</u>	<u>\$ 14,741,197</u>

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
	Shares	Amount				
<b>Balance at February 1, 2020</b>	663,481	\$ 1,328	\$ 6,135,939	\$ —	\$ 2,541,313	\$ 8,678,580
Issuance of common stock in connection with equity incentive plans	2,993	5	5,466	—	—	5,471
Tax withholdings related to net share settlement of restricted stock units	—	—	(31,498)	—	—	(31,498)
Share-based compensation	—	—	60,199	—	—	60,199
Repurchase of common stock	(1,251)	(3)	(25,199)	—	—	(25,202)
Cash dividends declared and paid (\$0.06 per share)	—	—	—	—	(39,763)	(39,763)
Net loss	—	—	—	—	(113,033)	(113,033)
Other comprehensive income	—	—	—	868	—	868
<b>Balance at May 2, 2020</b>	<u>665,223</u>	<u>\$ 1,330</u>	<u>\$ 6,144,907</u>	<u>\$ 868</u>	<u>\$ 2,388,517</u>	<u>\$ 8,535,622</u>
Issuance of common stock in connection with equity incentive plans	4,794	10	42,763	—	—	42,773
Tax withholdings related to net share settlement of restricted stock units	—	—	(25,212)	—	—	(25,212)
Share-based compensation	—	—	62,784	—	—	62,784
Cash dividends declared and paid (\$0.06 per share)	—	—	—	—	(40,119)	(40,119)
Net loss	—	—	—	—	(157,893)	(157,893)
Other comprehensive loss	—	—	—	(418)	—	(418)
<b>Balance at August 1, 2020</b>	<u>670,017</u>	<u>\$ 1,340</u>	<u>\$ 6,225,242</u>	<u>\$ 450</u>	<u>\$ 2,190,505</u>	<u>\$ 8,417,537</u>

See accompanying notes to unaudited condensed consolidated financial statements

**MARVELL TECHNOLOGY, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)

	Six Months Ended	
	July 31, 2021	August 1, 2020
<b>Cash flows from operating activities:</b>		
Net loss	\$ (364,670)	\$ (270,926)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	118,085	102,088
Share-based compensation	206,832	122,273
Amortization of acquired intangible assets	405,311	224,501
Amortization of inventory fair value adjustment associated with acquisitions	169,560	17,284
Restructuring related impairment charges	4,156	117,546
Other expense, net	61,870	14,910
Deferred income taxes	(51,586)	(444)
Changes in assets and liabilities, net of acquisition:		
Accounts receivable	(149,215)	8,804
Prepaid expenses and other assets	(46,190)	(3,015)
Inventories	(82,287)	35,801
Accounts payable	588	29,647
Accrued employee compensation	(56,309)	(18,539)
Accrued liabilities and other non-current liabilities	(7,765)	21,528
Net cash provided by operating activities	208,380	401,458
<b>Cash flows from investing activities:</b>		
Purchases of technology licenses	(6,640)	(6,764)
Purchases of property and equipment	(53,679)	(52,883)
Cash payment for acquisition, net of cash and cash equivalents acquired	(3,600,165)	—
Other, net	(2,404)	699
Net cash used in investing activities	(3,662,888)	(58,948)
<b>Cash flows from financing activities:</b>		
Repurchases of common stock	—	(25,202)
Proceeds from employee stock plans	40,356	48,234
Tax withholding paid on behalf of employees for net share settlement	(116,150)	(56,714)
Dividend payments to stockholders	(89,889)	(79,882)
Payments on technology license obligations	(67,307)	(42,509)
Proceeds from issuance of debt	3,806,096	—
Principal payments of debt	(275,000)	—
Payment for repurchases and settlement of convertible notes	(180,891)	—
Proceeds from capped calls	160,286	—
Payment of equity and debt financing costs	(11,843)	—
Other, net	—	(2,507)
Net cash provided by (used in) financing activities	3,265,658	(158,580)
Net increase (decrease) in cash and cash equivalents	(188,850)	183,930
Cash and cash equivalents at beginning of period	748,467	647,604
Cash and cash equivalents at end of period	\$ 559,617	\$ 831,534

See accompanying notes to unaudited condensed consolidated financial statements



**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1. Basis of Presentation**

The unaudited condensed consolidated financial statements of Marvell Technology, Inc. (“MTI”), a Delaware corporation, and its wholly owned subsidiaries (the “Company”), as of and for the three and six months ended July 31, 2021, have been prepared as required by the U.S. Securities and Exchange Commission (the “SEC”). Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) have been condensed or omitted as permitted by the SEC. These unaudited condensed consolidated financial statements and related notes should be read in conjunction with the Company’s fiscal year 2021 audited financial statements included in the Company’s Annual Report on Form 10-K for the fiscal year ended January 30, 2021. In the opinion of management, the financial statements include all adjustments, including normal recurring adjustments and other adjustments, that are considered necessary for fair presentation of the Company’s financial position and results of operations. All inter-company accounts and transactions have been eliminated. Operating results for the periods presented herein are not necessarily indicative of the results that may be expected for the entire year. These financial statements should also be read in conjunction with the Company’s critical accounting policies included in the Company’s Annual Report on Form 10-K for the year ended January 30, 2021 and those included in this Form 10-Q below.

The Company’s fiscal year is the 52- or 53-week period ending on the Saturday closest to January 31. Accordingly, every fifth or sixth fiscal year will have a 53-week period. The additional week in a 53-week year is added to the fourth quarter, making such quarter consist of 14 weeks. Fiscal 2021 had a 52-week year. Fiscal 2022 is a 52-week year.

On April 20, 2021, the Company completed its acquisition of Inphi Corporation (“Inphi”). Inphi is a global leader in high-speed data movement enabled by optical interconnects. The unaudited condensed consolidated financial statements include the operating results of Inphi for the period from the date of acquisition through the Company’s second quarter ended July 31, 2021. See “Note 3 - Business Combination” for more information.

In conjunction with the acquisition transaction, Marvell Technology Group Ltd and Inphi became wholly owned subsidiaries of the new parent company, MTI, on April 20, 2021. The parent company is domiciled in and subject to taxation in the United States. See “Note 11 - Income Taxes” for more information.

Subsequent to quarter end, on August 3, 2021, the Company announced its intent to acquire Innovium, Inc. (“Innovium”), a leading provider of networking solutions for cloud and edge data centers, in an all-stock transaction. The estimated acquisition price of \$1.1 billion consists of approximately 19.05 million shares of the Company’s common stock and is based on the Company’s 10-day volume weighted average price as of July 30, 2021. The acquisition price includes Innovium cash and exercise proceeds expected at closing of approximately \$145 million, resulting in an estimated net cost to the Company of \$955 million. The transaction is expected to close by the end of calendar year 2021, subject to the satisfaction of customary closing conditions, including approval by Innovium’s stockholders and applicable regulatory approvals.

***Use of Estimates***

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent liabilities. On an ongoing basis, the Company evaluates its estimates, including those related to revenue recognition, provisions for sales returns and allowances, inventory excess and obsolescence, goodwill and other intangible assets, assets acquired and liabilities assumed in connection with acquisitions, restructuring, income taxes, litigation and other contingencies. Actual results could differ from these estimates and such differences could affect the results of operations reported in future periods. In the current macroeconomic environment affected by COVID-19, these estimates require increased judgment and carry a higher degree of variability and volatility. As events continue to evolve and additional information becomes available, these estimates may change materially in future periods.

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

**Note 2. Recent Accounting Pronouncements**

***Accounting Pronouncements Recently Adopted***

In December 2019, the Financial Accounting Standards Board (the “FASB”) issued an accounting standards update that simplifies the accounting for income taxes by eliminating certain exceptions related to the approach for intraperiod tax allocation and modified the methodology for calculating income taxes in an interim period. It also clarifies and simplifies other aspects of the accounting for income taxes. The guidance is effective for the Company beginning in the first quarter of fiscal year 2022, with early adoption permitted. The new standard was adopted by the Company on January 31, 2021 on a prospective basis and did not have a material effect on the Company’s consolidated financial statements.

***Accounting Pronouncements Not Yet Effective***

In August 2020, the FASB issued an accounting standards update that simplifies the accounting for convertible debt instruments by reducing the number of accounting models and the number of embedded conversion features that could be recognized separately from the primary contract. The standard requires a convertible debt instrument to be accounted for as a single liability measured at its amortized cost as long as no other features require bifurcation and recognition as derivatives. It also made changes to the disclosures for convertible instruments and earnings-per-share guidance, among other updates. The guidance is effective for the Company beginning in the first quarter of fiscal year 2023, with early adoption permitted and permits the use of either the modified retrospective or fully retrospective method of transition. The Company is evaluating the impact that this new standard will have on the Company’s consolidated financial statements.

**Note 3. Business Combination**

***Inphi***

On April 20, 2021, the Company completed the acquisition of Inphi (the “Inphi acquisition”). Inphi is a global leader in high-speed data movement enabled by optical interconnects. The Inphi acquisition was primarily intended to create an opportunity for the combined company to be uniquely positioned to serve the data-driven world, addressing high growth, attractive end markets such as cloud data center and 5G. In accordance with the terms of the Agreement and Plan of Merger dated as of October 29, 2020, by and among the Company and Inphi (the “Inphi merger agreement”), the Company acquired all outstanding shares of common stock of Inphi for \$66 per share in cash and 2.323 shares of the Company’s common stock exchanged for each share of Inphi common stock. The merger consideration paid in cash was funded with a combination of cash on hand and funds from the Company’s debt financing. See “Note 5 - Debt” for additional information.

The following table summarized the total merger consideration (in thousands):

Cash consideration to Inphi common stockholders	\$	3,639,559
Common stock (128,100,446 shares of the Company’s common stock at \$45.84 per share)		5,872,125
Cash consideration for director and employee accelerated equity awards		33,658
Stock consideration for director and employee accelerated equity awards		45,686
Stock consideration for replacement equity awards attributable to pre-combination service		82,346
Equity component of convertible debt		244,155
Total merger consideration	\$	9,917,529

The merger consideration allocation set forth herein is preliminary and may be revised with adjustment to goodwill as additional information becomes available during the measurement period from the closing date of the acquisition to finalize such preliminary estimates. Any such revisions or changes may be material.

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

In accordance with U.S. GAAP requirements for business combinations, the Company allocated the fair value of the purchase consideration to the tangible assets, liabilities and intangible assets acquired, including in-process research and development (“IPR&D”), generally based on their estimated fair values. The excess purchase price over those fair values is recorded as goodwill. IPR&D is initially capitalized at fair value as an intangible asset with an indefinite life and assessed for impairment thereafter. When an IPR&D project is completed, the IPR&D is reclassified as an amortizable purchased intangible asset and amortized over the asset’s estimated useful life. The Company’s valuation assumptions of acquired assets and assumed liabilities require significant estimates, especially with respect to intangible assets. Acquisition-related costs are expensed in the periods in which such costs are incurred. See “Note 4 - Goodwill and Acquired Intangible Assets, Net” for additional information.

The purchase price allocation is as follows (in thousands):

	Previously Reported May 1, 2021 (Provisional)	Measurement Period Adjustment	July 31, 2021
Cash and cash equivalents	\$ 72,251	\$ —	\$ 72,251
Accounts receivable, net	99,728	—	99,728
Inventories	270,382	—	270,382
Prepaid expenses and other current assets	213,292	—	213,292
Property and equipment, net	98,528	—	98,528
Acquired intangible assets, net	4,420,000	—	4,420,000
Other non-current assets	145,856	—	145,856
Goodwill	5,628,705	10,778	5,639,483
Accounts payable and accrued liabilities	(189,807)	—	(189,807)
Convertible debt - short-term	(313,664)	—	(313,664)
Convertible debt - long-term	(240,317)	—	(240,317)
Other non-current liabilities	(287,425)	(10,778)	(298,203)
<b>Total merger consideration</b>	<b>\$ 9,917,529</b>	<b>\$ —</b>	<b>\$ 9,917,529</b>

The provisional amounts presented in the table above pertained to the preliminary purchase price allocation reported in the Company’s Form 10-Q for the first quarter ended May 1, 2021. The measurement period adjustment was associated with deferred tax liabilities on certain purchased intangible assets. The Company does not believe that the measurement period adjustment had a material impact on its consolidated statements of operations, balance sheets, or cash flows in any periods previously reported.

The Company incurred \$5.0 million and \$50.8 million in acquisition related costs which were recorded in selling, general and administrative expense in the unaudited condensed consolidated statements of operations for the three and six months ended July 31, 2021, respectively. The Company also incurred \$39.8 million of aggregate debt financing costs. As of July 31, 2021, \$2.5 million is included in short-term debt, and \$35.1 million is included in long-term debt on the accompanying unaudited condensed consolidated balance sheets. See “Note 5 - Debt” for additional information. Additionally, the Company incurred \$8.2 million of equity issuance costs, which were recorded in additional paid-in capital in the unaudited condensed consolidated balance sheets.

Post acquisition revenue and income (loss) on a standalone basis is impracticable to determine as the Company integrated Inphi into its existing systems and operations in the second quarter ended July 31, 2021.

*Unaudited Supplemental Pro Forma Information*

The unaudited supplemental pro forma financial information presented below is for illustrative purposes only and is not necessarily indicative of the financial position or results of operations that would have been realized if the acquisitions had been completed on the date indicated, does not reflect synergies that might have been achieved, nor is it indicative of future operating results or financial position. The pro forma adjustments are based upon currently available information and certain assumptions the Company believes are reasonable under the circumstances.

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

The following unaudited supplemental pro forma information presents the combined results of operations for each of the periods presented, as if Inphi had been acquired as of the beginning of fiscal year 2021. The unaudited supplemental pro forma information includes adjustments to amortization and depreciation for acquired intangible assets and property and equipment, adjustments to share-based compensation expense, the purchase accounting effect on inventories acquired, interest expense, and transaction costs. For fiscal year 2021, non-recurring pro forma adjustments directly attributable to the Inphi acquisition in the pro forma information presented below included (i) share-based compensation expense of \$43.8 million, (ii) the purchase accounting effect of inventories acquired of \$187.2 million, (iii) interest expense of \$11.4 million, and (iv) transaction costs of \$69.0 million. The unaudited supplemental pro forma information presented below is for informational purposes only and is not necessarily indicative of our unaudited condensed consolidated results of operations of the combined business had the Inphi acquisition actually occurred at the beginning of fiscal year 2021 or of the results of our future operations of the combined business.

The unaudited supplemental pro forma financial information for the periods presented is as follows (in thousands):

	Six Months Ended			
	July 31, 2021		August 1, 2020	
Pro forma net revenue	\$	2,058,224	\$	1,735,660
Pro forma net loss	\$	(191,740)	\$	(918,576)

**Note 4. Goodwill and Acquired Intangible Assets, Net**

***Goodwill***

Goodwill represents the excess of the purchase price over the fair value of net tangible and identifiable intangible assets acquired in a business combination. The carrying value of goodwill as of July 31, 2021 and January 30, 2021 is \$11.0 billion and \$5.3 billion respectively. See “Note 3 - Business Combination” for discussion of acquisitions and changes to the carrying value of goodwill.

***Acquired Intangible Assets, Net***

In connection with the Inphi acquisition on April 20, 2021, the Company acquired \$4.4 billion of intangible assets as follows (in thousands, except for weighted-average useful life as of acquisition date):

	Preliminary Estimated Asset Fair Value		Weighted-Average Useful Life (Years)
Developed technology	\$	2,010,000	6.00
Customer contracts and related relationships		1,470,000	6.00
Order backlog		70,000	0.80
Trade name		50,000	5.00
IPR&D		820,000	n/a
	\$	4,420,000	

In connection with the Cavium acquisition on July 6, 2018, the Aquantia acquisition on September 19, 2019, and the Avera acquisition on November 5, 2019, the Company acquired a total of \$3.3 billion of intangible assets.

As of July 31, 2021 and January 30, 2021, net carrying amounts are as follows (in thousands, except for weighted-average remaining amortization period):

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

July 31, 2021				
	Gross Carrying Amounts	Accumulated Amortization	Net Carrying Amounts	Weighted-Average Remaining Amortization Period (Years)
Developed technologies	\$ 4,466,000	\$ (985,280)	\$ 3,480,720	5.44
Customer contracts and related relationships	2,113,000	(343,587)	1,769,413	5.60
Order backlog	70,000	(24,122)	45,878	0.53
Trade names	73,000	(19,623)	53,377	4.40
<b>Total acquired amortizable intangible assets</b>	<b>\$ 6,722,000</b>	<b>\$ (1,372,612)</b>	<b>\$ 5,349,388</b>	<b>5.44</b>
IPR&D	936,000	—	936,000	n/a
<b>Total acquired intangible assets</b>	<b>\$ 7,658,000</b>	<b>\$ (1,372,612)</b>	<b>\$ 6,285,388</b>	

  

January 30, 2021				
	Gross Carrying Amounts	Accumulated Amortization	Net Carrying Amounts	Weighted-Average Remaining Amortization Period (Years)
Developed technologies	\$ 2,454,000	\$ (724,215)	\$ 1,729,785	5.54
Customer contracts and related relationships	643,000	(228,845)	414,155	5.62
Trade names	23,000	(14,240)	8,760	2.20
<b>Total acquired amortizable intangible assets</b>	<b>\$ 3,120,000</b>	<b>\$ (967,300)</b>	<b>\$ 2,152,700</b>	<b>5.54</b>
IPR&D	118,000	—	118,000	n/a
<b>Total acquired intangible assets</b>	<b>\$ 3,238,000</b>	<b>\$ (967,300)</b>	<b>\$ 2,270,700</b>	

The intangible assets are amortized on a straight-line basis over the estimated useful lives, except for certain Cavium customer contracts and related relationships, which are amortized using an accelerated method of amortization over the expected customer lives, which more closely align with the pattern of realization of economic benefits expected to be obtained. The IPR&D will be accounted for as an indefinite-lived intangible asset and will not be amortized until the underlying projects reach technological feasibility and commercial production at which point the IPR&D will be amortized over the estimated useful life. Useful lives for these IPR&D projects are expected to range between 3 to 10 years. In the event the IPR&D is abandoned, the related assets will be written off.

Amortization expense for acquired intangible assets for the three and six months ended July 31, 2021 was \$276.7 million and \$405.3 million, respectively. Amortization expense for acquired intangible assets for the three and six months ended August 1, 2020 was \$111.6 million and \$224.5 million, respectively.

The following table presents the estimated future amortization expense of acquired amortizable intangible assets as of July 31, 2021 (in thousands):

Fiscal Year	Amount
Remainder of 2022	\$ 551,353
2023	1,008,542
2024	995,991
2025	944,779
2026	859,923
Thereafter	988,800
	<b>\$ 5,349,388</b>

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

**Note 5. Debt**

The following table summarizes the Company's outstanding debt at July 31, 2021 and January 30, 2021 (in thousands):

	July 31, 2021	January 30, 2021
Face Value Outstanding:		
2018 Term Loan	\$ —	\$ 200,000
2020 Term Loan - 3 Year Tranche	875,000	—
2020 Term Loan - 5 Year Tranche	875,000	—
Term Loan Total	1,750,000	200,000
4.200% MTG/MTI 2023 Senior Notes	499,952	500,000
4.875% MTG/MTI 2028 Senior Notes	499,915	500,000
1.650% 2026 Senior Notes	500,000	—
2.450% 2028 Senior Notes	750,000	—
2.950% 2031 Senior Notes	750,000	—
Senior Notes Total	2,999,867	1,000,000
0.75% Inphi 2021 Convertible Notes	422	—
0.75% Inphi 2025 Convertible Notes	3	—
Inphi Convertible Notes Total	425	—
Total borrowings	\$ 4,750,292	\$ 1,200,000
Less: Unamortized debt discount and issuance cost	(46,058)	(7,189)
Net carrying amount of debt	\$ 4,704,234	\$ 1,192,811
Less: Current portion - Term Loan (1)	41,252	199,641
Less: Current portion - Inphi Convertible Notes (2)	138	—
Non-current portion	\$ 4,662,844	\$ 993,170

- (1) As of July 31, 2021, the current portion of outstanding debt includes the 2020 Term Loan - 5 Year Tranche, which is due within twelve months. The Company intends to repay the amount with operating cash flow.
- (2) As of July 31, 2021, as the Inphi 2021 Convertible Notes are currently convertible, the Company has classified \$0.1 million, which is the cash portion the Company would be required to pay upon conversion, as current. The Company intends to repay the amount with operating cash flow.

On April 20, 2021, the Company completed its acquisition of Inphi. As part of the acquisition, the Company assumed \$15.7 million principal amount of Inphi's 0.75% convertible senior notes due 2021 (the "Inphi 2021 Convertible Notes") and \$506.0 million principal amount of Inphi's 0.75% convertible senior notes due 2025 (the "Inphi 2025 Convertible Notes", and together with the 2021 Notes, the "Inphi Convertible Notes"). See "Note 3 - Business Combination" for more information. In connection with the acquisition, the Company entered into a series of financing arrangements from December 2020 through April 2021 as summarized below. In April 2021, the Company also terminated a \$2.5 billion bridge loan commitment. This bridge loan commitment was provided by the underwriting bankers at the time of the Inphi merger agreement execution in October 2020. The bridge loan was never drawn upon. The Company recognized a write-off of \$11.4 million in capitalized debt issuance costs related to the termination of the bridge loan commitment during the quarter ended May 1, 2021.

In December 2020, the Company executed a debt agreement to obtain an \$875.0 million 3-year term loan and an \$875.0 million 5-year term loan. The Company also executed a debt agreement to obtain a 5-year \$750.0 million revolving credit facility in December 2020, replacing its previous \$500 million revolving credit facility. On April 12, 2021, the Company completed a debt offering and issued (i) \$500.0 million of Senior Notes with a 5 year term due in 2026, (ii) \$750.0 million of Senior Notes with a 7 year term due in 2028, and (iii) \$750.0 million of Senior Notes with a 10 year term due in 2031.

On May 4, 2021, in conjunction with the U.S. domiciliation, the Company exchanged certain existing senior notes due in 2023 and 2028 that were previously issued by the Bermuda-domiciled Marvell Technology Group Ltd. with like notes that are now issued by the Delaware-domiciled Marvell Technology, Inc. Below is further discussion of the terms of the various debt agreements.

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

### ***2020 Term Loan Agreement***

On December 7, 2020, the Company entered into a term loan credit agreement with a lending syndicate led by JPMorgan Chase Bank, N.A (the “2020 Term Loan Agreement”) in order to finance the expected merger with Inphi. The 2020 Term Loan Agreement provided for borrowings of \$1.75 billion consisting of: (i) \$875.0 million loan with a three-year term from the funding date (the “3-Year Tranche Loan”) and (ii) \$875.0 million loan with a five-year term from the funding date (the “5-Year Tranche Loan” and, together with the 3-Year Tranche Loan, the “2020 Term Loans”).

The 3-Year Tranche Loan has a stated floating interest rate which equates to reserve-adjusted LIBOR + 125 bps. The effective interest rate for the 3-Year Tranche Loan was 1.687% as of July 31, 2021. The 5-Year Tranche Loan has a stated floating interest rate which equates to reserve-adjusted LIBOR + 137.5 bps. The effective interest rate for the 5-Year Tranche Loan was 1.798% as of July 31, 2021. The 3-Year Tranche Loan does not require any scheduled principal payments prior to final maturity but do permit the Company to make early principal payments without premium or penalty. The 5-year Tranche Loan requires scheduled principal payments at the end of each fiscal quarter equal to (i) 1.25% of the aggregate principal amount on the term funding date for the first four full fiscal quarters following the term loan funding date, (ii) 2.50% of the aggregate principal amount on the term funding date for the fifth through twelfth full fiscal quarters following the term loan funding date, and (iii) 3.75% of the aggregate principal amount on the term funding date for each fiscal quarter following the twelfth full fiscal quarter following the term loan funding date.

The 2020 Term Loan Agreement requires that the Company and its subsidiaries comply with covenants relating to customary matters, including with respect to creating or permitting certain liens, entering into sale and leaseback transactions, and consolidating, merging, liquidating or dissolving. It also prohibits subsidiaries of the Company from incurring additional indebtedness, subject to certain exceptions, and requires that the Company maintain a leverage ratio financial covenant as of the end of any fiscal quarter. As of July 31, 2021, the Company has \$1.75 billion Term Loan borrowings outstanding, and is in compliance with its debt covenants.

### ***2020 Revolving Credit Facility***

On December 7, 2020, the Company entered into a revolving line of credit agreement (the “2020 Revolving Credit Facility”) with a lending syndicate led by JPMorgan Chase Bank, N.A for borrowings of up to \$750.0 million. Borrowings from the 2020 Revolving Credit Facility are intended for general corporate use, which may include among other things, the financing of acquisitions, the refinancing of other indebtedness and the payment of transaction expenses related to the foregoing. The 2020 Revolving Credit Facility has a five-year term and a stated floating interest rate which equates to reserve-adjusted LIBOR plus an applicable margin. The Company may prepay any borrowings at any time without premium or penalty through December 7, 2025. An unused commitment fee is payable quarterly based on unused balances at a rate that is based on the ratings of the Company’s senior unsecured long-term indebtedness. This annual rate was 0.175% at July 31, 2021.

On May 4, 2021, the Company drew down \$75.0 million on the 2020 Revolving Credit Facility. On July 6, 2021, the Company repaid the outstanding balance of the 2020 Revolving Credit Facility in full. As of July 31, 2021, the 2020 Revolving Credit Facility is undrawn.

The 2020 Revolving Credit Facility requires that the Company and its subsidiaries comply with covenants relating to customary matters. The covenants are consistent with the 2020 Term Loan covenants discussed above.

The Company currently carries debt that relies on LIBOR as the benchmark rate. LIBOR is expected to be phased out as a benchmark rate starting at the end of 2021. To the extent LIBOR ceases to exist, the 2020 Term Loans and 2020 Revolving Credit Facility agreements contemplate an alternative benchmark rate without the need for any amendment thereto.

### ***2026, 2028, and 2031 Senior Unsecured Notes***

On April 12, 2021, the Company completed an offering of (i) \$500.0 million aggregate principal amount of the Company’s 1.650% Senior Notes due 2026 (the “2026 Senior Notes”), (ii) \$750.0 million aggregate principal amount of the Company’s 2.450% Senior Notes due 2028 (the “2028 Senior Notes”) and (iii) \$750.0 million aggregate principal amount of the Company’s 2.950% Senior Notes due 2031 (the “2031 Senior Notes”, and, together with the 2026 Senior Notes and the 2028 Senior Notes, the “Senior Notes”). The Senior Notes were sold pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), to purchasers in the United States and pursuant to Regulation S under the Securities Act to purchasers outside of the United States.



**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

The 2026 Senior Notes mature on April 15, 2026, the 2028 Senior Notes mature on April 15, 2028, and the 2031 Senior Notes mature on April 15, 2031. The stated and effective interest rates for the 2026 Senior Notes are 1.650% and 1.839%, respectively. The stated and effective interest rates for the 2028 Senior Notes are 2.450% and 2.554%, respectively. The stated and effective interest rates for the 2031 Senior Notes are 2.950% and 3.043%, respectively. The Company may redeem the Senior Notes, in whole or in part, at any time prior to their maturity at the redemption prices set forth in associated debt agreements. In addition, upon the occurrence of a change of control repurchase event (which involves the occurrence of both a change of control and a ratings event involving the Senior Notes being rated below investment grade), the Company will be required to make an offer to repurchase the Senior Notes at a price equal to 101% of the principal amount of the notes, plus accrued and unpaid interest to, but excluding, the repurchase date. The indenture governing the Senior Notes also contains certain limited covenants restricting the Company's ability to incur certain liens, enter into certain sale and leaseback transactions and merge or consolidate with any other entity or convey, transfer or lease all or substantially all of the Company's properties or assets to another person, which, in each case, are subject to certain qualifications and exceptions. As of July 31, 2021, the Company has \$2.0 billion Senior Notes borrowings outstanding.

***2023 and 2028 Senior Unsecured Notes***

On June 22, 2018, the Company's Bermuda-based parent company Marvell Technology Group, Ltd. ("MTG") completed a public offering of (i) \$500.0 million aggregate principal amount of the Company's 4.200% Senior Notes due 2023 (the "MTG 2023 Notes") and (ii) \$500.0 million aggregate principal amount of the Company's 4.875% Senior Notes due 2028 (the "MTG 2028 Notes" and, together with the 2023 Notes, the "MTG Senior Notes"). The proceeds of the MTG Senior Notes were used to fund a portion of the cash consideration for the Cavium acquisition, repay Cavium's debt, and pay transaction expenses in connection with the Cavium acquisition.

In April 2021, in conjunction with the Company's U.S. domiciliation, the Company commenced Exchange Offers on April 19, 2021 for the outstanding \$1.0 billion in aggregate principal amount of MTG Senior Notes outstanding in exchange for corresponding senior notes to be issued by the Company's new U.S. domiciled parent Marvell Technology, Inc. ("MTI"). MTI made an offer to (i) exchange any and all of the outstanding MTG 2023 Notes for up to an aggregate principal amount of \$500.0 million of new 4.200% Senior Notes due 2023 issued by MTI (the "MTI 2023 Notes") and to (ii) exchange any and all of the outstanding MTG 2028 Notes for up to an aggregate principal amount of \$500.0 million of new 4.875% Senior Notes due 2028 issued by MTI (the "MTI 2028 Notes" and, together with the MTI 2023 Notes, the "MTI Senior Notes"). Each new series of MTI Senior Notes will have the same interest rate, maturity date, redemption terms and interest payment dates and will be subject to substantially similar covenants as the corresponding series of the MTG Senior Notes for which they are being offered in exchange.

The settlement of the Exchange Offers occurred on May 4, 2021 with \$433.9 million aggregate principal amount of the MTG 2023 Notes and \$479.5 million aggregate principal amount of the MTG 2028 Notes exchanged. The exchange was accounted for as a debt modification in accordance with applicable accounting guidance.

The MTI 2023 Notes mature on June 22, 2023 and the MTI 2028 Notes mature on June 22, 2028. The stated and effective interest rates for the MTI 2023 Notes are 4.200% and 4.502%, respectively. The stated and effective interest rates for the MTI 2028 Notes are 4.875% and 4.988%, respectively. The Company may redeem the MTI Senior Notes, in whole or in part, at any time prior to their maturity at the redemption prices set forth in MTI Senior Notes. In addition, upon the occurrence of a change of control repurchase event (which involves the occurrence of both a change of control and a ratings event involving the MTI Senior Notes being rated below investment grade), the Company will be required to make an offer to repurchase the MTI Senior Notes at a price equal to 101% of the principal amount of the notes, plus accrued and unpaid interest to, but excluding, the repurchase date. The indenture governing the MTI Senior Notes also contains certain limited covenants restricting the Company's ability to incur certain liens, enter into certain sale and leaseback transactions and merge or consolidate with any other entity or convey, transfer or lease all or substantially all of the Company's properties or assets to another person, which, in each case, are subject to certain qualifications and exceptions.



**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

The MTG 2023 Notes mature on June 22, 2023 and the MTG 2028 Notes mature on June 22, 2028. The stated and effective interest rates for the MTG 2023 Notes are 4.200% and 4.360%, respectively. The stated and effective interest rates for the MTI 2028 Notes are 4.875% and 4.940%, respectively. The Company may redeem the MTG Senior Notes, in whole or in part, at any time prior to their maturity at the redemption prices set forth in MTG Senior Notes. In addition, upon the occurrence of a change of control repurchase event (which involves the occurrence of both a change of control and a ratings event involving the MTG Senior Notes being rated below investment grade), the Company will be required to make an offer to repurchase the MTG Senior Notes at a price equal to 101% of the principal amount of the notes, plus accrued and unpaid interest to, but excluding, the repurchase date. The indenture governing the MTG Senior Notes also contains certain limited covenants restricting the Company's ability to incur certain liens, enter into certain sale and leaseback transactions and merge or consolidate with any other entity or convey, transfer or lease all or substantially all of the Company's properties or assets to another person, which, in each case, are subject to certain qualifications and exceptions.

As of July 31, 2021, the Company has \$1.0 billion MTG/MTI Senior Notes borrowings outstanding.

***Inphi Convertible Notes***

As a result of the Inphi acquisition, the Company assumed all of Inphi's outstanding convertible notes. Convertible debt is included in the aggregate short-term and long-term debt in the accompanying unaudited condensed consolidated balance sheet, as applicable.

***Inphi 2021 Convertible Notes***

In September 2016, Inphi issued \$287.5 million of 0.75% convertible senior notes due 2021. The Inphi 2021 Convertible Notes are governed by the terms of an indenture dated September 12, 2016 (the "Inphi 2021 Convertible Notes Indenture"). The Inphi 2021 Convertible Notes will mature September 1, 2021, unless earlier converted or repurchased. Interest on the Inphi 2021 Convertible Notes is payable on March 1 and September 1 of each year.

Under the Inphi 2021 Convertible Notes Indenture, on or after March 1, 2021, until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert their notes at any time. Upon conversion, the Company will pay or deliver, as the case may be, cash, shares of common stock or a combination of cash and shares of common stock, at the Company's election. The Inphi 2021 Convertible Notes are not redeemable at the Company's option prior to maturity.

The initial conversion rate at issuance in September 2016 was 17.7508 shares of Inphi common stock per \$1,000 principal amount of Inphi 2021 Convertible Notes, which represented an initial conversion price of approximately \$56.34 per Inphi share. The conversion rate for the Inphi 2021 Convertible Notes is subject to adjustment in some events but will not be adjusted for any accrued and unpaid interest. In addition, following certain fundamental changes that occur prior to the maturity date, the Company will increase the conversion rate of the Inphi 2021 Convertible Notes for a holder who elects to convert in connection with such a fundamental change in certain circumstances. Upon the occurrence of certain fundamental changes, the holders of the Inphi 2021 Convertible Notes may require the Company to repurchase all or a portion of their Inphi 2021 Convertible Notes for cash at a price equal to 100% of the principal amount of the Inphi 2021 Convertible notes, plus accrued and unpaid interest to, but excluding, the fundamental change repurchase date. The Inphi 2021 Convertible Notes are not redeemable at the Company's option prior to maturity.

As part of the Inphi acquisition, the Company assumed \$15.7 million principal amount of Inphi's 2021 Convertible Notes with a fair value of \$48.0 million. The Inphi acquisition constituted a fundamental change under the Inphi 2021 Convertible Notes Indenture. As a result, the Inphi 2021 Convertible Notes were convertible into Inphi conversion units of 17.7522 per \$1,000 in principal amount of such notes from April 20, 2021 through June 3, 2021. Based on the terms of the Inphi merger agreement, the holders of the Inphi 2021 Convertible Notes received 41.2384 shares of the Company's common stock and \$1,171.65 in cash per \$1,000 in principal amount of such notes upon conversion. The Inphi 2021 Convertible Notes are currently convertible into Inphi conversion units of 17.7508 per \$1,000 in principal amount of such notes. Based on the terms of the merger agreement, the holders of the Inphi 2021 Convertible Notes would receive 41.2351 shares of the Company's common stock and \$1,171.55 in cash per \$1,000 in principal amount of such notes upon conversion. The Company has elected to measure the Inphi 2021 Convertible Notes at fair value.

A total of \$9.6 million in aggregate principal of the Inphi 2021 Convertible Notes was settled pursuant to the Exchange Agreements (discussed below). Between April 20 and July 31, 2021, \$6.0 million in aggregate principal of the Inphi 2021 Convertible Notes was converted into 0.2 million shares of the Company's common stock and \$7.0 million in cash pursuant to the contractual terms of the Inphi 2021 Convertible Notes Indenture.

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

***Inphi 2025 Convertible Notes***

In April 2020, Inphi issued \$506.0 million 0.75% convertible senior notes due 2025. The Inphi 2025 Convertible Notes are governed by an indenture dated April 24, 2020 (the “Inphi 2025 Notes Indenture”). The Inphi 2025 Convertible Notes will mature on April 15, 2025, unless earlier converted or repurchased. Interest on the Inphi 2025 Convertible Notes is payable on April 15 and October 15 of each year.

Under the Inphi 2025 Notes Indenture, the Inphi 2025 Convertible Notes are convertible at the option of the holders at any time, prior to the close of business on the business day immediately preceding October 15, 2024, only under the following circumstances: (i) during any calendar quarter commencing after the calendar quarter ending on June 30, 2020 (and only during such calendar quarter), if the last reported sale price of the Company’s common stock, for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price for the Inphi 2025 Notes on each applicable trading day; (ii) during the five business day period after any five consecutive trading day period (the “measurement period”) in which the trading per \$1,000 principal amount of Inphi 2025 Convertible Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of the common stock and the conversion rate on each such trading day; (iii) if the Company calls any or all of the Inphi 2025 Convertible Notes for redemption, at any time prior to the close of business on the second scheduled trading day immediately preceding the redemption date; or (iv) upon the occurrence of specified corporate events. On or after October 15, 2024 until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert their Inphi 2025 Convertible Notes at any time, regardless of the foregoing circumstances.

Upon the occurrence of certain fundamental changes, the holders of the Inphi 2025 Convertible Notes may require the Company to repurchase all or a portion of the Inphi 2025 Convertible Notes for cash at a price equal to 100% of the principal amount of the Inphi 2025 Convertible Notes, plus accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

The initial conversion rate at issuance in April 2020 was 8.0059 shares of Inphi common stock per \$1,000 principal amount of Inphi 2025 Convertible Notes, which represented an initial conversion price of approximately \$124.91 per Inphi share. The conversion rate for the Inphi 2025 Convertible Notes is subject to adjustment in some events but will not be adjusted for any accrued and unpaid interest. In addition, following certain fundamental changes that occur prior to the maturity date or following the Company’s issuance of a notice of redemption, the Company will, in certain circumstances, increase the conversion rate of the Inphi 2025 Convertible Notes for a holder who elects to convert in connection with such a fundamental change or notice of redemption, as the case may be.

As part of the Inphi acquisition, the Company assumed \$506.0 million in principal of Inphi 2025 Convertible Notes with a fair value of \$750.2 million. The Inphi acquisition constituted a fundamental change under the Inphi 2025 Convertible Notes Indenture. As a result, the Inphi 2025 Convertible Notes were convertible into Inphi conversion units of 8.595 per \$1,000 in principal amount of such notes. Based on the terms of the Inphi merger agreement, the holders of the Inphi 2025 Convertible Notes would receive 19.9662 shares of the Company’s common stock and \$567.27 in cash per \$1,000 in principal amount of such notes upon conversion.

A total of \$199.5 million in aggregate principal of the Inphi 2025 Convertible Notes was settled pursuant to the Exchange Agreements (discussed below). Between April 20 and May 1, 2021, \$114.0 million in aggregate principal of the Inphi 2025 Convertible Notes was converted pursuant to the contractual terms of the Inphi 2025 Convertible Notes Indenture into 2.3 million shares of the Company’s common stock and \$64.7 million in cash. Between May 2, 2021 and June 3, 2021, \$192.5 million in aggregate principal of the Inphi 2025 Convertible Notes was converted pursuant to the contractual terms of the Inphi 2025 Convertible Notes Indenture into 3.8 million shares of the Company’s common stock and \$109.2 million in cash.

In accounting for the Inphi 2025 Convertible Notes as of April 20, 2021, the Company separated the Inphi 2025 Convertible Notes into liability and equity components. The carrying amount of the liability component was calculated by measuring the estimated fair value of a similar liability that does not have an associated convertible feature. The carrying amount of the equity component representing the conversion option was determined by deducting the fair value of the liability component from the fair value of the Inphi 2025 Convertible Notes as a whole. The fair value of \$750.2 million was accordingly allocated between debt for \$506.0 million and stockholders’ equity for \$244.2 million.

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**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

***Inphi Capped Calls***

In connection with the issuance of each of the Inphi Convertible Notes, Inphi entered into capped call transactions (the “Inphi 2021 Capped Calls” and the “Inphi 2025 Capped Calls,” collectively, the “Inphi Capped Calls”) in private transactions. Under the Inphi Capped Calls, Inphi purchased capped call options that in aggregate relate to 100% of the total number of shares of the Company’s common stock underlying the Inphi Convertible Notes, with a strike price approximately equal to the conversion price of the Inphi 2021 Convertible Notes and the Inphi 2025 Convertible Notes, respectively, and with a capped price equal to \$73.03 per Inphi share and \$188.54 per Inphi share, respectively.

The purchased Inphi Capped Calls allowed Inphi to receive shares of its common stock and/or cash from counterparties equal to the amounts of common stock and/or cash related to the excess of the market price per share of the common stock, as measured under the terms of the Inphi Capped Calls, over the strike prices of the Inphi Capped Calls during the relevant valuation period. The purchased Inphi Capped Calls were intended to reduce the potential dilution to common stock upon future conversion of the Inphi 2021 Convertible Notes and Inphi 2025 Convertible Notes by effectively increasing the initial conversion price to approximately \$73.03 and \$188.54, respectively, as well as to offset potential cash payments that Inphi would be required to make in excess of the principal amount of the Inphi Convertible Notes in applicable events.

The Inphi Capped Calls were separate transactions entered into by Inphi with the option counterparties, are not part of the terms of the Inphi Convertible Notes, and will not change the holders’ rights under the Inphi Convertible Notes.

In connection with the Inphi acquisition, the Company entered into unwind agreements related to the Inphi Capped Calls. Based on the terms of the unwind agreements, the Inphi Capped Calls do not qualify for equity classification. As such, the Company has classified the Inphi Capped Calls as assets and included in “prepaid expenses and other current assets” in the unaudited condensed consolidated balance sheet. Under the unwind agreements, the Company and the counterparties agreed to settle a portion of Inphi Capped Calls for a fixed payment of \$74.1 million, which were settled on April 23, 2021. The remaining Inphi Capped Calls provide for variable cash settlement based on the Company’s stock price. These capped calls qualify as derivatives and, accordingly, the Company measures these capped calls at fair value, with changes in fair value reported in earnings. The Company reports cash flows from capped calls in cash flows from financing activities. In connection with the Exchange Agreements (discussed below), a portion of the remaining Inphi Capped Calls were settled for \$35.5 million on April 29, 2021.

***Exchange Agreements***

On April 20, 2021, the Company entered into separate, privately negotiated exchange agreements (the “Exchange Agreements”) with a limited number of holders (“Noteholders”) of the Inphi Convertible Notes. Under the terms of the Exchange Agreements, the Noteholders agreed to exchange approximately \$9.6 million in aggregate principal amount of Inphi 2021 Convertible Notes and \$199.5 million in aggregate principal amount of Inphi 2025 Convertible Notes for a number of shares of the Company’s common stock that was partially based on a trailing daily volume-weighted average of the Company’s stock price.

The Exchange Agreements were accounted for as liabilities and measured at fair value, with changes in fair value recorded in earnings. For the three months ended May 1, 2021, the Company recognized interest expense of \$5.0 million on the remeasurement of the Exchange Agreements in its unaudited condensed statements of operations.

The Exchange Agreements were settled on April 29, 2021. In exchange for \$9.6 million and \$199.5 million in aggregate principal of the Inphi 2021 Convertible Notes and Inphi 2025 Convertible Notes, respectively, the Company issued a total of 7.1 million shares of its common stock to the Noteholders.

***Interest Expense and Future Contractual Maturities***

During the three and six months ended July 31, 2021, the Company recognized \$30.9 million and \$53.0 million, respectively, of interest expense in its unaudited condensed consolidated statements of operations related to interest, amortization of debt issuance costs and accretion of discount associated with the outstanding borrowings.

During the three and six months ended August 1, 2020, the Company recognized \$14.1 million and \$29.5 million, respectively, of interest expense in its unaudited condensed consolidated statements of operations related to interest, amortization of debt issuance costs and accretion of discount associated with the outstanding borrowings.

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

As of July 31, 2021, the aggregate future contractual maturities of the Company's outstanding debt, at face value, were as follows (in thousands):

Fiscal Year	Amount
Remainder of 2022	\$ 22,300
2023	65,625
2024	1,462,452
2025	109,375
2026	131,250
Thereafter	2,959,290
Total	<u>\$ 4,750,292</u>

**Note 6. Revenue**

The majority of the Company's revenue is generated from sales of the Company's products. The following table summarizes net revenue disaggregated by end market (in thousands, except percentages):

	Three Months Ended				Six Months Ended			
	July 31, 2021	% of Total	August 1, 2020	% of Total	July 31, 2021	% of Total	August 1, 2020	% of Total
<b>Net revenue by end market:</b>								
Data center	\$ 433,722	40 %	\$ 266,920	37 %	\$ 710,788	37 %	\$ 532,387	37 %
Carrier infrastructure	196,656	18 %	142,438	20 %	364,222	19 %	264,685	19 %
Enterprise networking	222,732	21 %	158,080	22 %	397,576	21 %	316,380	22 %
Consumer	165,380	16 %	134,370	18 %	332,046	18 %	254,661	18 %
Automotive/Industrial	57,391	5 %	25,489	3 %	103,528	5 %	52,825	4 %
	<u>\$ 1,075,881</u>		<u>\$ 727,297</u>		<u>\$ 1,908,160</u>		<u>\$ 1,420,938</u>	

The Company classifies end market revenue by using estimates and assumptions based on historical experience and knowledge of current conditions, given available information.

The following table summarizes net revenue disaggregated by product group (in thousands, except percentages):

	Three Months Ended				Six Months Ended			
	July 31, 2021	% of Total	August 1, 2020	% of Total	July 31, 2021	% of Total	August 1, 2020	% of Total
<b>Net revenue by product group:</b>								
Networking (1)	\$ 701,712	65 %	\$ 406,008	56 %	\$ 1,199,962	63 %	\$ 799,928	56 %
Storage (2)	341,713	32 %	290,495	40 %	644,631	34 %	549,183	39 %
Other (3)	32,456	3 %	30,794	4 %	63,567	3 %	71,827	5 %
	<u>\$ 1,075,881</u>		<u>\$ 727,297</u>		<u>\$ 1,908,160</u>		<u>\$ 1,420,938</u>	

- (1) Networking products are comprised primarily of ethernet solutions, embedded processors, custom ASICs and electro-optics solutions.  
(2) Storage products are comprised primarily of storage controllers and fibre channel adapters.  
(3) Other products are comprised primarily of printer solutions.

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

The following table summarizes net revenue disaggregated by primary geographical market based on destination of shipment (in thousands, except percentages):

	Three Months Ended				Six Months Ended			
	July 31, 2021	% of Total	August 1, 2020	% of Total	July 31, 2021	% of Total	August 1, 2020	% of Total
<b>Net revenue based on destination of shipment:</b>								
China	\$ 488,315	45 %	\$ 303,183	42 %	\$ 829,393	43 %	\$ 583,329	41 %
United States	123,162	11 %	86,831	12 %	210,576	11 %	168,062	12 %
Thailand	82,985	8 %	60,464	8 %	160,777	7 %	128,008	9 %
Malaysia	72,433	7 %	60,186	8 %	131,012	8 %	124,853	9 %
Singapore	58,420	5 %	30,520	4 %	109,930	5 %	69,226	5 %
Philippines	55,704	5 %	49,554	7 %	103,322	6 %	74,129	5 %
Other	194,862	19 %	136,559	19 %	363,150	20 %	273,331	19 %
	<u>\$ 1,075,881</u>		<u>\$ 727,297</u>		<u>\$ 1,908,160</u>		<u>\$ 1,420,938</u>	

These destinations of shipment are not necessarily indicative of the geographic location of the Company's end customers or the country in which the Company's end customers sell devices containing the Company's products. For example, a substantial majority of the shipments made to China relate to sales to non-China based customers that have factories or contract manufacturing operations located within China.

The following table summarizes net revenue disaggregated by customer type (in thousands, except percentages):

	Three Months Ended				Six Months Ended			
	July 31, 2021	% of Total	August 1, 2020	% of Total	July 31, 2021	% of Total	August 1, 2020	% of Total
<b>Net revenue by customer type:</b>								
Direct customers	\$ 820,788	76 %	\$ 541,348	74 %	\$ 1,391,094	73 %	\$ 1,072,752	75 %
Distributors	255,093	24 %	185,949	26 %	517,066	27 %	348,186	25 %
	<u>\$ 1,075,881</u>		<u>\$ 727,297</u>		<u>\$ 1,908,160</u>		<u>\$ 1,420,938</u>	

#### **Contract Liabilities**

Contract liabilities consist of the Company's obligation to transfer goods or services to a customer for which the Company has received consideration or the amount is due from the customer. As of July 31, 2021, contract liability balances are comprised of variable consideration estimated based on a portfolio basis using the expected value methodology based on analysis of historical data, current economic conditions, and contractual terms. Variable consideration estimates consist of the estimated returns, price discounts, price protection, rebates, and stock rotation programs. As of the end of a reporting period, some of the performance obligations associated with contracts will have been unsatisfied or only partially satisfied. In accordance with the practical expedients available in the guidance, the Company does not disclose the value of unsatisfied performance obligations for contracts with an original expected duration of one year or less. Contract liabilities are included in accrued liabilities in the unaudited condensed consolidated balance sheets.

The opening balance of contract liabilities at the beginning of the first quarter of fiscal year 2022 was \$181.0 million. During the six months ended July 31, 2021, contract liabilities increased by \$484.7 million associated with variable consideration estimates, offset by \$475.2 million decrease in such reserves primarily due to credit memos issued to customers. The ending balance of contract liabilities as of the second quarter of fiscal year 2022 was \$190.5 million. The amount of revenue recognized during the six months ended July 31, 2021 that was included in the contract liabilities balance at January 30, 2021 was not material.

#### **Sales Commissions**

The Company has elected to apply the practical expedient to expense commissions when incurred as the amortization period is typically one year or less. These costs are recorded in selling, general and administrative expenses in the unaudited condensed consolidated statements of operations.

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

**Note 7. Restructuring**

The Company continuously evaluates its existing operations to increase operational efficiency, decrease costs and increase profitability. A restructuring plan was initiated during the first quarter of fiscal 2022 (the “Fiscal 2022 Plan”) in order to realign the organization and enable further investment in key priority areas. Restructuring charges are mainly comprised of severance and other one-time termination benefits, facility closures where sites may be redundant within the same region or no longer suitably sized for the local employee base, and other costs. The Company recorded restructuring and other related charges of \$12.3 million and \$25.2 million for the three and six months ended July 31, 2021, respectively, which includes \$10.1 million and \$19.9 million of charges related to the Fiscal 2022 Plan. The Company expects to complete these restructuring actions by the end of fiscal 2023.

In prior years, the Company initiated restructuring plans in order to realign the organization and enable further investment in key priority areas. Restructuring charges were mainly comprised of severance and other one-time termination benefits, facility closures where sites were redundant within the same region or no longer suitably sized for the local employee base, and other costs. These plans are substantially complete. The Company recorded restructuring related charges of \$120.6 million and \$141.9 million for the three and six months ended August 1, 2020, respectively.

The following table sets forth a reconciliation of the beginning and ending restructuring liability balances by each major type of cost associated with the restructuring charges (in thousands):

	Employee Severance	Other	Total
Liability at January 30, 2021	\$ 5,596	\$ 5,204	\$ 10,800
Charges	19,499	5,681	25,180
Cash payments	(15,916)	(4,765)	(20,681)
Non-cash items	—	(2,560)	(2,560)
Liability at July 31, 2021	<u>\$ 9,179</u>	<u>\$ 3,560</u>	<u>\$ 12,739</u>

The current and non-current portions of the restructuring liability at July 31, 2021 of \$11.1 million and \$1.6 million are included as a component of accrued liabilities and other non-current liabilities respectively in the accompanying unaudited condensed consolidated balance sheets.

**Note 8. Supplemental Financial Information (in thousands)**

**Consolidated Balance Sheets**

	July 31, 2021	January 30, 2021
<b>Inventories:</b>		
Work-in-process	\$ 372,047	\$ 187,351
Finished goods	87,485	80,877
Inventories	<u>\$ 459,532</u>	<u>\$ 268,228</u>

The inventory balance at July 31, 2021 includes \$17.6 million related to the remaining inventory fair value adjustment from the Inphi acquisition.

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

	July 31, 2021	January 30, 2021
<b>Property and equipment, net:</b>		
Machinery and equipment	\$ 812,524	\$ 693,689
Land, buildings, and leasehold improvements	290,671	284,532
Computer software	105,109	103,789
Furniture and fixtures	28,097	26,990
	1,236,401	1,109,000
Less: Accumulated depreciation and amortization	(803,310)	(782,875)
Property and equipment, net	<u>\$ 433,091</u>	<u>\$ 326,125</u>

	July 31, 2021	January 30, 2021
<b>Other non-current assets:</b>		
Technology and other licenses	\$ 323,665	\$ 242,244
Prepaid ship and debits	172,250	131,657
Operating right-of-use assets	142,348	101,411
Non-marketable equity investments	36,506	7,646
Other	43,341	58,611
Other non-current assets	<u>\$ 718,110</u>	<u>\$ 541,569</u>

	July 31, 2021	January 30, 2021
<b>Accrued liabilities:</b>		
Contract liabilities	\$ 190,498	\$ 180,995
Technology license obligations	100,599	71,130
Deferred non-recurring engineering credits	57,049	37,300
Lease liabilities - current portion	39,329	32,461
Accrued legal reserve	27,862	50,101
Deferred revenue	24,855	16,146
Accrued interest	21,563	8,709
Accrued royalty	20,514	12,740
Other	36,945	26,034
Accrued liabilities	<u>\$ 519,214</u>	<u>\$ 435,616</u>

	July 31, 2021	January 30, 2021
<b>Other non-current liabilities</b>		
Lease liabilities-non current	\$ 146,145	\$ 104,417
Technology license obligations	128,393	86,241
Non-current income tax payable	30,943	22,526
Deferred tax liabilities	22,451	22,359
Other	22,226	23,310
Other non-current liabilities	<u>\$ 350,158</u>	<u>\$ 258,853</u>

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

### **Accumulated Other Comprehensive Income**

As of July 31, 2021, there are no changes in accumulated other comprehensive income (loss) by components. The changes in accumulated other comprehensive income (loss) by components for the comparative period are presented in the following table:

	Unrealized Gain (Loss) on Cash Flow Hedges
Balance at February 1, 2020	\$ —
Other comprehensive income before reclassifications	1,214
Amounts reclassified from accumulated other comprehensive income	(764)
Net current-period other comprehensive income, net of tax	450
Balance at August 1, 2020	\$ 450

### **Consolidated Statements of Cash Flows**

Noncash consideration paid for the acquisition of Inphi was \$6.2 billion during the six months ended July 31, 2021.

### **Share Repurchase Program**

On November 17, 2016, the Company announced that its Board of Directors authorized a \$1.0 billion share repurchase plan. The newly authorized stock repurchase program replaced in its entirety the prior \$3.25 billion stock repurchase program. On October 16, 2018, the Company announced that its Board of Directors authorized a \$700 million addition to the balance of its existing share repurchase program. As of July 31, 2021, there was \$564.5 million remaining available for future share repurchases. The Company intends to effect share repurchases in accordance with the conditions of Rule 10b-18 under the Exchange Act, but may also make repurchases in the open market outside of Rule 10b-18 or in privately negotiated transactions. The share repurchase program will be subject to market conditions and other factors, and does not obligate the Company to repurchase any dollar amount or number of its common shares and the repurchase program may be extended, modified, suspended or discontinued at any time.

The Company temporarily suspended the share repurchase program in late March 2020 to preserve cash during the COVID-19 pandemic and the program remains suspended as the Company focuses on reducing its debt and de-levering its balance sheet. As a result, the Company did not repurchase any shares during the three and six months ended July 31, 2021. The Company repurchased 1.3 million of its common shares for \$25.2 million during the six months ended August 1, 2020. The Company records all repurchases, as well as investment purchases and sales, based on their trade date. The repurchased shares are retired immediately after repurchases are completed.

### **Note 9. Fair Value Measurements**

Fair value is an exit price representing the amount that would be received in the sale of an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or a liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

Level 1—Observable inputs that reflect quoted prices for identical assets or liabilities in active markets.

Level 2—Other inputs that are directly or indirectly observable in the marketplace.

Level 3—Unobservable inputs that are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.



**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

The Company's Level 1 assets include marketable equity investments that are classified as other non-current assets and which are valued primarily using quoted market prices. The Company's Level 2 assets include time deposits, as the market inputs used to value these instruments consist of market yields. In addition, the convertible debt capped calls and the severance pay fund are classified as a Level 2 asset as the valuation inputs are based on quoted prices and market observable data of similar instruments.

The tables below set forth, by level, the Company's assets and liabilities that are measured at fair value on a recurring basis. The tables do not include assets and liabilities that are measured at historical cost or any basis other than fair value (in thousands):

	Fair Value Measurements at July 31, 2021			
	Level 1	Level 2	Level 3	Total
Items measured at fair value on a recurring basis:				
Assets				
Cash equivalents:				
Time deposits	—	159,961	—	159,961
Prepaid expenses and other current assets:				
Convertible debt capped calls	—	33	—	33
Other non-current assets:				
Marketable equity investments	1,368	—	—	1,368
Severance pay fund	—	668	—	668
Total assets	<u>\$ 1,368</u>	<u>\$ 160,662</u>	<u>\$ —</u>	<u>\$ 162,030</u>
Liabilities				
Short term debt:				
Convertible notes	\$ —	\$ 135	\$ —	\$ 135
Long term debt:				
Convertible notes	—	287	—	287
Total liabilities	<u>\$ —</u>	<u>\$ 422</u>	<u>\$ —</u>	<u>\$ 422</u>

The carrying value of investments in non-marketable equity securities recorded to fair value on a non-recurring basis is adjusted for observable transactions for identical or similar investments of the same issuer or for impairment. These securities relate to equity investments in privately-held companies. They are classified as Level 3 in the fair value hierarchy because the value is estimated based on valuation methods using the observable transaction price at the transaction date and other unobservable inputs such as volatility, rights and obligations of the securities held. As of July 31, 2021, non-marketable equity investments had a carrying value of \$36.5 million and are included in other non-current assets in the Company's unaudited condensed consolidated balance sheets.

	Fair Value Measurements at January 30, 2021			
	Level 1	Level 2	Level 3	Total
Items measured at fair value on a recurring basis:				
Assets				
Cash equivalents:				
Time deposits	\$ —	\$ 114,645	\$ —	\$ 114,645
Other non-current assets:				
Severance pay fund	—	623	—	623
Total assets	<u>\$ —</u>	<u>\$ 115,268</u>	<u>\$ —</u>	<u>\$ 115,268</u>

*Fair Value of Debt and Inphi Capped Calls*

The Inphi 2021 Convertible Notes are carried in the unaudited condensed consolidated balance sheets at fair value. As of July 31, 2021, the fair value of convertible notes was determined on the basis of market prices observable for similar instruments and is considered Level 2 in the fair value hierarchy. See "Note 5 - Debt" for information on the fair value of the Inphi 2021 Convertible Notes.

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

The Company classified the 2020 Term Loan, the 2023 Notes, the 2026 Notes, 2028 Notes, and 2031 Notes as Level 2 in the fair value measurement hierarchy. The carrying value of the 2020 Term Loan approximates its fair value as the 2020 Term Loan is carried at a market observable interest rate that resets periodically. The estimated aggregate fair value of the unsecured senior notes was \$3.2 billion at July 31, 2021 and \$1.1 billion at January 30, 2021, and were classified as Level 2 as there are quoted prices from less active markets for the notes.

**Note 10. Commitments and Contingencies**

***Purchase Commitments***

Under the Company's manufacturing relationships with its foundry partners, cancellation of outstanding purchase orders is allowed but requires payment of all costs and expenses incurred through the date of cancellation. At July 31, 2021, the Company had approximately \$775.6 million in outstanding purchase orders with foundries.

During the second quarter ended July 31, 2021 the Company entered into a wafer supply capacity reservation agreement with one of the Company's foundry suppliers to reserve manufacturing supply capacity due to the current global supply shortage environment. Under the agreement, the Company has agreed to pay certain fees as well as meet annual wafer purchase commitments in exchange for the foundry's guarantee to produce a specific minimum quantity of wafers from 2022 through 2025. Such wafers will be purchased by the Company at predetermined sales prices. If the Company does not meet the annual wafer purchase commitment for any of these years, the Company will be required to pay a portion of the difference between the actual wafer purchases and the wafer purchase commitment for that calendar year. The Company currently estimates that it is obligated to purchase at least \$770 million of wafers for the calendar years 2022 through 2025 under the capacity reservation agreement.

Subsequent to quarter end, the Company entered into a capacity reservation agreement with another supplier to reserve additional materials, assembly, and test capacity. Under the agreement, the Company is required to make five scheduled refundable deposits totaling \$100 million between August 2021 and November 2022 as well as meet annual purchase commitments for calendar years from 2022 through 2026 in exchange for the supplier's guarantee to produce material and reserve capacity for a minimum quantity of devices. The Company currently estimates that it will purchase at least \$1 billion during the five year period under the capacity reservation agreement.

***Contingencies and Legal Proceedings***

The Company currently is, and may from time to time become, a party to claims, lawsuits, governmental inquiries, inspections or investigations and other legal proceedings (collectively, "Legal Matters") arising in the course of its business. Such Legal Matters, even if not meritorious, could result in the expenditure of significant financial and managerial resources.

The Company is currently unable to predict the final outcome of its pending Legal Matters and therefore cannot determine the likelihood of loss or estimate a range of possible loss, except with respect to amounts where it has determined a loss is both probable and estimable and has made an accrual. The Company evaluates, at least on a quarterly basis, developments in its Legal Matters that could affect the amount of any accrual, as well as any developments that would result in a loss contingency to become both probable and reasonably estimable. The ultimate outcome of any Legal Matter involves judgments, estimates and inherent uncertainties. An unfavorable outcome in a Legal Matter, particularly in a patent dispute, could require the Company to pay damages or could prevent the Company from selling some of its products in certain jurisdictions. While the Company cannot predict with certainty the results of the Legal Matters in which it is currently involved, the Company does not expect that the ultimate costs to resolve these Legal Matters will individually or in the aggregate have a material adverse effect on its financial condition, however, there can be no assurance that the current or any future Legal Matters will be resolved in a manner that is not adverse to the Company's business, financial condition, results of operations or cash flows.

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

***Indemnities, Commitments and Guarantees***

During its normal course of business, the Company has made certain indemnities, commitments and guarantees under which it may be required to make payments in relation to certain transactions. These indemnities may include indemnities for general commercial obligations, indemnities to various lessors in connection with facility leases for certain claims arising from such facility or lease, and indemnities to directors and officers of the Company to the maximum extent permitted under the laws of Bermuda. In addition, the Company has contractual commitments to various customers, which could require the Company to incur costs to repair an epidemic defect with respect to its products outside of the normal warranty period if such defect were to occur. The duration of these indemnities, commitments and guarantees varies, and in certain cases, is indefinite. Some of these indemnities, commitments and guarantees do not provide for any limitation of the maximum potential future payments that the Company could be obligated to make. In general, the Company does not record any liability for these indemnities, commitments and guarantees in the accompanying unaudited condensed consolidated balance sheets as the amounts cannot be reasonably estimated and are not considered probable. The Company does, however, accrue for losses for any known contingent liability, including those that may arise from indemnification provisions, when future payment is probable and estimable.

***Intellectual Property Indemnification***

In addition to the above indemnities, the Company has agreed to indemnify certain customers for claims made against the Company's products where such claims allege infringement of third-party intellectual property rights, including, but not limited to, patents, registered trademarks, and/or copyrights. Under the aforementioned indemnification clauses, the Company may be obligated to defend the customer and pay for the damages awarded against the customer as well as the attorneys' fees and costs under an infringement claim. The Company's indemnification obligations generally do not expire after termination or expiration of the agreement containing the indemnification obligation. Generally, but not always, there are limits on and exceptions to the Company's potential liability for indemnification. Historically the Company has not made significant payments under these indemnification obligations and the Company cannot estimate the amount of potential future payments, if any, that it might be required to make as a result of these agreements. The maximum potential amount of any future payments that the Company could be required to make under these indemnification obligations could be significant.

**Note 11. Income Tax**

The Company's tax provision for interim periods is determined using an estimate of its annual effective tax rate, adjusted for discrete items, if any, that arise during the period. Each quarter, the Company updates its estimate of the annual effective tax rate, and if the estimated annual effective tax rate changes, the Company makes a cumulative adjustment in such period. The Company's quarterly tax provision, and estimate of its annual effective tax rate, is subject to variation due to several factors, including variability in accurately predicting our pre-tax income or loss and the mix of jurisdictions to which they relate, intercompany transactions, changes in tax laws, the applicability of special tax regimes, changes in how we do business, discrete items, and acquisitions, as well as the integration of such acquisitions.

On April 20, 2021, the Company completed its acquisition of Inphi Corporation. As a result of this transaction, the parent company was domiciled in the United States and not Bermuda. Therefore, for periods after closing, the income from all foreign subsidiaries is now subject to the U.S. provisions applicable to Global Intangible Low Taxed Income ("GILTI"), which generally requires for GILTI income to be included in the taxable income of U.S. entities, and which may adversely impact future effective tax rates and tax liabilities.

The Company's estimated effective tax rate for the year differs from the U.S. statutory rate of 21% primarily due to a substantial portion of its earnings, or in some cases, losses being taxed or benefited at rates lower than the U.S. statutory rate. The Company's effective tax rate is the result of an anticipated annual net income tax benefit and includes the effects of certain non-U.S. tax jurisdictions with tax rates lower than 21%.

The income tax benefit of \$25.6 million for the three months ended July 31, 2021 is primarily related to the recognition of a \$10.0 million tax benefit for tax basis on the transfer of certain intellectual property from the Inphi acquisition to a subsidiary in Singapore, as well as discrete tax benefits related to stock-based compensation.

The income tax benefit of \$53.3 million for the six months ended July 31, 2021 is primarily related to the recognition of the \$10.0 million tax benefit attributable to the aforementioned Singapore tax basis in intellectual property, tax benefits related to stock-based compensation, and benefits from expirations of the statutes of limitations related to certain previously unrecognized tax benefits that were recorded in prior periods.

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

The Company's gross unrecognized tax benefits were \$322.0 million and \$242.2 million on July 31, 2021 and January 30, 2021, respectively. The net increase to the Company's gross unrecognized tax benefits of \$79.8 million is primarily the result of certain unrecognized tax benefits recorded in the Company's accounting for the acquisition of Inphi. If the gross unrecognized tax benefits as of July 31, 2021 were realized in a subsequent period, the Company would record a tax benefit of \$201.5 million within its provision for income taxes at such time. The amount of interest and penalties accrued as of July 31, 2021, and January 30, 2021 was \$3.6 million and \$4.0 million, respectively.

It is reasonably possible that the amount of unrecognized tax benefits could increase or decrease significantly due to changes in tax law in various jurisdictions, the effects of income tax audits, and changes in the U.S. dollar as compared to foreign currencies within the next 12 months. Excluding these factors, it is reasonably possible that uncertain tax positions may decrease by as much as \$2.1 million during the next 12 months. Government tax authorities from certain non-U.S. jurisdictions are examining the Company's income tax returns. The Company believes that it has adequately provided for the expected outcomes related to these tax audits and that any settlements with respect to these audits will not have a material effect on its results or financial position at this time.

The Company operates under tax incentives in certain countries that may be extended and/or renewed if certain additional requirements are satisfied. The tax incentives are conditional upon meeting certain employment and investment thresholds. Because of existing deductions and tax attributes, the Company currently expects no net tax benefits from its tax incentives in the current fiscal year. Similarly, there were no such tax benefits in the prior fiscal year.

The Company's principal source of liquidity as of July 31, 2021 consisted of approximately \$559.6 million of cash and cash equivalents, of which approximately \$431.8 million was held by subsidiaries outside of the United States. The Company has not recognized a deferred tax liability on \$294.1 million of these assets as those amounts are deemed to be indefinitely reinvested. The Company manages its worldwide cash requirements by, among other things, reviewing available funds held by its foreign subsidiaries and the cost effectiveness by which those funds can be accessed in the United States.

## **Note 12. Net Loss Per Share**

The Company reports both basic net loss per share, which is based on the weighted-average number of common shares outstanding during the period, and diluted net loss per share, which is based on the weighted-average number of common shares outstanding and potentially dilutive shares outstanding during the period.

The computations of basic and diluted net loss per share are presented in the following table (in thousands, except per share amounts):

	Three Months Ended		Six Months Ended	
	July 31, 2021	August 1, 2020	July 31, 2021	August 1, 2020
Numerator:				
Net loss	\$ (276,428)	\$ (157,893)	\$ (364,670)	\$ (270,926)
Denominator:				
Weighted-average shares — basic	821,062	667,574	757,205	665,541
Effect of dilutive securities:				
Share-based awards	—	—	—	—
Convertible debt	—	—	—	—
Weighted-average shares — diluted	<u>821,062</u>	<u>667,574</u>	<u>757,205</u>	<u>665,541</u>
Net loss per share:				
Basic	\$ (0.34)	\$ (0.24)	\$ (0.48)	\$ (0.41)
Diluted	\$ (0.34)	\$ (0.24)	\$ (0.48)	\$ (0.41)

**MARVELL TECHNOLOGY, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

Potential dilutive securities include dilutive common shares from share-based awards attributable to the assumed exercise of stock options, restricted stock units and employee stock purchase plan shares using the treasury stock method. Potential dilutive securities include dilutive common shares from share-based awards attributable to the shares that could be issued upon conversion of the Company's convertible debt using the if-converted method. Under the treasury stock method and if-converted method, potential common shares outstanding are not included in the computation of diluted net income per share if their effect is anti-dilutive.

Anti-dilutive potential shares are presented in the following table (in thousands):

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>July 31, 2021</b>	<b>August 1, 2020</b>	<b>July 31, 2021</b>	<b>August 1, 2020</b>
Weighted-average shares outstanding:				
Share-based awards	18,651	10,974	17,595	10,008
Convertible debt	613	—	1,097	—

Anti-dilutive potential shares from share-based awards are excluded from the calculation of diluted earnings per share for all periods reported above because either their exercise price exceeded the average market price during the period or the share-based awards were determined to be anti-dilutive based on applying the treasury stock method. Anti-dilutive potential shares from convertible debt are excluded from the calculation of diluted earnings per share for all periods reported above because the shares that would be issued upon conversion of the Company's convertible debt were determined to be anti-dilutive based on applying the if-converted method. Anti-dilutive potential shares from share-based awards are excluded from the calculation of diluted earnings per share for the three and six months ended July 31, 2021 and August 1, 2020 due to the net losses reported in those periods.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which are subject to the "safe harbor" created by those sections. These statements involve known and unknown risks, uncertainties and other factors, which may cause our actual results to differ materially from those implied by the forward-looking statements. Words such as "anticipates," "expects," "intends," "plans," "projects," "believes," "seeks," "estimates," "forecasts," "targets," "may," "can," "will," "would" and similar expressions identify such forward-looking statements.

Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements. Factors that could cause actual results to differ materially from those predicted include, but are not limited to:

- the impact of the COVID-19 pandemic or other future pandemics, on the global economy and on our customers, suppliers, employees and business;
- our ability to successfully integrate and to realize anticipated synergies, on a timely basis or at all, in connection with the Inphi merger;
- our ability to define, design and develop products for the Cloud, infrastructure and 5G markets and to market and sell these products to our customers;
- extension of lead time due to supply chain disruption, component shortages that impact the production of our products and constrained availability from other electronic suppliers impacting our customers' ability to ship their products, which in turn may adversely impact our sales to those customers;
- the impact of international conflict, trade relations between the U.S. and other countries, and continued economic volatility in either domestic or foreign markets;
- the impact and costs associated with changes in international financial and regulatory conditions such as the addition of new trade restrictions, tariffs or embargos;
- our ability and the ability of our customers to successfully compete in the markets in which we serve;
- our ability and our customers' ability to develop new and enhanced products and the adoption of those products in the market;
- risks related to our debt obligations;
- our ability to scale our operations in response to changes in demand for existing or new products and services;
- our reliance on our manufacturing partners for the manufacture, assembly and testing of our products;
- the risks associated with manufacturing and selling a majority of our products and our customers' products outside of the United States;
- the effects of transitioning to smaller geometry process technologies;
- the impact of any change in our application of the United States federal income tax laws and the loss of any beneficial tax treatment that we currently enjoy;
- our ability to execute on changes in strategy and realize the expected benefits from restructuring activities;
- our ability to implement our plans, forecasts and other expectations with respect to our strategic investments, divestitures, mergers, or joint ventures (such as our proposed acquisition of Innovium, Inc.) and to fully realize the anticipated synergies and cost savings in the time frame anticipated;
- our ability to limit costs related to defective products;
- our ability to recruit and retain experienced executive management as well as highly-skilled personnel;
- our ability to mitigate risks related to our information technology systems;
- our ability to protect our intellectual property, particularly outside of the U.S.;
- our ability to estimate customer demand and future sales accurately;
- our reliance on third-party distributors and manufacturers' representatives to sell our products;
- our maintenance of an effective system of internal controls;
- the impact of the highly cyclical and intensely competitive nature of the markets for our products;
- our dependence on a small number of customers;
- our ability to accurately categorize our products by end markets;
- severe financial hardship or bankruptcy of one or more of our major customers;
- risks associated with acquisition and consolidation activity in the semiconductor industry;
- decreases in our gross margin and results of operations in the future due to a number of factors;
- the impact of natural disasters and other catastrophic events; and
- the outcome of pending or future litigation and legal proceedings.

Additional factors which could cause actual results to differ materially include those set forth in the following discussion, as well as the risks discussed in Part II, Item 1A, "Risk Factors," and other sections of this Quarterly Report on Form 10-Q. These forward-looking statements speak only as of the date hereof. We undertake no obligation to update any forward-looking statements.

## Overview

We are a leading supplier of infrastructure semiconductor solutions, spanning the data center core to network edge. We are a fabless semiconductor supplier of high-performance standard and semi-custom products with core strengths in developing and scaling complex System-on-a-Chip architectures, integrating analog, mixed-signal and digital signal processing functionality. Leveraging leading intellectual property and deep system-level expertise, as well as highly innovative security firmware, our solutions are empowering the data economy and enabling the data center, carrier infrastructure, enterprise networking, consumer, and automotive/industrial end markets.

Historically, we have reported revenue from three product groups: networking, storage, and other. Beginning with the second quarter of fiscal 2022, we are changing our reporting to present revenue from five end markets. Our product solutions serve five large end markets where our technology is essential: (i) data center, (ii) carrier infrastructure, (iii) enterprise networking, (iv) consumer, and (v) automotive/industrial. These markets and their corresponding customer products and applications are noted in the table below:

End market	Customer products and applications
Data center	<ul style="list-style-type: none"> <li>• Cloud and on-premise Artificial intelligence (AI) systems</li> <li>• Cloud and on-premise ethernet switching</li> <li>• Cloud and on-premise network-attached storage (NAS)</li> <li>• Cloud and on-premise servers</li> <li>• Cloud and on-premise storage area networks</li> <li>• Cloud and on-premise storage systems</li> <li>• Data center interconnect (DCI)</li> </ul>
Carrier infrastructure	<ul style="list-style-type: none"> <li>• Digital Subscriber Line Access Multiplexers (DSLAMs)</li> <li>• Ethernet switches</li> <li>• Optical transport systems</li> <li>• Routers</li> <li>• Wireless radio access network (RAN) systems</li> </ul>
Enterprise networking	<ul style="list-style-type: none"> <li>• Campus and small medium enterprise routers</li> <li>• Campus and small medium enterprise ethernet switches</li> <li>• Campus and small medium enterprise wireless access points (WAPs)</li> <li>• Network appliances (firewalls, and load balancers)</li> <li>• Workstations</li> </ul>
Consumer	<ul style="list-style-type: none"> <li>• Broadband gateways and routers</li> <li>• Gaming consoles</li> <li>• Home data storage</li> <li>• Home wireless access points (WAPs)</li> <li>• Personal Computers (PCs)</li> <li>• Printers</li> <li>• Set-top boxes</li> </ul>
Automotive/Industrial	<ul style="list-style-type: none"> <li>• Advanced driver-assistance systems (ADAS)</li> <li>• Autonomous vehicles (AV)</li> <li>• In-vehicle networking</li> <li>• Industrial ethernet switches</li> <li>• United States military and government solutions</li> <li>• Video surveillance</li> </ul>

This market-focused view provides more information and transparency about the key growth drivers of our business. We believe this presentation provides a better understanding of our business. Accordingly, starting with the third quarter of fiscal 2022, we expect to no longer report revenue by product group.

We categorize revenue from our five end markets by using a number of data points, including the type of customer purchasing the product, the function of our product being sold, and our knowledge of the end customer product or application into which our product will be incorporated. The categorization of products by end market is inherently subjective and can vary over time, both as a result of continued improvements in our ability to understand the final usage of our products, as well as changes in how our customers utilize our products.

In the second quarter of fiscal 2022, our net revenue increased year over year by 48% from \$727.3 million net revenue in the second quarter of fiscal 2021 compared with \$1.1 billion in the second quarter of fiscal 2022. This was due to an increase in sales from all our end markets. Revenue increased from the data center end market by 62%, from the carrier infrastructure end market by 38%, from the enterprise networking end market by 41%, from the consumer end market by 23% , and the automotive/industrial end market by 125% compared to the three months ended August 1, 2020.

On April 20, 2021, we completed the acquisition of Inphi Corporation (“Inphi”). Inphi is a global leader in high-speed data movement enabled by optical interconnects. Their product portfolio includes laser drivers, trans-impedance amplifiers, PAM (Pulse Amplitude Modulation) and Coherent DSPs (Digital Signal Processors), differentiated silicon photonics, as well as an optical PHY portfolio for interconnect inside and between the data center, as well as interconnect for the carrier market. The combined company has growing positions in carrier and data center, and Inphi’s high-speed electro-optics platform is highly complementary to our storage, networking, compute, and security portfolio. Inphi’s electro-optics portfolio combined with our copper Ethernet PHY franchise is expected to create a leading high-speed data interconnect platform. The operating results for the year to date second quarter of fiscal 2022 include the operating results of Inphi for the period from the date of acquisition through the Company’s second quarter ended July 31, 2021. In conjunction with the acquisition transaction, Marvell Technology Group Ltd. and Inphi became wholly owned subsidiaries of the new parent company, Marvell Technology, Inc. (“MTI”) on April 20, 2021. The parent company is domiciled in and subject to taxation in the United States.

Subsequent to quarter end, on August 3, 2021, we announced our intent to acquire Innovium, Inc. (“Innovium”), a leading provider of networking solutions for cloud and edge data centers, in an all-stock transaction. The estimated acquisition price of \$1.1 billion consists of approximately 19.05 million shares of our common shares and is based on our 10-day volume weighted average price as of July 30, 2021. The acquisition price includes Innovium cash and exercise proceeds expected at closing of approximately \$145 million, resulting in an estimated net cost to us of \$955 million. The transaction is expected to close by the end of calendar year 2021, subject to the satisfaction of customary closing conditions, including approval by Innovium’s stockholders and applicable regulatory approval.

In response to growth in demand from customers for our products, our operations team is continuing to ramp production with our global supply chain partners. However, we are experiencing a number of industry-wide supply constraints affecting the type of high complexity products we provide for data infrastructure. These supply challenges are currently limiting our ability to fully satisfy the increase in demand for some of our products. To secure additional capacity, we entered into capacity reservation arrangements with certain manufacturing or supply partners. See “Note 10 - Commitments and Contingencies” in the Notes to the Unaudited Condensed Consolidated Financial Statements for additional information.

We continue to monitor the impact of COVID-19 on our business. While many of our offices around the world remain open to enable critical on-site business functions in accordance with local government guidelines, the majority of our employees continue to work from home. We expect COVID-19 to continue to impact our business and for a further discussion of the uncertainties and business risks associated with the COVID-19 pandemic, see Part II, Item 1A, “Risk Factors,” including but not limited to the risk detailed under the caption “*We face risks related to the COVID-19 pandemic which currently has, and may continue in the future to, significantly disrupt our manufacturing, research and development, operations, sales and financial results.*”

We expect that the U.S. government’s export restrictions on certain Chinese customers will continue to impact our revenue in fiscal year 2022. Moreover, concerns that U.S. companies may not be reliable suppliers as a result of these and other actions has caused, and may in the future cause, some of our customers in China to amass large inventories of our products well in advance of need or cause some of our customers to replace our products in favor of products from other suppliers. Customers in China may also choose to develop indigenous solutions, as replacements for products that are subject to U.S. export controls. In addition, there may be indirect impacts to our business that we cannot easily quantify such as the fact that some of our other customers’ products which use our solutions may also be impacted by export restrictions.



**Capital Return Program.** We remain committed to delivering stockholder value through our share repurchase and dividend programs. On October 16, 2018, we announced that our Board of Directors authorized a \$700 million addition to the balance of our existing share repurchase program. Under the program authorized by our Board of Directors, we may repurchase shares in the open-market or through privately negotiated transactions. The extent to which we repurchase our shares and the timing of such repurchases will depend upon market conditions and other corporate considerations, as determined by our management team. The share repurchase program was temporarily suspended in late March 2020 to preserve cash during the COVID-19 pandemic and the program remains suspended as we focus on reducing our debt and de-levering our balance sheet. As a result, we did not repurchase any shares during the six months ended July 31, 2021. We will continue to evaluate business conditions to decide when we can restart the share repurchase program. As of July 31, 2021, there was \$564.5 million remaining available for future share repurchases of the authorization.

As of July 31, 2021, a total of 308.1 million shares have been repurchased to date under our share repurchase programs for a total \$4.3 billion in cash. We returned \$89.9 million to stockholders in the six months ended July 31, 2021 in cash dividends.

**Cash and Cash Equivalents.** Our cash and cash equivalents were \$559.6 million at July 31, 2021, which was \$188.9 million lower than our balance at our fiscal year ended January 30, 2021 of \$748.5 million.

**Sales and Customer Composition.** Historically, a relatively small number of customers have accounted for a significant portion of our net revenue. During the second quarter of fiscal 2022, there was no net revenue attributable to a customer, other than one distributor, whose revenues as a percentage of net revenue was 10% or greater of total net revenues. Net revenue attributable to significant distributors whose revenue as a percentage of net revenue was 10% or greater of total net revenue is presented in the following table:

	Three Months Ended		Six Months Ended	
	July 31, 2021	August 1, 2020	July 31, 2021	August 1, 2020
<b>Distributor:</b>				
Wintech	15 %	13 %	17 %	12 %

We continuously monitor the creditworthiness of our distributors and believe their sales to diverse end customers and geographies further serve to mitigate our exposure to credit risk.

Most of our sales are made to customers located outside of the United States, primarily in Asia, and majority of our products are manufactured outside the United States. Sales shipped to customers with operations in Asia represented approximately 80% of our net revenue in the three and six months ended July 31, 2021, and approximately 79% of net revenue in the three and six months ended August 1, 2020, respectively. Because many manufacturers and manufacturing subcontractors of our customers are located in Asia, we expect that most of our net revenue will continue to be represented by sales to our customers in that region. For risks related to our global operations, see Part II, Item 1A, “Risk Factors,” including but not limited to the risk detailed under the caption *“We face additional risks due to the extent of our global operations since a majority of our products, and those of our customers, are manufactured and sold outside of the United States. The occurrence of any or a combination of the additional risks described below would significantly and negatively impact our business and results of operations.”*

Historically, a relatively large portion of our sales have been made on the basis of purchase orders rather than long-term agreements. Customers can generally cancel or defer purchase orders on short notice without incurring a significant penalty. In addition, the development process for our products is long, which may cause us to experience a delay between the time we incur expenses and the time revenue is generated from these expenditures. We anticipate that the rate of new orders may vary significantly from quarter to quarter. For risks related to our sales cycle, see Part II, Item 1A, “Risk Factors,” including but not limited to the risk detailed under the caption *“We are subject to order and shipment uncertainties. If we are unable to accurately predict customer demand, we may hold excess or obsolete inventory, which would reduce our gross margin. Conversely, we may have insufficient inventory, which would result in lost revenue opportunities and potential loss of market share as well as damaged customer relationships.”*

## Critical Accounting Policies and Estimates

There have been no material changes during the three months ended July 31, 2021 to our critical accounting policies and estimates from the information provided in the “Critical Accounting Policies and Estimates” section of our Management’s Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the fiscal year ended January 30, 2021.

In the current macroeconomic environment affected by COVID-19, our estimates could require increased judgment and carry a higher degree of variability and volatility. We continue to monitor and assess our estimates in light of developments, and as events continue to evolve and additional information becomes available, our estimates may change materially in future periods.

## Results of Operations

The following table sets forth information derived from our Unaudited Condensed Consolidated Statements of Operations expressed as a percentage of net revenue:

	Three Months Ended				Six Months Ended			
	July 31, 2021		August 1, 2020		July 31, 2021		August 1, 2020	
Net revenue	100.0	%	100.0	%	100.0	%	100.0	%
Cost of goods sold	65.4		50.6		58.6		51.7	
Gross profit	34.6		49.4		41.4		48.3	
Operating expenses:								
Research and development	34.1		38.1		34.2		39.2	
Selling, general and administrative	24.1		15.5		24.1		16.5	
Restructuring related charges	1.1		16.6		1.3		10.0	
Total operating expenses	59.3		70.2		59.6		65.7	
Operating loss	(24.7)		(20.8)		(18.2)		(17.4)	
Interest income	—		0.1		—		0.1	
Interest expense	(3.1)		(2.1)		(3.6)		(2.3)	
Other income (loss), net	(0.2)		(0.1)		—		0.2	
Loss before income taxes	(28.0)		(22.9)		(21.8)		(19.4)	
Provision for income taxes	(2.4)		(1.2)		(2.8)		(0.3)	
Net loss	(25.6)	%	(21.7)	%	(19.0)	%	(19.1)	%

### Three and six months ended July 31, 2021 and August 1, 2020

#### Net Revenue

	Three Months Ended			Six Months Ended		
	July 31, 2021	August 1, 2020	% Change	July 31, 2021	August 1, 2020	% Change
(in thousands, except percentage)						
Net revenue	\$ 1,075,881	\$ 727,297	47.9%	\$ 1,908,160	\$ 1,420,938	34.3%

Our net revenue for the three months ended July 31, 2021 increased by \$348.6 million compared to net revenue for the three months ended August 1, 2020. This was due to an increase in sales from all our end markets. Revenue increased from the data center end market by 62%, from the carrier infrastructure end market by 38%, from the enterprise networking end market by 41%, from the consumer end market by 23%, and from the automotive/industrial end market by 125% compared to the three months ended August 1, 2020. The increase in revenue from the data center end market was primarily due to the acquisition of Inphi and increase in demand for our embedded processors and nearline HDD controllers and preamplifiers. The increase in revenue from the carrier infrastructure end market was primarily due to the acquisition of Inphi and increase in demand from 5G base stations for our embedded processors and ethernet products. The increase in revenue from the enterprise networking end market was primarily due to the increase in demand for our ethernet products. The increase in revenue from the consumer end market was primarily due to the increase in demand for our custom SSD controllers. The increase in revenue from the automotive/industrial end market was primarily due to the increase in demand for our automotive ethernet connectivity products.

Our net revenue for the six months ended July 31, 2021 increased by \$487.2 million compared to net revenue for the six months ended August 1, 2020. This was due to an increase in sales from all our end markets. Revenue increased from the data center end market by 34%, from the carrier infrastructure end market by 38%, from the enterprise networking end market by 26%, from the consumer end market by 30%, and from the automotive/industrial end market by 96% compared to the six months ended August 1, 2020. The increase in revenue from the data center end market was primarily due to the acquisition of Inphi and increase in demand for our embedded processors and nearline HDD controllers and preamplifiers. The increase in revenue from the carrier infrastructure end market was primarily due to the acquisition of Inphi and increase in demand from 5G base stations for our embedded processors and ethernet products. The increase in revenue from the enterprise networking end market was primarily due to the increase in demand for our ethernet products. The increase in revenue from the consumer end market was primarily due to the increase in demand for our custom SSD controllers. The increase in revenue from the automotive/industrial end market was primarily due to the increase in demand for our automotive ethernet connectivity products.

In the three months ended July 31, 2021, unit shipments were 30% higher and average selling prices increased 18% compared to the three months ended August 1, 2020, for an overall increase in net revenue of 48%. In the six months ended July 31, 2021 unit shipment were 18% higher and average selling prices increased 16% compared to the six months ended August 1, 2020. This was primarily driven by our recent portfolio changes, including the acquisition of Inphi.

#### Cost of Goods Sold and Gross Profit

	Three Months Ended			Six Months Ended		
	July 31, 2021	August 1, 2020	% Change	July 31, 2021	August 1, 2020	% Change
(in thousands, except percentage)						
Cost of goods sold	\$ 704,051	\$ 368,041	91.3%	\$ 1,118,189	\$ 734,780	52.2%
% of net revenue	65.4 %	50.6 %		58.6 %	51.7 %	
Gross profit	\$ 371,830	\$ 359,256	3.5%	\$ 789,971	\$ 686,158	15.1%
% of net revenue	34.6 %	49.4 %		41.4 %	48.3 %	

Cost of goods sold as a percentage of net revenue increased for the three and six months ended July 31, 2021 compared to the three and six months ended August 1, 2020, which is primarily due to increased costs associated with the Inphi acquisition including amortization of inventory fair value adjustment and amortization of acquired intangible assets, as well as the increased product sales. As a result, gross margin for the three and six months ended July 31, 2021 decreased 14.8% and 6.9% percentage points compared to the three and six months ended August 1, 2020.

### Research and Development

	Three Months Ended			Six Months Ended		
	July 31, 2021	August 1, 2020	% Change	July 31, 2021	August 1, 2020	% Change
(in thousands, except percentage)						
Research and development	\$ 367,043	\$ 277,139	32.4%	\$ 653,143	\$ 556,723	17.3%
% of net revenue	34.1 %	38.1 %		34.2 %	39.2 %	

Research and development expense increased by \$89.9 million in the three months ended July 31, 2021 compared to the three months ended August 1, 2020. The increase was primarily due to additional costs from our acquisition of Inphi, including \$62.5 million of higher employee personnel-related costs, \$13.5 million of higher engineering design and supplies costs, and \$12.5 million of higher preproduction costs.

Research and development expense increased by \$96.4 million in the six months ended July 31, 2021 compared to the six months ended August 1, 2020. The increase was primarily due to additional costs from our acquisition of Inphi, including \$63.4 million of higher employee personnel-related costs, \$12.9 million of higher computer-aided design software related costs, \$11.8 million of higher engineering design and supplies costs, and \$6.6 million of higher information technology costs.

### Selling, general and administrative

	Three Months Ended			Six Months Ended		
	July 31, 2021	August 1, 2020	% Change	July 31, 2021	August 1, 2020	% Change
(in thousands, except percentage)						
Selling, general and administrative	\$ 259,161	\$ 112,794	129.8%	\$ 460,627	\$ 234,821	96.2%
% of net revenue	24.1 %	15.5 %		24.1 %	16.5 %	

Selling, general and administrative expense increased by \$146.4 million in the three months ended July 31, 2021 compared to the three months ended August 1, 2020. The increase was primarily due to additional costs from our acquisition of Inphi, including \$83.1 million of higher intangibles amortization expense, \$33.9 million of higher employee personnel-related costs and \$30.7 million of higher integration costs.

Selling, general and administrative expense increased by \$225.8 million in the six months ended July 31, 2021 compared to the six months ended August 1, 2020. The increase was primarily due to additional costs from our acquisition of Inphi, including \$91.5 million of higher intangibles amortization expense, \$82.1 million of higher employee personnel-related costs and \$66.3 million of higher integration costs.

### Restructuring Related Charges

	Three Months Ended			Six Months Ended		
	July 31, 2021	August 1, 2020	% Change	July 31, 2021	August 1, 2020	% Change
(in thousands, except percentage)						
Restructuring related charges	\$ 12,294	\$ 120,590	(89.8)%	\$ 25,180	\$ 141,877	(82.3)%
% of net revenue	1.1 %	16.6 %		1.3 %	10.0 %	

We recognized \$12.3 million and \$25.2 million of total restructuring related charges in the three and six months ended July 31, 2021 as we continue to evaluate our existing operations to increase operational efficiency, decrease costs, and increase profitability. See “Note 7 - Restructuring” in the Notes to the Unaudited Condensed Consolidated Financial Statements for further information.

### Interest Income

	Three Months Ended			Six Months Ended		
	July 31, 2021	August 1, 2020	% Change	July 31, 2021	August 1, 2020	% Change
(in thousands, except percentage)						
Interest income	\$ 150	\$ 577	(74.0)%	\$ 372	\$ 1,635	(77.2)%
% of net revenue	— %	0.1 %		— %	0.1 %	

Interest income decreased by \$0.4 million and \$1.3 million in the three and six months ended July 31, 2021 compared to the three and six months ended August 1, 2020 due to lower interest rates on our invested cash.

### Interest Expense

	Three Months Ended			Six Months Ended		
	July 31, 2021	August 1, 2020	% Change	July 31, 2021	August 1, 2020	% Change
(in thousands, except percentage)						
Interest expense	\$ (33,814)	\$ (15,635)	116.3%	\$ (68,955)	\$ (32,465)	112.4%
% of net revenue	(3.1)%	(2.1)%		(3.6)%	(2.3)%	

Interest expense increased by \$18.2 million in the three months ended July 31, 2021 compared to the three months ended August 1, 2020. The increase was primarily due to the interest expense on the 2020 term loans in addition to the new 2026, 2028, and 2031 senior unsecured notes issued in the first quarter of fiscal 2022.

Interest expense increased by \$36.5 million in the six months ended July 31, 2021 compared to the six months ended August 1, 2020. The increase was primarily due to the interest expense on the 2020 term loans in addition to the new 2026, 2028, and 2031 senior unsecured notes issued in the first quarter of fiscal 2022, as well as the write-off of issuance costs related to the bridge loan when the loan was terminated in the first quarter of fiscal 2022.

### Other Income (loss), Net

	Three Months Ended			Six Months Ended		
	July 31, 2021	August 1, 2020	% Change	July 31, 2021	August 1, 2020	% Change
(in thousands, except percentage)						
Other income (loss), net	\$ (1,654)	\$ (440)	275.9%	\$ (431)	\$ 3,314	(113.0)%
% of net revenue	(0.2)%	(0.1)%		— %	0.2 %	

Other income (loss), net, changed by \$1.2 million in the three months ended July 31, 2021 compared to the three months ended August 1, 2020. The higher loss was primarily due to the impairment recognized on a certain equity investment.

Other income (loss), net, changed by \$3.7 million in the six months ended July 31, 2021 compared to the six months ended August 1, 2020. The higher loss in the six months ended August 1, 2020 was primarily due to the impairment recognized on a certain equity investment during the second quarter of fiscal 2022, as well as foreign currency rate fluctuations.

## Benefit for Income Taxes

	Three Months Ended			Six Months Ended		
	July 31, 2021	August 1, 2020	% Change	July 31, 2021	August 1, 2020	% Change
	(in thousands, except percentage)					
Benefit for income taxes	\$ (25,558)	\$ (8,872)	188.1%	\$ (53,323)	\$ (3,853)	1,283.9%

Our income tax benefit for the three months ended July 31, 2021 was \$25.6 million compared to a tax benefit of \$8.9 million for the three months ended August 1, 2020. Our income tax benefit for the three months ended July 31, 2021 differs from the tax benefit recorded in the same period in the prior year primarily due to the tax impact of an intra-entity transfer of certain intellectual property to a subsidiary in Singapore, which resulted in a tax benefit of \$10.0 million in the current period. This amount, combined with discrete tax benefits from stock based compensation deductions versus prior periods, tax rate differentials on foreign income/(losses), as well as the recognition of tax benefits related to the expirations on the statutes of limitations for the assessment of taxes in certain jurisdictions were the primary drivers of the income tax benefits for the three months ended July 31, 2021 and the differences between the federal statutory tax rates of 21% and our effective income tax rates for these periods.

Our income tax benefit for the six months ended July 31, 2021 was \$53.3 million compared to a tax benefit of \$3.9 million for the six months ended August 1, 2020. Our income tax benefit for the six months ended July 31, 2021 differs from the same period in the prior year primarily due to the tax impact of an intra-entity transfer of certain intellectual property to a subsidiary in Singapore, which resulted in a tax benefit of \$10.0 million during the period. This amount, combined with discrete tax benefits from stock based compensation deductions versus prior periods, tax rate differentials on foreign income/(losses), as well as the recognition of tax benefits related to the expirations on the statutes of limitations for the assessment of taxes in certain jurisdictions were the primary drivers of the income tax benefits for the six months ended July 31, 2021 and the differences between the federal statutory tax rates of 21% and our effective income tax rates for these periods.

Our provision for income taxes may be affected by changes in the geographic mix of earnings with different applicable tax rates, changes in the realizability of deferred tax assets and liabilities, discrete items, intra-entity transfers of intellectual property, accruals related to contingent tax liabilities and period-to-period changes in such accruals, the results of income tax audits, the expiration of statutes of limitations, the implementation of tax planning strategies, tax rulings, court decisions, settlements with tax authorities and changes in tax laws and regulations. It is also possible that significant negative evidence may become available that causes us to conclude that a valuation allowance is needed on certain of our deferred tax assets, which would adversely affect our income tax provision in the period of such change in judgment.

We also continuously evaluate potential changes to our legal structure in response to guidelines and requirements in various international tax jurisdictions where we conduct business. Additionally, please see the information in “Item 1A: Risk Factors” under the caption “*Changes in existing taxation benefits, rules or practices may adversely affect our financial results.*”

## Liquidity and Capital Resources

Our principal source of liquidity as of July 31, 2021 consisted of approximately \$559.6 million of cash and cash equivalents, of which approximately \$431.8 million was held by subsidiaries outside of the United States. We manage our worldwide cash requirements by, among other things, reviewing available funds held by our foreign subsidiaries and the cost effectiveness by which those funds can be accessed in the United States. See “Note 11 - Income Taxes” in the Notes to the Unaudited Condensed Consolidated Financial Statements for further information.

In April 2021, we assumed \$15.7 million in principal of Inphi’s 0.75% convertible senior notes due 2021 and \$506 million in principal of Inphi’s 0.75% convertible senior notes due 2025 from Inphi. We also acquired capped call assets in relation to the convertible debt. See “Note 5 - Debt” in the Notes to the Unaudited Condensed Consolidated Financial Statements for additional information.

In December 2020, to fund the Inphi acquisition, we executed a debt agreement to obtain a \$875 million 3-year term loan and a \$875 million 5-year term loan. We also executed a debt agreement to obtain a \$750 million revolving credit facility (“2020 Revolving Credit Facility”). In April 2021, we completed an offering and issued (i) \$500 million of senior notes with a 5 year term due in 2026, (ii) \$750 million of senior notes with a 7 year term due in 2028, and (iii) \$750 million of senior notes with a 10 year term due in 2031. In addition, in May 2021, in conjunction with the U.S. domiciliation, we exchanged certain of our existing senior notes due in 2023 (“MTG 2023 Notes”) and 2028 (“MTG 2028 Notes”) that were previously issued by the former Bermuda-based parent with like notes that are now issued by the new parent domiciled in Delaware. See “Note 5 - Debt” in the Notes to the Unaudited Condensed Consolidated Financial Statements for additional information.

We believe that our existing cash, cash equivalents, together with cash generated from operations, and funds from our 2020 Revolving Credit Facility will be sufficient to cover our working capital needs, capital expenditures, investment requirements and any declared dividends, repurchase of our common stock and commitments for at least the next twelve months. Our capital requirements will depend on many factors, including our rate of sales growth, market acceptance of our products, costs of securing access to adequate manufacturing capacity, the timing and extent of research and development projects and increases in operating expenses, all of which are subject to uncertainty.

To the extent that our existing cash and cash equivalents, together with cash generated by operations, and funds available under our 2020 Revolving Credit Facility are insufficient to fund our future activities, we may need to raise additional funds through public or private debt or equity financing. We may also acquire additional businesses, purchase assets or enter into other strategic arrangements in the future, which could also require us to seek debt or equity financing. Additional equity financing or convertible debt financing may be dilutive to our current stockholders. If we elect to raise additional funds, we may not be able to obtain such funds on a timely basis or on acceptable terms, if at all. In addition, the equity or debt securities that we issue may have rights, preferences or privileges senior to our common shares.

Future payment of a regular quarterly cash dividend on our common shares and our planned repurchases of common stock will be subject to, among other things, the best interests of us and our stockholders, our results of operations, cash balances and future cash requirements, financial condition, developments in ongoing litigation, statutory requirements under Delaware law, market conditions and other factors that our board of directors may deem relevant. Our dividend payments and repurchases of common stock may change from time to time, and we cannot provide assurance that we will continue to declare dividends or repurchase shares at all or in any particular amounts. Our share repurchase program was temporarily suspended in late March 2020 to preserve cash during the COVID-19 pandemic and the program remains suspended as we focus on reducing our debt and de-levering our balance sheet. We will continue to evaluate business conditions to decide when we can restart the share repurchase program.

### ***Cash Flows from Operating Activities***

Net cash flow provided by operating activities for the six months ended July 31, 2021 was \$208.4 million. We had a net loss of \$364.7 million adjusted for the following non-cash items: amortization of acquired intangible assets of \$405.3 million, share-based compensation expense of \$206.8 million, amortization of inventory fair value adjustment associated with the Inphi acquisition of \$169.6 million, depreciation and amortization of \$118.1 million, deferred income tax benefit of \$51.6 million, and \$61.9 million net loss from other non-cash items. Cash outflow from working capital of \$341.2 million for the six months ended July 31, 2021 was primarily driven by an increase in accounts receivable and inventory and a decrease in accrued employee compensation. The increase in accounts receivable is primarily due to increased sales, as well as the timing of shipments due to ongoing supply chain challenges. The increase in inventory is due to increased procurement to support our future growth. The decrease in accrued employee compensation is due to our annual bonus payment.

Net cash flow provided by operating activities for the six months ended August 1, 2020 was \$401.5 million. We had a net loss of \$270.9 million adjusted for the following non-cash items: amortization of acquired intangible assets of \$224.5 million, share-based compensation expense of \$122.3 million, depreciation and amortization of \$102.1 million, amortization of inventory fair value adjustment associated with the Aquantia and Avera acquisition of \$17.3 million, deferred income tax expense of \$0.4 million, and \$14.9 million net loss from other non-cash items. Cash inflow from working capital of \$74.2 million for the six months ended August 1, 2020 was primarily driven by a decrease in inventories an increase in accounts payable as well as an increase in accrued liabilities and other non-current liabilities, partially offset by a decrease in accrued employee compensation. The decrease in inventory is due to improved supply chain management. The increase in accounts payable was mainly due to timing of payment. The increase in accrued liabilities is due to an increase in ship and debit reserve and non-recurring engineering credits accrual. The decrease in accrued employee compensation is due to our annual bonus payment.

### ***Cash Flows from Investing Activities***

For the six months ended July 31, 2021, net cash used in investing activities of \$3.7 billion was primarily driven by net cash paid to acquire Inphi of \$3.6 billion, purchases of property and equipment of \$53.7 million, and purchases of technology licenses of \$6.6 million.

For the six months ended August 1, 2020, net cash used in investing activities of \$58.9 million was primarily driven by purchases of property and equipment of \$52.9 million and purchases of technology licenses of \$6.8 million.

### Cash Flows from Financing Activities

For the six months ended July 31, 2021, net cash provided by financing activities of \$3.3 billion was primarily attributable to proceeds from issuance of debt of \$3.8 billion, proceeds from capped calls of \$160.3 million partially offset by \$275.0 million repayment of debt principal, \$180.9 million of repurchase and settlement of convertible notes, \$116.2 million tax withholding payments on behalf of employees for net share settlements, \$89.9 million for payment of our quarterly dividends and \$67.3 million payments on technology license obligations.

For the six months ended August 1, 2020, net cash used in financing activities of \$158.6 million was primarily attributable to \$79.9 million for payment of our quarterly dividends, \$56.7 million tax withholding payments on behalf of employees for net share settlements, \$42.5 million payments for technology license obligations and \$25.2 million for repurchases of our common stock. These outflows were partially offset by proceeds of \$48.2 million from employee stock plans.

### Contractual Obligations and Commitments

Under the Company's manufacturing relationships with its foundry partners, cancellation of outstanding purchase orders is allowed but requires payment of all costs and expenses incurred through the date of cancellation. At July 31, 2021, the Company had approximately \$775.6 million in outstanding purchase orders with foundries.

The following table summarizes our contractual obligation as of July 31, 2021 and the effect that such obligations are expected to have on our liquidity and cash flow in future periods (in thousands):

	Contractual Obligations by Fiscal Year						
	Remainder of 2022	2023	2024	2025	2026	Thereafter	Total
Contractual obligations:							
Principal payments on debt	\$ 22,300	\$ 65,625	\$ 1,462,452	\$ 109,375	\$ 131,250	\$ 2,959,290	\$ 4,750,292
Interest obligations on debt	59,459	118,340	106,170	84,978	80,608	216,797	666,352
Facilities operating leases <sup>(1)</sup>	23,019	38,077	32,947	23,843	20,164	59,362	197,412
Purchase commitments to foundries <sup>(2)</sup>	775,625	216,333	212,033	185,157	156,232	—	1,545,380
Capital purchase obligations	74,611	—	—	—	—	—	74,611
Technology license obligations <sup>(3)</sup>	59,749	85,735	67,795	43,359	309	—	256,947
Other contractual commitments	—	7,292	564	503	350	4,709	13,418
Total contractual obligations	<u>\$ 1,014,763</u>	<u>\$ 531,402</u>	<u>\$ 1,881,961</u>	<u>\$ 447,215</u>	<u>\$ 388,913</u>	<u>\$ 3,240,158</u>	<u>\$ 7,504,412</u>

(1) Amounts exclude contractual sublease proceeds of \$39.4 million to be received through fiscal 2031.

(2) Amounts include contractual obligations from capacity reservation agreements, see "Note 10 - Commitments and Contingencies" for details.

(3) Amounts represent anticipated future cash payments, including anticipated interest payments not recorded in the consolidated balance sheet.

In addition to the above commitments and contingencies, as of July 31, 2021, we have \$29.6 million of unrecognized tax benefits as liabilities. We also have a liability for potential interest and penalties of \$3.6 million as of July 31, 2021. It is reasonably possible that the amount of unrecognized tax benefits could increase or decrease significantly due to changes in tax law in various jurisdictions, new tax audits and changes in the U.S. dollar as compared to foreign currencies within the next 12 months. Excluding these factors, uncertain tax positions may decrease by as much as \$2.1 million from the lapse of statutes of limitation in various jurisdictions during the next 12 months. Government tax authorities from several non-U.S. jurisdictions are also examining our tax returns. We believe that we have adequately provided for any reasonably foreseeable outcomes related to these tax audits and that any settlement will not have a material effect on our results at this time.

### Indemnification Obligations

See "Note 10 – Commitments and Contingencies" in the Notes to the Unaudited Condensed Consolidated Financial Statements set forth in Part I, Item 1 of this Quarterly Report on Form 10-Q.



### Item 3. Quantitative and Qualitative Disclosures About Market Risk

**Interest Rate Risk.** With our outstanding debt, we are exposed to various forms of market risk, including the potential losses arising from adverse changes in interest rates on our outstanding 2020 Term Loans. See “Note 5 - Debt” in the Notes to the Unaudited Condensed Consolidated Financial Statements for further information. A hypothetical increase or decrease in the interest rate by 1 percentage point would result in an increase or decrease in annual interest expense by approximately \$17.4 million.

The fair value of our outstanding convertible notes is subject to interest rate risk, market risk and other factors due to convertible feature. The fair value of the convertible notes will generally increase as interest rates fall and decrease as interest rates rise. In addition, the fair value of the convertible notes will generally increase as our common stock price increases and will generally decrease as our common stock price declines in value. The interest and market value changes affect the fair value of the convertible notes but, with respect to the Inphi 2025 Convertible Notes, do not impact our financial position, cash flows or results of operations due to the fixed nature of the debt obligation. For the Inphi 2021 Convertible Notes, we elected the fair value option and carry the Inphi 2021 Convertible Notes at fair value. We hold capped calls in connection with the convertible notes. The capped calls provide for variable cash settlement based on our stock price. The capped calls qualify as derivatives and, accordingly, we measure the capped calls at fair value, with changes in fair value reported in earnings. See “Note 5 - Debt” in the Notes to the Unaudited Condensed Consolidated Financial Statements for further information.

We currently carry debt that relies on LIBOR as the benchmark rate. LIBOR is expected to be phased out as a benchmark rate starting at the end of 2021. To the extent LIBOR ceases to exist, the 2020 Term Loans and 2020 Revolving Credit Facility agreements contemplate an alternative benchmark rate without the need for any amendment thereto.

We maintain an investment policy that requires minimum credit ratings, diversification of credit risk and limits the long-term interest rate risk by requiring effective maturities of generally less than five years. We invest our excess cash primarily in highly liquid debt instruments of the U.S. government and its agencies, money market mutual funds, corporate debt securities and municipal debt securities that are classified as available-for-sale and time deposits. These investments are recorded on our condensed consolidated balance sheets at fair market value with their related unrealized gain or loss reflected as a component of accumulated other comprehensive income (loss) in the unaudited condensed consolidated statement of stockholders' equity. Investments in both fixed rate and floating rate interest earning securities carry a degree of interest rate risk. Fixed rate securities may have their fair market value adversely impacted due to a rise in interest rates, while floating rate securities may produce less income than predicted if interest rates fall. There were no such investments on hand at July 31, 2021, aside from cash and cash equivalents.

**Foreign Currency Exchange Risk.** All of our sales and the majority of our expenses are denominated in U.S. dollars. Since we operate in many countries, a percentage of our international operational expenses are denominated in foreign currencies and exchange volatility could positively or negatively impact those operating costs. Increases in the value of the U.S. dollar relative to other currencies could make our products more expensive, which could negatively impact our ability to compete. Conversely, decreases in the value of the U.S. dollar relative to other currencies could result in our suppliers raising their prices to continue doing business with us. Additionally, we may hold certain assets and liabilities, including potential tax liabilities, in local currency on our consolidated balance sheet. These tax liabilities would be settled in local currency. Therefore, foreign exchange gains and losses from remeasuring the tax liabilities are recorded to interest and other income, net. We do not believe that foreign exchange volatility has a material impact on our current business or results of operations. However, fluctuations in currency exchange rates could have a greater effect on our business or results of operations in the future to the extent our expenses increasingly become denominated in foreign currencies.

We may enter into foreign currency forward and option contracts with financial institutions to protect against foreign exchange risks associated with certain existing assets and liabilities, certain firmly committed transactions, forecasted future cash flows and net investments in foreign subsidiaries. However, we may choose not to hedge certain foreign exchange exposures for a variety of reasons, including, but not limited to, accounting considerations and the prohibitive economic cost of hedging particular exposures.

To provide an assessment of the foreign currency exchange risk associated with our foreign currency exposures within operating expense, we performed a sensitivity analysis to determine the impact that an adverse change in exchange rates would have on our financial statements. If the U.S. dollar weakened by 10%, our operating expense could increase by approximately 2%.

## **Item 4. Controls and Procedures**

### **Management’s Evaluation of Disclosure Controls and Procedures**

Management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act). Disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. Based on this evaluation, our principal executive officer and principal financial officer concluded that, as of July 31, 2021, our disclosure controls and procedures were effective.

### **Changes in Internal Control Over Financial Reporting**

There have been no changes in our internal control over financial reporting during the three months ended July 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. As a result of the COVID-19 pandemic, we have modified our workplace practices globally, resulting in most of our employees working remotely. We are continually monitoring and assessing the COVID-19 situation on our internal controls to minimize the impact on their design and operating effectiveness. We believe that our internal controls over financial reporting are being executed effectively and continue to be effective.

### **Limitation on Effectiveness of Controls**

Our management, including our principal executive officer and our principal financial officer, does not expect that our disclosure controls or our internal control over financial reporting will prevent or detect all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system’s objectives will be met. The design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected. The design of any system of controls is based in part on certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of the effectiveness of controls to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

The information under the caption “Contingencies” as set forth in “Note 10 – Commitments and Contingencies” of our Notes to Unaudited Condensed Consolidated Financial Statements, included in Part I, Item 1, is incorporated herein by reference. For additional discussion of certain risks associated with legal proceedings, see Part II, Item 1A, “Risk Factors,” immediately below.

### Item 1A. Risk Factors

*Investing in our common shares involves a high degree of risk. You should carefully consider the risks and uncertainties described below and all information contained in this report before you decide to purchase our common shares. Many of these risks and uncertainties are beyond our control, including business cycles and seasonal trends of the computing, infrastructure, semiconductor and related industries and end markets. If any of the possible adverse events described below actually occurs, we may be unable to conduct our business as currently planned and our financial condition and operating results could be harmed. In addition, the trading price of our common shares could decline due to the occurrence of any of these risks, and you could lose all or part of your investment.*

#### SUMMARY OF FACTORS THAT MAY AFFECT OUR FUTURE RESULTS

*The following summarizes the principal factors that make an investment in the Company speculative or risky. This summary should be read in conjunction with the remainder of this “Risk Factors” section and should not be relied upon as an exhaustive summary of the material risks facing our business. The occurrence of any of these risks could harm our business, financial condition, results of operations and/or growth prospects or cause our actual results to differ materially from those contained in forward-looking statements we have made in this report and those we may make from time to time. You should consider all of the risk factors described in our public filings when evaluating our business.*

- risks related to the impact of the COVID-19 pandemic or other future pandemics, on the global economy and on our customers, suppliers, employees and business;
- risks related to our ability to successfully integrate and to realize anticipated synergies, on a timely basis or at all, in connection with the Inphi merger and other strategic transactions;
- risks related to the extension of lead time due to supply chain disruptions, component shortages that impact the production of our products, and constrained availability from other electronic suppliers impacting our customers' ability to ship their products, which in turn may adversely impact our sales to those customers;
- risks related to changes in general economic conditions, such as the impact of Brexit on the economy in the E.U., political conditions, such as the tariffs and trade restrictions with China and other foreign nations, and specific conditions in the end markets we address, including the continuing volatility in the technology sector and semiconductor industry;
- risks related to our debt obligations;
- risks related to the ability of our customers, particularly in jurisdictions such as China that may be subject to trade restrictions (including the need to obtain export licenses) to develop their own solutions or acquire fully developed solutions from third-parties;
- risks related to cancellations, rescheduling or deferrals of significant customer orders or shipments, as well as the ability of our customers to manage inventory;
- risks related to the effects of any future acquisitions, divestitures or significant investments, such as our proposed acquisition of Innovium, Inc.;
- risks related to the highly competitive nature of the end markets we serve, particularly within the semiconductor and infrastructure industries;
- risks related to our dependence on a few customers for a significant portion of our revenue;
- risks related to our ability to execute on changes in strategy and realize the expected benefits from restructuring activities;
- risks related to our ability to maintain a competitive cost structure for our manufacturing and assembly and test processes and our reliance on our manufacturing partners to produce our products;

- risks related to any current and future litigation and regulatory investigations that could result in substantial costs and a diversion of management's attention and resources that are needed to successfully maintain and grow our business;
- risks related to gain or loss of a design win or key customer;
- risks related to seasonality or volatility related to sales into the Cloud and infrastructure markets;
- risks related to failures to qualify our products or our suppliers' manufacturing lines;
- risks related to our ability to develop and introduce new and enhanced products in a timely and effective manner, as well as our ability to anticipate and adapt to changes in technology;
- risks related to failures to protect our intellectual property, particularly outside the U.S.;
- risks related to the potential impact of a significant natural disaster, including earthquakes, fires, floods, droughts, and tsunamis, particularly in certain regions in which we operate or own buildings, such as Santa Clara, California, and where our third party suppliers operate, such as Taiwan and elsewhere in the Pacific Rim;
- risks related to our ability to attract, retain and motivate a highly skilled workforce, especially managerial, engineering, sales and marketing personnel;
- risks related to severe financial hardship or bankruptcy of one or more of our major customers; and
- risks related to failures of our customers to agree to pay for NRE (non-recurring engineering) costs or failure to pay enough to cover the costs we incur in connection with NREs.

Our quarterly results of operations have fluctuated in the past and could do so in the future. Because our results of operations are difficult to predict, you should not rely on quarterly comparisons of our results of operations as an indication of our future performance. Due to fluctuations in our quarterly results of operations and other factors, the price at which our common shares will trade is likely to continue to be highly volatile. Accordingly, you may not be able to resell your common shares at or above the price you paid. In future periods, our stock price could decline if, amongst other factors, our revenue or operating results are below our estimates or the estimates or expectations of securities analysts and investors. Our stock is traded on the Nasdaq stock exchange under the ticker symbol "MRVL". As a result of stock price volatility, we may be subject to securities class action litigation. Any litigation could result in substantial costs and a diversion of management's attention and resources that are needed to successfully maintain and grow our business.

#### WE ARE SUBJECT TO RISKS ASSOCIATED WITH THE CORONAVIRUS (COVID-19) PANDEMIC

**We face risks related to the COVID-19 pandemic which currently has, and may continue in the future to, significantly disrupt and adversely impact our manufacturing, research and development, operations, sales and financial results.**

Although restrictions have eased in some places, the ongoing pandemic, including large outbreaks, resurgences of COVID-19 in various regions (such as the U.S., various countries throughout Asia and India) and appearances of new variants of the virus, has resulted, and may continue to result, in their reinstitution. In addition, although many countries have vaccinated large segments of their population, COVID-19 continues to disrupt business activities, trade, and supply chains in many countries. We expect these impacts to continue for the foreseeable future.

Our business has been, and will continue to be, adversely impacted by the effects of the COVID-19 pandemic. In addition to global macroeconomic effects, the COVID-19 pandemic and related adverse public health measures have caused disruption to our global operations and sales. Our third-party manufacturers, suppliers, third-party distributors, sub-contractors and customers have been, and are expected to continue to be, disrupted by worker absenteeism, quarantines and restrictions on their employees' ability to work; office and factory closures; disruptions to ports and other shipping infrastructure; border closures; and other travel or health-related restrictions. Depending on the magnitude of such effects on our manufacturing, assembling, and testing activities or the operations of our suppliers, third-party distributors, or sub-contractors, our supply chain, manufacturing and product shipments will be delayed, which could adversely affect our business, operations and customer relationships.

In addition to operational and customer impacts, the COVID-19 pandemic has had, and is expected to continue to have, a significant impact on the economies and financial markets of many countries including an economic downturn, which has affected and may in the future affect demand for our products and impact our operating results in both the near and long term. There can be no assurance that any decreases in sales resulting from the COVID-19 pandemic will be offset by increased sales in subsequent periods.

We have experienced and expect to continue to experience disruptions to our business operations resulting from work from home, quarantines, self-isolations, or other movement and restrictions on the ability of our employees to perform their jobs, innovate, work together in teams and collaborate and such disruptions could impact our ability to develop and design our products in a timely manner or meet required milestones or customer commitments. See the Risk Factor entitled *“If we are unable to develop and introduce new and enhanced products that achieve market acceptance in a timely and cost-effective manner, our results of operations and competitive position will be harmed.”* These disruptions may also impact our ability to win in time sensitive competitive bidding selection processes. See the Risk Factor entitled *“We rely on our customers to design our products into their systems, and the nature of the design process requires us to incur expenses prior to customer commitments to use our products or recognizing revenues associated with those expenses which may adversely affect our financial results.”* In addition, work from home, quarantines, self-isolations, home schooling, continuing macroeconomic related uncertainty or caring for family members may result in heavy psychological, emotional or financial burdens for some of our employees, which may impact their productivity and morale and may lead to higher employee absences and higher attrition rates. See the Risk Factor entitled *“We depend on highly skilled personnel to support our business operations. If we are unable to retain and motivate our current personnel or attract additional qualified personnel, our ability to develop and successfully market our products could be harmed.”*

We may become subject to claims or lawsuits by employees, customers, suppliers or other parties regarding actions we take in our operations in response to the COVID-19 pandemic.

Our efforts to manage these impacts may be unsuccessful, and the ultimate impact of the COVID-19 pandemic also depends on factors beyond our knowledge or control, including the duration, severity and geographic scope of the COVID-19 pandemic, the availability, widespread distribution and use of safe and effective vaccines and the actions taken to contain its spread and mitigate its public health and economic effects. Due to the uncertainty regarding the severity and duration of the COVID-19 pandemic and related public health measures and macroeconomic impacts, at this time we are unable to predict the full impact of the COVID-19 pandemic on our business, financial condition, operating results and cash flows. In addition, the impacts of the COVID-19 pandemic will be exacerbated the longer the pandemic continues.

The impact of the COVID-19 pandemic can also exacerbate other risks discussed below in this Item 1A “Risk Factors” section.

#### WE ARE SUBJECT TO RISKS ASSOCIATED WITH OUR MERGER WITH INPHI

***Our acquisition of Inphi involves a number of risks, including, among others, risks associated with our use of a significant portion of our cash and our taking on significant indebtedness, other financial risks, integration risks, and risks associated with the reactions of customers, suppliers and employees.***

On April 20, 2021, we completed our acquisition of Inphi. In connection with the transaction, Marvell Technology Group Ltd. became a wholly owned subsidiary of the Company and Inphi became a wholly owned subsidiary of the Company (collectively, these two transactions are referred to as the “Mergers”). In addition, as a result of the transaction, the Company is domiciled in the United States.

The incurrence of substantial indebtedness in connection with the financing of the Mergers has reduced our liquidity, and may limit our flexibility in responding to other business opportunities and increase our vulnerability to adverse economic and industry conditions.

The benefits we expect to realize from the Mergers will depend, in part, on our ability to integrate the businesses successfully and efficiently. See also, *“Failure to successfully integrate the businesses of Marvell and Inphi in the expected time frame may adversely affect our future results.”*

Furthermore, uncertainties with respect to integration related to the Mergers may cause our current and prospective employees to experience uncertainty about their futures. These uncertainties may impair our ability to retain, recruit or motivate key management, engineering, technical and other personnel. Similarly, our existing or prospective customers, licensees, suppliers and/or partners may delay, defer or cease purchasing products or services from or providing products or services to us; delay or defer other decisions concerning us; or otherwise seek to change the terms on which they do business with us. Any of the above could harm us, and thus decrease the benefits we expect to receive from the Mergers.

The Mergers may also result in significant charges or other liabilities, including taxes, that could adversely affect our results of operations, such as cash expenses and non-cash accounting charges incurred in connection with the acquisition and/or integration of the business and operations of Marvell and Inphi. The amount and timing of these possible charges are not yet known. Further, our failure to identify or accurately assess the magnitude of certain liabilities we are assuming in the transaction could result in unexpected litigation or regulatory exposure, unfavorable accounting charges, unexpected increases in taxes due, a loss of anticipated tax benefits or other adverse effects on our business, results of operations, financial condition or cash flows.

***Failure to successfully integrate the businesses of Marvell and Inphi in the expected time frame may adversely affect our future results.***

We entered into the Merger Agreement with Inphi with the expectation that the Mergers will result in various benefits to us, including certain cost savings and operational efficiencies or synergies. To realize these anticipated benefits, the businesses of Marvell and Inphi must be successfully integrated. Historically, Marvell and Inphi have been independent companies, and they were operated as such until the completion of the Mergers. The integration may be complex and time consuming and may require substantial resources and effort. Our management may face significant challenges in consolidating the operations of Marvell and Inphi, integrating the technologies, procedures, and policies, as well as addressing the different corporate cultures of the two companies and retaining key personnel. If the companies are not successfully integrated, the anticipated benefits of the Mergers may not be realized fully or at all or may take longer to realize than expected.

## WE ARE SUBJECT TO RISKS ASSOCIATED WITH OUR STRATEGIC TRANSACTIONS

***Recent, current and potential future acquisitions, strategic investments, divestitures, mergers or joint ventures may subject us to significant risks, any of which could harm our business.***

Our long-term strategy has included in the past, as discussed below, and may continue to include in the future identifying and acquiring, investing in or merging with suitable candidates on acceptable terms, or divesting of certain business lines or activities. In particular, over time, we may acquire, make investments in, or merge with providers of product offerings that complement our business or may terminate such activities.

For example:

- On September 19, 2019, we completed the acquisition of Aquantia Corp. (“Aquantia”);
- On November 5, 2019, we completed the acquisition of Avera Semiconductor, the Application Specific Integrated Circuit (ASIC) business of GlobalFoundries (“Avera”);
- On December 6, 2019, we sold NXP USA, Inc. certain assets related to our Wi-Fi Connectivity business;
- On April 20, 2021, we completed the acquisition of Inphi; and
- On August 3, 2021, we announced the potential acquisition of Innovium, Inc. (which is subject to customary closing conditions).

Mergers, acquisitions and divestitures include a number of risks and present financial, managerial and operational challenges. Given that our resources are limited, our decision to pursue a transaction has opportunity costs; accordingly, if we pursue a particular transaction, we may need to forgo the prospect of entering into other transactions that could help us achieve our strategic objectives.

Any acquired business, technology, service or product could significantly underperform relative to our expectations. Our acquisitions may not further our business strategy as we expected, we may not integrate an acquired company or technology as successfully as we expected, we may impose our business practices that adversely impact the acquired business or we may overpay for, or otherwise not realize the expected return on our investments, each or all of which could adversely affect our business or operating results and potentially cause impairment to assets that we recorded as a part of an acquisition including intangible assets and goodwill. In addition, the use of our shares to finance an acquisition, such as our proposed acquisition of Innovium, will result in an increase in the number of outstanding shares and will reduce the ownership percentage of each of our outstanding stockholders.

When we decide to sell assets or a business, we may have difficulty selling on acceptable terms in a timely manner or at all. These circumstances could delay the achievement of our strategic objectives or cause us to incur additional expense, or we may sell a business at a price or on terms that are less favorable than we had anticipated, resulting in a loss on the transaction.

If we do enter into agreements with respect to acquisitions, divestitures, or other transactions, these transactions, or parts of these transactions, may fail to be completed due to factors such as: failure to obtain regulatory or other approvals; disputes or litigation; or difficulties obtaining financing for the transaction.

If we fail to complete a transaction, we may nonetheless have incurred significant expenses in connection with such transaction. Failure to complete a pending transaction may result in negative publicity and a negative perception of us in the investment community.

For all these reasons, our pursuit of an acquisition, investment, divestiture, merger or joint venture could cause our actual results to differ materially from those anticipated.

***Recent or potential future acquisitions involve a number of risks, including, among others, those associated with our use of a significant portion of our cash and other financial risks.***

We used a significant portion of our cash and incurred substantial indebtedness in connection with the financing of our acquisition of Cavium, which was completed in fiscal year 2019. In fiscal year 2020, we used cash and indebtedness to finance our acquisition of Aquantia and indebtedness to finance our acquisition of Avera. As of December 11, 2019, we repaid the entire amount of the indebtedness related to the Aquantia and Avera acquisitions. In addition, we used a significant portion of our cash and incurred substantial indebtedness in connection with the financing of our acquisition of Inphi, which was completed in fiscal year 2022. Our use of cash to fund our current and future acquisitions has reduced our liquidity and may (i) limit our flexibility in responding to other business opportunities and (ii) increase our vulnerability to adverse economic and industry conditions. Furthermore, the financing agreements in connection with our outstanding indebtedness contain negative covenants, limitations on indebtedness, liens, sale and leaseback transactions and mergers and other fundamental changes. Our ability to comply with these negative covenants can be affected by events beyond our control. Our indebtedness and these negative covenants will also have the effect, among other things, of limiting our ability to obtain additional financing, if needed, limiting our flexibility in the conduct of our business and making us more vulnerable to economic downturns and adverse competitive and industry conditions. In addition, a breach of the negative covenants could result in an event of default with respect to the indebtedness, which, if not cured or waived, could result in the indebtedness becoming immediately due and payable and could have a material adverse effect on our business, financial condition or operating results.

## WE ARE VULNERABLE TO PRODUCT DEVELOPMENT AND MANUFACTURING-RELATED RISKS

**We rely on our manufacturing partners for the manufacture, assembly and testing of our products, and the failure of any of these third-party vendors to deliver products or otherwise perform as requested or to be able to fulfill our orders could damage our relationships with our customers, decrease our sales and limit our ability to grow our business.**

We do not have our own manufacturing or assembly facilities and have very limited in-house testing facilities. Therefore, we currently rely on several third-party manufacturing partners to produce our products. We also currently rely on several third-party assembly and test subcontractors to assemble, package and test our products. This exposes us to a variety of risks, including the following:

### Regional Concentration

Substantially all of our products are manufactured by third-party foundries located in Taiwan, and other sources are located in China, Germany, South Korea, Singapore and the United States. In addition, substantially all of our third-party assembly and testing facilities are located in China, Malaysia, Singapore, Taiwan and Canada. Because of the geographic concentration of most of these third-party foundries, as well as our assembly and test subcontractors, we are exposed to the risk that their operations may be disrupted by regional disasters including, for example, droughts, earthquakes (particularly in Taiwan and elsewhere in the Pacific Rim close to fault lines), tsunamis or typhoons, or by pandemics or other actual or threatened public health emergencies such as the COVID-19 pandemic, or by political, social or economic instability. In the case of such an event, our revenue, cost of goods sold and results of operations would be negatively impacted. In addition, there are limited numbers of alternative foundries and identifying and implementing alternative manufacturing facilities would be time consuming. As a result, if we needed to implement alternate manufacturing facilities, we could experience significant expenses and delays in product shipments, which could harm our results of operations.



## No Guarantee of Capacity or Supply

The ability of each of our manufacturing partners to provide us with semiconductor devices is limited by its available capacity and existing obligations. When demand is strong, availability of our partners' capacity may be constrained or not available, and with limited exceptions such as our wafer supply capacity reservation agreement with one of our suppliers, our vendors are not obligated to perform services or supply products to us for any specific period, in any specific quantities, or at any specific price, except as may be provided in a particular purchase order. We place our orders on the basis of our customers' purchase orders or our forecast of customer demand, and most of our manufacturing partners can allocate capacity to the production of other companies' products and reduce deliveries to us on short notice. It is possible that their customers that are larger and better financed than we are or that have long-term agreements with our main manufacturing partners may induce them to reallocate capacity to those customers. Most of our manufacturing partners may reallocate capacity to their customers offering them a better margin or rate of return than provided by the Company. This reallocation could impair our ability to secure the supply of components that we need. In particular, as we and others in our industry transition to smaller geometries, our manufacturing partners may be supply constrained or may charge premiums for these advanced technologies, which may harm our business or results of operations. See also, *"We may experience difficulties in transitioning to smaller geometry process technologies or in achieving higher levels of design integration, which may result in reduced manufacturing yields, delays in product deliveries and increased expenses."* Moreover, if any of our third-party manufacturing partners or other suppliers are unable to secure the necessary raw materials from their suppliers, lose benefits under material agreements, experience power outages, lack sufficient capacity to manufacture our products, encounter financial difficulties or suffer any other disruption or reduction in efficiency, we may encounter supply delays or disruptions, which could harm our business or results of operations.

For example, in response to growth in demand from customers for our products, our operations team is continuing to ramp production with our global supply chain partners. However, we have in the past, and may in the future, experience a number of industry-wide supply constraints affecting the type of high complexity products we provide for data infrastructure. These supply challenges have in the past, and may in the future, limit our ability to fully satisfy the increase in demand for some of our products.

While we attempt to create multiple sources for our products, most of our products are not manufactured at more than one foundry at any given time, and our products typically are designed to be manufactured in a specific process at only one of these foundries. Accordingly, if one of our foundries is unable to provide us with components as needed, it would be difficult for us to transition the manufacture of our products to other foundries, and we could experience significant delays in securing sufficient supplies of those components. This could result in a material decline in our revenue, net income and cash flow. In addition, our testing and assembly partners may be single sourced and it may be difficult for us to transition to other partners for these services.

In order to secure sufficient capacity when demand is high and to mitigate the risks described in the foregoing paragraph, we may enter into various arrangements with our manufacturing partners or other suppliers that could be costly and harm our results of operations, such as nonrefundable deposits with, or loans to, such parties in exchange for capacity commitments, or contracts that commit us to purchase specified quantities of components over extended periods. We may not be able to make any such arrangement in a timely fashion or at all, and any arrangements may be costly, reduce our financial flexibility, and not be on terms favorable to us. Moreover, if we are able to secure capacity, we may be obligated to use all of that capacity or incur penalties. These penalties may be expensive and could harm our financial results. For example, on July 13, 2021, the Company entered into a wafer supply capacity reservation agreement with a supplier to reserve manufacturing supply capacity due to the current global supply shortage environment. Under the agreement, the Company has agreed to pay certain fees as well as to meet an annual wafer purchase commitment in exchange for the supplier's guarantee to produce a specific minimum quantity of wafers for each of the calendar years from 2022 through 2025. In addition, subsequent to quarter end the Company entered into a capacity reservation agreement with another supplier to reserve additional materials, assembly, and test capacity. Under the agreement, the Company is required to make certain refundable deposits and to meet annual purchase commitments for calendar years from 2022 through 2026 in exchange for the supplier's guarantee to produce material and reserve capacity for a minimum quantity of devices.

Recent supply shortages in the semiconductor industry of multi-layer complex substrates, IC packaging capacity and fab constraints have resulted in increased lead times, inability to meet demand, and increased costs during calendar 2020, and these supply constraints are currently expected to continue throughout calendar 2021 and into calendar 2022. Of these shortages, ABF substrates are the most constrained at this time and most of these suppliers are located in Japan and Taiwan. Because of the geographic concentration of these suppliers, we are exposed to the risk that their operations may be disrupted by regional disasters including, for example, earthquakes (particularly in Taiwan and elsewhere in the Pacific Rim close to fault lines), tsunamis or typhoons, or by pandemics or other actual or threatened public health emergencies such as the COVID-19 pandemic, or by political, social or economic instability.



## Uncertain Yields and Quality

The fabrication of our products is a complex and technically demanding process. Our technology is transitioning from planar to FINFET transistors. This transition may result in longer qualification cycles and lower yields. Our manufacturing partners have from time to time experienced manufacturing defects and lower manufacturing yields, which are difficult to detect at an early stage of the manufacturing process and may be time consuming and expensive to correct. Changes in manufacturing processes or the inadvertent use of defective or contaminated materials by our foundries could result in lower than anticipated manufacturing yields or unacceptable performance. In addition, we may face lower manufacturing yields and reduced quality in the process of ramping up and diversifying our manufacturing partners. Poor yields from our partners, or defects, integration issues or other performance problems with our products could cause us significant customer relations and business reputation problems, harm our financial performance and result in financial or other damages to our customers. Our customers could also seek damages in connection with product liability claims, which would likely be time consuming and costly to defend. In addition, defects could result in significant costs. See also, “*Costs related to defective products could have a material adverse effect on us.*”

To the extent that we rely on outside manufacturing partners, we may have a reduced ability to directly control product delivery schedules and quality assurance, which could result in product shortages or quality assurance problems that could delay shipments or increase costs.

## Commodity Prices

We are also subject to risk from fluctuating market prices of certain commodity raw materials, including gold and copper, which are incorporated into our end products or used by our suppliers to manufacture our end products. Supplies for such commodities may from time to time become restricted, or general market factors and conditions may affect pricing of such commodities.

### **We may experience increased actual and opportunity costs as a result of our transition to smaller geometry process technologies.**

In order to remain competitive, we have transitioned, and expect to continue to transition, our semiconductor products to increasingly smaller line width geometries. We periodically evaluate the benefits, on a product-by-product basis, of migrating to smaller geometry process technologies. We also evaluate the costs of migrating to smaller geometry process technologies including both actual costs such as increased mask costs and wafer costs and increased costs related to EDA tools and the opportunity costs related to the technologies we choose to forego. These transitions are imperative for us to be competitive with the rest of the industry and to target some of our product development in high growth areas to these advanced nodes, which has resulted in significant initial design and development costs.

We have been, and may continue to be, dependent on our relationships with our manufacturing partners to transition to smaller geometry processes successfully. We cannot ensure that the partners we use will be able to effectively manage any future transitions. If we or any of our partners experience significant delays in a future transition or fail to efficiently implement a transition, we could experience reduced manufacturing yields, delays in product deliveries and increased expenses, all of which could harm our relationships with our customers and our results of operations.

As smaller geometry processes become more prevalent, we expect to continue to integrate greater levels of functionality, as well as customer and third-party intellectual property, into our products. However, we may not be able to achieve higher levels of design integration or deliver new integrated products on a timely basis, if at all. Moreover, even if we are able to achieve higher levels of design integration, such integration may have a short-term adverse impact on our results of operations, as we may reduce our revenue by integrating the functionality of multiple chips into a single chip.

**We rely on our customers to design our products into their systems, and the nature of the design process requires us to incur expenses prior to customer commitments to use our products or recognizing revenues associated with those expenses which may adversely affect our financial results.**

One of our primary focuses is on winning competitive bid selection processes, known as “design wins,” to develop products for use in our customers’ products. We devote significant time and resources in working with our customers’ system designers to understand their future needs and to provide products that we believe will meet those needs and these bid selection processes can be lengthy. If a customer’s system designer initially chooses a competitor’s product, it becomes significantly more difficult for us to sell our products for use in that system because changing suppliers can involve significant cost, time, effort and risk for our customers. Thus, our failure to win a competitive bid can result in our foregoing revenues from a given customer’s product line for the life of that product. In addition, design opportunities may be infrequent or may be delayed. Our ability to compete in the future will depend, in large part, on our ability to design products to ensure compliance with our customers’ and potential customers’ specifications. We expect to invest significant time and resources and to incur significant expenses to design our products to ensure compliance with relevant specifications.

We often incur significant expenditures in the development of a new product without any assurance that our customers’ system designers will select our product for use in their applications. We often are required to anticipate which product designs will generate demand in advance of our customers expressly indicating a need for that particular design. Even if our customers’ system designers select our products, a substantial period of time will elapse before we generate revenues related to the significant expenses we have incurred.

The reasons for this delay generally include the following elements of our product sales and development cycle timeline and related influences:

- our customers usually require a comprehensive technical evaluation of our products before they incorporate them into their designs;
- it can take from six months to three years from the time our products are selected to commence commercial shipments; and
- our customers may experience changed market conditions or product development issues. The resources devoted to product development and sales and marketing may not generate material revenue for us, and from time to time, we may need to write off excess and obsolete inventory if we have produced product in anticipation of expected demand. We may spend resources on the development of products that our customers may not adopt. If we incur significant expenses and investments in inventory in the future that we are not able to recover, and we are not able to compensate for those expenses, our operating results could be adversely affected. In addition, if we sell our products at reduced prices in anticipation of cost reductions but still hold higher cost products in inventory, our operating results would be harmed.

Additionally, even if system designers use our products in their systems, we cannot assure you that these systems will be commercially successful or that we will receive significant revenue from the sales of our products for those systems. As a result, we may be unable to accurately forecast the volume and timing of our orders and revenues associated with any new product introductions.

We have in the past, and may continue to, make custom or semi-custom products on an exclusive basis for some of our customers for a negotiated period of time. The percentage of our sales related to custom or semi-custom products has been increasing over the last few years. Any revenue from sales of our custom or semi-custom products is directly related to sales of the third-party customer’s products and reflective of their success in the market. We have no control over the marketing efforts of these third-party customers and can’t make any assurances that sales of their products will be successful in current or future years. In addition, if these customers are bought by our competitors or other third parties, they may terminate agreements related to these custom or semi-custom products or otherwise limit our access to technology necessary for the production of these products. As a result, there may be no other customers for these products due to their custom or semi-custom nature. Consequently, we may not fully realize our expectations for custom or semi-custom product revenue and our operating results may be adversely affected.

Additionally, failure of our customers to agree to pay for NRE (non-recurring engineering) costs or failure to pay enough to cover the costs we incur in connection with NREs may harm our financial results. See also, “Research and Development” under Results of Operations.

**If we are unable to develop and introduce new and enhanced products that achieve market acceptance in a timely and cost-effective manner, our results of operations and competitive position will be harmed.**

Our future success will depend on our ability to develop and introduce new products and enhancements to our existing products that address customer requirements, in a timely and cost-effective manner and are competitive as to a variety of factors. For example, we must successfully identify customer requirements and design, develop and produce products on time that compete effectively as to price, functionality and performance. We sell products in markets that are characterized by rapid technological change, evolving industry standards, frequent new product introductions, and increasing demand for higher levels of integration and smaller process geometries. In addition, the development of new silicon devices is highly complex and, due to supply chain cross-dependencies and other issues, we may experience delays in completing the development, production and introduction of our new products. See also, *“We may be unable to protect our intellectual property, which would negatively affect our ability to compete.”*

Our ability to adapt to changes and to anticipate future standards, and the rate of adoption and acceptance of those standards, will be a significant factor in maintaining or improving our competitive position and prospects for growth. We may also have to incur substantial unanticipated costs to comply with these new standards. Our success will also depend on the ability of our customers to develop new products and enhance existing products for the markets they serve and to introduce and promote those products successfully and in a timely manner. Even if we and our customers introduce new and enhanced products to the market, those products may not achieve market acceptance.

**Some of our customers require our products and our third-party contractors to undergo a lengthy and expensive qualification process which does not assure product sales. If we are unsuccessful or delayed in qualifying these products with a customer, our business and operating results would suffer.**

Prior to purchasing our products, some of our customers require that both our products and our third-party contractors undergo extensive qualification processes, which involve testing of our products in the customers’ systems, as well as testing for reliability. This qualification process may take several months and qualification of a product by a customer does not assure any sales of the product to that customer. Even after successful qualification and sales of a product to a customer, a subsequent revision in our third party contractors’ manufacturing process or our selection of a new supplier may require a new qualification process with our customers, which may result in delays and in our holding excess or obsolete inventory. After our products are qualified, it can take several months or more before the customer commences volume production of components or systems that incorporate our products. Despite these uncertainties, we devote substantial resources, including design, engineering, sales, marketing and management efforts, to qualify our products with customers in anticipation of sales. If we are unsuccessful or delayed in qualifying these products with a customer, sales of the products to the customer may be precluded or delayed, which may impede our growth and cause our business to suffer.

**Costs related to defective products could have a material adverse effect on us.**

We make highly complex electronic components and, accordingly, there is a risk of defects in any of our products. Such defects can give rise to the significant costs noted below. Moreover, since the cost of replacing defective semiconductor devices is often much higher than the value of the devices themselves, we are subject to damage claims from customers in excess of the amounts they pay us for our products, including consequential damages. We also face exposure to potential liability resulting from the fact that our customers typically integrate the semiconductors we sell into numerous consumer products, including automobiles. We are exposed to product liability claims if our semiconductors or the consumer products integrated with our semiconductors (such as automobiles), malfunction and lead to personal injury or death. In addition, our customers may issue recalls on their products if they prove to be defective or make compensatory payments in accordance with industry or business practice or in order to maintain good customer relationships. If such recalls or payments are the result of a defect in one of our products, our customers may seek to recover all or a portion of their losses from us. Recalls of our customers’ products in certain end-markets, such as with our automotive and base station customers, may cause us to incur significant costs.

In addition, despite our testing procedures, we cannot ensure that errors will not be found in new products or releases after commencement of commercial shipments in the future. Such errors could result in:

- loss of or delay in market acceptance of our products;
- material recall and replacement costs;

- delay in revenue recognition or loss of revenue;
- writing down the inventory of defective products;
- the diversion of the attention of our engineering personnel from product development efforts;
- our having to defend against litigation related to defective products or related property damage or personal injury; and
- damage to our reputation in the industry that could adversely affect our relationships with our customers.

In addition, the process of identifying a recalled product in devices that have been widely distributed may be lengthy and require significant resources. We may have difficulty identifying the end customers of the defective products in the field, which may cause us to incur significant replacement costs, contract damage claims from our customers and further reputational harm. Any of these problems could materially and adversely affect our results of operations.

Despite our best efforts, security vulnerabilities may exist with respect to our products. Mitigation techniques designed to address such security vulnerabilities, including software and firmware updates or other preventative measures, may not operate as intended or effectively resolve such vulnerabilities. Software and firmware updates and/or other mitigation efforts may result in performance issues, system instability, data loss or corruption, unpredictable system behavior, or the theft of data by third parties, any of which could significantly harm our business and reputation.

**We rely on third-party distributors and manufacturers’ representatives and the failure of these distributors and manufacturers’ representatives to perform as expected could reduce our future sales.**

From time to time, we enter into relationships with distributors and manufacturers’ representatives to sell our products, and we are unable to predict the extent to which these partners will be successful in marketing and selling our products. Moreover, many of our distributors and manufacturers’ representatives also market and sell competing products, and may terminate their relationships with us at any time. Our future performance will also depend, in part, on our ability to attract additional distributors or manufacturers’ representatives that will be able to market and support our products effectively, especially in markets in which we have not previously distributed our products. If we cannot retain or attract quality distributors or manufacturers’ representatives, our sales and results of operations will be harmed.

**WE OPERATE GLOBALLY AND ARE SUBJECT TO SIGNIFICANT RISKS IN MANY JURISDICTIONS**

**Adverse changes in the political and economic policies of the U.S. government in connection with trade with China and Chinese customers have reduced the demand for our products and damaged our business.**

Regulatory activity, such as tariffs, export controls, economic sanctions and vigorous enforcement of U.S. export controls and economic sanctions laws have in the past and may continue to materially limit our ability to make sales to our significant customers in China, which has in the past and may continue to harm our results of operations, reputation and financial condition. For example, addition of companies to the Entity List, which places export restrictions on certain foreign persons or entities by the U.S. Department of Commerce’s Bureau of Industry and Security, has dampened demand for our products, adding to the already challenging macroeconomic environment. Sales to an increasing number of our customers require licenses in order for us to export our products; there can be no assurances that such licenses will be approved by the U.S. Government. For example, we have received notices from the U.S. government that it intends to deny some of our requests for licenses. Moreover, concerns that U.S. companies may not be reliable suppliers as a result of these and other actions has caused, and may in the future cause, some of our customers in China to amass large inventories of our products well in advance of need or caused some of our customers to replace our products in favor of products from other suppliers. As a result, the Chinese government has adopted a new law with respect to unreliable suppliers. Being designated as an unreliable supplier would have an adverse impact on our business and operations. In addition, there may be indirect impacts to our business that we cannot easily quantify such as the fact that some of our other customers’ products which may also be impacted by export restrictions. Customers in China may also choose to develop indigenous solutions, as replacements for products that are subject to U.S. export controls. So far in calendar 2021, new restrictions have been implemented which may further impact our business. If export restrictions related to Chinese customers are sustained for a long period of time, or increased, or if other export restrictions are imposed, including restrictions on trade with other countries, it will have an adverse impact on our revenues and results of operations.

We typically sell products to customers in China pursuant to purchase orders rather than long term purchase commitments. Customers in China can generally cancel or defer purchase orders on short notice without incurring a penalty and, therefore, they may be more likely to do so while the tariffs and trade restrictions are in effect. See also, risk Factor entitled *“We are subject to order and shipment uncertainties. If we are unable to accurately predict customer demand, we may hold excess or obsolete inventory, which would reduce our gross margin. Conversely, we may have insufficient inventory, which would result in lost revenue opportunities and potential loss of market share as well as damaged customer relationships.”* In addition, customers in China that may be subject to trade restrictions or tariffs, may develop their own products or solutions instead of purchasing from us or they may acquire products or solutions from our competitors or other third-party sources that are not subject to the U.S. tariffs and trade restrictions.

**Changes to U.S. or foreign tax, trade policy, tariff and import/export regulations may have a material adverse effect on our business, financial condition and results of operations.**

Changes in U.S. or foreign international tax, social, political, regulatory and economic conditions or in laws and policies governing foreign trade, manufacturing, development and investment in the territories or countries where we currently sell our products or conduct our business have in the past and could in the future adversely affect our business. The prior U.S. presidential administration instituted or proposed changes in trade policies that included the negotiation or termination of trade agreements, the imposition of higher tariffs on imports into the U.S., economic sanctions on individuals, corporations or countries, and other government regulations affecting trade between the U.S. and other countries where we conduct our business. Any new tariffs and other changes in U.S. trade policy could trigger retaliatory actions by affected countries, and certain foreign governments have instituted or are considering imposing trade sanctions on certain U.S. goods. The prior U.S. presidential administration also focused on policy reforms that discouraged corporations from outsourcing manufacturing and production activities to foreign jurisdictions, including through tariffs or penalties on goods manufactured outside the U.S., which required us to change the way we conduct business. The current U.S. presidential administration’s policy goals are not fully understood yet, but such policies may include some changes to the status quo, which may cause damage to our business. Political changes and trends such as populism, protectionism, economic nationalism and sentiment toward multinational companies and resulting changes to trade, tax or other laws and policies may be disruptive to our businesses. These changes in U.S. and foreign laws and policies have the potential to adversely impact the U.S. economy or certain sectors thereof, our industry and the global demand for our products, and as a result, could have a material adverse effect on our business, financial condition and results of operations. See also, *“Adverse changes in the political and economic policies of the U.S. government in connection with trade with China have reduced the demand for our products and damaged our business”* and *“Changes in existing taxation benefits, rules or practices may adversely affect our financial results.”*

**We face additional risks due to the extent of our global operations since a majority of our products, and those of our customers, are manufactured and sold outside of the United States. The occurrence of any or a combination of the additional risks described below would significantly and negatively impact our business and results of operations.**

A substantial portion of our business is conducted outside of the United States and, as a result, we are subject to foreign business, political and economic risks. Most of our products are manufactured outside of the United States. Our current qualified integrated circuit foundries are located in the same region within Taiwan. In addition, our primary assembly and test subcontractors are located in the Pacific Rim region. As a result, disruptions affecting the operations of our suppliers in Taiwan, whether political, military or natural disasters will adversely impact our business. In addition, many of our customers are located outside of the United States, primarily in Asia, which further exposes us to foreign risks. Sales shipped to customers with operations in Asia represented approximately 80% and 79% of our net revenue in the three months ended July 31, 2021 and August 1, 2020, respectively.

We also have substantial operations outside of the United States. These operations are directly influenced by the political and economic conditions of the region in which they are located and, with respect to Israel, possible military hostilities periodically affecting the region that could affect our operations there. We anticipate that our manufacturing, assembly, testing and sales outside of the United States will continue to account for a substantial portion of our operations and revenue in future periods.

Accordingly, we are subject to risks associated with international operations, including:

- the rise or spread of global pandemics or actual or threatened public health emergencies such as the COVID-19 pandemic on our operations, employees, customers and suppliers;
- political, social and economic instability, including wars, terrorism, political unrest, boycotts, curtailment of trade and other business restrictions;

- volatile global economic conditions, including downturns in which some competitors may become more aggressive in their pricing practices, which would adversely impact our gross margin;
- compliance with domestic and foreign export and import regulations, including pending changes thereto, and difficulties in obtaining and complying with domestic and foreign export, import and other governmental approvals, permits and licenses;
- local laws and practices that favor local companies, including business practices in which we are prohibited from engaging by the Foreign Corrupt Practices Act and other anti-corruption laws and regulations;
- difficulties in staffing and managing foreign operations;
- natural disasters, including earthquakes, fires, tsunamis and floods;
- trade restrictions, higher tariffs, worsening trade relationship between the United States and China, or changes in cross border taxation, particularly in light of the tariffs imposed by the prior U.S. presidential administration;
- transportation delays;
- difficulties of managing distributors;
- less effective protection of intellectual property than is afforded to us in the United States or other developed countries;
- inadequate local infrastructure; and
- exposure to local banking, currency control and other financial-related risks.

As a result of having global operations, the sudden disruption of the supply chain and/or disruption of the manufacture of our customer's products caused by events outside of our control could impact our results of operations by impairing our ability to timely and efficiently deliver our products.

Moreover, the international nature of our business subjects us to risk associated with the fluctuation of the U.S. dollar versus foreign currencies. Decreases in the value of the U.S. dollar versus currencies in jurisdictions where we have large fixed costs, or where our third-party manufacturers have significant costs, will increase the cost of such operations which could harm our results of operations.

## CHANGES IN PRODUCT DEMAND CAN ADVERSELY AFFECT OUR FINANCIAL RESULTS

### **Unfavorable or uncertain conditions in the 5G and Cloud markets may cause fluctuations in our rate of revenue growth or financial results.**

Markets for our 5G and Cloud products may not develop in the manner or in the time periods we anticipate. If domestic and global economic conditions worsen, particularly in light of the impacts of the COVID-19 pandemic and potential global recession resulting therefrom, overall spending on our 5G and Cloud products may be reduced, which would adversely impact demand for our products in these markets. In addition, unfavorable developments with evolving laws and regulations worldwide related to these products and suppliers may limit global adoption, impede our strategy, and negatively impact our long-term expectations in this area. Even if the 5G and Cloud markets develop in the manner or in the time periods we anticipate, if we do not have timely, competitively priced, market-accepted products available to meet our customers' planned roll-out of 5G wireless communication systems or Cloud systems, we may miss a significant opportunity and our business, financial condition, results of operations and cash flows could be materially and adversely affected. In addition, as a result of the fact that the markets for 5G and Cloud are not yet fully developed, demand for these products may be unpredictable and may vary significantly from one period to another. See also, *"Our sales are concentrated in a few large customers. If we lose or experience a significant reduction in sales to any of these key customers, if any of these key customers experience a significant decline in market share, or if any of these customers experience significant financial difficulties, our revenue may decrease substantially and our results of operations and financial condition may be harmed."* See also, *"Adverse changes in the political and economic policies of the U.S. government in connection with trade with China have reduced the demand for our products and damaged our business"* for additional risks related to export restrictions that may impact certain customers in the 5G and Cloud markets.

**Our sales are concentrated in a few large customers. If we lose or experience a significant reduction in sales to any of these key customers, if any of these key customers experience a significant decline in market share, or if any of these customers experience significant financial difficulties, our revenue may decrease substantially and our results of operations and financial condition may be harmed.**

We receive a significant amount of our revenue from a limited number of customers. For example, during fiscal 2021, there was one distributor, whose revenue as a percentage of our net revenue was 10% or greater of total net revenues. In addition, net revenue from our ten (10) largest customers, including distributors, represented 66% of our net revenue for the fiscal year ended January 30, 2021. Sales to our largest customers have fluctuated significantly from period to period and year to year and will likely continue to fluctuate in the future, primarily due to the timing and number of design wins with each customer, the continued diversification of our customer base as we expand into new markets, and natural disasters or other issues that may divert a customer's operations. The loss of any of our large customers or a significant reduction in sales we make to them would likely harm our financial condition and results of operations. To the extent one or more of our large customers experience significant financial difficulty, bankruptcy or insolvency, this could have a material adverse effect on our sales and our ability to collect on receivables, which could harm our financial condition and results of operations.

If we are unable to increase the number of large customers in key markets, then our operating results in the foreseeable future will continue to depend on sales to a relatively small number of customers, as well as the ability of these customers to sell products that incorporate our products. In the future, these customers may decide not to purchase our products at all, purchase fewer products than they did in the past, or alter their purchasing patterns in some other way, particularly because:

- a significant portion of our sales are made on a purchase order basis, which allows our customers to cancel, change or delay product purchase commitments with relatively short notice to us;
- customers may purchase similar products from our competitors;
- customers may discontinue sales or lose market share in the markets for which they purchase our products;
- customers, particularly in jurisdictions such as China that may be subject to trade restrictions or tariffs, may develop their own solutions or acquire fully developed solutions from third-parties; or
- customers may be subject to severe business disruptions, including, but not limited to, those driven by financial instability, actual or threatened pandemics, such as the COVID-19 pandemic, or public health emergencies or other global or regional macroeconomic developments.

In addition, there has been a trend toward customer consolidation in the semiconductor industry through business combinations, including mergers, asset acquisitions and strategic partnerships. (for example, Western Digital acquired SanDisk in 2017, and Toshiba Corporation sold control of a portion of its semiconductor business in 2018). Mergers or restructuring among our customers, or their end customers, could increase our customer concentration with a particular customer or reduce total demand as the combined entities reevaluate their business and consolidate their suppliers. Such future developments, particularly in those end markets that account for more significant portions of our revenues, could harm our business and our results of operations.

**We are subject to order and shipment uncertainties. If we are unable to accurately predict customer demand, we may hold excess or obsolete inventory, which would reduce our gross margin. Conversely, we may have insufficient inventory or be unable to obtain the supplies or contract manufacturing capacity to meet that demand which would result in lost revenue opportunities and potential loss of market share as well as damaged customer relationships.**

We typically sell products pursuant to purchase orders rather than long-term purchase commitments. Customers can generally cancel or defer purchase orders on short notice without incurring a significant penalty. Due to their inability to predict demand or other reasons, some of our customers may accumulate excess inventories and, as a consequence, defer purchase of our products. We cannot accurately predict what or how many products our customers will need in the future. Anticipating demand is difficult because our customers face unpredictable demand for their own products and are increasingly focused more on cash preservation and tighter inventory management. In addition, as an increasing number of our chips are being incorporated into consumer products, we anticipate greater fluctuations in demand for our products, which makes it more difficult to forecast customer demand.



We place orders with our suppliers based on forecasts of customer demand and, in some instances, may establish buffer inventories to accommodate anticipated demand. Our forecasts are based on multiple assumptions, each of which may introduce error into our estimates. For example, our ability to accurately forecast customer demand may be impaired by the delays inherent in our customer's product development processes, which may include extensive qualification and testing of components included in their products, including ours. In many cases, they design their products to use components from multiple suppliers. This creates the risk that our customers may decide to cancel or change product plans for products incorporating our semiconductor solutions prior to completion, which makes it even more difficult to forecast customer demand.

Our products are incorporated into complex devices and systems, which creates supply chain cross-dependencies. Due to cross dependencies, any supply chain disruptions could negatively impact the demand for our products in the short term. We have a limited ability to predict the timing of a supply chain correction. In addition, the market share of our customers could be adversely impacted on a long-term basis due to any continued supply chain disruption, which could negatively affect our results of operations. See also, *"We rely on our manufacturing partners for the manufacture, assembly and testing of our products, and the failure of any of these third-party vendors to deliver products or otherwise perform as requested could damage our relationships with our customers, decrease our sales and limit our ability to grow our business"* for additional information on the impacts of supply chain cross-dependencies on our business.

If we overestimate customer demand, our excess or obsolete inventory may increase significantly, which would reduce our gross margin and adversely affect our financial results. The risk of obsolescence and/or excess inventory is heightened for devices designed for consumer electronics due to the rapidly changing market for these types of products. Conversely, if we underestimate customer demand or if insufficient manufacturing capacity is available, we would miss revenue opportunities and potentially lose market share and damage our customer relationships. In addition, any future significant cancellations or deferrals of product orders or the return of previously sold products could materially and adversely affect our profit margins, increase product obsolescence and restrict our ability to fund our operations.

**We operate in intensely competitive markets. Our failure to compete effectively would harm our results of operations.**

The semiconductor industry, and specifically the storage, networking and infrastructure markets, is extremely competitive. We currently compete with a number of large domestic and international companies in the business of designing semiconductor solutions and related applications, some of which have greater financial, technical and management resources than us. Our efforts to introduce new products into markets with entrenched competitors will expose us to additional competitive pressures. For example, we are facing, and expect we will continue to face, significant competition in the infrastructure, networking and SSD storage markets. Additionally, customer expectations and requirements have been evolving rapidly. For example, customers now expect us to provide turnkey solutions and commit to future roadmaps that have technical risks.

Some of our competitors may be better situated to meet changing customer needs and secure design wins. Increasing competition in the markets in which we operate may negatively impact our revenue and gross margins. For example, competitors with greater financial resources may be able to offer lower prices than us, or they may offer additional products, services or other incentives that we may not be able to match.

We also may experience discriminatory or anti-competitive practices by our competitors that could impede our growth, cause us to incur additional expense or otherwise negatively affect our business. In addition, some of these competitors may use their market power to dissuade our customers from purchasing from us.

In addition, many of our competitors operate and maintain their own fabrication facilities and have longer operating histories, greater name recognition, larger customer bases, and greater sales, marketing and distribution resources than we do.

In addition, the semiconductor industry has experienced increased consolidation over the past several years. For example, NVIDIA Corporation acquired Mellanox Technologies on April 27, 2020 and Infineon acquired Cypress Semiconductors on April 16, 2020. In July 2020, Analog Devices Inc. announced its intent to merge with Maxim Integrated Products Inc. In September 2020, NVIDIA announced its intent to acquire Arm Limited. We license technology from Arm Limited that is included in a majority of our products and would be adversely impacted if the pricing for, or availability of, the relevant technology is changed in an adverse manner as a result of this transaction. In October 2020, AMD announced its intent to acquire Xilinx, Inc. Consolidation among our competitors has led, and in the future could lead, to a changing competitive landscape, capabilities and market share, which could put us at a competitive disadvantage and harm our results of operations.



**Our gross margin and results of operations may be adversely affected in the future by a number of factors, including decreases in average selling prices of products over time and shifts in our product mix as well as the price increase of certain components and testing and assembly.**

The products we develop and sell are primarily used for high-volume applications. As a result, the prices of those products have historically decreased rapidly. In addition, our more recently introduced products tend to have higher associated costs because of initial overall development and production expenses. Therefore, over time, we may not be able to maintain or improve our gross margins. Our financial results could suffer if we are unable to offset any reductions in our average selling prices by other cost reductions through efficiencies, introduction of higher margin products and other means.

To attract new customers or retain existing customers, we may offer certain price concessions to certain customers, which could cause our average selling prices and gross margins to decline. In the past, we have reduced the average selling prices of our products in anticipation of future competitive pricing pressures, new product introductions by us or by our competitors and other factors. We expect that we will continue to have to reduce prices of existing products in the future. Moreover, because of the wide price differences across the markets we serve, the mix and types of performance capabilities of our products sold may affect the average selling prices of our products and have a substantial impact on our revenue and gross margin. We may enter new markets in which a significant amount of competition exists, and this may require us to sell our products with lower gross margins than we earn in our established businesses. If we are successful in growing revenue in these markets, our overall gross margin may decline. Fluctuations in the mix and types of our products may also affect the extent to which we are able to recover the fixed costs and investments associated with a particular product, and as a result may harm our financial results.

Additionally, because we do not operate our own manufacturing, assembly or testing facilities, we may not be able to reduce our costs as rapidly as companies that operate their own facilities and our costs may even increase, which could also reduce our gross margins. Our gross margin could also be impacted by increased cost (including those caused by tariffs), loss of cost savings or dilution of savings due to changes in charges incurred due to inventory holding periods if parts ordering does not correctly anticipate product demand or if the financial health of either contract manufacturers or suppliers deteriorates as well as excess inventory and inventory holding and obsolescence charges. In addition, we are subject to risks from fluctuating market prices of certain components, which are incorporated into our products or used by our suppliers to manufacture our products. Supplies of these components may from time to time become restricted, or general market factors and conditions may affect pricing of such commodities. For example, recent supply shortages in the semiconductor industry of multi-layer complex substrates, IC packaging capacity and fab constraints have resulted in increased lead times, inability to meet demand, and increased costs. Any increase in the price of components used in our products will adversely affect our gross margins.

Entry into new markets, such as markets with different business models, as a result of our acquisitions may reduce our gross margin and operating margin. For example, the Avera business uses an ASIC model to offer end-to-end solutions for IP, design team, Fab & packaging to deliver a tested, yielded product to customers. This business model tends to have a lower gross margin. In addition, the costs related to this type of business model typically include significant NRE (non-recurring engineering) costs that customers pay based on the completion of milestones. Our operating margin may decline if our customers do not agree to pay for NREs or if they do not pay enough to cover the costs we incur in connection with NREs. In addition, our operating margin may decline if we are unable to sell products in sufficient volumes to cover the development costs that we have incurred.

#### CHANGES IN OUR EFFECTIVE TAX RATE MAY REDUCE OUR NET INCOME

**Changes in existing taxation benefits, rules or practices may adversely affect our financial results.**

As a result of the closing of the transaction with Inphi, the Company is now domiciled in the United States. Therefore, the income from all foreign subsidiaries is now subject to the U.S. provisions applicable to Global Intangible Low Taxed Income (“GILTI”), which generally requires for GILTI income to be included in the taxable income of U.S. entities. The U.S. currently has a federal tax rate of 21%, and that federal income tax rate could be increased in the future by the current Congress and presidential administration, which has proposed raising it to as high as 28%. This proposed increased tax rate could cause our overall effective tax rate to increase significantly versus our effective tax rate when we were a Bermuda-domiciled company, which could materially impact our financial results, including our earnings and cash flow.

Changes in existing taxation benefits, rules or practices may also have a significant effect on our reported results. Both the U.S. Congress and the G-20 (Group of Twenty Finance Ministers and Central Bank Governors) may consider legislation affecting the taxation of foreign corporations and such legislation if enacted might adversely affect our future tax liabilities and have a material impact on our results of operations.

In addition, in prior years, we have entered into incentive agreements in certain foreign jurisdictions that if certain criteria are met, the foreign jurisdiction will provide a more favorable tax rate than their current statutory rate. For example, our Singapore subsidiary qualifies for the Development and Expansion Incentive until June 2024, which is effective until June 2024, and generally can be extended. Furthermore, under the Israeli Encouragement law of “approved or benefited enterprise,” our subsidiary in Israel, Marvell Israel (M.I.S.L) Ltd., is entitled to, and has certain existing programs that qualify as, approved and benefited tax programs that include reduced tax rates and exemption of certain income through fiscal 2027. Receipt of past and future benefits under tax agreements may depend on our ability to fulfill commitments regarding employment of personnel or performance of specified activities in the applicable jurisdictions. Changes in our business plans, including divestitures, could result in termination of an agreement or loss of benefits thereunder. If any of our tax agreements in any of these foreign jurisdictions were terminated, our results of operations could be harmed.

The Organization for Economic Cooperation and Development has been working on a Base Erosion and Profit Sharing Project, and issued in 2015, and is expected to continue to issue, guidelines and proposals that may change various aspects of the existing framework under which our tax obligations are determined in some of the countries in which we do business. We can provide no assurance that changes in tax laws and additional investigations as a result of this project would not have an adverse tax impact on our international operations. In addition, the European Union (“EU”) has initiated its own measures along similar lines. In December 2017, the EU identified certain jurisdictions (including Bermuda and Cayman Islands) which it considered to have a tax system that facilitated offshore structuring by attracting profits without commensurate economic activity. To avoid EU “blacklisting”, both Bermuda and Cayman Islands introduced new legislation in December 2018, which came into force on January 1, 2019. These laws required Bermuda and Cayman companies carrying on one or more “relevant activity” (including: banking, insurance, fund management, financing, leasing, headquarters, shipping, distribution and service center, intellectual property or holding company) to maintain a substantial economic presence in Bermuda to comply with the economic substance requirements. It is still not clear how the Bermuda and Cayman Islands authorities will interpret and enforce these new rules. To the extent that we are required to maintain more of a presence in Bermuda or the Cayman Islands, such requirements will increase our costs either directly in those locations or indirectly as a result of increased costs related to moving our operations to other jurisdictions.

In addition, both in the current period and in a prior period, the Company transferred certain intellectual property to a related entity in Singapore. The impact to the Company was determined based on our determination of the fair value of this property, which required management to make significant estimates and to apply complex tax regulations in multiple jurisdictions. In a future period, local tax authorities may challenge the fair value determinations made by the Company, which could adversely impact our expected tax benefits from this transaction.

Our profitability and effective tax rate could be impacted by unexpected changes to our statutory income tax rates or income tax liabilities. Such changes might include changes in tax law or regulations, changes to our geographic mix of earnings, changes in the valuation of deferred tax assets and liabilities, discrete items, changes in our supply chain and changes due to audit assessments. In particular, the tax benefits associated with our transfer of intellectual property to Singapore are sensitive to future profitability and taxable income in Singapore, audit assessments, and changes in applicable tax law. Our current corporate effective tax rate fluctuates significantly from period to period, and is based upon the application of currently applicable income tax laws, regulations and treaties, as well as current judicial and administrative interpretations of these income tax laws, regulations and treaties, in various jurisdictions.

## WE ARE SUBJECT TO RISKS RELATED TO OUR DEBT OBLIGATIONS

**Our indebtedness could adversely affect our financial condition and our ability to raise additional capital to fund our operations and limit our ability to react to changes in the economy or our industry.**

On July 6, 2018, in connection with our acquisition of Cavium, we incurred substantial indebtedness pursuant to a Credit Agreement (the “2018 Credit Agreement”). The 2018 Credit Agreement provided for a \$900.0 million Term Loan (the “2018 Term Loan”). During the first quarter of fiscal 2022, the entire outstanding principal balance of the 2018 Term Loan was repaid in full and the 2018 Credit Agreement was terminated. See “Note 5 - Debt” for discussion of the debt financing in the Notes to Consolidated Financial Statements set forth in Part II, Item 8 of the Annual Report on Form 10-K.

We paid the cash portion of the consideration for the Mergers and other fees and expenses required to be paid in connection with the Mergers from cash on hand and borrowings. On the closing date of the Mergers, the entire principal amount was funded and incurred in respect of the \$1.75 billion senior unsecured term loan facility, comprised of a \$875.0 million 3-year term loan tranche (the “3-Year Term Loan”) and a \$875.0 million 5-year term loan tranche (the “5-Year Term Loan,” and collectively with the 3-Year Term Loan, the “2020 Term Loan Facility”). The 2020 Term Loan Facility is evidenced by a credit agreement, dated December 7, 2020 (the “2020 Term Loan Agreement”) with JPMorgan Chase Bank, N.A., as administrative agent and a lender, and the other lenders from time to time party thereto. In addition to the 2020 Term Loan Agreement, on December 7, 2020, we entered into a revolving credit agreement with JPMorgan Chase Bank, N.A., as administrative agent and a lender, and the other lenders from time to time party thereto (“Revolving Credit Agreement” and together with the 2020 Term Loan Agreement, the “Credit Agreements”), which provides for a \$750 million revolving credit facility.

The commitments for the \$2.5 billion senior 364-day bridge term loan facility, as evidenced by a commitment letter dated as of October 29, 2020, with JPMorgan Chase Bank, N.A., and the other financial institutions that have joined thereto, terminated in full on the closing date of the Mergers.

On June 22, 2018, we completed a public offering of (i) \$500.0 million aggregate principal amount of the Company’s 4.200% Senior Notes due 2023 (the “2023 Notes”) and (ii) \$500.0 million aggregate principal amount of the Company’s 4.875% Senior Notes due 2028 (the “2028 Notes” and, together with the 2023 Notes, the “Senior Notes”). On May 4, 2021, the Company completed exchange offers for approximately \$434 million in aggregate principal amount of our 2023 Notes and approximately \$479 million in aggregate principal amount of our 2028 Notes, and such Senior Notes were subsequently cancelled. We are obligated to pay interest on the outstanding Senior Notes on June 22 and December 22 of each year. The 2023 Notes will mature on June 22, 2023 and the 2028 Notes will mature on June 22, 2028.

Our indebtedness could have important consequences to us including:

- increasing our vulnerability to adverse general economic and industry conditions;
- requiring us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, research and development efforts, execution of our business strategy, acquisitions and other general corporate purposes;
- limiting our flexibility in planning for, or reacting to, changes in the economy and the semiconductor industry;
- placing us at a competitive disadvantage compared to our competitors with less indebtedness;
- exposing us to interest rate risk to the extent of our variable rate indebtedness; and
- making it more difficult to borrow additional funds in the future to fund growth, acquisitions, working capital, capital expenditures and other purposes.

Although the Credit Agreements contain restrictions on our ability to incur additional indebtedness and the indenture governing the Senior Notes contains restrictions on creating liens and entering into certain sale-leaseback transactions, these restrictions are subject to a number of qualifications and exceptions, and the additional indebtedness, liens or sale-leaseback transactions incurred in compliance with these restrictions could be substantial.

The Credit Agreements and the indenture governing the Senior Notes contain customary events of default upon the occurrence of which, after any applicable grace period, the lenders would have the ability to immediately declare the loans due and payable in whole or in part. In such event, we may not have sufficient available cash to repay such debt at the time it becomes due, or be able to refinance such debt on acceptable terms or at all. Any of the foregoing could materially and adversely affect our financial condition and results of operations.

We may not be able to access cash or to incur additional indebtedness if the COVID-19 pandemic causes the closure of banks for an extended period of time or if there is a sudden increase in requests for indebtedness at one time by many potential borrowers which could overwhelm the banking industry.

**Adverse changes to our debt ratings could negatively affect our ability to raise additional capital.**

We receive debt ratings from the major credit rating agencies in the United States. Factors that may impact our credit ratings include debt levels, planned asset purchases or sales and near-term and long-term production growth opportunities. Liquidity, asset quality, cost structure, reserve mix and commodity pricing levels could also be considered by the rating agencies. The applicable margins with respect to the loans incurred under the Credit Agreements will vary based on the applicable public ratings assigned to the senior unsecured long-term indebtedness by Moody's Investors Service, Inc., Standard & Poor's Financial Services LLC, Fitch's and any successor to each such rating agency business. A ratings downgrade could adversely impact our ability to access debt markets in the future and increase the cost of current or future debt and may adversely affect our share price.

**The Credit Agreements and the indenture governing the Senior Notes impose restrictions on our business.**

The Credit Agreements and the indenture governing the Senior Notes each contains a number of covenants imposing restrictions on our business. These restrictions may affect our ability to operate our business and may limit our ability to take advantage of potential business opportunities as they arise. The restrictions, among other things, restrict our ability and our subsidiaries' ability to create or incur certain liens, incur or guarantee additional indebtedness, merge or consolidate with other companies, pay dividends, transfer or sell assets and make restricted payments. These restrictions are subject to a number of limitations and exceptions set forth in the Credit Agreements and the indenture governing the Senior Notes. Our ability to meet the leverage ratio set forth in the Credit Agreements may be affected by events beyond our control.

The foregoing restrictions could limit our ability to plan for, or react to, changes in market conditions or our capital needs. We do not know whether we will be granted waivers under, or amendments to, our Credit Agreements or to the indenture governing the Senior Notes if for any reason we are unable to meet these requirements, or whether we will be able to refinance our indebtedness on terms acceptable to us, or at all.

**We may be unable to generate the cash flow to service our debt obligations.**

We may not be able to generate sufficient cash flow to enable us to service our indebtedness, including the outstanding Senior Notes, or to make anticipated capital expenditures. Our ability to pay our expenses and satisfy our debt obligations, refinance our debt obligations and fund planned capital expenditures will depend on our future performance, which will be affected by general economic, financial competitive, legislative, regulatory and other factors beyond our control. If we are unable to generate sufficient cash flow from operations or to borrow sufficient funds in the future to service our debt, we may be required to sell assets, reduce capital expenditures, refinance all or a portion of our existing debt (including the outstanding Senior Notes) or obtain additional financing. We cannot assure you that we will be able to refinance our debt, sell assets or borrow more money on terms acceptable to us, if at all. If we cannot make scheduled payments on our debt, we will be in default and holders of our debt could declare all outstanding principal and interest to be due and payable, and we could be forced into bankruptcy or liquidation. In addition, a material default on our indebtedness could suspend our eligibility to register securities using certain registration statement forms under SEC guidelines that permit incorporation by reference of substantial information regarding us, potentially hindering our ability to raise capital through the issuance of our securities and increasing our costs of registration.

**We may, under certain circumstances, be required to repurchase the outstanding Senior Notes at the option of the holder.**

We are required to repurchase the outstanding Senior Notes at the option of each holder upon the occurrence of a change of control repurchase event as defined in the indenture governing the Senior Notes. However, we may not have sufficient funds to repurchase the outstanding Senior Notes in cash at the time of any change of control repurchase event. Our failure to repurchase the outstanding Senior Notes upon a change of control repurchase event would be an event of default under the indenture governing the Senior Notes and could cause a cross-default or acceleration under certain future agreements governing our other indebtedness. The repayment obligations under the Senior Notes may have the effect of discouraging, delaying or preventing a takeover of our company. If we were required to pay the outstanding Senior Notes prior to their scheduled maturity, it could have a negative impact on our cash and liquidity and could impact our ability to invest financial resources in other strategic initiatives.

## WE ARE SUBJECT TO RISKS RELATED TO OUR ASSETS

### **We are exposed to potential impairment charges on certain assets.**

We had approximately \$11.0 billion of goodwill and \$6.3 billion of acquired intangible assets on our unaudited condensed consolidated balance sheet as of July 31, 2021. Under generally accepted accounting principles in the United States, we are required to review our intangible assets including goodwill for impairment whenever events or changes in circumstances indicate that the carrying value of these assets may not be recoverable. We perform an assessment of goodwill for impairment annually on the last business day of our fiscal fourth quarter and whenever events or changes in circumstances indicate the carrying amount of goodwill may not be recoverable. When testing goodwill for impairment, we first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value or we may determine to proceed directly to the quantitative impairment test.

Factors we consider important in the qualitative assessment which could trigger a goodwill impairment review include: significant underperformance relative to historical or projected future operating results; significant changes in the manner of our use of the acquired assets or the strategy for our overall business; significant negative industry or economic trends; a significant decline in our stock price for a sustained period; and a significant change in our market capitalization relative to our net book value.

We assess the impairment of intangible assets whenever events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. Circumstances which could trigger a review include, but are not limited to the following: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that the asset will more likely than not be sold or disposed of significantly before the end of its estimated useful life.

For example, during the second quarter of fiscal year 2021 ended August 1, 2020, we made changes to the scope of our server processor product line in response to changes in the associated market. We are transitioning our product offering from standard server processors to the broad server market to focus only on customized server processors for a few targeted customers. This change in strategy required the Company to assess whether the carrying value of the associated assets would be recoverable. As a result of the assessment, we determined the carrying amount of certain impacted assets are not recoverable, which have resulted in recognition during the quarter of \$119.0 million of restructuring related charges associated with the server processor product line.

We have determined that our business operates as a single operating segment with five primary components, which we have concluded can be aggregated into a single reporting unit for purposes of testing goodwill impairment. The fair value of the reporting unit is determined by taking our market capitalization as determined through quoted market prices and as adjusted for a control premium and other relevant factors. If our fair value declines to below our carrying value, we could incur significant goodwill impairment charges, which could negatively impact our financial results. If in the future a change in our organizational structure results in more than one reporting unit, we will be required to allocate our goodwill and perform an assessment of goodwill for impairment in each reporting unit. As a result, we could have an impairment of goodwill in one or more of such future reporting units.

In addition, from time to time, we have made investments in private companies. If the companies that we invest in are unable to execute their plans and succeed in their respective markets, we may not benefit from such investments, and we could potentially lose the amounts we invest. We evaluate our investment portfolio on a regular basis to determine if impairments have occurred. If the operations of any businesses that we have acquired declines significantly, we could incur significant intangible asset impairment charges. Impairment charges could have a material impact on our results of operations in any period.

### **We are subject to the risks of owning real property.**

Our buildings in Santa Clara, California and Shanghai, China subject us to the risks of owning real property, which include, but are not limited to:

- the possibility of environmental contamination and the costs associated with remediating any environmental problems;

- adverse changes in the value of these properties due to interest rate changes, changes in the neighborhood in which the property is located, or other factors;
- the possible need for structural improvements in order to comply with zoning, seismic and other legal or regulatory requirements;
- the potential disruption of our business and operations arising from or connected with a relocation due to moving to or renovating the facility;
- increased cash commitments for improvements to the buildings or the property, or both;
- increased operating expenses for the buildings or the property, or both;
- possible disputes with third parties related to the buildings or the property, or both;
- failure to achieve expected cost savings due to extended non-occupancy of a vacated property intended to be leased; 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 earthquakes, floods and/or other natural disasters.

## WE ARE SUBJECT TO IP RISKS AND RISKS ASSOCIATED WITH LITIGATION AND REGULATORY PROCEEDINGS

### **We may be unable to protect our intellectual property, which would negatively affect our ability to compete.**

We believe one of our key competitive advantages results from the collection of proprietary technologies we have developed and acquired since our inception, and the protection of our intellectual property rights is, and will continue to be, important to the success of our business. If we fail to protect these intellectual property rights, competitors could sell products based on technology that we have developed, which could harm our competitive position and decrease our revenue.

We rely on a combination of patents, copyrights, trademarks, trade secrets, contractual provisions, confidentiality agreements, licenses and other methods, to protect our proprietary technologies. We also enter into confidentiality or license agreements with our employees, consultants and business partners, and control access to and distribution of our documentation and other proprietary information. Notwithstanding these agreements, we have experienced disputes with employees regarding ownership of intellectual property in the past. To the extent that any third party has a claim to ownership of any relevant technologies used in our products, we may not be able to recognize the full revenue stream from such relevant technologies.

We have been issued a significant number of U.S. and foreign patents and have a significant number of pending U.S. and foreign patent applications. However, a patent may not be issued as a result of any applications or, if issued, claims allowed may not be sufficiently broad to protect our technology. In addition, it is possible that existing or future patents may be challenged, invalidated or circumvented. We may also be required to license some of our patents to others including competitors as a result of our participation in and contribution to development of industry standards. Despite our efforts, unauthorized parties may attempt to copy or otherwise obtain and use our products or proprietary technology. Monitoring unauthorized use of our technology is difficult, and the steps that we have taken may not prevent unauthorized use of our technology, particularly in jurisdictions where the laws may not protect our proprietary rights as fully as in the United States or other developed countries. If our patents do not adequately protect our technology, our competitors may be able to offer products similar to ours, which would adversely impact our business and results of operations. We have implemented security systems with the intent of maintaining the physical security of our facilities and protecting our confidential information including our intellectual property. Despite our efforts, we may be subject to breach of these security systems and controls which may result in unauthorized access to our facilities and labs and/or unauthorized use or theft of the confidential information and intellectual property we are trying to protect. If we fail to protect these intellectual property rights, competitors could sell products based on technology that we have developed, which could harm our competitive position and decrease our revenue.

Certain of our software, as well as that of our customers, may be derived from so-called “open source” software that is generally made available to the public by its authors and/or other third parties. Open source software is made available under licenses that impose certain obligations on us in the event we were to distribute derivative works of the open source software. These obligations may require us to make source code for the derivative works available to the public and/or license such derivative works under a particular type of license, rather than the forms of license we customarily use to protect our intellectual property. While we believe we have complied with our obligations under the various applicable licenses for open source software, in the event that the copyright holder of any open source software were to successfully establish in court that we had not complied with the terms of a license for a particular work, we could be required to release the source code of that work to the public and/or stop distribution of that work if the license is terminated which could adversely impact our business and results of operations.

**We must comply with a variety of existing and future laws and regulations that could impose substantial costs on us and may adversely affect our business.**

We are subject to laws and regulations worldwide, which may differ among jurisdictions, affecting our operations in areas including, but not limited to: intellectual property ownership and infringement; tax; import and export requirements; anti-corruption; foreign exchange controls and cash repatriation restrictions; conflict minerals; data privacy requirements; competition; advertising; employment; product regulations; environment, health and safety requirements; and consumer laws. For example, government export regulations apply to the encryption or other features contained in some of our products. If we fail to continue to receive licenses or otherwise comply with these regulations, we may be unable to manufacture the affected products at foreign foundries or ship these products to certain customers, or we may incur penalties or fines. In addition, we are subject to various industry requirements restricting the presence of certain substances in electronic products. Although our management systems are designed to maintain compliance, we cannot assure you that we have been or will be at all times in compliance with such laws and regulations. Our compliance programs rely in part on compliance by our suppliers, vendors and distributors. To the extent such third parties don’t comply with these obligations our business, operations and reputation may be adversely impacted. If we violate or fail to comply with any of the above requirements, a range of consequences could result, including fines, import/export restrictions, sales limitations, criminal and civil liabilities or other sanctions. The costs of complying with these laws (including the costs of any investigations, auditing and monitoring) could adversely affect our current or future business.

Our product or manufacturing standards could also be impacted by new or revised environmental rules and regulations or other social initiatives. For example, a significant portion of our revenues come from international sales. Environmental legislation, such as the EU Directive on Restriction of Hazardous Substances (RoHS), the EU Waste Electrical and Electronic Equipment Directive (WEEE Directive) and China’s regulation on Management Methods for Controlling Pollution Caused by Electronic Information Products, may increase our cost of doing business internationally and impact our revenues from the EU, China and other countries with similar environmental legislation as we endeavor to comply with and implement these requirements.

In connection with some of our acquisitions, we have been subject to regulatory conditions imposed by the Committee on Foreign Investment in the United States (CFIUS) where we have agreed to implement certain cyber security, physical security and training measures and supply agreements to protect national security. As a result of the Mergers pursuant to which we became a U.S. domiciled company, these CFIUS regulatory conditions recently terminated. A portion of the business we acquired in the Avera acquisition requires facility security clearances under the National Industrial Security Program. The National Industrial Security Program requires that a corporation maintaining a facility security clearance be effectively insulated from foreign ownership, control or influence (“FOCI”). Because we were previously organized in Bermuda, we have entered into agreements with the U.S. Department of Defense with respect to FOCI mitigation arrangements that relate to our operation of the portion of the Avera business involving facility clearances. These measures and arrangements may materially and adversely affect our operating results due to the increased cost of compliance with these measures. If we fail to comply with our obligations under these agreements, our ability to operate our business may be adversely affected. As a result of the transaction with Inphi, we are now domiciled in the United States. As a result, we are requesting to be released from some of the above FOCI-related obligations. We can offer no assurance that such a request will be granted in a timely manner or at all.

We are a party to certain contracts with the U.S. government or its subcontractors. Our contracts with government entities are subject to various procurement regulations and other requirements relating to their formation, administration and performance. We may be subject to audits and investigations relating to our government contracts, and any violations could result in various civil and criminal penalties and administrative sanctions, including termination of contracts, refunding or suspending of payments, forfeiture of profits, payment of fines, and suspension or debarment from future government business. In addition, such contracts may provide for termination by the government at any time, without cause. Any of these risks related to contracting with governmental entities could adversely impact our future sales and operating results.



**We have been named as a party to several legal proceedings and may be named in additional ones in the future, including litigation involving our patents and other intellectual property, which could subject us to liability, require us to indemnify our customers, require us to obtain or renew licenses, require us to stop selling our products or force us to redesign our products.**

We are currently, and have been in the past, named as a party to several lawsuits, government inquiries or investigations and other legal proceedings (referred to as “litigation”), and we may be named in additional ones in the future. Please see “Note 10 - Commitments and Contingencies” of our Notes to the Unaudited Condensed Consolidated Financial Statements set forth in Part I, Item 1 of this Quarterly Report on Form 10-Q for a more detailed description of material litigation matters in which we may be currently engaged.

In particular, litigation involving patents and other intellectual property is widespread in the high-technology industry and is particularly prevalent in the semiconductor industry, where a number of companies and other entities aggressively bring numerous infringement claims to assert their patent portfolios. The amount of damages alleged in intellectual property infringement claims can often be very significant. See also, “*We may be unable to protect our intellectual property, which would negatively affect our ability to compete.*”

From time to time, our subsidiaries and customers receive, and may continue to receive in the future, standards-based or other types of infringement claims, as well as claims against us and our subsidiaries’ proprietary technologies. These claims could result in litigation and/or claims for indemnification, which, in turn, could subject us to significant liability for damages, attorneys’ fees and costs. Any potential intellectual property litigation also could force us to do one or more of the following:

- stop selling, offering for sale, making, having made or exporting products or using technology that contains the allegedly infringing intellectual property;
- limit or restrict the type of work that employees involved in such litigation may perform for us;
- pay substantial damages and/or license fees and/or royalties to the party claiming infringement or other license violations that could adversely impact our liquidity or operating results;
- attempt to obtain or renew licenses to the relevant intellectual property, which licenses may not be available on reasonable terms or at all; and
- attempt to redesign those products that contain the allegedly infringing intellectual property.

Under certain circumstances, we have contractual and other legal obligations to indemnify and to incur legal expenses for current and former directors and officers. See also, “*Our indemnification obligations and limitations of our director and officer liability insurance may have a material adverse effect on our financial condition, results of operations and cash flows.*” Additionally, from time to time, we have agreed to indemnify select customers for claims alleging infringement of third-party intellectual property rights, including, but not limited to, patents, registered trademarks and/or copyrights. If we are required to make a significant payment under any of our indemnification obligations, our results of operations may be harmed.

The ultimate outcome of litigation could have a material adverse effect on our business and the trading price for our securities. Litigation may be time consuming, expensive, and disruptive to normal business operations, and the outcome of litigation is difficult to predict. Litigation, regardless of the outcome, may result in significant expenditures, diversion of our management’s time and attention from the operation of our business and damage to our reputation or relationship with third parties, which could materially and adversely affect our business, financial condition, results of operations, cash flows and stock price.



## WE ARE SUBJECT TO CYBERSECURITY RISKS

### **Cybersecurity risks could adversely affect our business and disrupt our operations.**

We depend heavily on our technology infrastructure and maintain and rely upon certain critical information systems for the effective operation of our business. We routinely collect and store sensitive data in our information systems, including intellectual property and other proprietary information about our business and that of our customers, suppliers and business partners. These information technology systems are subject to damage or interruption from a number of potential sources, including, but not limited to, natural disasters, destructive or inadequate code, malware, power failures, cyber-attacks, internal malfeasance or other events. Cyber-attacks on us may include viruses and worms, ransomware attacks, phishing attacks, and denial-of-service attacks. In addition, we may be the target of email scams that attempt to acquire personal information or company assets.

We have implemented processes for systems under our control intended to mitigate risks; however, we can provide no guarantee that those risk mitigation measures will be effective. While we have historically been successful in defending against cyber-attacks and breaches, given the frequency of cyber-attacks and resulting breaches reported by other businesses and governments, it is likely we will experience one or more breaches of some extent in the future. We have incurred and may in the future incur significant costs in order to implement, maintain and/or update security systems we feel are necessary to protect our information systems, or we may miscalculate the level of investment necessary to protect our systems adequately. Since the techniques used to obtain unauthorized access or to sabotage systems change frequently and are often not recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventive measures.

The Company's business also requires it to share confidential information with suppliers and other third parties. Although the Company takes steps to secure confidential information that is provided to third parties, such measures may not always be effective and data breaches, losses or other unauthorized access to or releases of confidential information may occur and could materially adversely affect the Company's reputation, financial condition and operating results and could result in liability or penalties under data privacy laws.

To the extent that any system failure, accident or security breach results in material disruptions or interruptions to our operations or the theft, loss or disclosure of, or damage to our data or confidential information, including our intellectual property, our reputation, business, results of operations and/or financial condition could be materially adversely affected.

## GENERAL RISK FACTORS

### **We depend on highly skilled personnel to support our business operations. If we are unable to retain and motivate our current personnel or attract additional qualified personnel, our ability to develop and successfully market our products could be harmed.**

We believe our future success will depend in large part upon our ability to attract and retain highly skilled managerial, engineering, sales and marketing personnel. The competition for qualified technical personnel with significant experience in the design, development, manufacturing, marketing and sales of semiconductor solutions is intense, both in the Silicon Valley where our U.S. operations are based and in global markets in which we operate. Our inability to attract and retain qualified personnel, including hardware and software engineers and sales and marketing personnel, could delay the development and introduction of, and harm our ability to sell, our products. Our ability to attract and retain qualified personnel also depends on how well we maintain a strong workplace culture that is attractive to employees. Changes to United States immigration policies that restrict our ability to attract and retain technical personnel may negatively affect our research and development efforts.

We typically do not enter into employment agreements with any of our key technical personnel and the loss of such personnel could harm our business, as their knowledge of our business and industry would be extremely difficult to replace. The impact on employee morale experienced in connection with our restructuring efforts could make it more difficult for us to add to our workforce when needed due to speculation regarding our future restructuring activities. In addition, as a result of our acquisitions and divestiture, our current and prospective employees may experience uncertainty about their futures that may impair our ability to retain, recruit or motivate key management, engineering, technical and other personnel.

In response to the COVID-19 pandemic, we modified our workplace practices globally, which has resulted in many of our employees working remotely for extended periods of time. As a result, many of our employees have expressed a preference to continue to work from home two to three days a week post-pandemic. In response, we recently announced a hybrid work policy for most of our U.S. based employees, where employees may split their time between home and the office. However, certain types of activities such as new product innovation, critical business decision making, brainstorming sessions, providing sensitive employee feedback, and onboarding new employees may be less effective in a hybrid work environment. Our hybrid work environment may also negatively impact social interactions between employees that build camaraderie and may, therefore, negatively impact our office culture. Many companies, including companies that we compete with for talent, have announced plans to adopt full time remote work arrangements or hybrid work arrangements more flexible than ours, which may impact our ability to attract and retain qualified personnel if potential or current employees prefer these policies.

**There can be no assurance that we will continue to declare cash dividends or effect share repurchases in any particular amount or at all, and statutory requirements under Delaware Law may require us to defer payment of declared dividends or suspend share repurchases.**

In May 2012, we declared our first quarterly cash dividend and in October 2018, we announced that our board of directors had authorized a \$700 million addition to our previously existing \$1.0 billion share repurchase program. An aggregate of \$1.1 billion of shares have been repurchased under that program as of July 31, 2021. Future payment of a regular quarterly cash dividend on our common shares and future share repurchases will be subject to, among other things: the best interests of our company and our stockholders; our results of operations, cash balances and future cash requirements; financial condition; developments in ongoing litigation; statutory requirements under Delaware law; market conditions; and other factors that our Board of Directors may deem relevant. Our dividend payments or share repurchases may change from time to time, and we cannot provide assurance that we will continue to declare dividends or repurchase shares in any particular amounts or at all. A reduction in, a delay of, or elimination of our dividend payments or share repurchases could have a negative effect on our share price. As of July 31, 2021, there was \$564.5 million remaining available for future share repurchases of the authorization.

**Our indemnification obligations and limitations of our director and officer liability insurance may have a material adverse effect on our financial condition, results of operations and cash flows.**

Under Delaware law, our certificate of incorporation and bylaws and certain indemnification agreements to which we are a party, we have an obligation to indemnify, or we have otherwise agreed to indemnify, certain of our current and former directors and officers with respect to past, current and future investigations and litigation. For example, we incurred significant indemnification expenses in connection with the Audit Committee's independent investigation completed in March 2016 and related stockholder litigation and government investigations. In connection with some of these matters, we were required to, or we otherwise agreed to, advance, and have advanced, legal fees and related expenses to certain of our current and former directors and officers. Further, in the event the directors and officers are ultimately determined not to be entitled to indemnification, we may not be able to recover any amounts we previously advanced to them.

We cannot provide any assurances that future indemnification claims, including the cost of fees, penalties or other expenses, will not exceed the limits of our insurance policies, that such claims are covered by the terms of our insurance policies or that our insurance carrier will be able to cover our claims. Additionally, to the extent there is coverage of these claims, the insurers also may seek to deny or limit coverage in some or all of these matters.

Furthermore, the insurers could become insolvent and unable to fulfill their obligation to defend, pay or reimburse us for insured claims. Accordingly, we cannot be sure that claims will not arise that are in excess of the limits of our insurance or that are not covered by the terms of our insurance policy. Due to these coverage limitations, we may incur significant unreimbursed costs to satisfy our indemnification obligations, which may have a material adverse effect on our financial condition, results of operations or cash flows.

**As we carry only limited insurance coverage, any incurred liability resulting from uncovered claims could adversely affect our financial condition and results of operations.**

Our insurance policies may not be adequate to fully offset losses from covered incidents, and we do not have coverage for certain losses. For example, there is very limited coverage available with respect to the services provided by our third-party manufacturing partners and assembly and test subcontractors. In the event of a natural disaster (such as an earthquake or tsunami), political or military turmoil, widespread public health emergencies including pandemics, including the COVID-19 pandemic, or other significant disruptions to their operations, insurance may not adequately protect us from this exposure. We believe our existing insurance coverage is consistent with common practice, economic considerations and availability considerations. If our insurance coverage is insufficient to protect us against unforeseen catastrophic losses, any uncovered losses could adversely affect our financial condition and results of operations.

**If any of our non-U.S. based subsidiaries were classified as a passive foreign investment company, there would be adverse tax consequences.**

If any of our non-U.S. based subsidiaries were classified as a “passive foreign investment company” or “PFIC” under section 1297 of the Internal Revenue Code, of 1986, as amended, for any taxable year during which a U.S. holder holds common shares, such U.S. holder generally would be taxed at ordinary income tax rates on any gain realized on the sale or exchange of the shares and on any “excess distributions” (including constructive distributions) received on the shares. Such U.S. holder could also be subject to a special interest charge with respect to any such gain or excess distribution.

An entity would be classified as a PFIC for U.S. federal income tax purposes in any taxable year in which either (i) at least 75% of its gross income is passive income or (ii) on average, the percentage of its assets that produce passive income or are held for the production of passive income is at least 50% (determined on an average gross value basis). Whether an entity will, in fact, be classified as a PFIC for any taxable year depends on its assets and income over the course of the relevant taxable year and, as a result, cannot be predicted with certainty. There can be no assurance that any of our foreign based subsidiaries will not be classified as a PFIC in the future or the Internal Revenue Service will not challenge our determination concerning PFIC status for any prior period.

**Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds***

In the second quarter of fiscal 2022, the Company issued an aggregate of 3,864,984 shares of common stock to holders of certain notes that elected to voluntarily convert \$193.0 million principal amount of the notes pursuant to the terms and conditions of the Indenture, dated as of September 12, 2016, between Inphi Corporation and Wells Fargo Bank, National Association, as trustee, as amended by the First Supplemental Indenture, dated as of April 20, 2021, and the Indenture, dated as of April 24, 2020, between Inphi Corporation and U.S. Bank National Association, as trustee, as amended by the First Supplemental Indenture, dated as of April 20, 2021. The common stock issued as a result of these conversions were issued in reliance upon the exemption from the registration in Section 3(a)(9) of the Securities Act.

**Issuer Purchases of Equity Securities**

Our share repurchase program was temporarily suspended in late March 2020 to preserve cash during the COVID-19 pandemic and the program remains suspended as we focus on reducing our debt and de-levering our balance sheet. As a result, the Company did not repurchase any shares during the three months ended July 31, 2021. Although share repurchases are temporarily suspended, we have \$564.5 million of repurchase authority remaining under our current share repurchase program.

**Item 6. Exhibits**

Exhibit No.	Item	Form	File Number	Incorporated by Reference from Exhibit Number	Filed with SEC
2.1**	<a href="#">Agreement and Plan of Merger and Reorganization, dated as of October 29, 2020, by and among Marvell Technology Group Ltd., Inphi Corporation, Maui HoldCo, Inc., Maui Acquisition Company Ltd and Indigo Acquisition Corp.</a>	8-K	001-40357	2.1	10/30/2020
3.1	<a href="#">Amended and Restated Certificate of Incorporation of Marvell Technology, Inc.</a>	8-K	001-40357	3.1	4/20/2021
3.2	<a href="#">Amended and Restated Bylaws of Marvell Technology, Inc.</a>	8-K	001-40357	3.2	4/20/2021
4.1	<a href="#">First Supplemental Indenture, dated as of April 20, 2021, by and among Marvell Technology, Inc., Inphi Corporation and Wells Fargo Bank, National Association, as trustee</a>	8-K	001-40357	4.1	4/21/2021
4.2	<a href="#">First Supplemental Indenture, dated as of April 20, 2021, by and among Marvell Technology, Inc., Inphi Corporation and U.S. Bank National Association, as trustee</a>	8-K	001-40357	4.2	4/21/2021
4.3	<a href="#">Base Indenture, dated as of April 12, 2021, between Marvell Technology, Inc. and U.S. Bank National Association, as trustee</a>	8-K	001-40357	4.1	4/12/2021
4.4	<a href="#">First Supplemental Indenture, dated as of April 12, 2021, by and among Marvell Technology, Inc., Marvell Technology Group Ltd. and U.S. Bank National Association, as trustee</a>	8-K	001-40359	4.2	4/12/2021
4.5	<a href="#">Form of \$500,000,000 1.650% Senior Notes due 2026 (included as Exhibit A to Exhibit 4.4)</a>	8-K	001-40359	4.3	4/12/2021
4.6	<a href="#">Form of \$750,000,000 2.450% Senior Notes due 2028 (included as Exhibit B to Exhibit 4.4)</a>	8-K	001-40359	4.4	4/12/2021
4.7	<a href="#">Form of \$750,000,000 2.950% Senior Notes due 2031 (included as Exhibit B to Exhibit 4.4)</a>	8-K	001-40359	4.5	4/12/2021
4.8	<a href="#">Second Supplemental Indenture, dated as of May 4, 2021, between Marvell Technology, Inc. and U.S. Bank National Association, as trustee</a>	8-K	001-40357	4.2	4/12/2021
4.9	<a href="#">Form of \$433,817,000 4.200% Senior Notes due 2023 (included as Exhibit A to Exhibit 4.8)</a>	8-K	001-40357	4.3	4/12/2021
4.10	<a href="#">Form of \$479,394,000 4.875% Senior Notes due 2028 (included as Exhibit B to Exhibit 4.8)</a>	8-K	001-40357	4.4	4/12/2021
4.11	<a href="#">Second Supplemental Indenture, dated as of April 15, 2021, by and between Marvell Technology Group Ltd. and U.S. Bank National Association</a>	8-K	001-40357	4.1	4/19/2021
10.1	<a href="#">Form of Indemnification Agreement</a>	8-K	001-40357	10.1	4/20/2021
10.2**	<a href="#">Credit Agreement, dated as of December 7, 2020, among Marvell Technology Group Ltd., Maui HoldCo, Inc., the Guarantors party thereto, the Lenders party thereto and JPMorgan Chase Bank, N.A., as the Administrative Agent</a>	8-K	001-40357	10.1	12/8/2020
10.3**	<a href="#">Revolving Credit Agreement, dated as of December 7, 2020, among Marvell Technology Group Ltd., Maui HoldCo, Inc., the Guarantors party thereto, the Lenders party thereto and Bank of America, N.A., as the Administrative Agent</a>	8-K	001-40357	10.2	12/8/2020

10.4**	<a href="#">Amendment No. 1 to Credit Agreement, dated as of December 7, 2020, among Marvell Technology Group Ltd., the Lenders party thereto, Bank of America, N.A., as the Revolving Facility Agent, and Goldman Sachs Bank USA, as the General Administrative Agent and the Term Facility Agent</a>	8-K	001-40357	10.3	12/8/2020
10.5	<a href="#">Form of Exchange Agreement</a>	8-K	001-40357	10.1	4/21/2021
10.6	<a href="#">Registration Rights Agreement, dated as of April 12, 2021, by and among Marvell Technology, Inc., Marvell Technology Group Ltd. and J.P. Morgan Securities, LLC, BofA Securities, Inc. and Wells Fargo Securities, LLC, as representatives of the initial purchasers of the Notes</a>	8-K	001-40357	10.1	4/12/2021
10.7#	<a href="#">Marvell Technology Group Ltd. Amended and Restated 1995 Stock Option Plan (now named the Marvell Technology, Inc. Amended and Restated 1995 Stock Option Plan) (as amended and restated as of April 2, 2021)</a>	S-8	001-40357	4.1	4/20/2021
10.8#	<a href="#">Marvell Technology Group Ltd. 2000 Employee Stock Purchase Plan (now named the Marvell Technology, Inc. 2000 Employee Stock Purchase Plan, as Amended and Restated) (as amended and restated as of April 2, 2021)</a>	S-8	001-40357	4.2	4/20/2021
10.9#	<a href="#">Marvell Technology Group Ltd. 2000 Employee Stock Purchase Plan, as Amended and Restated (now named the Marvell Technology, Inc. 2000 Employee Stock Purchase Plan, as Amended and Restated) Form of Subscription Agreement</a>	S-8	001-40357	4.3	4/20/2021
10.10#	<a href="#">Cavium, Inc. 2016 Equity Incentive Plan (including forms of grant notice and agreements)</a>	10-Q	001-40357	10.1	12/4/2019
10.11	<a href="#">Cavium, Inc. 2007 Equity Incentive Plan (including forms of grant notice and agreements)</a>	10-Q	001-40357	10.2	12/4/2019
10.12	<a href="#">QLogic Corporation 2005 Performance Incentive Plan (including forms of grant notice and agreements)</a>	10-Q	001-40357	10.3	12/4/2019
10.13	<a href="#">Aquantia Corp. 2017 Equity Incentive Plan (including forms of grant notice and agreements)</a>	10-Q	001-40357	10.6	12/4/2019
10.14	<a href="#">Aquantia Corp. 2015 Equity Incentive Plan (including forms of grant notice and agreements)</a>	10-Q	001-40357	10.5	12/4/2019
10.15	<a href="#">Aquantia Corp. 2004 Equity Incentive Plan (including forms of grant notice and agreements)</a>	10-Q	001-40357	10.4	12/4/2019
10.16#	<a href="#">Inphi Corporation Amended and Restated 2010 Stock Incentive Plan, as amended and restated on April 14, 2020</a>	S-8	001-40357	4.10	4/20/2021
10.17#	<a href="#">Offer letter with Loi Nguyen</a>	10-Q	001-40357	10.17	6/9/2021
10.18#	<a href="#">Offer letter with Nariman Yousefi</a>	10-Q	001-40357	10.18	6/9/2021
10.19#	<a href="#">Offer letter with Chris Koopmans</a>	10-Q	000-30877	10.4	9/8/2016
10.20#	<a href="#">Fiscal Year 2022 Named Executive Officer Compensation</a>	10-Q	001-40357	10.20	6/9/2021
10.21#	<a href="#">Amended and restated form of stock unit agreement under the 1995 Stock Option Plan as amended June 2021</a>				Filed herewith
10.22#	<a href="#">Amended and restated form of subscription agreement under the 2000 ESPP as amended June 2021</a>				Filed herewith
31.1	<a href="#">Rule 13a-14(a)/15d-14(a) Certification of the Principal Executive Officer</a>				Filed herewith
31.2	<a href="#">Rule 13a-14(a)/15d-14(a) Certification of the Principal Financial Officer</a>				Filed herewith
32.1*	<a href="#">Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for Principal Executive Officer</a>				Filed herewith

32.2*	<a href="#">Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for Principal Financial Officer</a>	Filed herewith
101.INS	Inline XBRL Instance Document	Filed herewith
101.SCH	Inline XBRL Taxonomy Extension Schema Document	Filed herewith
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith
101.DEF	Inline XBRL Taxonomy Extension Definition Document	Filed herewith
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	Filed herewith
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith
104	The cover page for this Form 10-Q, formatted in Inline XBRL (included in Exhibit 101)	Filed herewith
#	Management contracts or compensation plans or arrangements with, or in which, directors or executive officers are eligible to participate.	
*	The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Form 10-Q and will not be deemed “filed” for purposes of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filings under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.	
**	Pursuant to Item 601(a)(5) of Regulation S-K, certain schedules and similar attachments have been omitted. The registrant hereby agrees to furnish a copy of any omitted schedule or similar attachment to the SEC upon request	

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MARVELL TECHNOLOGY, INC.

Date: August 27, 2021

By: /s/ JEAN HU

**Jean Hu**  
***Chief Financial Officer***  
**(Principal Financial Officer)**

**MARVELL TECHNOLOGY, INC.**  
**AMENDED AND RESTATED 1995 STOCK OPTION PLAN**  
**STOCK UNIT AGREEMENT**

1. Grant. The Company hereby grants to the participant named in the Notice of Grant (“Participant”) an Award of restricted stock units (“Stock Units”), subject to all of the terms and conditions in this Stock Unit Agreement, including any additional terms and conditions for Participant’s country set forth in the appendix attached hereto (the “Appendix” and, collectively with this Stock Unit Agreement, the “Agreement”) and the Amended and Restated 1995 Stock Option Plan (the “Plan”), which is incorporated herein by reference. Capitalized terms used herein but not defined shall have the same meaning as ascribed in the Plan.

2. Company’s Obligation to Pay. Each Stock Unit represents the right to receive a Share on the date it vests. It is a bookkeeping entry that represents only the Company’s unfunded and unsecured promise to issue Shares (or distribute cash) on a future date. As a holder of Stock Units, Participant has no rights other than the rights of a general creditor of the Company. Unless and until the Stock Units will have vested in the manner set forth in Section 3, Participant will have no right to payment under any such Stock Units. Prior to actual payment under any vested Stock Units, such Stock Units will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company. Any Stock Units that vest in accordance with Section 3 or 4 will be settled to Participant (or in the event of Participant’s death, to his or her estate or legal representative) in whole Shares, subject to any withholding obligations with respect to Tax-Related Items as defined and set forth in Section 7. Subject to the provisions of Section 4, such vested Stock Units will be paid in Shares as soon as practicable after vesting, but in each such case within the period ending no later than the date that is two and one half (2½) months from the end of the calendar year that includes the vesting date.

3. Vesting Schedule. Except as provided in Section 4, and subject to Section 5, the Stock Units awarded by this Agreement will vest in accordance with the vesting provisions set forth in the Notice of Grant. Stock Units scheduled to vest on a certain date or upon the occurrence of a certain condition will not vest in Participant, unless Participant has provided Continuous Service from the date of grant until the date such vesting occurs in accordance with the provisions of this Agreement. If Participant goes on an approved leave of absence, then, subject to applicable law, the vesting schedule specified in the Notice of Grant will be adjusted to suspend vesting in accordance with the terms and conditions governing the approved leave of absence and, if applicable, the Company’s leave of absence policy as then in effect and as the Company may adopt and/or adjust from time to time.

4. Administrator Discretion. The Administrator, in its discretion, may accelerate the vesting of the unvested Stock Units, or some lesser portion thereof, at any time, subject to the terms of the Plan. If so accelerated, such Stock Units will be considered as having vested as of the date specified by the Administrator.



For U.S. tax purposes, notwithstanding anything in the Plan or this Agreement to the contrary, if the vesting of unvested Stock Units, or some lesser portion thereof, is accelerated in connection with Participant's termination of Continuous Service (provided that such termination is a "separation from service" within the meaning of Section 409A, as determined by the Company), other than due to death, and if (x) Participant is a "specified employee" within the meaning of Section 409A at the time of such termination of Continuous Service and (y) the settlement of such accelerated Stock Units will result in the imposition of additional tax under Section 409A if the underlying Shares are paid to Participant on or within the six (6)-month period following Participant's termination of Continuous Service, then the settlement of such accelerated Stock Units in Shares will not be made until the date six (6) months and one (1) day following the date of Participant's termination of Continuous Service, unless Participant dies following his or her termination of Continuous Service, in which case the Stock Units will be settled in Shares to Participant's estate as soon as practicable following his or her death. It is the intent of this Agreement to comply with the requirements of Section 409A so that none of the Stock Units provided under this Agreement or Shares issuable thereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities herein will be interpreted to so comply. For purposes of this Agreement, "Section 409A" means Section 409A of the Code and any U.S. Treasury Regulations and U.S. Internal Revenue Service guidance thereunder, as each may be amended from time to time.

5. Forfeiture upon Termination of Continuous Service. Notwithstanding any contrary provision of this Agreement, in the event Participant's Continuous Service is terminated (regardless of the reason of the termination and whether or not such termination is later found invalid or in breach of employment laws in the jurisdiction where Participant is employed or otherwise providing services or the terms of Participant's employment or other service agreement, if any), any Stock Units that have not vested as of the date of such termination (the "Termination Date," as further defined below) will immediately terminate and the Shares covered by the outstanding Stock Units shall revert to the Plan. For purposes of this Agreement, the Termination Date will be the date Participant is no longer actively providing services to the Company or any Parent or Subsidiary and will not be extended by any notice period (e.g., the period of Participant's Continuous Service would not include any contractual notice period or any period of "garden leave" or similar period mandated under local law or Participant's employment or other service agreement, if any). The Administrator shall have the sole discretion to determine when the Termination Date occurs for purposes of the Stock Units (including whether Participant may still be considered to be providing services while on a leave of absence).

6. Death of Participant. Any distribution or delivery to be made to Participant under this Agreement will, if Participant is then deceased, be made to Participant's designated beneficiary, or if no beneficiary survives Participant or if a beneficiary designation is not valid (for employees outside the United States), the administrator, executor or legal representative of Participant's estate. Any such transferee must furnish the Company with (a) a written notice of his or her status as transferee, and (b) evidence satisfactory to the Company to establish the validity of the transfer and compliance with any U.S. and non-U.S. laws or regulations pertaining to said transfer.

7. Responsibility for Taxes. Participant acknowledges that, regardless of any action taken by the Company or, if different, the Parent or Subsidiary that employs Participant or to which Participant otherwise renders services (the “Employer”), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to Participant’s participation in the Plan and legally applicable or deemed applicable to Participant (“Tax-Related Items”) is and remains Participant’s responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Stock Units, including, but not limited to, the grant, vesting or settlement of the Stock Units, the issuance of Shares upon settlement of the Stock Units, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends or dividend equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Stock Units to reduce or eliminate Participant’s liability for Tax-Related Items or achieve any particular tax result. Further, Participant acknowledges that if Participant is subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, Participant will make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Participant authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy their withholding obligations, if any, with regard to all applicable Tax-Related Items by one or a combination of the following:

- (i) withholding from Participant’s wages or other cash compensation payable to Participant by the Company, the Employer and/or any other Parent or Subsidiary;
- (ii) accepting a payment from Participant in the form of cash, check or wire transfer;
- (iii) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant’s behalf pursuant to this authorization without further consent);
- (iv) withholding Shares to be issued upon vesting/settlement of the Stock Units, provided, however, that if Participant is a Section 16 officer of the Company under the Exchange Act, then Participant may elect the form of withholding from the alternatives above in advance of any taxable or tax withholding event, as applicable, and in the absence of Participant’s timely election, the Company will withhold Shares upon the relevant taxable or tax withholding event or the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) may determine that a particular method be used to satisfy any obligations for Tax Related Items; or

- (v) any other method of withholding determined by the Company and, to the extent required by applicable law or the Plan, approved by the Committee.

The Company may withhold or account for Tax-Related Items by considering statutory or other applicable withholding rates, including minimum or maximum rates applicable in Participant's jurisdiction(s). In the event of over-withholding, Participant may receive a refund of any over-withheld amount in cash with no entitlement to the equivalent in Shares, or, if not refunded, Participant may be able to seek a refund from the local tax authorities. In the event of under-withholding, Participant may be required to pay additional Tax-Related Items directly to the applicable tax authorities. If the obligation for Tax-Related Items is satisfied by withholding Shares, for tax purposes, Participant will be deemed to have been issued the full number of Shares subject to the vested Stock Units, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items.

Participant shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the means previously described in this section.

If Participant fails to make satisfactory arrangements to satisfy applicable withholding obligations for Tax-Related Items hereunder, Participant will permanently forfeit such Stock Units and any right to receive Shares thereunder and the Stock Units will be returned to the Company at no cost to the Company.

8. Rights as Shareholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a shareholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares will have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant (including by way of book entry). After such issuance, recordation and delivery, Participant will have all the rights of a shareholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares.

9. Nature of Grant. By accepting the Stock Units, Participant understands, acknowledges and agrees that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- (b) the grant of the Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock units, or benefits in lieu of restricted stock units, even if restricted stock units have been granted in the past;
- (c) all decisions with respect to future restricted stock unit grants, if any, will be at the sole discretion of the Company;

(d) the grant of the Stock Units and Participant's participation in the Plan do not create a right to employment and shall not be interpreted as forming or amending an employment or services contract with the Company, the Employer or any other Parent or Subsidiary and shall not interfere with the ability of the Employer to terminate Participant's employment or other service relationship (if any);

(e) Participant is voluntarily participating in the Plan;

(f) the Stock Units and the Shares subject to the Stock Units, and the income from and value of same, are not intended to replace any pension rights or compensation;

(g) the Stock Units and the Shares subject to the Stock Units, and the income from and value of same, are not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, leave-related payments, holiday top-up, pension or retirement, or welfare benefits or similar mandatory payments;

(h) unless otherwise agreed in writing with the Company, the Stock Units and the Shares subject to the Stock Units, and the income from and value of same, are not granted as consideration for, or in connection with, any service Participant may provide as a director of any Parent or Subsidiary;

(i) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

(j) no claim or entitlement to compensation or damages shall arise from forfeiture of the Stock Units resulting from (i) the application of any recoupment or recovery policy adopted by the Company or otherwise required by law, or (ii) termination of Participant's Continuous Service (for any reason whatsoever, whether or not later found to be invalid or in breach of local labor laws in the jurisdiction where Participant is employed or otherwise providing services or the terms of his or her employment or other service contract, if any);

(k) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan; Participant should consult with his or her own personal tax, legal and financial advisors regarding participation in the Plan before taking any action related to the Plan;

(l) the Stock Units and the benefits under the Plan, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability; and

(m) neither the Company, the Employer nor any other Parent or Subsidiary shall be liable for any foreign exchange rate fluctuation between Participant's local currency (if not the United States dollar) and the United States dollar that may affect the value of the Stock

Units or of any amounts due to Participant pursuant to the settlement of the Stock Units or the subsequent sale of any Shares acquired under the Plan.

10. **Data Privacy Information and Consent.**

(a) **Data Collection and Usage.** *The Company and the Employer collect, process and use certain personal information about Participant, including, but not limited to, Participant's name, home address, telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all awards granted under the Plan or any other entitlement to Shares or equivalent benefits awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("Data"), for purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is Participant's consent.*

(b) **Stock Plan Administration Service Providers.** *The Company transfers Data to E\*TRADE Financial Corporate Services, Inc. and certain of its affiliated companies (the "Designated Broker"), an independent service provider based in the United States, which is assisting the Company with the implementation, administration and management of the Plan. Participant may be asked to agree on separate terms and data processing practices with the Designated Broker, with such agreement being a condition to the ability to participate in the Plan. In the future, the Company may select a different service provider or additional service providers and share Data with such other provider(s) serving in a similar manner.*

(c) **International Data Transfers.** *If Participant resides, works or is otherwise located outside of the United States, Data will be transferred from Participant's country to the United States, where the Company and the Designated Broker, respectively, are based. Participant's country or jurisdiction may have different data privacy laws and protections than the United States. If Participant is located in the European Union ("EU") and/or European Economic Area ("EEA"), Participant understands and acknowledges that the United States are not subject to an unlimited adequacy finding by the European Commission and might not provide a level of protection of personal data equivalent to the level of protection in Participant's country. As a result, in the absence of the implementation of appropriate safeguards such as the Standard Contractual Clauses or binding corporate rules adopted by the EU Commission, the processing of personal data might not be subject to substantive data processing principles or supervision by data protection authorities. In addition, data subjects might have no, or less, enforceable rights regarding the processing of their personal data. The Company's legal basis for the transfer of Data, where required, is Participant's consent.*

(d) **Data Retention.** *The Company will hold and use Data only as long as is necessary to implement, administer and manage Participant's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, securities, exchange control, labor and other laws.*

(e) **Voluntariness and Consequences of Consent Denial or Withdrawal.** *Participation in the Plan is voluntary and Participant is providing the consents herein on a purely voluntary basis. Participant may withdraw any such consent at any time with future effect for any or no reason. If Participant does not consent, or if Participant later seeks to revoke the consent, Participant's salary from or employment with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to grant Participant Stock Units under the Plan or other awards or administer or maintain such awards. For more information on the consequences of refusal to consent or withdrawal of consent, Participant should contact his or her local human resources representative.*

(f) **Data Subject Rights.** *Participant may have a number of rights under data privacy laws in his or her jurisdiction. Depending on where Participant is based, such rights may include the right to (i) request access to or copies of Data the Company processes, (ii) rectify or amend incorrect or incomplete Data, (iii) delete Data, (iv) request restrictions on processing of Data, (v) restrict the portability of Data, (vi) lodge complaints with competent authorities in Participant's jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, Participant can contact his or her local human resources representative.*

**Declaration of Consent.** *By accepting this Agreement and indicating consent via the Company's acceptance procedure, Participant explicitly declares his or her consent to the data processing practices described in this Section 10, including, without limitation, to the collection, processing and use of Data by the Company and, if applicable, to the transfer of Data to the recipients mentioned above, including the onward transfer of Data by the Company to the Designated Broker, or, as the case may be, a different service provider selected by the Company.*

11. **Participant Acknowledgments.** **PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF THE STOCK UNITS PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY PROVIDING CONTINUOUS SERVICE THROUGH THE VESTING DATE AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS AWARD OF STOCK UNITS OR ACQUIRING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES THAT HE OR SHE IS NOT ENTITLED TO PRO RATA VESTING OF ANY SHARES FOR ANY PERIOD PRIOR TO THE TERMINATION DATE. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT FOR CONTINUOUS SERVICE FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE EMPLOYER TO TERMINATE PARTICIPANT'S CONTINUOUS SERVICE AT ANY TIME, WITH OR WITHOUT CAUSE.**

Participant acknowledges receipt of a copy of the Plan and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts the Stock Units subject to all of the terms and provisions thereof. Participant has reviewed the Plan, this Agreement, and the Notice of Grant in their entirety, has had an opportunity to obtain the advice of counsel prior to

executing this Agreement and fully understands all provisions of such documents. Participant understands that the Plan is discretionary in nature and may be amended, suspended or terminated by the Company at any time. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Notice of Grant or this Agreement.

12. Address. Any notice to be given to the Company under the terms of this Agreement should be addressed to the Company at its corporate headquarters, or at such other address as the Company may hereafter designate in writing. Participant agrees to timely notify the Company upon any change in his or her residence address, and acknowledges that the Company may in its discretion deliver share certificates representing Shares issued pursuant to the settlement of the Stock Units to such address.

13. Grant Not Transferable. The Stock Units may not be transferred in any manner otherwise than by will or by the laws of descent or distribution. The terms of Stock Units shall be binding upon the executors, administrators, heirs, successors and assigns of Participant.

14. Plan Governs. This Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Agreement and one or more provisions of the Plan, the provisions of the Plan will govern.

15. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

16. Additional Conditions to Issuance of Stock. If at any time the Company will determine, in its discretion, that the listing, registration or qualification of the Shares upon any securities exchange or under any U.S. or non-U.S. federal, state or local law, or the consent or approval of any governmental regulatory authority is necessary or desirable as a condition to the issuance of Shares to Participant (or his or her estate or legal representative), such issuance will not occur unless and until such listing, registration, qualification, consent or approval will have been effected or obtained free of any conditions not acceptable to the Company. Where the Company determines that the delivery of the payment of any Shares will violate U.S. or non-U.S. federal, state or local securities, exchange control or other applicable laws, the Company will defer delivery until the earliest date at which the Company reasonably anticipates that the delivery of Shares will no longer cause such violation. The Company is under no obligation to register or qualify the shares with U.S. or non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of Shares.

17. Administrator Authority. The Administrator will have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Stock Units have vested). All actions taken and all interpretations and determinations made by the Administrator in good faith will be final and binding upon Participant, the Company and all other interested persons.

No member of the Administrator will be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Agreement.

18. Electronic Delivery and Participation. The Company may, in its sole discretion, decide to deliver any documents related to Stock Units awarded under the Plan or future Stock Units that may be awarded under the Plan by electronic means or request Participant's consent to participate in the Plan by electronic means. Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any online or electronic system established and maintained by the Company or third party designated by the Company.

19. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

20. Agreement Severable. In the event that any provision in this Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

21. Entirety; Modifications to Agreement. This Agreement constitutes the entire understanding of the parties on the subjects covered. Participant expressly warrants that he or she is not accepting this Agreement in reliance on any promises, representations, or inducements other than those contained herein. Notwithstanding anything to the contrary in the Plan or this Agreement, if Participant is a U.S. taxpayer, the Company reserves the right to revise this Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Participant, to comply with Section 409A or to otherwise avoid imposition of any additional tax or income recognition under Section 409A in connection to this Award of Stock Units.

22. Governing Law and Venue. This Agreement shall be governed by the laws of the State of California, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Award of Stock Units or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California, and agree that such litigation will be conducted exclusively in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this Award of Stock Units is made and/or to be performed.

23. Language. By accepting the Award of Stock Units, Participant acknowledges that he or she is proficient in the English language, or has consulted with an advisor who is sufficiently proficient in English, so as to allow Participant to understand the content of this Agreement and any other Plan-related materials. If Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

24. Appendix. Notwithstanding any provisions in this Stock Unit Agreement, the Stock Units shall be subject to any additional terms and conditions set forth in any Appendix to



this Agreement for Participant's country. Moreover, if Participant relocates to one of the countries included in the Appendix, the additional terms and conditions for such country will apply to Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

25. Insider-Trading/Market-Abuse Laws. Participant acknowledges that he or she may be subject to insider-trading restrictions and/or market-abuse laws in applicable jurisdictions, including the United States and (if different) the Participant's country, his or her broker's country and/or the country where the Shares are listed, which may affect his or her ability to accept, acquire, sell or attempt to sell, or otherwise dispose of Shares or right to Shares (e.g., Stock Units), or rights linked to the value of Shares, during such times as he or she is considered to have "inside information" regarding the Company (as defined by the laws or regulations in the applicable jurisdictions, including the United States and, if different, Participant's country). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders Participant placed before possessing inside information. Furthermore, Participant may be prohibited from (i) disclosing the inside information to any third party and (ii) "tipping" third parties or causing them to otherwise buy or sell securities (third parties include fellow employees). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider-trading policy. Participant is responsible for complying with any applicable restrictions, so Participant should speak to his or her personal legal advisor for further details regarding any applicable insider-trading and/or market-abuse laws in Participant's country.

26. Foreign Asset/Account Reporting Requirements; Exchange Controls; Tax Reporting. Participant acknowledges that Participant's country may have certain foreign asset and/or account reporting requirements, exchange controls and/or tax reporting requirements which may affect Participant's ability to acquire or hold Shares acquired under the Plan (or cash received from participating in the Plan) in a brokerage or bank account outside of Participant's country. Participant may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country and/or to pay and/or report applicable taxes due in connection with the Award on his or her own behalf. Participant may also be required to repatriate sale proceeds or other funds received as a result of participating in the Plan to Participant's country through a designated bank or broker within a certain time after receipt. Participant acknowledges that it is his or her responsibility to be aware of and compliant with such regulations and Participant should speak to his or her personal advisor on this matter.

27. Waiver. Participant acknowledges that a waiver by the Company of a breach of any provisions of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by Participant or any other participant.

28. Imposition of Other Requirements. The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or

advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

29. **APPENDIX TO THE**

**MARVELL TECHNOLOGY, INC.  
AMENDED AND RESTATED 1995 STOCK OPTION PLAN**

**STOCK UNIT AGREEMENT**

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Stock Unit Agreement (including this Appendix, the “Agreement”) and/or the Marvell Technology, Inc. Amended and Restated 1995 Stock Option Plan (the “Plan”).

***Terms and Conditions***

This Appendix to the Stock Unit Agreement includes additional terms and conditions that govern the Stock Units granted to Participant if he or she resides and/or works in one of the countries listed herein. This Appendix forms part of the Agreement.

If Participant is a citizen or resident of a country other than the one in which Participant is currently residing and/or working, transfers employment and/or residency to another country after the Stock Units are granted, or is considered a resident of another country for local law purposes, the Company shall, in its sole discretion, determine to what extent the terms and conditions included herein will apply to Participant.

***Notifications***

This Appendix also includes information regarding exchange controls and certain other issues of which Participant should be aware with respect to Participant’s participation in the Plan. The information is based on the tax, securities, exchange control and other laws in effect in the respective countries as of April 2021. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Participant not rely on the information noted herein as the only source of information relating to the consequences of Participant’s participation in the Plan because the information may be out of date at the time Participant vests in the Stock Units or sells Shares acquired under the Plan.

In addition, the information is general in nature and may not apply to Participant’s particular situation, and the Company is not in a position to assure Participant of any particular result. Accordingly, Participant should seek appropriate professional advice as to how the relevant laws in his or her country may apply to Participant’s situation.

Finally, if Participant is a citizen or resident of a country other than the one in which Participant is currently residing and/or working, transfers employment and/or residency to another country after the Stock Units are granted, or is considered a resident of another country for local law purposes, the information contained herein may not be applicable to Participant.

## ARGENTINA

### *Notifications*

**Securities Law Information.** Neither the Stock Units nor the underlying Shares is publicly offered or listed on any stock exchange in Argentina. The offer is private and not subject to any disclosure requirements in Argentina.

**Exchange Control Information.** Exchange control regulations in Argentina are subject to frequent change. Prior to transferring proceeds into Argentina, Participant should consult his or her local bank and/or personal legal advisor to confirm the applicable requirements.

**Foreign Asset/Account Reporting Information.** Participant is required to report certain information regarding any Shares held as of December 31 each year to the Argentine tax authorities on Participant's annual tax return. *Participant should consult with a personal tax advisor for assistance with complying with the applicable reporting requirements.*

## CANADA

### **1. Terms and Conditions**

**Settlement of Stock Units.** The following provision supplements Section 2 of the Stock Unit Agreement:

Notwithstanding Section 2 of the Stock Unit Agreement and Section 13(c) of the Plan, the Stock Units will be settled in Shares only, not cash.

**Forfeiture upon Termination of Continuous Service.** The following provision replaces Section 5 of the Stock Unit Agreement in its entirety:

Notwithstanding any contrary provision of this Agreement, in the event Participant's Continuous Service is terminated (regardless of the reason of such termination and whether or not such termination is later found invalid or in breach of employment laws in the jurisdiction where Participant is employed or otherwise providing services, or the terms of Participant's employment or other service agreement, if any), any Stock Units that have not vested as of the date of such termination (the "Termination Date," as further defined below) will immediately terminate and the Shares covered by the outstanding Stock Units shall revert to the Plan. For purposes of this Agreement, the Termination Date will be the date that is the earlier of: (1) the date of termination of Participant's Continuous Service, and (2) the date Participant receives notice of termination of Continuous Service. In either case, the date shall exclude any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under local law. For greater certainty, Participant will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which Participant's right to vest terminates, nor will Participant be entitled to any compensation for lost vesting.

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued participation in the Plan during a statutory notice period, Participant acknowledges that his or her right to participate in the Plan, if any, will terminate effective as of the last day of his or her minimum statutory notice period, but Participant will not earn or be entitled to any pro-rated vesting if the vesting date falls after the end of his or her statutory notice period, nor will Participant be entitled to any compensation for lost vesting.

***The following provisions will apply if Participant resides in Quebec:***

**Language Consent.** The parties acknowledge that it is their express wish that the Agreement, as well as all addenda, documents, notices, and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

*Les parties reconnaissent avoir exigé la rédaction en anglais de cette Convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*

**Data Privacy Notice & Consent.** The following provisions supplement Section 10 of the Stock Unit Agreement:

Participant hereby authorizes the Company and the Company's representatives to discuss and obtain all relevant information from all personnel, professional or non-professional, involved in the administration of the Plan. Participant further authorizes the Company, the Employer, any other Parent and Subsidiary, and the Administrator to disclose and discuss the Plan with their advisors. Participant further authorizes the Company, the Employer and any other Parent or Subsidiary to record such information and to keep such information in Participant's employee file.

### ***Notifications***

**Securities Law Information.** Participant acknowledges that he or she is permitted to sell Shares acquired under the Plan only through the Designated Broker, if any, provided the sale of the Shares acquired under Plan takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (*i.e.*, the Nasdaq Stock Market).

**Foreign Asset/Account Reporting Information.** Specified foreign property, including shares and rights to receive shares (*e.g.*, stock options, restricted stock units) of a non-Canadian company held by a Canadian resident must generally be reported annually on a Form T1135 (Foreign Income Verification Statement) if the total cost of the foreign specified property exceeds C\$100,000 at any time during the year. Thus, the Stock Units must be reported (generally at a nil cost) if the C\$100,000 cost threshold is exceeded because of other specified foreign property held by Participant. When Shares are acquired, their cost generally is the adjusted cost base ("ACB") of the Shares. The ACB would ordinarily equal the fair market value of the Shares at the time of acquisition, but if Participant owns other Shares, this ACB may

have to be averaged with the ACB of the other Shares. Participant should consult a personal tax advisor to ensure compliance with applicable reporting obligations.

## CHINA

### *Terms and Conditions*

***The following Terms and Conditions and Notifications apply only if Participant is subject to the exchange control restrictions and regulations in the People's Republic of China ("China"), including the requirements imposed by the State Administration of Foreign Exchange ("SAFE"), as determined by the Company in its sole discretion.***

**Supplemental Rules for China Employees.** By accepting the Stock Units, Participant acknowledges and agrees to be bound by the terms of the Supplemental Rules of Marvell Stock Plans for China Employees.

**No Transfer of Shares.** Participant agrees that any Shares to be issued to Participant shall be deposited directly into an account with the Designated Broker. The deposited Shares shall not be transferable (either electronically or in certificate form) from the brokerage account. This limitation shall apply both to transfers to different accounts with the Designated Broker and to transfers to other brokerage firms. The limitation shall apply to all Shares issued to Participant under the Plan, and whether or not Participant's Continuous Service terminates.

**Sale of Shares.** To facilitate compliance with exchange control laws in China, the Company may require Participant to sell Shares (i) immediately at vesting, (ii) upon termination of Continuous Service, or (iii) within any other timeframe as the Company determines for legal or administrative reasons. . If Participant does not sell his or her outstanding Shares within the time required by the Company, Participant hereby authorizes the Company to instruct the Designated Broker to sell the Shares on Participant's behalf, and expressly authorizes the Designated Broker to complete the sale of Shares. Participant agrees to sign any forms and/or consents required by the Designated Broker to effectuate the sale of Shares. Participant acknowledges that the Designated Broker is under no obligation to arrange for the sale of Shares at any particular price.

Upon the sale of Shares, Participant understands that the Company agrees to pay Participant the cash proceeds from the sale of Shares, less any brokerage fees or commissions, and subject to any obligation to satisfy withholding obligations for Tax-Related Items. Participant understands that the proceeds from the sale of Shares may need to be repatriated to China pursuant to the below provision, and Participant agrees to comply with all requirements the Company may impose in order to facilitate compliance with exchange control requirements in China prior to receipt of the cash proceeds.

Participant acknowledges that he or she is not aware of any material nonpublic information with respect to the Company or any securities of the Company as of the date of the Agreement.

**Exchange Control Restrictions.** Participant understands and agrees that Participant's participation in the Plan and the vesting of Stock Units under the Plan is subject to the continued registration and compliance of the Plan with applicable exchange control regulations in China. Participant agrees that if the registration of the Plan lapses or the Company determines, in its discretion, that the Stock Units cannot vest due to regulatory restrictions, Participant's participation in the Plan may be suspended, terminated or otherwise modified to ensure compliance with applicable laws and regulations.

Participant understands and agrees that, pursuant to local exchange control requirements, Participant will be required to immediately repatriate any cash proceeds from the sale of Shares and the receipt of any dividends to China. Participant further understands that, under applicable laws, such repatriation of the proceeds will be effected through a special exchange control account established by the Company, the Employer or any other Parent or Subsidiary, and Participant hereby consents and agrees that the proceeds from the sale of Shares and the receipt of any dividends will be transferred to such special account prior to being delivered to Participant.

Participant also understands that the Company will deliver the proceeds to Participant as soon as possible, but there may be delays in distributing the funds to Participant due to exchange control requirements in China. Proceeds may be paid to Participant in U.S. dollars or local currency, at the Company's discretion. If proceeds are paid in U.S. dollars, Participant will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account.

Participant further agrees to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

### ***Notifications***

**Exchange Control Information.** Participant may be required to report to SAFE all details of his or her foreign financial assets and liabilities, as well as details of any economic transactions conducted with non-PRC residents, either directly or through financial institutions. Shares acquired under the Plan and Plan-related transactions may be subject to reporting under these rules. Participant should consult with his or her personal legal advisor in this regard.

## **DENMARK**

### ***Terms and Conditions***

**Danish Stock Option Act.** By accepting the Stock Units, Participant acknowledges that he or she has received an Employer Statement translated into Danish, which is being provided to comply with the Danish Stock Option Act (the "**Act**"). The Act applies only to "employees" as that term is defined in Section 2 of the Act. If Participant is a member of the registered

management of a Parent or Subsidiary in Denmark or otherwise does not satisfy the definition of employee, Participant is not subject to the Act and the Employer Statement will not apply to the Participant.

**Nature of Grant.** The following provision supplements Section 9 of the Stock Unit Agreement:

By accepting the Stock Units, Participant acknowledges, understands and agrees that it relates to future services to be performed and is not a bonus or compensation for past services.

### ***Notifications***

**Foreign Asset/Account Reporting Information.** Foreign bank and brokerage accounts and deposits and Shares held in such accounts must be reported on Participant's annual tax return under the section on foreign affairs and income.

## **FINLAND**

There are no country-specific provisions.

## **FRANCE**

### ***Terms and Conditions***

**Language Consent.** By accepting the Agreement providing for the terms and conditions of Participant's grant, Participants confirms having read and understood the documents relating to this grant (the Plan and the Agreement) which were provided in English language. Participant accepts the terms of those documents accordingly.

*En acceptant le Contrat d'Attribution décrivant les termes et conditions de l'attribution, le participant confirme ainsi avoir lu et compris les documents relatifs à cette attribution (le Plan et le Contrat d'Attribution) qui ont été communiqués en langue anglaise. Le participant accepte les termes en connaissance de cause.*

### ***Notifications***

**Tax Information.** The Stock Units are not intended to qualify for special tax and social security treatment applicable to restricted stock units granted under Section L.225-197-1 to L.225-197-5 and Sections L. 22-10-59 to L. 22-10-60 of the French Commercial Code, as amended.

**Foreign Asset/Account Reporting Information.** French residents must declare all foreign accounts, whether open, current, or closed, in their income tax returns. Participant should consult with a personal tax advisor to ensure compliance with applicable reporting obligations.



## GERMANY

### *Notifications*

2.

**Exchange Control Information.** Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank (*Bundesbank*). If Participant makes or receives a payment in excess of this amount, Participant is responsible for electronically reporting to German Federal Bank by the fifth day of the month following the month in which the payment occurs. The form of report (*Allgemeine Meldeportal Statistik*) can be accessed via German Federal Bank's website ([www.bundesbank.de](http://www.bundesbank.de)) and is available in both German and English.

## HONG KONG

### *Terms and Conditions*

**Settlement of Stock Units.** The following provision supplements Section 2 of the Stock Unit Agreement:

Notwithstanding Section 2 of the Stock Unit Agreement and Section 13(c) of the Plan, the Stock Units will be settled in Shares only, not cash.

**Sale of Shares.** Participant hereby agrees that, in the event Stock Units vest and Shares are issued in respect of Stock Units within six months of the date of grant, Participant will not dispose of the Shares or otherwise offer the Shares to the public, prior to the six-month anniversary of the date of grant. Any Shares issued upon settlement of the Stock Units are accepted as a personal investment.

### *Notifications*

**SECURITIES WARNING.** *The contents of this document have not been reviewed by any regulatory authority in Hong Kong. Participant is advised to exercise caution in relation to the offer. If Participant is in any doubt about any of the contents of this Agreement, the Plan or any Plan prospectus, Participant should obtain independent professional advice. The Stock Units and any Shares issued thereunder do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Company, a Parent or a Subsidiary. The Agreement, including this Appendix, the Plan and other incidental communication materials have not been prepared in accordance with and are not intended to constitute a "prospectus" for a public offering of securities under the applicable securities legislation in Hong Kong. The Stock Units and any documentation related thereto are intended solely for the personal use of each employee of the Company, a Parent or a Subsidiary and may not be distributed to any other person.*

## INDIA

### *Notifications*

**Exchange Control Information.** Exchange control laws and regulations in India require that any proceeds from the sale of Shares acquired under the Plan and any dividends paid on such Shares be repatriated to India and converted into local currency within such period of time as prescribed under applicable Indian exchange control laws and regulations. Participant must obtain a foreign inward remittance certificate (“FIRC”) from the bank where Participant deposits the foreign currency. Participant should maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation. It is Participant’s responsibility to comply with applicable exchange control laws in India.

**Foreign Asset/Account Reporting Information.** Foreign bank accounts and any foreign financial assets (including Shares held outside India) must be reported in Participant’s annual Indian personal tax return. Participant is solely responsible for complying with this reporting obligation and should confer with his or her personal tax advisor in this regard.

## ISRAEL

### *Terms and Conditions*

**Plan Appendix for Israeli Employees.** The Stock Unit is granted to Participant pursuant to the rules of the Appendix to the Amended and Restated 1995 Stock Option Plan of Marvell Technology, Inc. in respect of Israeli Employees (the “Israeli Appendix”), and is subject to the terms and conditions as stated in the Israeli Appendix, the Plan, the Notice of Grant and Agreement (including this Appendix). By accepting the Stock Units, Participant acknowledges and agrees to be bound by the terms of the Israeli Appendix.

## ITALY

### *Terms and Conditions*

**Plan Document Acknowledgment.** In accepting the Stock Units, Participant acknowledges a copy of the Plan was made available to Participant, and that Participant has reviewed the Plan and the Agreement, including this Appendix, in their entirety and fully understands and accepts all provisions of the Plan, and the Agreement.

Participant further acknowledges that he or she has read and specifically and expressly approves the following provision in the Stock Unit Agreement: Section 3 (“Vesting Schedule”); Section 5 (“Forfeiture upon Termination of Continuous Service”); Section 7 (“Responsibility for Taxes”); Section 9 (“Nature of Grant”); Section 10 (“Data Privacy Information and Consent”); Section 11

(“Participant Acknowledgments”); Section 22 (“Governing Law and Venue”); Section 23 (“Language”) and Section 28 (“Imposition of Other Requirements”).

### ***Notifications***

**Foreign Asset/Account Reporting Notification.** If Participant holds investments abroad or foreign financial assets (*e.g.*, cash, Shares, Stock Units) that may generate income taxable in Italy, Participant must report them on his or her annual tax return or on a special form if no tax return is due, irrespective of their value. The same reporting duties apply if Participant is a beneficial owner of the investments, even if he or she does not directly hold investments abroad or foreign assets.

**Foreign Financial Asset Tax Notification.** The value of any Shares (and certain other foreign assets) an Italian resident holds outside Italy may be subject to a foreign financial assets tax. The taxable amount is equal to the fair market value of the Shares on December 31 or on the last day the Shares were held (the tax is levied in proportion to the number of days the Shares were held over the calendar year). The value of financial assets held abroad must be reported in Form RM of the annual tax return. Participant should consult a personal tax advisor for additional information about the foreign financial assets tax.

## **JAPAN**

### ***Notifications***

**Foreign Asset/Account Reporting Information.** Details of any assets held outside of Japan as of December 31, including Shares, must be reported to the Tax Office, to the extent such assets have a total net fair market value exceeding ¥50,000,000. The report is due by March 15 each year. Participant is responsible for complying with this reporting obligation and should confer with his or her personal tax advisor in this regard.

## **KOREA**

### ***Notifications***

**Foreign Asset/Account Reporting Information.** Korean residents must declare all foreign financial accounts (*e.g.*, brokerage accounts, bank accounts) to the Korean tax authority and file a report with respect to such accounts if the value of the assets in such accounts exceeds KRW 500 million (or the equivalent amount in a foreign currency) on any month-end date during the calendar year. Participant is responsible for complying with applicable reporting obligations and is advised to speak to his or her personal legal advisor on this matter.

## **MALAYSIA**

### ***Notifications***

**Director Notification Obligation.** If Participant is director of a Subsidiary in Malaysia, Participant is subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify such Malaysian Subsidiary in writing when Participant receives or disposes of an interest (*e.g.*, Stock Units, Shares) in the Company or any related company. Such notifications must be made within fourteen days of receiving or disposing of any interest in the Company or any related company.

## **NETHERLANDS**

There are no country-specific provisions.

## **POLAND**

### ***Notifications***

**Exchange Control Information.** Polish residents holding cash and foreign securities (including Shares) in bank or brokerage accounts outside of Poland must report information to the National Bank of Poland on transactions and balances in such accounts if the value of such cash and securities exceeds PLN 7 million. If required, such reports must be filed on special forms available on the website of the National Bank of Poland. Participant should consult with a personal legal advisor to determine whether Participant will be required to submit reports to the National Bank of Poland.

Further, any transfer of funds in excess of €15,000 (or if such transfer of funds is connected with business activity of an entrepreneur, a lower threshold) into or out of Poland must be effected through a bank account in Poland. All documents connected with any foreign exchange transactions must be retained for a period of five years from the end of the year in which the transaction occurred.

## **ROMANIA**

### ***Terms and Conditions***

**Language Consent.** By accepting the grant of Stock Units, Participant acknowledges that he or she is proficient in reading and understanding English and fully understands the terms of the documents related to the grant (the Notice of Grant, the Agreement and the Plan), which were provided in the English language. Participant accepts the terms of those documents accordingly.

***Consimtament cu privire la limba.*** Prin acceptarea acordarii de RSU-uri, Participantul confirma ca acesta sau aceasta are un nivel adecvat de cunoastere in ce priveste cititirea si

*intelegerea limbii engleze, a citit si confirma ca a inteles pe deplin termenii documentelor referitoare la acordare (Anuntul, Acordul RSU si Planul), care au fost furnizate in limba engleza. Participantul accepta termenii acestor documente in consecinta.*

### ***Notifications***

**Exchange Control Information.** If Participant deposits the proceeds from the sale of Shares acquired under the Plan into a bank account in Romania, Participant may be required to provide the Romanian bank with appropriate documentation explaining the source of the funds. Participant understands that Participant should consult with Participant's personal legal advisor to determine whether Participant will be required to submit such documentation to the Romanian bank.

## **SINGAPORE**

### ***Terms and Conditions***

**Sale of Shares.** Participant hereby agrees that any Shares acquired will not be offered for sale in Singapore prior to the six-month anniversary of the date of grant, unless such sale or offer is made pursuant to exemptions under Part XIII Division 1, Subdivision (4) (other than section 280) of the Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA") or pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

### ***Notifications***

**Securities Law Information.** The Award of Stock Units is being made pursuant to the "Qualifying Persons" exemption under section 273(1)(f) of the SFA, on which basis it is exempt from the prospectus and registration requirements under the SFA and is not made to Participant with a view to the Stock Units or Shares being subsequently offered for sale to another party. The Plan has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore.

**Director Notification Obligation.** Directors (including alternate, substitute, associate and shadow directors) of the Company or a Singapore Parent or Subsidiary are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Company or the Singapore Parent or Subsidiary in writing within two business days of any of the following events: (i) the acquisition or disposal of an interest (e.g., an Award, Shares) in the Company or any related companies; (ii) any change in previously-disclosed interests (e.g., sale of Shares), of (iii) becoming a director, an associate director or a shadow director of a Parent or Subsidiary in Singapore, if the individual holds such an interest at that time. These notification requirements apply regardless of whether the director is a resident of or employed in Singapore.

## SPAIN

### *Terms and Conditions*

**Nature of Grant.** The following provision supplements Section 9 of the Stock Unit Agreement:

In accepting the Stock Units, Participant acknowledges that he or she consents to participation in the Plan and has received a copy of the Plan.

Participant understands that the Company has unilaterally, gratuitously, and discretionally decided to grant Stock Units under the Plan to individuals who may be Employees, Consultants or Outside Directors throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Parent or Subsidiary on an ongoing basis. Consequently, Participant understands that the Stock Units are granted on the assumption and condition that the Stock Units or the Shares acquired upon vesting shall not become a part of any employment or service contract (either with the Company or any Parent or Subsidiary) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation), or any other right whatsoever. In addition, Participant understands that this grant would not be made to Participant but for the assumptions and conditions referred to above; thus, Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of Units shall be null and void.

Further, the vesting of the Stock Units is expressly conditioned on Participant's continued and active rendering of service, such that if Participant's Continuous Service terminates for any reason whatsoever, the Stock Units cease vesting immediately effective on the date of Participant's termination of Continuous Service. This will be the case, for example, even if (1) Participant is considered to be unfairly dismissed without good cause (*i.e.*, subject to a "*despido improcedente*"); (2) Participant is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) Participant terminates Continuous Service due to a change of work location, duties or any other employment or contractual condition; (4) Participant terminates Continuous Service due to a unilateral breach of contract by the Company or any Parent or Subsidiary; or (5) Participant's Continuous Service terminates for any other reason whatsoever.

### *Notifications*

**Securities Law Information.** The Stock Units described in the Plan and the Agreement do not qualify under Spanish regulations as a security. No "offer of securities to the public," as defined under Spanish law, has taken place or will take place in the Spanish territory. The Plan and the Agreement have not been nor will they be registered with the *Comisión Nacional del Mercado de Valores* (Spanish Securities Exchange Commission), and they do not constitute a public offering prospectus.

**Exchange Control Information.** It is Participant's responsibility to comply with exchange control regulations in Spain. Participant is required to electronically declare to the Bank of Spain

any security accounts (including brokerage accounts held abroad), as well as the securities (including Shares acquired under the Plan) held in such accounts if the value of the transactions for all such accounts during the prior year or the balances of such accounts as of December 31 of the prior year exceeds €1,000,000.

Different thresholds and deadlines to file this declaration apply. However, if neither such transactions during the immediately preceding year nor the balances/positions as of December 31 exceed €1,000,000, no such declaration must be filed unless expressly required by the Bank of Spain. If any of such thresholds were exceeded during the current year, Participant may be required to file the relevant declaration corresponding to the prior year, however, a summarized form of declaration may be available. Participant should consult a personal tax or legal advisor for further information regarding exchange control reporting obligations.

Further, Participant is required to declare the acquisition of Shares for statistical purposes to the Spanish *Dirección General de Comercio e Inversiones* (the “DGCI”) of the Ministry of Economy and Competitiveness. Generally, the declaration must be filed on form D-6 in January for Shares owned as of December 31 of each year; however, if the value of the Shares or the sale proceeds exceeds €1,502,530, a declaration must be filed within one month of the acquisition or sale, as applicable.

**Foreign Asset/Account Reporting Information.** To the extent Participant holds Shares or has bank accounts outside of Spain with a value in excess of €50,000 (for each type of asset) as of December 31, Participant must report information on such assets on his or her tax return Form 720 for such year with severe penalties in the event of non-compliance. After such Shares or accounts are initially reported, the reporting obligation will apply for subsequent years only if the value of any previously reported Shares or accounts increases by more than €20,000 as of each subsequent December 31, or if Participant sells Shares or cancels bank accounts that were previously reported.

## SWEDEN

### *Terms and Conditions*

**Responsibility for Taxes.** The following provision supplements Section 7 of the Stock Unit Agreement:

Without limiting the Company and the Employer’s authority to satisfy their withholding obligations for Tax-Related Items as set forth in Section 7 of the Stock Unit Agreement, in accepting the grant of the Stock Units, Participant authorizes the Company and/or the Employer to withhold Shares or to sell Shares otherwise deliverable to Participant upon vesting and settlement of the Stock Units in order to satisfy Tax-Related Items, regardless of whether the Company and/or the Employer has an obligation to withhold such Tax-Related Items.

## SWITZERLAND

### *Notifications*

**Securities Law Information.** Neither this document nor any other materials relating to the Stock Units (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services (“FinSA”) (ii) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Corporation or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority.

## TAIWAN

### *Notifications*

**Securities Law Information.** The grant of Stock Units and any Shares acquired pursuant to the Plan are available only for Employees, Consultants and Outside Directors of the Company or a Parent or Subsidiary. The offer is not a public offer of securities by a Taiwanese company; therefore, it is exempt from registration in Taiwan.

**3. Exchange Control Information.** Taiwanese residents may remit and acquire up to US\$5,000,000 per year in foreign currency (including proceeds from the sale of Shares or the receipt of any dividends) without justification. If the transaction amount is TWD500,000 or more in a single transaction, a Foreign Exchange Transaction Form must be submitted, along with supporting documentation to the satisfaction of the bank involved in the transaction. Participant should consult with his or her personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

## UNITED KINGDOM

### **4. Terms and Conditions**

**Settlement of Stock Units.** The following provision supplements Section 2 of the Stock Unit Agreement:

Notwithstanding Section 2 of the Stock Unit Agreement and Section 13(c) of the Plan, the Stock Units will be settled in Shares only, not cash.

**Responsibility for Taxes.** The following supplements Section 7 of the Stock Unit Agreement:



Without limitation to any provision of the Agreement, Participant agrees that Participant is liable for all Tax-Related Items, as and when required by the Company or the Employer, as applicable, or by Her Majesty's Revenue and Customs ("HMRC") (or any other tax authority or other relevant authority). Participant also agrees to indemnify and keep indemnified the Company and the Employer, as applicable, against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on Participant's behalf to HMRC (or any other tax authority or other relevant authority).

Notwithstanding the foregoing, if Participant is an executive officer or director (as within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), Participant understands that he or she may not be able to indemnify the Company for the amount of any Tax-Related Items not collected from or paid by Participant, in case the indemnification could be considered to be a loan. In this case, any income tax not collected within 90 days of the end of the U.K. tax year in which an event giving rise to the Tax Obligations occurs may constitute a benefit to Participant on which additional income tax and employee National Insurance contributions ("NICs") may be due. Participant will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer, as applicable, for the value of any employee NICs due on this additional benefit, which may be recovered from Participant by any of the means referred to in Section 7 of the Stock Unit Agreement.

**Joint Election.** The Company reserves the right to transfer Secondary Class 1 NICs to Participant. As a condition of participating in the Plan, Participant acknowledges and agrees that Participant may be liable for the Secondary Class 1 NICs which may be payable by the Company or the Employer (or by any successor to the Company or the Employer) with respect to the acquisition of Shares pursuant to the Stock Units, the assignment or release of the Stock Units for consideration, or the receipt of any other benefit in connection with the Stock Units and that liability for the Secondary Class 1 NICs payments may be transferred to Participant to the fullest extent permitted by law.

If the Company chooses to transfer the Secondary Class 1 NICs, and without limitation to the above, Participant agrees to make an election, in the form specified and/or approved for such election by HMRC, that the liability for the Secondary Class 1 NICs payments on any such gains shall be transferred to Participant (the "Election"). Participant further agrees to execute such other elections as may be required between Participant and any successor to the Company and/or the Employer. Participant hereby authorizes the Company and the Employer to withhold such Secondary Class 1 NICs by any of the means set forth in Section 7 of the Agreement if and when such Secondary Class 1 NICs are transferred to Participant.

Further, if the Company chooses to transfer the Secondary Class 1 NICs payments and Participant does not make an Election, or the approval of the Election is been withdrawn by HMRC, or the Election is jointly revoked by Participant and the Company or the Employer, as applicable, then these Stock Units shall, at the discretion of the Company, without any liability to the Company or the Employer, cease vesting and become null and void.

## VIETNAM

### *Terms and Conditions*

***The following terms and conditions apply if Participant is subject to exchange control restrictions and regulations in Vietnam, including the requirements imposed by the State Bank of Vietnam (“SBV”), as determined by the Administrator in its sole discretion:***

**Vesting Schedule.** The following provision supplements Section 3 of the Stock Unit Agreement:

In addition to the vesting requirements set forth in the Notice of Grant and the Stock Unit Agreement, vesting and settlement of the Stock Units is also conditioned on the Company securing and maintaining all necessary approvals from the SBV and any other applicable government entities required to permit the operation of the Plan in Vietnam (the “SBV Registration Requirement”). If or to the extent the Company does not complete the registration or maintain the registration, no Shares shall be issued under the Stock Units. In this case, the Company retains the discretion to settle any Stock Units for which the vesting requirements (but not the SBV Registration Requirement) has been met in cash paid through local payroll in an amount equal to the fair market value of the Shares subject to the Stock Units less any withholding obligation for Tax-Related Items.

**Shares Must Remain With Company’s Designated Broker.** Participant agrees to hold any Shares received upon settlement of the Stock Units with the Designated Broker until the Shares are sold. The limitation shall apply to all Shares issued to Participant under the Plan, whether or not Participant remains in Continuous Service.

**Forced Sale of Shares.** The Company has the discretion to arrange for the sale of the Shares issued upon settlement of the Stock Units, either immediately upon settlement or at any time thereafter. In any event, if Participant’s Continuous Service is terminated, Participant will be required to sell all Shares acquired upon settlement of the Stock Units within such time period as required by the Company or the SBV. Any Shares remaining in the brokerage account at the end of this period shall be sold by the Designated Broker (on Participant’s behalf and Participant hereby authorizes such sale). Participant agrees to sign any additional agreements, forms and/or consents that reasonably may be requested by the Company (or the Designated Broker) to effectuate the sale of Shares (including, without limitation, as to the transfer of the sale proceeds and other exchange control matters noted below) and shall otherwise cooperate with the Company with respect to such matters. Participant acknowledges that neither the Company nor the Designated Broker is under any obligation to arrange for the sale of Shares at any particular price and that broker’s fees and similar expenses may be incurred in any such sale. In any event, when the Shares are sold, the sale proceeds, less any withholding for Tax-Related Items, any broker’s fees or commissions, and any similar expenses of the sale, will be remitted to Participant in accordance with applicable exchange control laws and regulations.

**Exchange Control Restrictions.** Participant understands and agree that, pursuant to local exchange control requirements, Participant will be required to repatriate to Vietnam the proceeds from the sale of the Shares acquired under the Plan and any cash dividends paid on the Shares. Participant further understands that such repatriation of proceeds may need to be effected

through a special bank account established by the Company or the Employer, and Participant hereby consents and agrees that any sale proceeds and cash dividends may be transferred to such special account by the Company or the Employer on Participant's behalf prior to being delivered to Participant and that no interest shall be paid with respect to funds held in such account.

Participant further agrees to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in Vietnam. Participant acknowledges that the Company and the Employer are under no obligation to secure any particular exchange conversion rate and that the Company and the Employer may face delays in converting the proceeds to local currency due to exchange control restrictions. Participant agrees to bear any currency fluctuation risk between the time the Shares are sold and the time the net proceeds are converted into local currency and distributed to Participant. Participant further agrees to comply with any other requirements that may be imposed by the Company or the Employer in the future in order to facilitate compliance with exchange control requirements in Vietnam.

\* \* \* \* \*

**MARVELL TECHNOLOGY, INC.**  
**2000 EMPLOYEE STOCK PURCHASE PLAN**  
**SUBSCRIPTION AGREEMENT**

**Enrollment Date: \_\_\_\_** I understand that this Subscription Agreement shall remain in effect throughout successive Offering Periods unless terminated or unless I am required to sign a new agreement.

1. I hereby elect to participate in the Marvell Technology, Inc. 2000 Employee Stock Purchase Plan, as may be amended and restated from time to time (the "Stock Purchase Plan") and subscribe to purchase common shares of the Company ("Common Stock") in accordance with the Stock Purchase Plan, this Subscription Agreement, and the terms set forth in the Addendum hereto. Terms not otherwise defined herein have the same meaning attributed to them in the Stock Purchase Plan.
2. I understand that the Stock Purchase Plan is a voluntary plan and I acknowledge that any Payroll deductions I elect to contribute to the Stock Purchase Plan are made on an entirely voluntary basis. I hereby authorize Payroll deductions from each paycheck in the amount of \_\_\_\_% (maximum 15%, in whole percentages only) of my Payroll on each payday during the Offering Period in accordance with the Stock Purchase Plan. (No fractional percentages are permitted.) I acknowledge that a lesser percentage of my Payroll than indicated by me may be contributed if necessary to comply with applicable laws (in particular applicable laws related to minimum salary requirements). Such deductions are to continue for succeeding Offering Periods until I give written instructions for a change in or termination of such deductions or my participation is otherwise terminated in accordance with the Stock Purchase Plan. I agree to execute a separate participation agreement with the Company or, if different, my employer (the "Employer") or any other agreement or consent that may be required by the Employer or the Company in connection with this authorization, either now or in the future. I understand I will not be able to participate in the Stock Purchase Plan if I fail to execute any such consent or agreement.
3. I understand that said Payroll deductions should be accumulated for the purchase of shares of Common Stock at the applicable purchase price determined in accordance with the Stock Purchase Plan. I further understand that, except as otherwise set forth in the Stock Purchase Plan, shares will be purchased for me automatically on each Purchase Date of the Offering Period unless I withdraw from the Stock Purchase Plan by giving written notice to the Company for such purpose at least 15 days before the Purchase Date or unless my participation in the Stock Purchase Plan is otherwise terminated. I understand that I may withdraw from the Stock Purchase Plan and have Payroll deductions refunded (without interest) promptly at any time during the Offering Period as long as written notice of my withdrawal is provided to the Administrator, in required form, at least 15 days before the Purchase Date. I understand that the duration of Offering Periods (including the commencement dates thereof) shall be subject to change by the Administrator in accordance with Sections 4 and 18 of the Stock Purchase Plan.
4. I have received a copy of the complete Stock Purchase Plan. I have also received a copy of the complete Stock Purchase Plan Prospectus. I understand that my participation in the Stock Purchase Plan is in all respects subject to the terms of the Stock Purchase Plan.
5. I understand that during subsequent Offering Periods my participation in the Stock Purchase Plan will continue to be governed by this Subscription Agreement, including the Addendum, and the Stock Purchase Plan. Further, I understand that at its discretion and to the extent permitted by the Stock Purchase Plan, the Company may amend the Stock Purchase Plan and/or this Subscription Agreement, and by continuing to participate in the Stock Purchase Plan, and without the need to provide affirmative consent, I agree to the terms and conditions of the amended Stock Purchase Plan and/or Subscription Agreement.
6. I acknowledge that, regardless of any action taken by the Company or the Employer, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to my participation in the Stock Purchase Plan and legally applicable or deemed applicable to me ("Tax-Related Items") is and remains my responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. I further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of my participation in the Stock Purchase Plan, including, but not limited to, the grant of the Purchase Right, the purchase of shares of Common Stock under the Stock

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Purchase Plan, the subsequent sale of shares of Common Stock acquired under the Stock Purchase Plan and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Purchase Right to reduce or eliminate my liability for Tax-Related Items or achieve any particular tax result. Further, I acknowledge that if I am subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, I will make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, I authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy their withholding obligations, if any, with regard to all applicable Tax-Related Items by one or a combination of the following: (a) withholding from my wages or other cash compensation payable to me by the Company and/or the Employer; (b) withholding from proceeds of the sale of shares of Common Stock acquired upon exercise of the Purchase Right either through a voluntary sale or through a mandatory sale arranged by the Company (on my behalf pursuant to this authorization); or (c) withholding shares of Common Stock to be issued upon exercise of the Purchase Right, provided, however, that if I am a Section 16 officer of the Company, withholding shares of Common Stock will be subject to approval by the Board to the extent required under applicable law.

The Company may withhold or account for Tax-Related Items by considering statutory or other applicable withholding rates, including minimum or maximum rates applicable in my jurisdiction(s). In the event of over-withholding, I may receive a refund of any over-withheld amount in cash with no entitlement to the Common Stock equivalent, or if not refunded, I may be able to seek a refund from the local tax authorities. In the event of under-withholding, I may be required to pay additional Tax-Related Items directly to the applicable tax authority. If the obligation for Tax-Related Items is satisfied by withholding shares of Common Stock, for tax purposes, I will be deemed to have been issued the full number of shares of Common Stock subject to the exercised Purchase Right, notwithstanding that a number of shares of Common Stock is held back solely for the purpose of paying the Tax-Related Items.

Finally, I shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of my participation in the Stock Purchase Plan that cannot be satisfied by the means previously described. The Company may refuse to purchase shares of Common Stock on my behalf under the Stock Purchase Plan and refuse to deliver the shares of Common Stock if I fail to make satisfactory arrangements to satisfy applicable withholding obligations for Tax-Related Items.

7. By enrolling in the Stock Purchase Plan and by authorizing Payroll deductions, I acknowledge that: (a) the Stock Purchase Plan is established voluntarily by the Company, it is discretionary in nature, and it may be modified, amended, suspended, or terminated by the Company at any time, to the extent provided in the Stock Purchase Plan; (b) the grant of the Purchase Right is exceptional, voluntary and occasional and does not create any contractual or other right to receive future Purchase Rights, or benefits in lieu of Purchase Rights, even if Purchase Rights have been granted in the past; (c) all decisions with respect to future grants of Purchase Rights, if any, will be at the sole discretion of the Company; (d) my participation in the Stock Purchase Plan shall not create a right to further employment or be interpreted as forming or amending an employment or service relationship with the Company, the Employer or any other Parent or Subsidiary and shall not interfere with the ability of the Employer to terminate my employment or other service relationship (if any) at any time; (e) I am voluntarily participating in the Stock Purchase Plan; (f) the Purchase Right and the shares of Common Stock subject to the Purchase Right, and the income from and value of same, are not intended to replace any pension rights or compensation; (g) the Purchase Right and the shares of Common Stock subject to the Purchase Right, and the income from and value of same, are not part of normal or expected compensation or salary for any purpose including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, holiday pay, bonuses, long-service awards, leave-related payments, holiday top-up, pension or retirement, or welfare benefits or similar mandatory payments; (h) unless otherwise agreed in writing with the Company, the Purchase Right the shares of Common Stock subject to the Purchase Right, and the income from and value of same, are not granted in consideration for, or in connection with, any service I may provide as a director of any Parent or Subsidiary; (i) the future value of the shares of Common Stock purchased or to be purchased under the Stock Purchase Plan is unknown, indeterminable, and cannot be predicted with certainty; (j) if shares of Common Stock are purchased for me on a Purchase Date, the value of those shares of Common Stock acquired under the Stock Purchase Plan may increase or decrease in value, even below the purchase price; (k) no claim or entitlement to compensation or damages shall arise from forfeiture of the Purchase Right resulting from (i) the application of any recoupment or recovery policy adopted by the Company or otherwise required by law, or (ii) termination of my Continuous Employment (for any reason whatsoever, whether or not later found invalid or in breach of local labor laws in the jurisdiction where I am employed or the terms of my employment contract, if any); (l) in the event of termination of my Continuous Employment (regardless of the reason for the termination and whether or not such

termination is later found to be invalid or in breach of employment laws in the jurisdiction where I am employed or the terms of my employment contract, if any), my right to participate in and to purchase shares of Common Stock under the Stock Purchase Plan, if any, will terminate effective as of the date that I am no longer actively providing services to the Employer, the Company or any other Parent or Subsidiary, and will not be extended by any notice period (e.g., the period of my Continuous Employment would not include any contractual notice period or any period of “garden leave” or similar period mandated under local law or my employment contract, if any); the Administrator shall have the exclusive discretion to determine when I am no longer actively employed for purposes of my participation in the Stock Purchase Plan (including whether I may still be considered to be providing services while on a leave of absence); (m) unless otherwise provided in the Stock Purchase Plan or by the Company in its discretion, the Purchase Right and the benefits under the Stock Purchase Plan, if any, will not automatically transfer to another company in the case of a merger, take-over, or transfer of liability; and (n) neither the Company, the Employer, nor any other Parent or Subsidiary shall be liable for any foreign exchange rate fluctuation between my local currency (if not the United States dollar) and the United States dollar that may affect the value of the Purchase Right or of any amounts due to me pursuant to the purchase of shares or the subsequent sale of any shares purchased under the Stock Purchase Plan.

8. The Company is not providing any tax, legal, or financial advice, nor is the Company making any recommendations regarding my participation in the Stock Purchase Plan, or my acquisition or sale of the underlying shares of Common Stock. I should consult with my own personal tax, legal, and financial advisors regarding my participation in the Stock Purchase Plan before taking any action related to the Stock Purchase Plan.
9. **Data Collection and Usage.** *The Company and the Employer collect, process and use certain personal information about me, including, but not limited to, my name, home address, telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Company, details of all Purchase Rights or any other entitlement to shares of Common Stock or equivalent benefits awarded, canceled, exercised, vested, unvested or outstanding in my favor (“Data”), for purposes of implementing, administering and managing the Stock Purchase Plan. The legal basis, where required, for the processing of Data is my consent.*

**Stock Plan Administration Service Providers.** *The Company transfers Data to E\*TRADE Financial Corporate Services, Inc. and certain of its affiliated companies (the “Designated Broker”), an independent service provider based in the United States, which is assisting the Company with the implementation, administration and management of the Stock Purchase Plan. I may be asked to agree on separate terms and data processing practices with the Designated Broker, with such agreement being a condition to the ability to participate in the Stock Purchase Plan. In the future, the Company may select a different service provider or additional service providers and share Data with such other provider(s) serving in a similar manner.*

**International Data Transfers.** *If I reside, work or am otherwise located outside of the United States, Data will be transferred from my country to the United States, where the Company and the Designated Broker, respectively, are based. My country or jurisdiction may have different data privacy laws and protections than the United States. If I am located in the European Union (“EU”) and/or European Economic Area (“EEA”), I understand and acknowledge that the United States are not subject to an unlimited adequacy finding by the European Commission and might not provide a level of protection of personal data equivalent to the level of protection in my country. As a result, in the absence of the implementation of appropriate safeguards such as the Standard Contractual Clauses or binding corporate rules adopted by the EU Commission, the processing of personal data might not be subject to substantive data processing principles or supervision by data protection authorities. In addition, data subjects might have no, or less, enforceable rights regarding the processing of my personal data. The Company’s legal basis for the transfer of Data, where required, is my consent.*

**Data Retention.** *The Company will hold and use Data only as long as is necessary to implement, administer and manage my participation in the Stock Purchase Plan, or as required to comply with legal or regulatory obligations, including under tax, securities, exchange control, labor and other laws.*

**Voluntariness and Consequences of Consent Denial or Withdrawal.** *Participation in the Stock Purchase Plan is voluntary and I am providing the consents herein on a purely voluntary basis. I may withdraw any such consent at any time with future effect for any or no reason. If I do not consent, or if I later seek to revoke the consent, my salary from or employment with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to grant me Purchase Rights under the Stock Purchase Plan or other equity awards or*

*administer or maintain such awards. For more information on the consequences of refusal to consent or withdrawal of consent, I should contact my local human resources representative.*

**Data Subject Rights.** *I may have a number of rights under data privacy laws in my jurisdiction. Depending on where I am based, such rights may include the right to (i) request access to or copies of Data the Company processes, (ii) rectify or amend incorrect or incomplete Data, (iii) delete Data, (iv) request restrictions on processing of Data, (v) restrict the portability of Data, (vi) lodge complaints with competent authorities in my jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, I can contact my local human resources representative.*

**Declaration of Consent.** *By accepting this Subscription Agreement and indicating consent via the Company's acceptance procedure, I explicitly declare my consent to the data processing practices described in this Section 9, including, without limitation, to the collection, processing and use of Data by the Company and, if applicable, to the transfer of Data to the recipients mentioned above, including the onward transfer of Data by the Company to the Designated Broker, or, as the case may be, a different service provider selected by the Company.*

10. The Purchase Right and the provisions of this Subscription Agreement will be governed by, and subject to, the laws of the State of California, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under the grant or this Subscription Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation will be conducted exclusively in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.
11. By participating in the Stock Purchase Plan, I acknowledge that I am proficient in the English language, or have consulted with an advisor who is sufficiently proficient in English, so as to allow me to understand the content of this Subscription Agreement and any other materials related to the Stock Purchase Plan. If I have received this Subscription Agreement or any other document related to the Stock Purchase Plan translated into a language other than English, and if the meaning of the translated version is different from the English version, the English version will control.
12. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Stock Purchase Plan by electronic means. I hereby consent to receive such documents by electronic delivery and agree to participate in the Stock Purchase Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company.
13. The provisions of this Subscription Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.
14. Notwithstanding any provisions in this Subscription Agreement, the Purchase Right shall be subject to any additional terms and conditions set forth in the Addendum to this Subscription Agreement. Moreover, if I relocate to one of the countries included in the Addendum, the additional terms and conditions for such country will apply to me, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Addendum constitutes part of this Subscription Agreement.
15. The Company reserves the right to impose other requirements on my participation in the Stock Purchase Plan, on the Purchase Right, and on any shares of Common Stock acquired under the Stock Purchase Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require me to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
16. I acknowledge that I may be subject to insider-trading restrictions and/or market-abuse laws in applicable jurisdictions, including the United States and (if different) my country, my broker's country and/or the country where the Shares are listed, which may affect my ability to accept, acquire, sell or attempt to sell, or otherwise dispose of shares of Common Stock, rights to shares of Common Stock or rights linked to the value of shares of Common Stock, during such times as I am considered to have "inside information" regarding the Company (as defined by the laws or regulations in the applicable jurisdictions, including the United States and, if different, my country). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders I placed before possessing inside information. Furthermore, I may be prohibited from (i) disclosing the inside information to any third party and (ii) "tipping" third parties or causing them to

otherwise buy or sell securities (third parties include fellow employees). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider-trading policy. I am responsible for complying with any applicable restrictions, so I should speak to my personal legal advisor for further details regarding any applicable insider-trading and/or market-abuse laws in my country.

17. I acknowledge that my country may have certain foreign asset and/or account reporting requirements, exchange controls and/or tax reporting requirements which may affect my ability to acquire or hold shares of Common Stock under the Stock Purchase Plan, or cash received from participating in the Stock Purchase Plan, in a brokerage or bank account outside of my country. I understand that I may be required to report such accounts, assets or transactions to the tax or other authorities in my country and/or to pay and/or report applicable taxes due in connection with the Award on my own behalf. I may also be required to repatriate sale proceeds or other funds received as a result of participating in the Stock Purchase Plan to my country of residence through a designated bank or broker within a certain time after receipt. I acknowledge that it is my responsibility to be aware of and compliant with such regulations and that I should speak with my personal advisor on this matter.
18. I acknowledge that a waiver by the Company of a breach of any provisions of this Subscription Agreement shall not operate or be construed as a waiver of any other provision of this Subscription Agreement, or of any subsequent breach by me or any other participant.
19. I hereby agree to be bound by, and understand that my participation in the Stock Purchase Plan is in all respects subject to, the terms of the Stock Purchase Plan and this Subscription Agreement, including the Addendum. The effectiveness of this Subscription Agreement and my participation in the Stock Purchase Plan is dependent upon my eligibility to participate in the Stock Purchase Plan.

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**Employee Signature**

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**Employee Name (Please Print Full Legal Name)**      **Employee ID # (payroll file number)**



**ADDENDUM TO THE  
MARVELL TECHNOLOGY, INC.  
2000 EMPLOYEE STOCK PURCHASE PLAN  
SUBSCRIPTION AGREEMENT**

Certain capitalized terms used but not defined in this Addendum have the meanings set forth in the Stock Purchase Plan and/or the Subscription Agreement to which this Addendum is attached.

***Terms and Conditions***

This Addendum to the Subscription Agreement includes additional terms and conditions that govern the Purchase Right granted to me under the Stock Purchase Plan if I reside and/or work in one of the countries listed herein.

If I am a citizen or resident of a country other than the one in which I am currently residing and/or working, transfer employment and/or residency to another country after enrolling in the Stock Purchase Plan, or am considered resident of another country for local law purposes, the Company shall, in its sole discretion, determine to what extent the terms and conditions included herein will apply to me.

***Notifications***

This Addendum also includes information regarding exchange controls and certain other issues of which I should be aware with respect to my participation in the Stock Purchase Plan. The information is based on the tax, securities, exchange control, and other laws in effect in the respective countries as of April 2021. Such laws are often complex and change frequently. As a result, the Company strongly recommends that I not rely on the information in this Addendum as the only source of information relating to the consequences of my participation in the Stock Purchase Plan because the information may be out of date at the time the Purchase Right is exercised or I sell shares of Common Stock acquired under the Stock Purchase Plan.

In addition, the information contained herein is general in nature and may not apply to my particular situation, and the Company is not in a position to assure me of any particular result. Accordingly, I should seek appropriate professional advice as to how the relevant laws in my country may apply to my situation.

Finally, if I am a citizen or resident of a country other than the one in which I am currently residing and/or working, transfer employment and/or residency to another country after enrolling in the Stock Purchase Plan, or am considered a resident of another country for local law purposes, the information contained herein may not be applicable to me.

## **Canada**

### ***Terms and Conditions***

#### **Termination of Relationship**

The following provision replaces Section 7(l) of the Subscription Agreement:

in the event of termination of my Continuous Employment (regardless of the reason for the termination and whether or not such termination is later found invalid or in breach of local labor laws or the terms of my employment contract, if any), my right to participate in and purchase shares of Common Stock under the Stock Purchase Plan, if any, will terminate effective as of the date that is the earlier of: (1) the date of termination of my Continuous Employment and (2) the date I receive notice of termination of my Continuous Employment. In either case, the date shall exclude any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under local law. For greater certainty, I will not earn or be entitled to any pro-rated Purchase Rights for that portion of time before the date on which my right to participate in the Stock Purchase Plan terminates, nor will I be entitled to any compensation for lost participation or lost Purchase Rights.

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to participate in and purchase shares of Common Stock under the Stock Purchase Plan during a statutory notice period, my right to continue participating in and to purchase shares of Common Stock under the Stock Purchase Plan, if any, will terminate effective as of the last day of my minimum statutory notice period, but I will not earn or be entitled to any pro-rated Purchase Rights if a purchase date falls after the end of my statutory notice period, nor will I be entitled to any compensation for lost participation or lost Purchase Rights.

***The following provisions apply if I reside in Quebec:***

#### **Language Consent**

The parties acknowledge that it is their express wish that the Subscription Agreement, as well as all addenda, documents, notices and legal proceeds entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

*Les parties reconnaissent avoir exigé la rédaction en anglais de cette Convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*

#### **Data Privacy Notice and Consent**

The following provision supplements Section 8 of the Subscription Agreement:

I hereby authorize the Company and the Company's representatives to discuss and obtain all relevant information from all personnel, professional or non-professional, involved in the administration of the Stock Purchase Plan. I further authorize the Company, the Employer, and any other Parent or Subsidiary to disclose and discuss such information with their advisors. I also authorize the Company, the Employer and any other Parent or Subsidiary to record such information and to keep such information in my employee file.

### ***Notifications***

#### **Securities Law Information**

I acknowledge that I am permitted to sell shares of Common Stock acquired under the Stock Purchase Plan only through the Designated Broker, if any, provided the sale of the shares acquired under the Stock Purchase Plan takes place outside of Canada through the facilities of a stock exchange on which the shares are listed (*i.e.*, the Nasdaq Stock Market).

#### **Foreign Asset/Account Reporting Information**

Specified foreign property, including shares and rights to receive shares (*e.g.*, stock options, restricted stock units) of a non-Canadian company held by a Canadian resident must generally be reported annually on a Form T1135 (Foreign Income Verification Statement) if the total cost of the foreign specified property exceeds C\$100,000 at any time during the year. Thus, the Purchase Rights must be reported (generally at a nil cost) if the C\$100,000 cost threshold is exceeded because of other specified foreign property I hold. When shares of Common Stock are acquired, their cost generally is the adjusted cost base ("ACB") of the shares. The ACB would equal the fair market value of the shares at the time of acquisition, but if I own other shares of Common Stock, this ACB may have to be averaged with the ACB of the other shares. I should consult with a personal advisor to ensure compliance with applicable reporting obligations.

## China

### *Terms and Conditions*

***The following Terms and Conditions apply only to me if I am subject to exchange control restrictions and regulations in the People's Republic of China ("PRC"), including the requirements imposed by the State Administration of Foreign Exchange, as determined by the Company, in its sole discretion.***

#### Supplemental Rules for PRC Employees

By enrolling in the Stock Purchase Plan, I acknowledge and agree to be bound by the terms of the Supplemental Rules of Marvell Stock Plans for China Employees.

#### No Transfer of Shares.

I agree that any shares of Common Stock to be issued to me shall be deposited directly into an account with the Designated Broker. The deposited shares of Common Stock shall not be transferable (either electronically or in certificate form) from the brokerage account. This limitation shall apply both to transfers to different accounts with the Designated Broker and to transfers to other brokerage firms. The limitation shall apply to all Shares issued to me under the Stock Purchase Plan, and whether or not my Continuous Employment terminates.

#### Exchange Control Restrictions.

I understand and agree that my participation in and ability to purchase shares of Common Stock under the Stock Purchase Plan is subject to the continued registration and compliance of the Stock Purchase Plan with applicable exchange control regulations in China. I agree that if the registration of the Stock Purchase Plan lapses or the Company determines, in its discretion, that the Purchase Rights cannot vest due to regulatory restrictions, my participation in the Stock Purchase Plan may be suspended, terminated or otherwise modified to ensure compliance with applicable laws and regulations.

I understand and agree that, due to exchange control laws in China, I will be required to immediately repatriate to China any cash proceeds I receive from participating in the Stock Purchase Plan (*i.e.*, cash proceeds from the sale of shares of Common Stock or the receipt of any dividends on such shares). I further understand that, under local law, such repatriation of the cash proceeds may need to be effected through a special exchange control account established by the Company, the Employer or another Parent or Subsidiary, and I hereby consent and agree that the proceeds will be transferred to such special account prior to being delivered to me. I understand that the proceeds will be delivered to me as soon as possible, but there may be delays in distributing the funds due to exchange control requirements in China. Proceeds may be paid in U.S. dollars or local currency, at the Company's discretion. If the proceeds are paid in U.S. dollars, I understand that I will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid in local currency, the Company is under no obligation to secure any particular exchange conversion rate and there may be delays in converting the proceeds to local currency due to exchange control restrictions. I agree that I bear the risk of any exchange conversion rate fluctuation during that time. I further agree to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

#### Receipt and Sale of Shares

I agree to maintain any shares of Common Stock I obtain at purchase in an account with the Designated Broker prior to sale. Notwithstanding any provision in the Subscription Agreement to the contrary, to facilitate compliance with exchange control laws in China, the Company may require me to sell shares of Common Stock (i) immediately at purchase, (ii) upon termination of my Continuous Employment, or (iii) within any other timeframe as the Company determines for legal or administrative reasons. If I do not sell the shares within the time required by the Company, I hereby authorize the Company to instruct the Designated Broker to sell the shares of Common Stock on my behalf, and I expressly authorize the Designated Broker to complete the sale of shares of Common Stock. I agree to sign any forms and/or consents required by the Designated Broker to effectuate the sale of shares. I acknowledge that the Designated Broker is under no obligation to arrange for the sale of shares at any particular price. Upon the sale of shares after termination of Continuous Employment, I understand that the Company agrees to pay me the cash proceeds from the sale of the shares, less any brokerage fees or commissions and subject to any obligation to satisfy withholding obligations for Tax-Related Items. I understand that the proceeds from the sale of shares of Common Stock may need to be repatriated to China pursuant to the paragraph above, and I agree to comply with all requirements the Company may impose in order to facilitate compliance with exchange control requirements in China prior to my receipt of the cash proceeds. I acknowledge that I am not aware of any material nonpublic information with respect to the Company or any securities of the Company as of the date of the Subscription Agreement.

## ***Notifications***

### **Exchange Control Information**

I may be required to report to SAFE all details of my foreign financial assets and liabilities, as well as details of any economic transactions conducted with non-PRC residents, either directly or through financial institutions. Shares of Common Stock acquired under the Stock Purchase Plan and Stock Purchase Plan-related transactions may be subject to reporting under these rules. I should consult with my personal legal advisor in this regard.

## **Denmark**

### ***Terms and Conditions***

### **Danish Stock Option Act**

By enrolling and participating in the Stock Purchase Plan, I acknowledge that I have received an Employer Statement translated into Danish, which is being provided to me to comply with the Danish Stock Option Act (the “**Act**”). The Act applies only to “employees” as that term is defined in Section 2 of the Act. If I am a member of the registered management of a Parent or Subsidiary in Denmark or otherwise do not satisfy the definition of employee, I am not subject to the Act and the Employer Statement will not apply to me.

## ***Notifications***

### **Foreign Asset/Account Reporting Information**

Foreign bank and brokerage accounts and deposits and shares of Common Stock held in such accounts must be reported on my annual tax return under the section on foreign affairs and income.

## **Finland**

There are no country-specific provisions.

## **France**

### ***Terms and Conditions***

### **Payroll Deduction Authorization**

*Par la présente, j'autorise les Prélèvements sur Salaire, sur chacun de mes salaires, d'un montant de \_\_\_\_\_% (15 % maximum, pourcentage en nombre entier uniquement) de mon Salaire lors de chaque jour de paie pendant la Période d'Offre conformément au Plan d'Achat d'Actions (« Stock Purchase Plan »). (Aucun pourcentage décimal n'est admis.) Les prélèvements mentionnés ci-dessus se poursuivront lors des Périodes d'Offres subséquentes jusqu'à ce que je donne une instruction écrite pour modifier ou arrêter ces prélèvements ou jusqu'à ce que ma participation au plan se termine conformément au Plan d'Achat d'Actions.*

*Je comprends que les Prélèvements sur Salaire mentionnés ci-dessus vont s'accumuler pour permettre l'acquisition des Actions Ordinaires au prix d'acquisition tel que déterminé conformément au Plan d'Achat d'Actions. Je comprends également que, à moins que le Plan d'Achat d'Actions n'en dispose autrement, les actions seront automatiquement acquises pour mon compte à chaque Date d'Acquisition de la Période d'Offre à moins que je ne me retire du Plan d'Achat d'Actions par notification écrite à la Société au moins 15 jours avant la Date d'Acquisition ou que ma participation au Plan d'Achat d'Actions ne se termine d'une autre façon. Je comprends que je peux me retirer du Plan d'Achat d'Actions et me faire rembourser les Prélèvements sur Salaire (sans intérêt) rapidement à tout moment pendant la Période d'Offre dès lors qu'une notification écrite de mon retrait est fournie à l'Administrateur, sous la forme requise, au moins 15 jours avant la Date d'Acquisition. Je comprends que la durée des Périodes d'Offre (en ce compris les premiers jours des Périodes d'Offre applicables) peuvent être modifiées par l'Administrateur conformément aux Sections 4 et 18 du Plan d'Achat d'Actions.*

### **Language Consent**

By signing and returning or by otherwise accepting the Subscription Agreement, I confirm having read and understood the documents relating to this grant of the right to purchase shares of Common Stock (the Stock Purchase Plan, the Subscription Agreement, and this Addendum) which were provided to me in the English language. I accept the terms of those documents accordingly.

### Consentement Relatif à la Langue Utilisée

En signant et renvoyant, ou autrement acceptant, les termes et conditions du Contrat de Souscription, je confirme ainsi avoir lu et compris les documents relatifs à cette attribution du droit d'achat d'Actions Cotées en Bourse (le Plan, le Contrat de Souscription, et la présente Annexe) qui m'ont été fournis dans la langue anglaise. J'accepte les termes de ces documents en connaissance de cause.

### **Notifications**

#### Foreign Asset/Account Reporting Information

French residents must declare all foreign accounts, whether open, current, or closed, in their income tax returns. I should consult with a personal tax advisor to ensure compliance with applicable reporting obligations.

### **Germany**

### **Notifications**

#### Exchange Control Information

Cross-border payments in excess of €12,500 must be reported monthly. If I make or receive a payment in excess of this amount, I understand that I am responsible for electronically reporting to German Federal Bank (*Bundesbank*) by the fifth day of the month following the month in which the payment occurs. The form of report ("*Allgemeine Meldeportal Statistik*") can be accessed via German Federal Bank's website ([www.bundesbank.de](http://www.bundesbank.de)) and is available in both German and English.

### **Hong Kong**

### **Terms and Conditions**

#### Authorization for Stock Purchase Plan Participation

I hereby expressly acknowledge that my authorization to the Employer to deduct a percentage of my Payroll was given voluntarily for purposes of my participation in the Stock Purchase Plan.

### **Notifications**

#### Securities Law Information

**WARNING:** The contents of this document have not been reviewed by any regulatory authority in Hong Kong. I am advised to exercise caution in relation to the offer. If I am in any doubt about any of the contents of the Subscription Agreement, including this Addendum, the Stock Purchase Plan or the Stock Purchase Plan prospectus, I should obtain independent professional advice. Purchase Rights and any shares of Common Stock subject to the Purchase Rights do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Company, a Parent or a Subsidiary. The Subscription Agreement, including this Addendum, the Stock Purchase Plan and other incidental communication materials have not been prepared in accordance with, and are not intended to constitute a "prospectus" for, a public offering of securities under the applicable securities legislation in Hong Kong. The Purchase Rights and any documentation related thereto are intended solely for the personal use of each employee of the Company, a Parent or a Subsidiary and may not be distributed to any other person.

### **India**

### **Notifications**

#### Exchange Control Information

Exchange control laws and regulations in India require that any proceeds from the sale of shares of Common Stock acquired under the Stock Purchase Plan and any dividends paid on such shares of Common Stock be repatriated to India and converted into local currency within such period of time as prescribed under applicable India exchange control laws and regulations. I must obtain a foreign inward remittance certificate ("FIRC") from the bank where I deposit the foreign currency. I should maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation.

#### Foreign Asset/Account Reporting Information

Foreign bank accounts and any foreign financial assets (including shares of Common Stock held outside India) must be reported in my annual Indian personal tax return. I am solely responsible for complying with this reporting obligation and should confer with my personal tax advisor in this regard.

## **Israel**

### ***Terms and Conditions***

#### **Tax Obligations/Withholding Authorization**

Notwithstanding Section 5 of the Subscription Agreement, I understand that, subject to the Israeli tax laws, as may be amended from time to time, it is the Employer's statutory liability to withhold any Tax-Related Items resulting from my participation in the Stock Purchase Plan. I agree that in case the amount of the Tax-Related Items is not withheld from my pay check and/or the Company determines that it is not feasible to withhold from the proceeds from the sale of shares, I will transfer the Tax-Related Item amounts not withheld from my pay check (or otherwise recovered from me) to the Employer no later than five business days after the pay date following the taxable event. I further agree that the shares issued to me pursuant to the Stock Purchase Plan will be deposited with the Company's designated broker account to assist with any sale of shares or transfer of shares on my behalf and pursuant to this authorization.

## **Italy**

### ***Terms and Conditions***

**Stock Purchase Plan Document Acknowledgment.** In participating in the Stock Purchase Plan, I acknowledge that I have received a copy of the Stock Purchase Plan and the Subscription Agreement and have reviewed the Stock Purchase Plan and the Subscription Agreement, including this Addendum, in their entirety and fully understand and accept all provisions of the Stock Purchase Plan and the Subscription Agreement. I further acknowledge that I have read and specifically and expressly approve the following sections of the Subscription Agreement: Section 6, Section 7, Section 9, Section 10, Section 11 and Section 15.

### ***Notifications***

**Foreign Asset/Account Reporting Notification.** If I hold investments abroad or foreign financial assets (*e.g.*, cash, shares of Common Stock, Purchase Rights) that may generate income taxable in Italy, I must report them on my annual tax return or on a special form if no tax return is due, irrespective of their value. The same reporting duties apply if I am a beneficial owner of the investments, even if I do not directly hold investments abroad or foreign assets.

**Foreign Financial Asset Tax Notification.** The value of any shares of Common Stock (and certain other foreign assets) an Italian resident holds outside Italy may be subject to a foreign financial assets tax. The taxable amount is equal to the fair market value of the shares of Common Stock on December 31 or on the last day the shares of Common Stock were held (the tax is levied in proportion to the number of days the shares of Common Stock were held over the calendar year). The value of financial assets held abroad must be reported in Form RM of the annual tax return. I should consult a personal tax advisor for additional information about the foreign financial assets tax.

## **Japan**

### ***Notifications***

#### **Exchange Control Information**

If I acquire shares of Common Stock valued at more than ¥100,000,000 in a single transaction, I understand that I must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within 20 days of the acquisition.

#### **Foreign Asset/Account Reporting Information**

Details of any assets held outside of Japan as of December 31, including shares of Common Stock, must be reported to the Tax Office, to the extent such assets have a total net fair market value exceeding ¥50,000,000. The report is due by March 15 each year. I understand that I am responsible for complying with this reporting obligation and should confer with my personal tax advisor in this regard.

**Korea**

***Terms and Conditions***

Power of Attorney

I understand that, if requested by the Company or the Employer to effect the transfer of my Payroll deductions outside of Korea for the purchase of shares of Common Stock under the Stock Purchase Plan, I will need to print, sign, and return any Power of Attorney form provided to me by my local human resources representative or Stock Administration in order to participate in the Stock Purchase Plan.

***Notifications***

Foreign Asset/Account Reporting Information

Korean residents must declare all foreign financial accounts (e.g., brokerage accounts, bank accounts) to the Korean tax authority and file a report with respect to such accounts if the value of the assets in such accounts exceeds KRW 500 million (or the equivalent amount in a foreign currency) on any month-end date during the calendar year. I am responsible for complying with applicable reporting obligations and should speak to my personal legal advisor on this matter.

**Malaysia**

***Notifications***

Director Notification Obligation. If I am director of a Subsidiary in Malaysia, I am subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify such Malaysian Subsidiary in writing when I receive or dispose of an interest (e.g., Purchase Rights, shares of Common Stocks) in the Company or any related company. Such notifications must be made within fourteen days of receiving or disposing of any interest in the Company or any related company.

**Netherlands**

***Terms and Conditions***

Nature of Grant

The following provision supplements Section 6 of the Subscription Agreement:

By participating in the Stock Purchase Plan and authorizing Payroll deductions, I acknowledge that the Purchase Right granted under the Stock Purchase Plan is intended as an incentive for me to remain employed with the Employer and is not intended as remuneration for labor performed.

***Notifications***

**Attention! This investment falls outside AFM supervision.  
No prospectus required for this activity.**

**POLAND**

***Terms and Conditions***

Authorization for Stock Purchase Plan Participation

I understand that as a condition of my participation in the Stock Purchase Plan, I will be required to execute the attached Consent for Deduction form. I understand that I must print out the form, sign and date the form in the applicable places, and return a copy to my local human resources representative. Further, I agree to execute other agreements or consents that may be required by the Company or the Employer with respect to payroll deductions under the Stock Purchase Plan. I understand that if I fail to execute the Consent for Deduction form or any other form of agreement or consent that is required with respect to payroll deductions under the Stock Purchase Plan, I may not be able to participate in the Stock Purchase Plan.

## ***Notifications***

### Exchange Control Information

Polish residents holding cash and foreign securities (including Shares) in bank or brokerage accounts outside of Poland must report information to the National Bank of Poland on transactions and balances in such accounts if the value of such cash and securities exceeds PLN 7 million. If required, such reports must be filed on special forms available on the website of the National Bank of Poland. Participant should consult with a personal legal advisor to determine whether Participant will be required to submit reports to the National Bank of Poland.

Further, any transfer of funds in excess of €15,000 (or if such transfer of funds is connected with business activity of an entrepreneur, a lower threshold) into or out of Poland must be effected through a bank account in Poland. All documents connected with any foreign exchange transactions must be retained for a period of five years from the end of the year in which the transaction occurred.



**MARVELL TECHNOLOGY, INC.**

**2000 EMPLOYEE STOCK PURCHASE PLAN**

**For Participants in Poland**

**CONSENT FOR DEDUCTION**

I, the undersigned, in order to participate in the Marvell Technology, Inc. 2000 Employee Stock Purchase Plan ("Stock Purchase Plan"), authorize my employer to withhold payroll deductions in the amount of \_\_\_\_% of my Payroll, or such other percentage as subsequently selected by me under the Stock Purchase Plan. I understand that this amount must not be more than 15% of my Payroll for any Offering Period with the reservation that the deductions are made in accordance with the applicable provisions of the Polish labor law.

I acknowledge and agree that any past payroll deductions from my Payroll with respect to my participation in the Stock Purchase Plan complied with Polish law and that I authorized all such deductions.

All the terms written in capital letters shall have the meanings given to them in the Stock Purchase Plan.

In case of any discrepancies between the Polish language version of this document and its English language version, the Polish language version shall prevail.

\_\_\_\_\_  
Employee/Pracownik

\_\_\_\_\_  
Date/Data

**MARVELL TECHNOLOGY, INC.**

**2000 PRACOWNICZY PLAN NABYWANIA AKCJI**

**Dla Uczestników w Polsce**

**ZGODA NA POTRĄCENIE**

Ja niżej podpisany, w celu uczestnictwa w Marvell Technology, Inc. 2000 Pracowniczym Planie Nabywania Akcji ("Plan"), upoważniam mojego pracodawcę do potrącenia kwoty w wysokości \_\_\_\_% z mojego Uprawnionego Wynagrodzenia lub inny procent później wskazany przeze mnie w ramach Planu. Przyjmuję do wiadomości, iż ta kwota nie może być mniejsza niż 1% i większa niż 15% mojego Uprawnionego Wynagrodzenia w każdym Okresie Oferty z zastrzeżeniem, że potrącenia będą dokonywane zgodnie z obowiązującymi przepisami polskiego prawa pracy.

Niniejszym potwierdzam i zgadzam się z tym, że jakiegokolwiek przeszłe potrącenia z mojego Uprawnionego Wynagrodzenia dokonane w związku z moim uczestnictwem w Planie były zgodne z polskim prawem i że wyraziłem/am na nie zgodę.

Wszystkie terminy pisane wielkimi literami mają znaczenie przypisane im w ramach Planu.

W przypadku jakichkolwiek rozbieżności pomiędzy polską a angielską wersją językową niniejszego dokumentu, wersja polska ma charakter wiążący.

## **Romania**

### ***Terms and Conditions***

**Language Consent.** By participating in the Stock Purchase Plan, I acknowledge that I am proficient in reading and understanding English, and fully understand the terms of the documents related to my participation (the Stock Purchase Plan and the Subscription Agreement), which were provided in the English language. I accept the terms of those documents accordingly.

*Consimtament cu privire la limba. Prin participarea la planul, confirm ca am un nivel adecvat de cunoastere in ce priveste citirea si intelegerea limbii engleze, am inteles pe deplin termenii documentelor referitoare la participarea mea (planul si Formularul de aderare/schimbare, inclusiv aceasta Anexa), care au fost furnizate in limba engleza. Accept termenii acestor documente in mod corespunzator.*

### ***Notifications***

**Exchange Control Information.** If I deposit the proceeds from the sale of shares of Common Stock acquired under the Stock Purchase Plan into a bank account in Romania, I may be required to provide the Romanian bank with appropriate documentation explaining the source of the funds. I understand that I should consult with my personal legal advisor to determine whether I will be required to submit such documentation to the Romanian bank.

## **Singapore**

### ***Notifications***

#### **Securities Law Information**

The grant of the Purchase Right is being made in reliance on Section 273(1)(f) of the Securities and Futures Act (Cap. 289) (“SFA”), the “Qualifying Persons” exemption under the SFA. The Stock Purchase Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore and the offerings under the Stock Purchase Plan are not made with a view to the Purchase Rights or shares being subsequently offered for sale to another party. I should not sell, or offer to sell, any shares of Common Stock in Singapore unless such sale or offer is made (i) after six months from the date the Purchase Rights were granted, (ii) pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

#### **Director Notification Obligation**

Directors (including alternate, substitute, associate and shadow directors) of the Company or a Singapore Parent or Subsidiary are subject to certain notification requirements under the Singapore Companies Act. I acknowledge that I must notify the Company or the Singapore Parent or Subsidiary in writing within two business days of any of the following events: (i) the acquisition or disposal of an interest (*e.g.*, a Purchase Right or shares of Common Stock) in the Company or any related companies; (ii) any change in previously disclosed interests (*e.g.*, sale of shares of Common Stock), or (iii) becoming a director, an associate director or a shadow director of a Parent or Subsidiary in Singapore, if the individual holds such an interest at that time. These notification requirements apply regardless of whether the director is a resident of or employed in Singapore.

## **Spain**

### ***Terms and Conditions***

#### **Nature of Grant**

The following provision supplements Section 6 of the Subscription Agreement:

By enrolling in the Stock Purchase Plan, I consent to participation in the Stock Purchase Plan and acknowledge that I have received a copy of the Stock Purchase Plan.

I understand that the Company has unilaterally, gratuitously, and discretionally decided to offer participation in the Stock Purchase Plan to individuals who may be employees of the Company, a Parent or a Subsidiary throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Parent or Subsidiary on an ongoing basis. Consequently, I understand that

the offer of participation in the Stock Purchase Plan is grant on the assumption and condition that the Purchase Rights or the shares of Common Stock I purchase shall not become a part of any employment or service contract (either with the Company or with any Parent or Subsidiary) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation), or any other right whatsoever. In addition, I understand that the offer of participation in the Stock Purchase Plan would not be made to me but for the assumptions and conditions referred to above; thus, I acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any offer of participation in the Stock Purchase Plan shall be null and void.

Further, my participation in the Stock Purchase Plan is expressly conditioned on my continued and active rendering of service, such that if my Continuous Employment terminates for any reason whatsoever, my participation in the Stock Purchase Plan shall cease immediately effective on the date of my termination of Continuous Employment. This will be the case, for example, even if (1) I am considered to be unfairly dismissed without good cause (*i.e.*, subject to a “*despido improcedente*”); (2) I am dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) I terminate Continuous Employment due to a change of work location, duties or any other employment or contractual condition; (4) I terminate Continuous Employment due to a unilateral breach of contract by the Company or any Parent or Subsidiary; or (5) my Continuous Employment terminates for any other reason whatsoever.

### ***Notifications***

#### **Securities Law Information**

The Purchase Rights and shares of Common Stock described in the Stock Purchase Plan and the Subscription Agreement do not qualify under Spanish regulations as a security. No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory. The Stock Purchase Plan and the Subscription Agreement, including the Addendum, have not been nor will they be registered with the *Comisión Nacional del Mercado de Valores* (Spanish Securities Exchange Commission), and they do not constitute a public offering prospectus.

#### **Exchange Control Information**

I understand that it is my responsibility to comply with exchange control regulations in Spain. I am required to electronically declare to the Bank of Spain any security accounts (including brokerage accounts held abroad), as well as the securities (including shares of Common Stock acquired under the Stock Purchase Plan) held in such accounts if the value of the transactions for all such accounts during the prior year or the balances of such accounts as of December 31 of the prior year exceeds €1,000,000.

Different thresholds and deadlines to file this declaration apply. However, if neither such transactions during the immediately preceding year nor the balances/positions as of December 31 exceed €1,000,000, no such declaration must be filed unless expressly required by the Bank of Spain. I understand that if any of such thresholds were exceeded during the current year, may be required to file the relevant declaration corresponding to the prior year, however, a summarized form of declaration may be available. I should consult with a personal tax or legal advisor for further information regarding exchange control reporting obligations.

Further, I understand that I am required to declare the acquisition of shares of Common Stock for statistical purposes to the Spanish *Dirección General de Comercio e Inversiones* (the “DGCI”) of the Ministry of Economy and Competitiveness. Generally, the declaration must be filed on form D-6 in January for shares of Common Stock owned as of December 31 of each year; however, if the value of the shares of Common Stock or the sale proceeds exceed €1,502,530, a declaration must be filed within one month of the acquisition or sale, as applicable.

#### **Foreign Asset/Account Reporting Information**

I understand that to the extent I hold shares of Common Stock or have bank accounts outside of Spain with a value in excess of €50,000 (for each type of asset) as of December 31, I must report information on such assets on my tax return Form 720 for such year with severe penalties in the event of non-compliance. After such shares of Common Stock or accounts are initially reported, the reporting obligation will apply for subsequent years only if the value of any previously reported shares of Common Stock or accounts increases by more than €20,000 as of each subsequent December 31, or if I sell shares of Common Stock or cancel bank accounts that were previously reported.

### **Sweden**

#### ***Terms and Conditions***

### Responsibility for Taxes

The following provision supplements Section 6 of the Subscription Agreement:

Without limiting the Company and the Employer's authority to satisfy their withholding obligations for Tax-Related Items as set forth in Section 6 of the Subscription Agreement, by participating in the Stock Purchase Plan, I authorize the Company and/or the Employer to withhold shares of Common Stock or to sell shares of Common Stock otherwise deliverable to me upon the purchase of shares of Common Stock under the Stock Purchase Plan in order to satisfy Tax-Related Items, regardless of whether the Company and/or the Employer has an obligation to withhold such Tax-Related Items.

### **Switzerland**

#### ***Notifications***

#### **Securities Law Information**

Neither this document nor any other materials relating to the shares of Common Stock (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("FinSA") (ii) may be publicly distributed or otherwise made available in Switzerland to any person other than an employee of the Company or (iii) has been filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority.

### **Taiwan**

#### ***Notifications***

#### **Securities Law Information**

I understand that the offer of the Stock Purchase Right and the shares of Common Stock to be issued pursuant to the Stock Purchase Plan are available only for employees of the Company and a Parent or Subsidiary. The offer is not a public offer of securities by a Taiwanese company; therefore, it is exempt from registration in Taiwan.

#### **Exchange Control Information**

Taiwanese residents may acquire foreign currency and remit the same (including proceeds from the sale of shares of Common Stock or the receipt of dividends) out of Taiwan, up to US\$5 million per year without justification. If the transaction amount is TWD\$500,000 or more in a single transaction, a Foreign Exchange Transaction Form must be submitted, along with supporting documentation to the satisfaction of the remitting bank.

### **United Kingdom**

#### ***Terms and Conditions***

#### **Tax Obligations/Withholding Authorization**

The following provision supplements Section 6 of the Subscription Agreement:

Without limitation to any provision of the Subscription Agreement, I agree that I am liable for all Tax-Related Items, as and when required by the Company or the Employer, as applicable, or by Her Majesty's Revenue and Customs ("HMRC") (or any other tax authority or other relevant authority). I also agree to indemnify and keep indemnified the Company and the Employer, as applicable, against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on my behalf to HMRC (or any other tax authority or other relevant authority).

Notwithstanding the foregoing, if I am a director or executive officer of the Company (within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), I understand that I may not be able to indemnify the Company for the amount of any Tax-Related Items not collected from or paid by me, in case the indemnification could be considered to be a loan. In this case, any income tax not collected within 90 days of the end of the U.K. tax year in which an event giving rise to the Tax-Related Items occurs may constitute a benefit to me on which additional income tax and employee National Insurance contributions ("NICs") may be due. I will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or Employer, as applicable, for the amount of any employee NICs due on this additional benefit, which may be recovered from me by any of the means referred to in Section 5 of the Subscription Agreement.

## CERTIFICATION

I, Matthew J. Murphy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Marvell Technology, Inc.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 27, 2021

By: /s/ Matthew J. Murphy

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**Matthew J. Murphy**  
**President and Chief Executive Officer**  
**(Principal Executive Officer)**

## CERTIFICATION

I, Jean Hu, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Marvell Technology, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 27, 2021

By: /s/ Jean Hu

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**Jean Hu**  
**Chief Financial Officer**  
**(Principal Financial Officer)**

**CERTIFICATION**

I, Matthew J. Murphy, the Principal Executive Officer of Marvell Technology, Inc. (the “Registrant”), certify for the purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge,

- (i) the Quarterly Report of the Registrant on Form 10-Q for the fiscal quarter ended July 31, 2021 (the “Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: August 27, 2021

By: /s/ Matthew J. Murphy

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**Matthew J. Murphy**  
**President and Chief Executive Officer**  
**(Principal Executive Officer)**

**CERTIFICATION**

I, Jean Hu, the Principal Financial Officer of Marvell Technology, Inc. (the “Registrant”), certify for the purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge,

- (i) the Quarterly Report of the Registrant on Form 10-Q for the fiscal quarter ended July 31, 2021 (the “Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: August 27, 2021

By: /s/ Jean Hu

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**Jean Hu**  
**Chief Financial Officer**  
**(Principal Financial Officer)**