



INNOVATION WITH PURPOSE

ALLEGRO

microsystems

Analyst Day 2023

Jalene Hoover

VP of Investor Relations & Corporate Communications



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Analyst Day 2023

March 14



Forward-looking statements

This presentation and the accompanying oral remarks contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts contained in this presentation and the accompanying oral remarks, including statements regarding our future results of operations and financial position, business strategy, the impact of the ongoing and global COVID-19 pandemic on our business, prospective products and the plans and objectives of management for future operations, including, among others, statements regarding the liquidity, growth and profitability strategies and factors and trends affecting our business are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Without limiting the foregoing, in some cases, you can identify forward-looking statements by terms such as “aim,” “may,” “will,” “should,” “expect,” “exploring,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential,” “seek,” or “continue” or the negative of these terms or other similar expressions, although not all forward-looking statements contain these words. No forward-looking statement is a guarantee of future results, performance, or achievements, and one should avoid placing undue reliance on such statements, which speak only as of the date they are made.

Forward-looking statements are based on our management’s beliefs and assumptions and on information currently available to us. Such beliefs and assumptions may or may not prove to be correct. Additionally, such forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, and actual results may differ materially from those expressed or implied in the forward-looking statements due to various factors, including, but not limited to, those identified in Part I, Item 2. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Quarterly Report on Form 10-Q for the period ended December 23, 2022, and Part II, Item 1A. “Risk Factors” in our Annual Report on Form 10-K for the year ended March 25, 2022, as amended by Amendment No. 1 on Form 10-K/A filed with the SEC on August 29, 2022, as updated in Part II, Item 1A. “Risk Factors” in our Quarterly Report on Form 10-Q for the period ended June 24, 2022. These risks and uncertainties include, but are not limited to: downturns or volatility in general economic conditions, including as a result of the COVID-19 pandemic, particularly in the automotive market; our ability to compete effectively, expand our market share and increase our net sales and profitability; our reliance on a limited number of third-party wafer fabrication facilities and suppliers of other materials; our failure to adjust purchase commitments, supply chain volume and inventory management based on changing market conditions or customer demand; shifts in our product mix or customer mix, which could negatively impact our gross margin; the cyclical nature of the analog semiconductor industry; our ability to compensate for decreases in average selling prices of our products and increases in input costs; increases in inflation rates or sustained periods of inflation in the markets in which we operate; any disruptions at our primary third-party wafer fabrication facilities; our ability to manage any sustained yield problems or other delays at our third-party wafer fabrication facilities or in the final assembly and test of our products; our ability to fully realize the benefits of past and potential future initiatives designed to improve our competitiveness, growth and profitability; our ability to accurately predict our quarterly net sales and operating results; our dependence on manufacturing operations in the Philippines; our reliance on distributors to generate sales; COVID-19 induced lock-downs and suppression on our supply chain and customer demand; our ability to develop new product features or new products in a timely and cost-effective manner; our ability to manage growth; any slowdown in the growth of our end markets; the loss of one or more significant customers; our ability to meet customers’ quality requirements; uncertainties related to the design win process and our ability to recover design and development expenses and to generate timely or sufficient net sales or margins; changes in government trade policies, including the imposition of tariffs and export restrictions; our exposures to warranty claims, product liability claims and product recalls; our dependence on international customers and operations; the availability of rebates, tax credits and other financial incentives on end-user demands for certain products; risks related to governmental regulation and other legal obligations, including privacy, data protection, information security, consumer protection, environmental and occupational health and safety, anti-corruption and anti-bribery, and trade controls; the volatility of currency exchange rates; our indebtedness may limit our flexibility to operate our business; our ability to retain key and highly skilled personnel; our ability to protect our proprietary technology and inventions through patents or trade secrets; our ability to commercialize our products without infringing third-party intellectual property rights; disruptions or breaches of our information technology systems or those of our third-party service providers; our principal stockholders have substantial control over us; the inapplicability of the “corporate opportunity” doctrine to any director or stockholder who is not employed by us; the dilutive impact on the price of our shares upon future issuance by us or future sales by our stockholders; our lack of intent to declare or pay dividends for the foreseeable future; anti-takeover provisions in our organizational documents and under the General Corporation Law of the State of Delaware; the exclusive forum provision in our Certificate of Incorporation for disputes with stockholders; our inability to design, implement or maintain effective internal control over financial reporting; changes in tax rates or the adoption of new tax legislation; and other events beyond our control. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties.

You should read this presentation and the documents that we reference completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements, whether as a result of any new information, future events or otherwise.

This presentation and the accompanying oral remarks include certain non-GAAP financial measures as defined by the Securities and Exchange Commission rules. These non-GAAP financial measures are provided in addition to, and not as a substitute for or superior to measures of, financial performance prepared in accordance with U.S. GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the presented non-GAAP financial measures as tools for comparison.

Agenda

VINEET NARGOLWALA <i>President & Chief Executive Officer</i>	Welcome & opening remarks
MIKE DOOGUE <i>Senior Vice President & Chief Technology Officer</i>	Technology: Innovation with purpose
MAX GLOVER <i>Senior Vice President, Worldwide Sales</i>	How we win in Automotive & Industrial
SUMAN NARAYAN <i>Senior Vice President, Products</i>	
DEREK D'ANTILIO <i>Senior Vice President & Chief Financial Officer</i>	Business performance & new financial model
<i>All Presenters</i>	Q&A
<i>Radio City Board Room & The Gallery</i>	Demos & lunch



VINEET NARGOLWALA
President and Chief Executive Officer



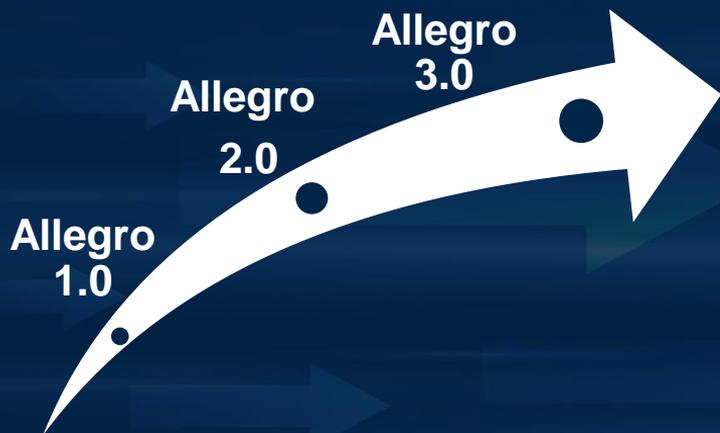
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Welcome and Opening Remarks
Analyst Day 2023
March 14



Allegro's growth and transformation is entering its next phase



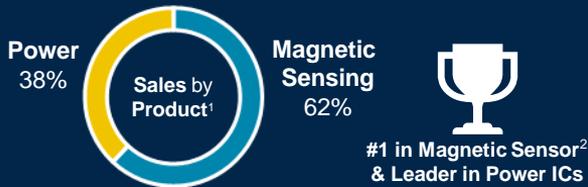
- Focus on e-Mobility, Clean Energy & Automation
- Accelerated Technology and Product Innovation
- Integrated ESG foundation
- Continued Growth and Margin Expansion
- Efficient Capital Deployment



Today, we want to provide an update on our Strategies and Financial Model

Allegro: A global leader in Sensing and Power IC solutions

Market leading technology & portfolio



100-year legacy of “Innovation with Purpose”



>4,500
Employees



>10,000
Customers



>1300
Patents



Aligned to high growth markets with secular trends



Strong track record of financial performance³

\$969M
FY23e Sales
+26% YoY

56.6%
FY23e
Gross Margin

\$1.27
FY23e EPS
+63% YoY

We are moving the world to a safer and more sustainable future



**Highly
focused
market
presence**



**Innovation
with Purpose**



**Leadership
in Magnetic
Sensing &
Power ICs**



**Attractive
financial
profile**

Our market strategies, coupled with our technology expertise, deliver long-term sustainable growth

Focus on e-Mobility & Target Industrial



xEV & ADAS

\$3.9B SAM¹
25% CAGR²



Clean Energy & Automation

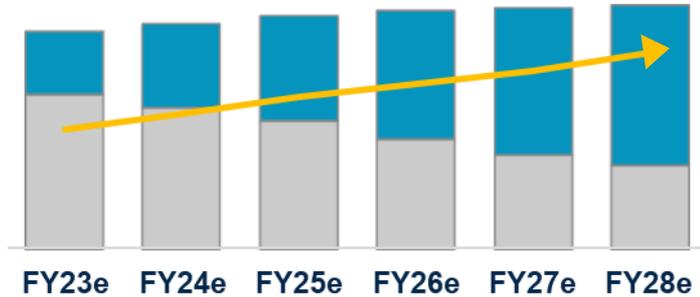
\$3.5B SAM¹
18% CAGR²



Focus on Sensing and Power ICs



We win as cars electrify and add ADAS features



Vehicle Production¹ & ADAS Adoption

xEV +21% CAGR
ADAS +10% CAGR

ICE -11% CAGR

Accelerating regulation



Decline in battery costs

↓ 50%

e-Mobility Opportunity:

\$3.9B SAM²
25% CAGR³

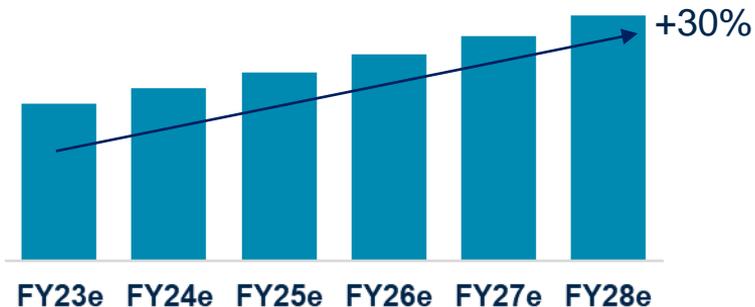
ALGM opportunity:

~\$100¹
(>2x ICE vehicles)

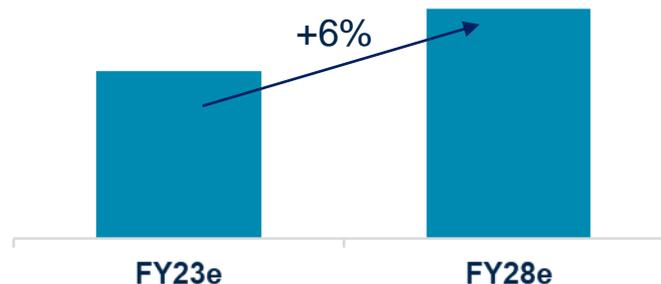
We win as Clean Energy and Industrial Automation grow



Global Renewable Energy Capacity¹



Robotics & Automation Motor Drive Units⁴



\$2.2B SAM²
30% CAGR³

ALGM Opportunity:
 >\$300 in Charging Stations⁵
 >\$1,000 in a Solar Farm⁵

\$1.3B SAM²
6% CAGR³

ALGM Opportunity:
 >\$300 in Automated Assembly lines⁵

Our ESG initiatives are integral to our strategy

“We are moving the world to a safer and more sustainable future”

Minimize our impact on the planet

Engage our supply chain to advance sustainability



Build a diverse & innovative workforce

Cultivate opportunities in local communities

Allegro is positioned to help Automotive and Industrial customers move to a more sustainable future

Decades of valued customer relationships



- Insights beyond market research
- Deep application expertise
- Trusted partner

Innovation with Purpose



- Designs beyond the specification
- Global platform engineering
- World class global team

Performance



- Automotive new part qualification
- Zero defect mindset
- Resilient auto grade supply chain

We are ready for the future with a strong leadership team

>300 Years

Public company experience

>300 Years

Semiconductor experience

>250 Years

Automotive & Industrial experience



Derek D'Antilio
SVP & Chief Financial Officer



Mike Doogue
SVP & Chief Technology Officer



Suman Narayan
SVP, Products



Max Glover
SVP, Worldwide Sales



MIKE DOOGUE
SVP & Chief Technology Officer



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Technology: Innovation with Purpose

Analyst Day 2023

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Automotive first technology drives leadership in Sensing & Power



Magnetic Sensor ICs

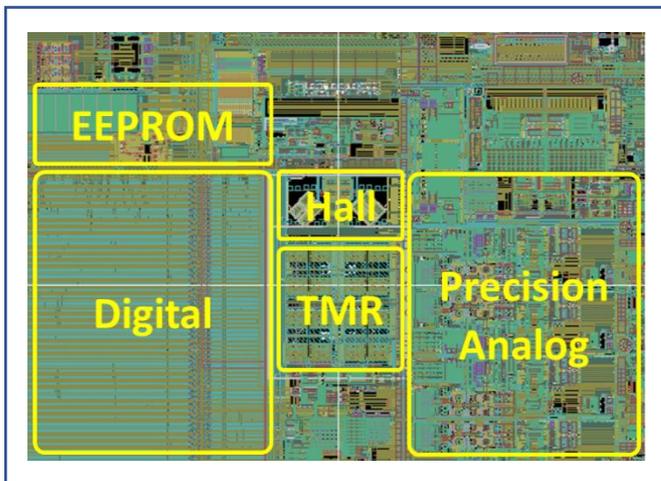
- #1 in the Market¹
- Accurate, high speed **Current Sensors** make power systems smaller and more efficient
- **Speed & Position Sensors** reliably and accurately measure linear or rotary position and velocity



Power ICs

- **Motor Drivers** spin motors and fans quietly, efficiently and reliably
- **Regulators** convert high voltages to more useful low voltages in auto safety & powertrain systems
- **Isolated Gate Drivers** enable higher efficiency, smaller GaN and SiC power electronics

Differentiated wafer technology achieves market leading integration



Three decades meeting the most stringent auto standards

- 175 °C for 1000+ hours
- 120 V capable
- Extremely low failure rate, < 200 PPB

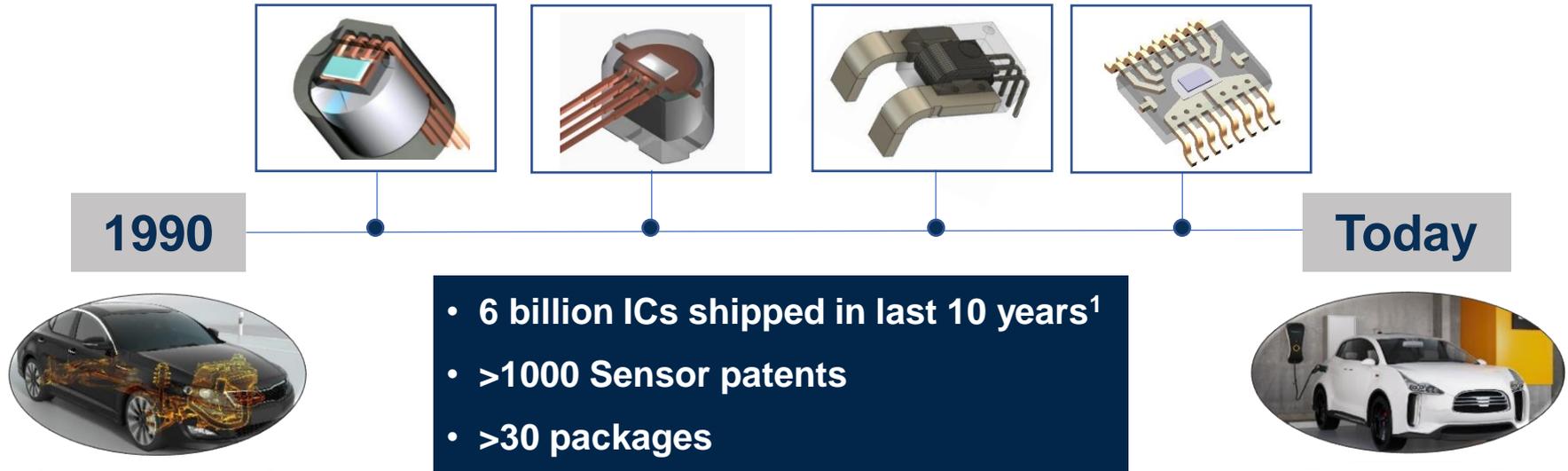
Proprietary, patented tech within a fabless business model

Industry leading levels of circuit integration



Allegro ICs can take the heat, survive high voltages, and meet the stringent quality requirements of discerning customers

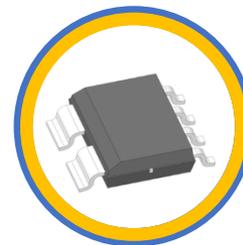
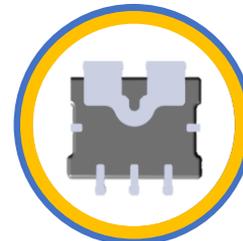
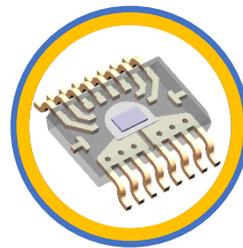
Decades of leadership in sensors growing stronger as cars electrify



Current Sensor leaders across xEV & Target Industrial markets

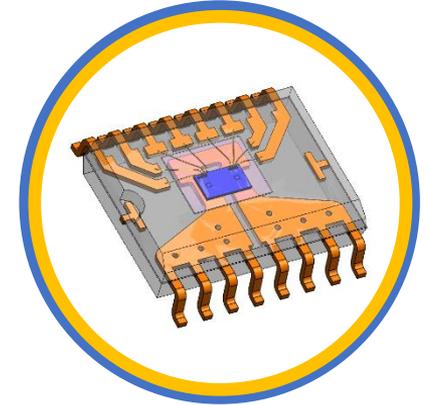
- **Broadest portfolio**
 - ICs for inverters, chargers, battery systems, electric motors, etc.
 - Up to 40 Current Sensors in an xEV
- **2 to 10x more efficient**
- **More accurate, <1% error possible**
- **Higher voltage, >1000 V capable**

Allegro ICs help to increase the range of electric vehicles, the speed of vehicle charging, and the efficiency of clean energy systems



Extended Allegro leadership through TMR

- **>85%¹ of market from Hall-effect ICs for next 5 years, TMR adoption accelerating in 5 to 10 year horizon**
- **We are in high volume production with unique automotive grade, monolithic TMR ICs**
 - 8x higher resolution
 - >2x accuracy improvements
- **Developing optimized products for:**
 - GaN & SiC power systems (Current Sensors)
 - High performance electrical motors (Angle Sensors)



Auto playbook applied to Power ICs: 3X market share¹ in 5 years



1990



Consumer
Focus



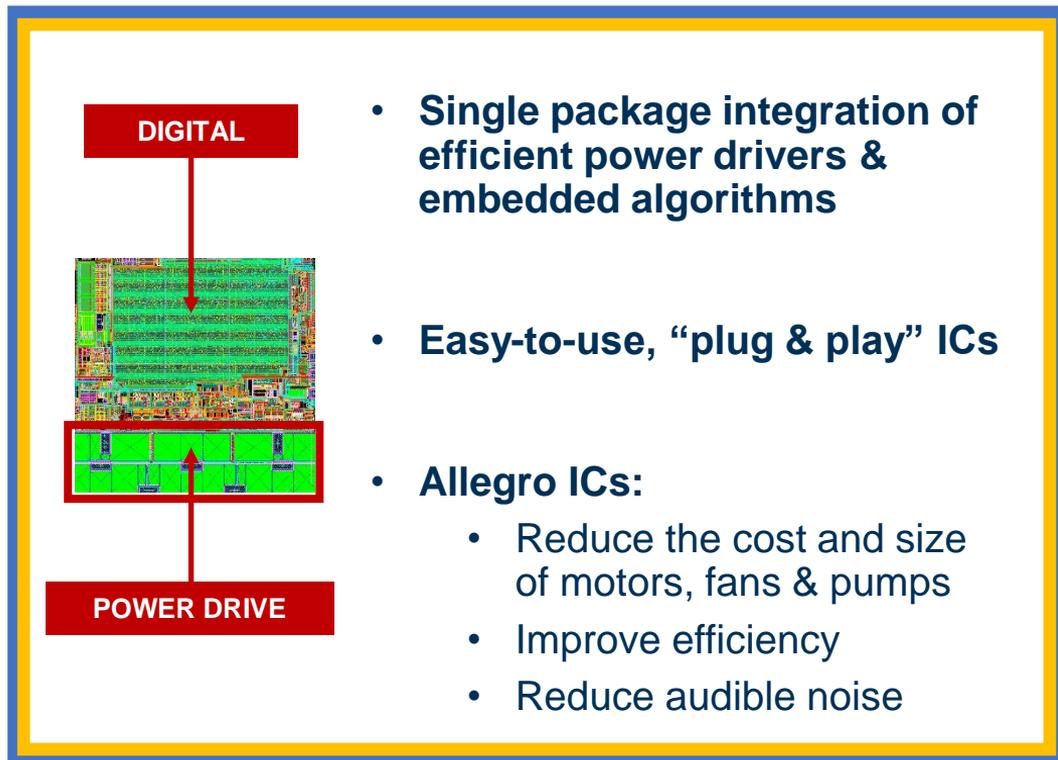
Auto &
Industrial
Pivot



Today

- Leverage auto grade wafer technology
- Developed auto grade, value-add packaging
- >250 patents
- >1 billion ICs shipped in last 10 years²

Wafer, package and algorithm innovations drive Power IC leadership



Fan using Competitors

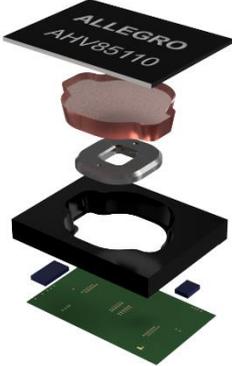


Using Allegro

Allegro ICs are smaller, quiet enough for xEV in-cabin use, and result in more efficient motors and fans

Up to \$30 of xEV content from our highly integrated, Isolated Gate Drivers

- **Power systems need multiple Isolated Gate Drivers**
 - Auto: On-board charger, traction inverter
 - Industrial: Solar inverters, EV chargers, power supplies
- **Allegro ICs:**
 - Up to 40% more efficient than competitive ICs
 - Enable up to 50% size reduction
- **Broadly sampling customers, sales expected FY25**



ALLEGRO
AV85110

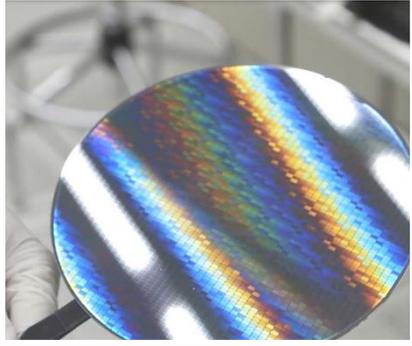
Single Chip Allegro “Microsystem”

Isolated DC-DC Isolated Gate Driver



Larger Competitor Solution

Investment in differentiated technology drives above market growth



**Unique Automotive
first wafer, package
and circuit
technology**



**Innovations
solve meaningful
customer
challenges**



**R&D investments
strongly aligned to
e-Mobility and
Target Industrials**



**We win as cars
electrify and clean
energy expands**



MAX GLOVER

Senior Vice President, Worldwide Sales



SUMAN NARAYAN

Senior Vice President, Products



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How We Win in Automotive
Analyst Day 2023
March 14



How Allegro wins in the markets we serve



**Automotive first
design and
manufacturing
methodology**



**Joint innovation
of differentiated
solutions with
market leaders in
focus segments**



**Global scale via
direct sales,
technical centers,
robust channel
partners**

Focused market approach delivers customer value across portfolio



Unmatched Automotive pedigree: Three decades, >10B parts shipped

Allegro e-Mobility solutions designed in at all Top Global OEMs

Balance

No customer >10% of sales

Long-term Visibility

Multi-year project awards

High Substitution Cost

Designed in as sole supplier

e-Mobility Sales Confidence

Majority in long-term agreements



STELLANTIS



e-Mobility drives Allegro's Automotive sales growth

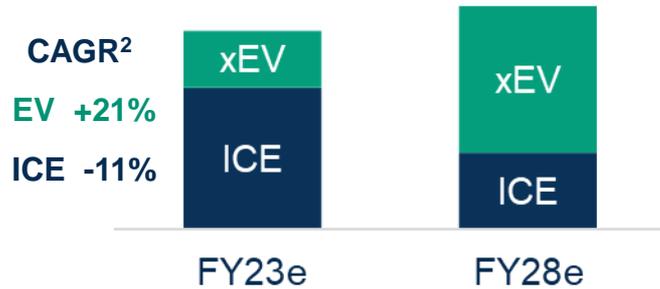


Majority of Automotive design wins already tied to e-Mobility applications

e-Mobility market provides strong volume and content growth

Market growth

Vehicle Production¹

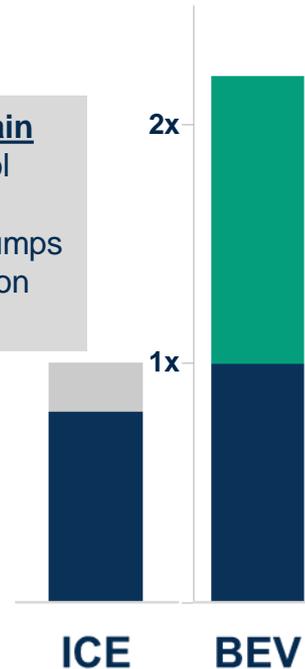


ADAS Adoption¹



e-Mobility expands content

- ICE Powertrain**
- Engine Control
 - Transmission
 - Oil/Cooling Pumps
 - Throttle Position
 - EGR Systems



- e-Mobility**
- On-Board Charger
 - Traction Inverter
 - DC-DC Converter
 - Battery Management
 - Personal HVAC
 - Steer by Wire
 - Electromechanical Braking
 - Environmental Sensing
 - Thermal Management

- Comfort & Convenience**
- Lighting
 - Infotainment
 - Passive Safety
 - In-Cockpit Actuation

Customers need Allegro to help solve their design challenges

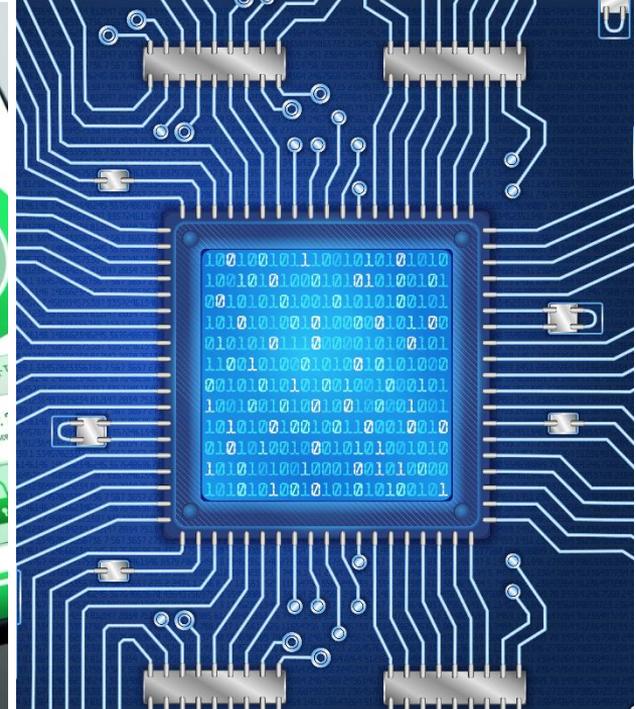
Battery efficiency



Charge time

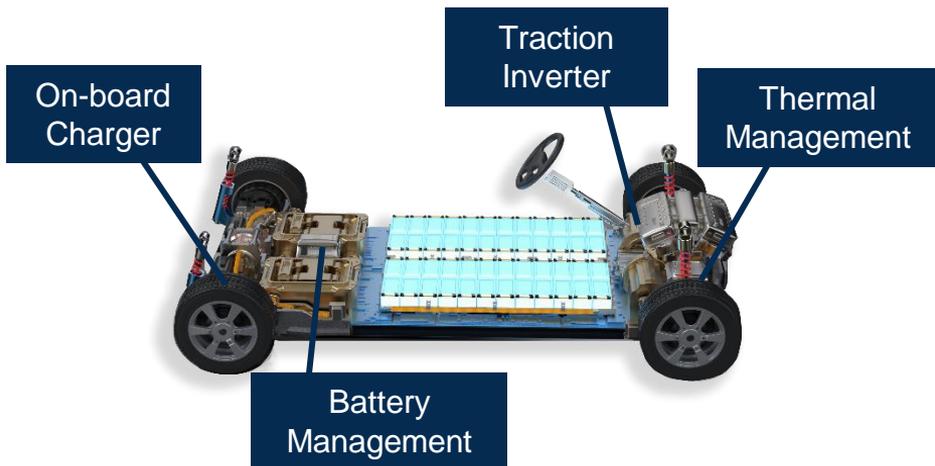


Safety



Electrification & safety adoption drive our e-Mobility opportunity

xEV Powertrain



ADAS

Electric Power Steering

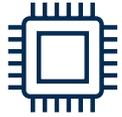
Braking



We win as cars **electrify** and **adopt autonomous feature sets**

Every power conversion is an opportunity to extend battery life

Highest accuracy, bandwidth & integration increases power conversion efficiency



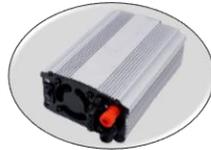
- Current sensors
- Motor drivers
- Isolated gate drivers



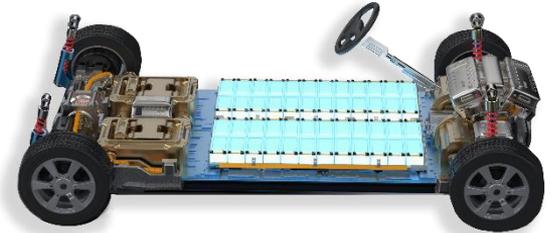
OBC



DC-DC



Inverter

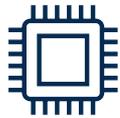


Tier 1

OEM

Optimized steering solutions designed with Allegro products

Quieter, safer and smaller electronics



- Current sensors
- Motor drivers
- Position sensors
- Power regulators



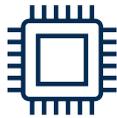
Tier 1



OEM

Braking systems leverage proven steering solutions

Need for high levels of integration and redundancy for safety



- Current sensors
- Motor drivers
- Position sensors
- Speed sensors
- Power regulators

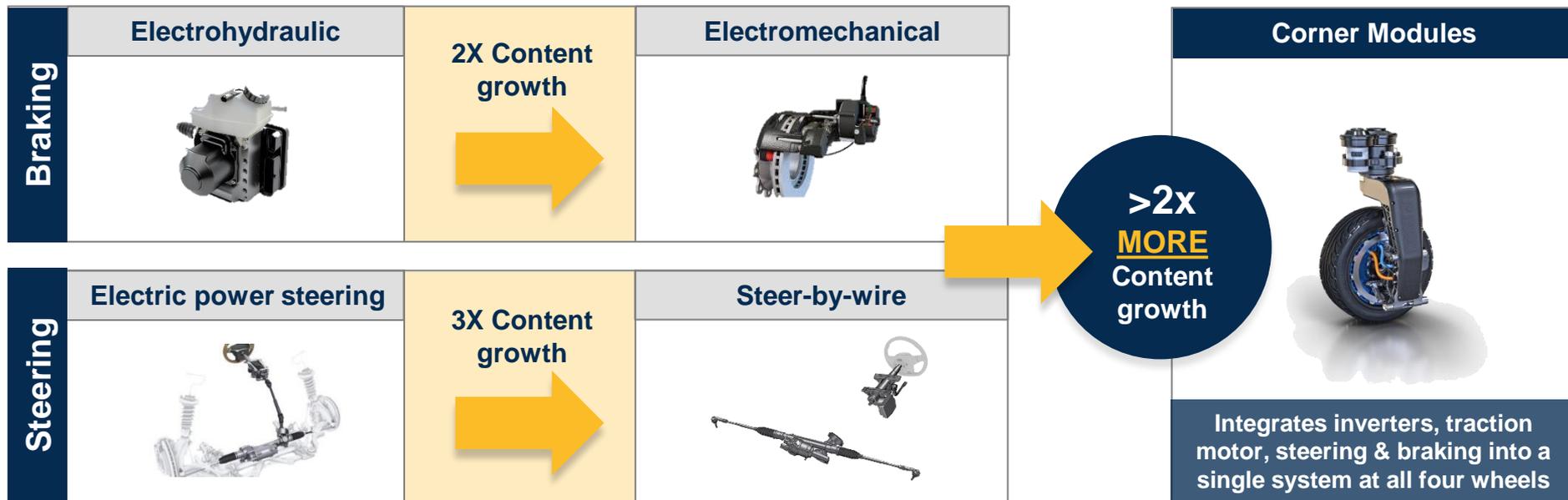


Tier 1



OEM

Allegro's technology supports our customers' future roadmap



In production

**In development
2025-2028**

**Next generation
2028+**

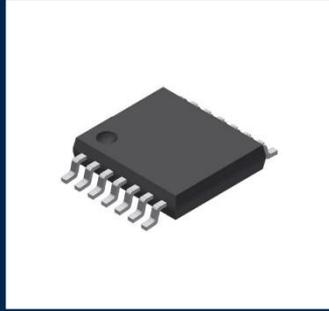
Innovation with Purpose: Industry leading solutions

Highest Accuracy Current Sensor



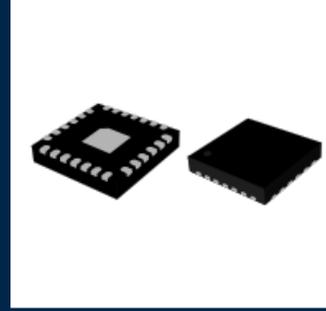
Industry's best accuracy provides precise motor control for efficient traction inverters

Highest Resolution TMR Angle Sensor



8x higher resolution than Hall solutions for steering systems

Intelligent Motor Driver



Efficient and reliable motor control for thermal management systems

Industry's First 5 MHz Current Sensor

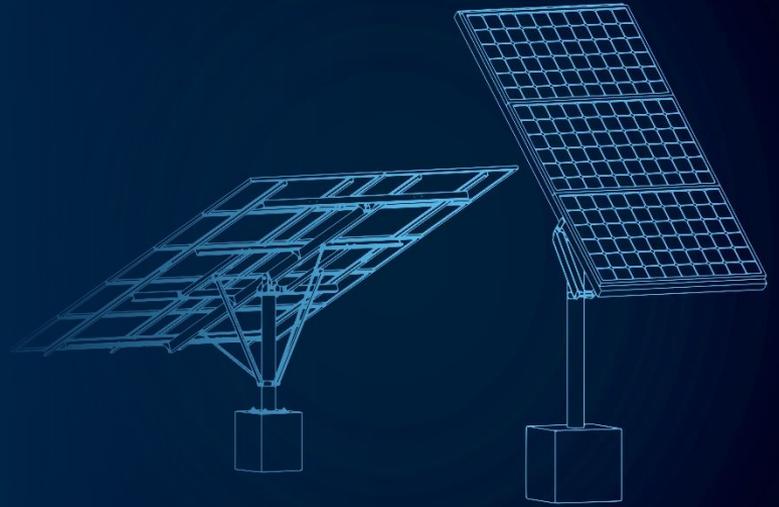


Enables SiC and GaN switches for the highest power density in next generation DC-DC & on-board chargers

Auto growth led by expansion of e-Mobility

- Allegro has the pedigree, customer relationships and focused strategy to win in a changing Automotive industry
- e-Mobility led by EV Powertrain, Steering and Braking

Grow Automotive 7-10% above SAAR



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How We Win in Industrial

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Unmatched Automotive pedigree translates to Industrial credibility



Automotive playbook

Customers require quality & safety

Strong distribution channel

Ability to serve customers in region

Extended product support

10+ Year availability, stable offerings

Deep technical enabling

Develop unique solutions together

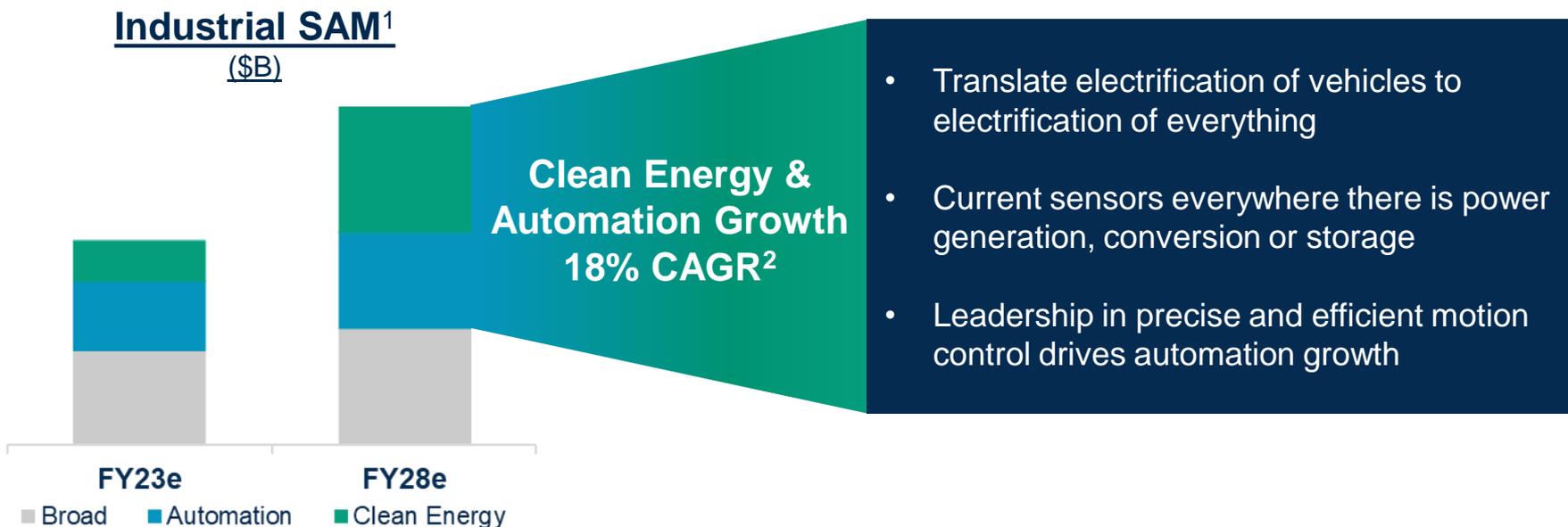
Partnerships with market leaders



Global reach through channel partnerships



Clean Energy and Automation drive Industrial sales growth



Clean Energy & Automation design wins outpacing Industrial SAM growth

Efficient power conversion drives growth in Clean Energy

Market growth

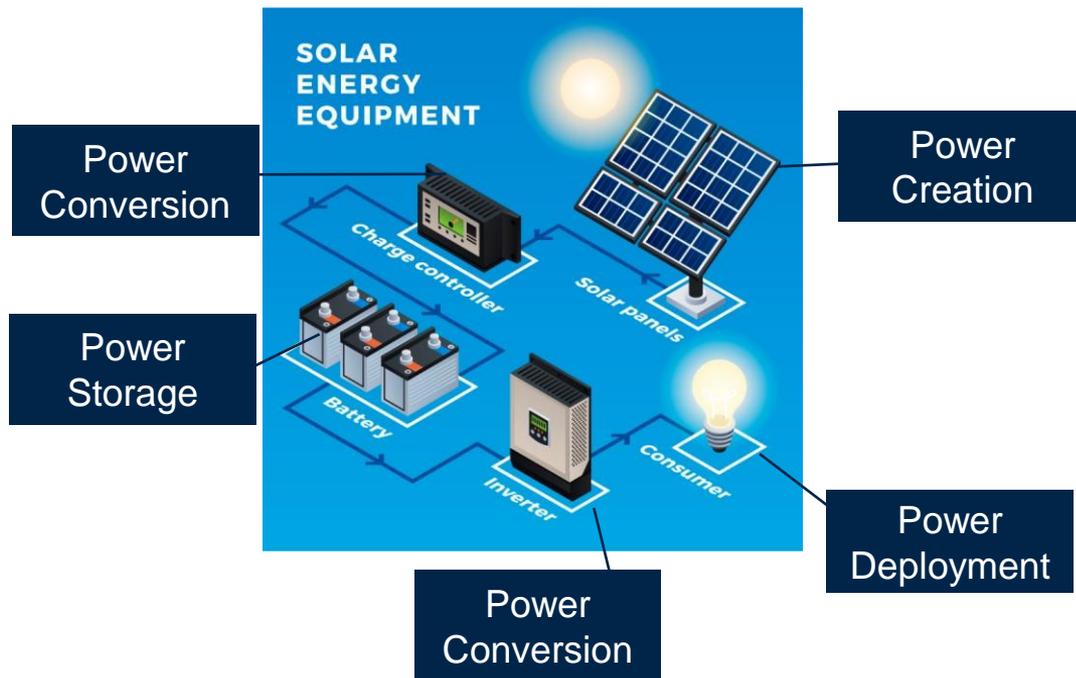
EVCI Market Deployments Units¹



Micro Inverter Deployment Units¹



Enabling the Clean Energy ecosystem



Leverage EV technology into Industrial applications

Solar inverters



EV charging



Data center



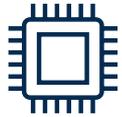
Automation



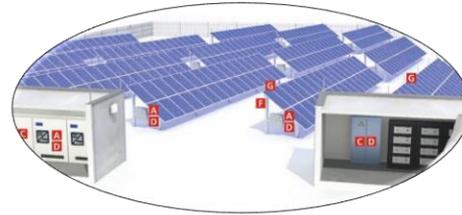
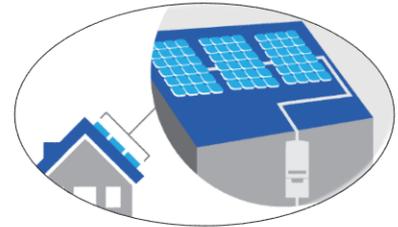
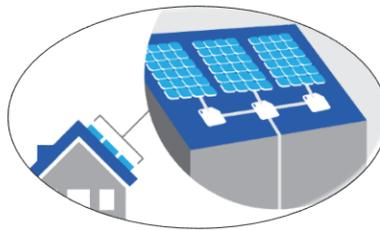
We win as Clean Energy grows & the world Automates

Solar uses the same solutions as EV inverters for power conversion

Reliability in harsh environments

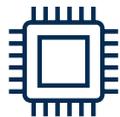


- Current sensors
- Isolated gate drivers



Maximizing energy transfer to reduce charge time

Higher bandwidth and accuracy reduces energy loss



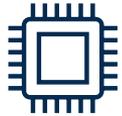
- Current sensors
- Isolated gate drivers



Charger Type	AC Wallbox	DC Charger	DC Fast Charger
Allegro opportunity	\$3	\$75	\$450+

High speed fans improve thermal efficiency

Efficient operation with energy savings

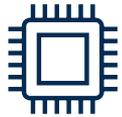


- Motor drivers
- Current sensors



Industrial Automation leverages Automotive solutions

Intelligent motor control



- Current sensors
- Position sensor
- Motor drivers



Industrial growth led by expansion of Clean Energy and Automation

- **Allegro has the global scale and reach to win with customers who value Automotive first products and manufacturing pedigree**
- **Leading in Clean Energy and Automation Markets**

**Grow Industrial 5-10% above
Broad Industrial Market**



DEREK D'ANTILIO
SVP and Chief Financial Officer



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microsystems

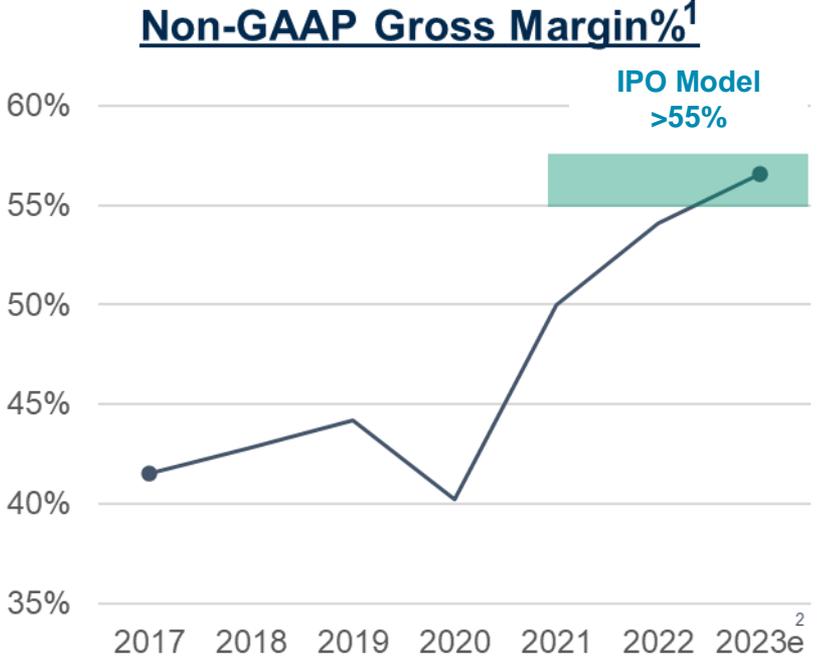
Business Performance & New Financial Model

Analyst Day 2023

March 14



Operational transformation has enabled significant margin expansion



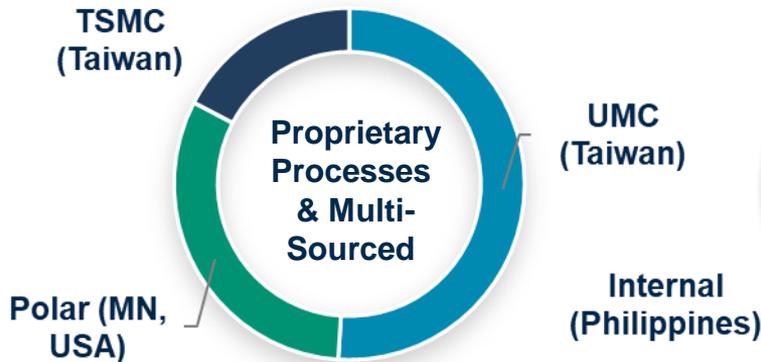
¹Refer to Non-GAAP Gross Margin reconciliations in the [Appendix](#). GAAP and non-GAAP are the same for FY17 and FY18 and accordingly, these periods are excluded from the [Appendix](#). ² Actual YTD results through the fiscal third quarter 2023 ended December 23, 2022, plus, for illustrative purposes only, the midpoint of guidance issued on January 31, 2023 in the financial results press release for the latest completed quarter.

Fabless asset-lite business model enables agility and scale



Auto Grade

Fab Partners¹



Assembly²



Test



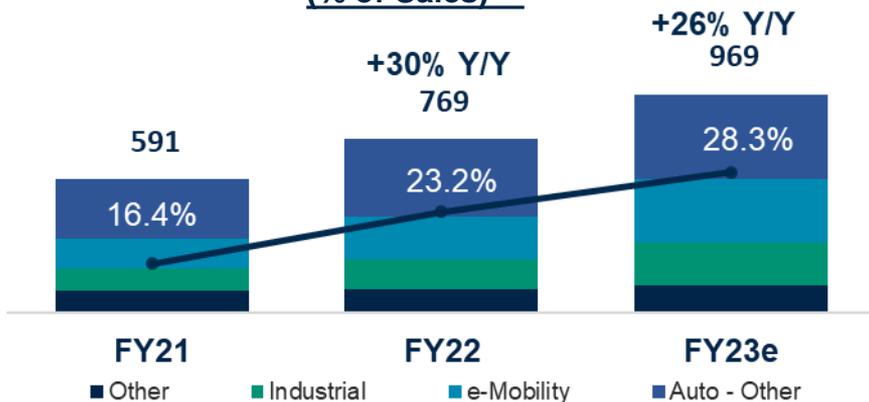
Regional Focus Fosters
Customer Intimacy

Optimized Internal / External Mix
>Flexibility & Profitability

Automotive Grade Quality
& Responsiveness

Net Sales² (\$M) & Non-GAAP Operating Income

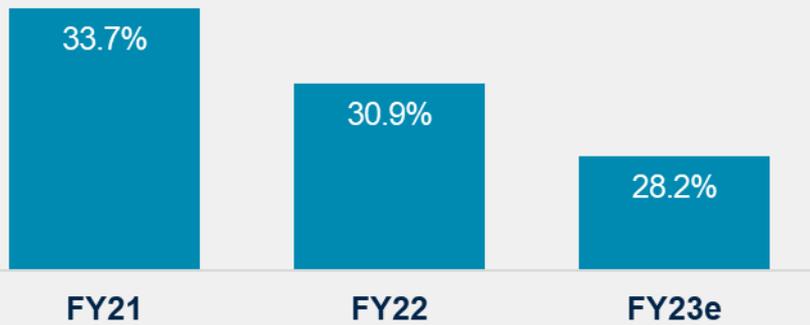
(% of Sales)^{1,2}



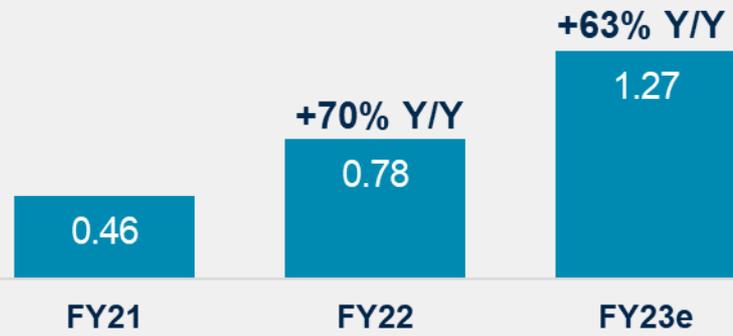
Track record of execution

- Above market sales growth
- Increasing % of sales in Strategic Growth Areas
- Significant operating leverage
- Progressive operating margin expansion
- EPS growth >2x sales growth
- Exceeding expectations every quarter since IPO

Non-GAAP Opex (% of Sales)^{1,2}



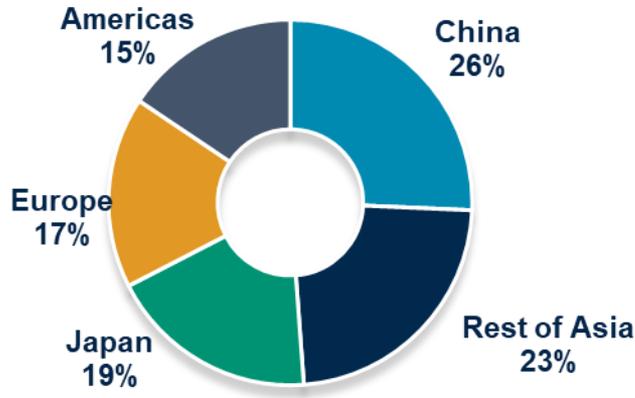
Non-GAAP EPS (\$)^{1,2}



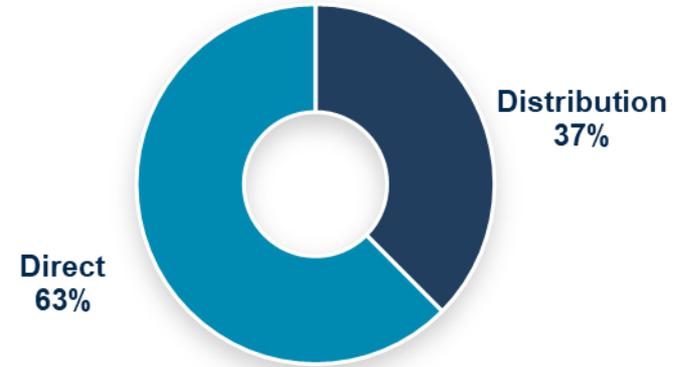
¹Refer to Non-GAAP Opex, Operating Income, and EPS reconciliations in the [Appendix](#). ²Actual YTD results through the fiscal third quarter 2023 ended December 23, 2022, plus, for illustrative purposes only, the midpoint of guidance issued on January 31, 2023 in the financial results press release for the latest completed quarter.

Well-diversified globally with leading OEMs and distribution partners

Sales by Geography¹



Channel Mix¹



- Well-balanced geographical distribution
- Enabled by regional sales and tech centers
- Strong presence in Asia, growing North America & Europe
- No customer (including distributors) >10%

- Strong relationships with auto OEMs built over decades
- Engaging with strategic customers on long-term agreements
- Global and regional distribution partners expand demand creation

Well-positioned to out-grow large and expanding target markets

Market Growth

3%

Automotive Production¹
CAGR FY23-FY28²

6%

Broad Industrial Market¹
CAGR FY23-FY28²

3%

GDP³

ALGM Growth above Market⁴

+7% - 10%

+5% - 10%

-



Automotive

- Automotive first
- Tied to secular megatrends in e-Mobility
- e-Mobility SAM CAGR of 25%²



Industrial

- Leverage auto grade technology
- Focused on Clean Energy & Automation
- Allegro's Industrial SAM CAGR of 13%²

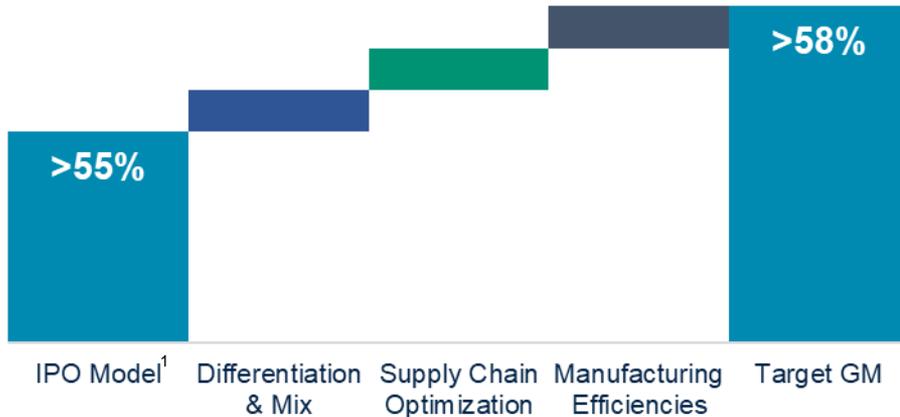


Other

- Leverage products in adjacent markets
- Consumer & Computer
- Growth ~GDP

Continued gross margin expansion

Non-GAAP Gross Margin %



Product differentiation and mix

- Product leadership drives shift to more feature rich products
- R&D investment in Strategic Growth Areas
- BOM cost reductions

Supply chain optimization

- Optimize internal vs. external mix
- Wafer technology progression and fab regionalization
- Purchasing power

Manufacturing efficiencies

- Internal assembly & test efficiencies
- Volume leverage

Target Financial Model

	<u>IPO Model²</u>	<u>New Model¹</u>	
Sales growth	Low double-digit Y-o-Y growth	Low double-digit Y-o-Y growth	Focus on faster growing markets and content expansion
Gross margin	>55%	>58%	Expansion through product differentiation, supply chain optimization, and volume leverage
Operating expenses	~30%	~26%	Continued focused R&D investment \leq 15% of sales and SG&A leverage
Operating margin	25%	>32%	Sustained profitable growth
Free Cash flow	18%-21%	>25%	Strong cash flow generation to fuel innovation and growth

¹A reconciliation of the non-GAAP financial measures included in this chart to the corresponding GAAP measures is not available without unreasonable effort. Refer to the [Appendix](#) for historical adjustments from GAAP to Non-GAAP measures, which have been significant in prior periods. ²As of October 29, 2020 and has not been adjusted or updated.

Investment and capital allocation strategy



Investment in Organic Growth

- Investments in R&D and capital expenditures to drive innovation and technology leadership
- Expanding sales and partner network to enhance customer intimacy
- ROIC-based investment decisions



Focused M&A

- Accelerate growth in our Strategic Growth Areas
- Complementary to our expertise and customer base
- Accretive to Target Financial Model



Maintain Strong & Flexible Balance Sheet

- Deliver strong and growing cash flow
- Retain financial flexibility to pursue growth opportunities
- Maintain strong balance sheet and adequate liquidity

Innovation with Purpose creates significant value for all stakeholders

1 Large, growing SAM in secular growth areas of e-Mobility, Clean Energy & Automation

2 Differentiated product portfolio based on proprietary technology

3 Diversified globally with blue chip customers

4 Powerful combination of continued growth and margin expansion

5 Experienced and proven management team



We're moving the
world toward a
**safer, more
sustainable** future

We are moving the world to a safer and more sustainable future



Market Focus

e-Mobility
Clean Energy
Automation

Innovation

Automotive First
Product Velocity
Tech Leverage

Leadership

#1 Mag Sensors
Motor Drivers
Isolated Gate Drivers

Financial Model¹

Sales	Low double-digit growth
Gross Margin	>58%
Op Margin	>32%



GAAP to Non-GAAP Reconciliations

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GAAP to Non-GAAP Operating Gross Profit Reconciliations

(\$ in millions)	Fiscal Year ended March 29, 2019 (FY'19)	Fiscal Year ended March 27, 2020 (FY'20)	Fiscal Year ended March 26, 2021 (FY'21)	Fiscal Year ended March 25, 2022 (FY'22)	Estimated Fiscal Year ended March 31, 2023 (FY'23e) ¹
Total Net Sales	\$724.3	\$650.1	\$591.2	\$768.7	\$969.2
Cost of goods sold	404.5	388.8	312.3	361.2	\$425.1
Gross Profit (GAAP)	\$319.8	\$261.3	\$278.9	\$407.5	\$544.1
PSL and Sanken Distribution Agreement ^(a)	—	—	8.6	—	—
Voxtel inventory Impairment ^(b)	—	—	—	3.1	—
Stock-based compensation ^(c)	0.2	0.1	5.2	3.2	3.1
AMTC facility consolidation one-time costs ^(d)	—	—	2.2	0.1	—
Amortization of acquisition-related intangible assets ^(e)	—	—	0.6	1.1	1.2
COVID-19 related expenses ^(f)	—	—	0.2	1.1	—
Non-GAAP Gross Profit	\$320.0	\$261.4	\$295.7	\$416.1	\$548.4
Non-GAAP Gross Margin	44.2%	40.2%	50.0%	54.1%	56.6%

GAAP to Non-GAAP Operating Expenses Reconciliations

	Fiscal Year ended March 26, 2021 (FY'21)	Fiscal Year ended March 25, 2022 (FY'22)	Estimated Fiscal Year ended March 31, 2023 (FY'23e) ¹
Operating Expenses (GAAP)	\$266.7	\$270.8	\$326.0
Research and Development Expenses (GAAP)	108.6	121.9	147.2
Stock-based compensation ^(c)	3.6	3.9	6.0
AMTC facility consolidation one-time costs ^(d)	—	—	—
COVID-19 related expenses ^(f)	—	0.1	—
Transaction fees ^(g)	—	—	0.4
Non-GAAP Research and Development Expenses	105.0	117.9	140.8
Selling, General and Administrative Expenses (GAAP)	153.5	150.9	181.5
Stock-based compensation ^(c)	41.1	26.4	42.1
AMTC facility consolidation one-time costs ^(d)	5.6	0.7	0.5
Amortization of acquisition-related intangible assets ^(e)	0.1	0.1	0.1
COVID-19 related expenses ^(f)	4.9	1.5	—
Transaction fees ^(g)	7.4	1.5	1.7
Severance ^(h)	0.2	0.7	4.2
Non-GAAP Selling, General and Administrative Expenses	94.1	120.0	132.9
Impairment of long-lived assets ⁽ⁱ⁾	7.1	—	—
Change in fair value of contingent consideration ^(j)	(2.5)	(2.0)	(2.7)
Total Non-GAAP Adjustments	67.7	32.9	52.2
Non-GAAP Operating Expenses	\$199.0	\$237.9	\$273.8
Non-GAAP Operating Expenses Margin (% of net sales)	33.7%	30.9%	28.2%

GAAP to Non-GAAP Operating Income Reconciliations

	(\$ in millions)		
	Fiscal Year ended March 26, 2021 (FY'21)	Fiscal Year ended March 25, 2022 (FY'22)	Estimated Fiscal Year ended March 31, 2023 (FY'23e) ¹
Operating Income (GAAP)	\$12.2	\$136.7	\$218.1
PSL and Sanken Distribution Agreement ^(a)	8.6	—	—
Voxtel Inventory Impairment ^(b)	—	3.1	—
Stock-based compensation ^(c)	49.9	33.5	51.2
AMTC facility consolidation one-time costs ^(d)	7.8	0.8	0.5
Amortization of acquisition-related intangible assets ^(e)	0.8	1.2	1.3
COVID-19 related expenses ^(f)	5.2	2.6	—
Transaction fees ^(g)	7.4	1.5	2.1
Severance ^(h)	0.2	0.8	4.2
Impairment of long-lived assets ⁽ⁱ⁾	7.1	—	—
Change in fair value of contingent consideration ^(j)	(2.5)	(2.0)	(2.70)
Non-GAAP Operating Income	\$96.7	\$178.2	\$274.7
Non-GAAP Operating Margin (% of net sales)	16.4%	23.2%	28.3%

GAAP to Non-GAAP Earnings per Share Reconciliations

(\$ in millions)	Fiscal Year ended March 26, 2021 (FY'21)	Fiscal Year ended March 25, 2022 (FY'22)	Estimated Fiscal Year ended March 31, 2023 (FY'23e)
Net Income (GAAP)	\$18.1	\$119.6	\$195.1
Diluted Earnings per Share (GAAP)	\$0.10	\$0.62	\$1.01
PSL and Sanken Distribution Agreement ^(a)	8.6	—	—
Voxel Inventory Impairment ^(b)	—	3.1	—
Stock-based compensation ^(c)	49.9	33.5	51.2
AMTC facility consolidation one-time costs ^(d)	7.8	0.8	0.5
Amortization of acquisition-related intangible assets ^(e)	0.8	1.2	1.3
COVID-19 related expenses ^(f)	5.2	2.6	—
Transaction fees ^(g)	7.4	1.5	2.1
Severance ^(h)	0.2	0.8	4.2
Impairment of long-lived assets ⁽ⁱ⁾	7.1	—	—
Change in fair value of contingent consideration ^(j)	(2.5)	(2.0)	(2.7)
Non-core loss (gain) on sale of equipment ^(k)	0.4	(0.3)	0.3
Loss on debt extinguishment ^(l)	9.1	—	—
Foreign currency translation loss ^(m)	2.9	0.6	(2.6)
Income in earnings of equity investment ⁽ⁿ⁾	(1.4)	(1.0)	(0.3)
Unrealized losses (gains) on investments ^(o)	—	(3.7)	—
Interest on repaid portion of Term Loan Facility ^(p)	2.2	—	—
Miscellaneous legal judgment charge ^(q)	0.6	—	—
Tax effect of adjustments to GAAP results ^(r)	(34.5)	(6.4)	(3.8)
Non-GAAP Net Income	\$81.9	\$150.1	\$245.3
Diluted weighted average common shares	176.4	191.8	193.2
Non-GAAP Diluted Earnings per Share	\$0.46	\$0.78	\$1.27

Appendices Chart Descriptions

- a) Represents the elimination of inventory cost amortization and foundry service payment related to one-time costs incurred in connection with the PSL Divestiture, LLC (“PSL”).
 - b) Represents costs related to the discontinuation of one of our product lines manufactured by our subsidiary, Voxtel, Inc. (“Voxtel”).
 - c) Represents non-cash expenses arising from the grant of stock awards.
 - d) Represents one-time costs incurred in connection with closing of our manufacturing facility in Thailand (the “AMTC Facility”) and transitioning of test and assembly functions to our manufacturing facility in the Philippines (the “AMPI Facility”) announced and initiated in fiscal year 2020 consisting of: moving equipment between facilities, contract terminations and other non-recurring charges. The closure and transition of the AMTC Facility was substantially completed as of March 2021.
 - e) Represents non-cash expenses associated with the amortization of intangible assets in connection with the acquisition of Voxtel, which closed in August 2020 and Heyday Integrated Circuits (“Heyday”), which closed in Sept. 2022.
 - f) Represents expenses attributable to the COVID-19 pandemic primarily related to increased purchases of masks, gloves and other protective materials, and overtime premium compensation paid for maintaining 24-hour service at the AMPI Facility.
 - g) Represents (i) one-time transaction-related legal and consulting fees in fiscal 2021, (ii) one-time transaction-related legal, consulting and registration fees related to a secondary offering on behalf of certain stockholders in fiscal 2022, (iii) one-time transaction-related legal and consulting fees in fiscal 2023 and 2022 not related to (i) and (ii), and (iv) the acquisition of Heyday.
 - h) Represents severance costs associated with (i) the closing of the AMTC Facility and the transitioning of test and assembly functions to the AMPI Facility announced and initiated in fiscal year 2020, (ii) costs related to the discontinuation of one of our product lines manufactured by Voxtel in fiscal year 2022, and (iii) nonrecurring separation costs related to the departures of executive officers in fiscal years 2023 and 2022.
 - i) Represents impairment charge incurred in connection with the sale of the AMTC Facility.
 - j) Represents the change in fair value of contingent consideration payable in connection with the acquisition of Voxtel.
 - k) Represents non-core miscellaneous losses and gains on the sale of equipment.
 - l) Represents one-time costs representing deferred financing costs associated with the \$300.0 million of our term loan facility repaid during the fiscal year ended March 26, 2021.
 - m) Represents losses and gains resulting from the remeasurement and settlement of intercompany debt and operational transactions, as well as transactions with external customers or vendors denominated in currencies other than the functional currency of the legal entity in which the transaction is recorded.
 - n) Represents our equity method investment in Polar.
 - o) Represents mark-to-market adjustments on equity investments with readily determinable fair values.
 - p) Represents interest expense associated with the \$300.0 million of our term loan facility repaid during the period.
 - q) Represents a one-time charge associated with the final payment of the previously accrued amount payable with respect to a VAT dispute related to the construction of the AMPI Facility.
 - r) Represents the estimated income tax effect of the adjustments to non-GAAP Profit Before Tax described above and elimination of discrete tax adjustments.
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Thank you

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