



Qorvo® Announces Fiscal 2026 First Quarter Financial Results

Jul 29, 2025

GREENSBORO, N.C., July 29, 2025 (GLOBE NEWSWIRE) -- Qorvo® (Nasdaq:QRVO), a leading global provider of connectivity and power solutions, today announced financial results for the Company's fiscal 2026 first quarter ended June 28, 2025.

On a GAAP basis, revenue for Qorvo's fiscal 2026 first quarter was \$818.8 million, gross margin was 40.5%, operating income was \$30.1 million, and diluted earnings per share was \$0.27. On a non-GAAP basis, gross margin was 44.0%, operating income was \$108.2 million, and diluted earnings per share was \$0.92.

Bob Bruggeworth, president and chief executive officer of Qorvo, said, "The Qorvo team delivered a strong fiscal 2026 first quarter. We are undertaking a broad set of initiatives to structurally enhance profitability, and we are already seeing the positive effects of these strategic actions. In the September quarter, we expect sequential growth and margin expansion to be supported by increases in Qorvo content and unit volumes in large customer programs."

Financial Commentary and Outlook

Grant Brown, chief financial officer of Qorvo, said, "Qorvo's fiscal first quarter revenue and non-GAAP EPS exceeded the high-end of guidance, driven by broad-based demand. Fiscal first quarter non-GAAP gross margin of 44% achieved the high-end of guidance and represented a meaningful year-over-year improvement. Furthermore, our fiscal second quarter non-GAAP gross margin guidance of 48% - 50% would represent a 200 basis-point improvement versus last year at the midpoint. These improvements demonstrate the actions being undertaken across our product portfolio, business segments, and manufacturing footprint that will enable us to improve profitability as we advance through fiscal 2026 and into fiscal 2027."

Qorvo's current outlook for the September 2025 quarter is:

- Quarterly revenue of approximately \$1.025 billion, plus or minus \$50 million
- Non-GAAP gross margin between 48% and 50%
- Non-GAAP diluted earnings per share of \$2.00, plus or minus 25 cents

See "Forward-looking non-GAAP financial measures" below. Qorvo's actual quarterly results may differ from these expectations and projections, and such differences may be material.

Selected Financial Information

The following tables set forth selected GAAP and non-GAAP financial information for Qorvo for the periods indicated. See the more detailed financial information for Qorvo, including reconciliations of GAAP and non-GAAP financial information, attached.

SELECTED GAAP RESULTS

(In millions, except for percentages and EPS)

(Unaudited)

	Q1 Fiscal 2026	Q4 Fiscal 2025	Q1 Fiscal 2025	Sequential Change	Year-over-Year Change
Revenue	\$ 818.8	\$ 869.5	\$ 886.7	\$ (50.7)	\$ (67.9)
Gross profit	\$ 331.8	\$ 366.6	\$ 332.3	\$ (34.8)	\$ (0.5)
Gross margin	40.5%	42.2%	37.5%	(1.7) ppt	3.0 ppt
Operating expenses	\$ 301.7	\$ 338.3	\$ 327.7	\$ (36.6)	\$ (26.0)
Operating income	\$ 30.1	\$ 28.2	\$ 4.6	\$ 1.9	\$ 25.5
Net income	\$ 25.6	\$ 31.4	\$ 0.4	\$ (5.8)	\$ 25.2
Weighted-average diluted shares	93.8	94.1	96.5	(0.3)	(2.7)
Diluted EPS	\$ 0.27	\$ 0.33	\$ 0.00	\$ (0.06)	\$ 0.27

SELECTED NON-GAAP RESULTS ⁽¹⁾

(In millions, except for percentages and EPS)

(Unaudited)

	Q1 Fiscal 2026	Q4 Fiscal 2025	Q1 Fiscal 2025	Sequential Change	Year-over-Year Change
Revenue	\$ 818.8	\$ 869.5	\$ 886.7	\$ (50.7)	\$ (67.9)
Gross profit	\$ 360.0	\$ 398.7	\$ 362.7	\$ (38.7)	\$ (2.7)

Gross margin		44.0%		45.9%		40.9%		(1.9) ppt		3.1 ppt
Operating expenses	\$	251.8	\$	246.8	\$	264.5	\$	5.0	\$	(12.7)
Operating income	\$	108.2	\$	151.8	\$	98.1	\$	(43.6)	\$	10.1
Net income	\$	86.5	\$	133.3	\$	83.5	\$	(46.8)	\$	3.0
Weighted-average diluted shares		93.8		94.1		96.5		(0.3)		(2.7)
Diluted EPS	\$	0.92	\$	1.42	\$	0.87	\$	(0.50)	\$	0.05

(1) Adjusted for stock-based compensation expense; amortization of acquired intangible assets; restructuring-related charges; acquisition and integration-related costs; goodwill and intangible asset impairments; settlements, gains, losses and other charges; investment and debt-related gains and losses; and an adjustment of income taxes.

SELECTED GAAP RESULTS BY OPERATING SEGMENT

(In millions, except percentages)

(Unaudited)

	Q1 Fiscal 2026	Q4 Fiscal 2025	Q1 Fiscal 2025	Sequential Change	Year-over- Year Change
Revenue					
HPA	\$ 137.4	\$ 187.9	\$ 129.5	(26.9)%	6.1%
CSG	110.2	101.3	114.9	8.8%	(4.1)%
ACG	571.2	580.3	642.3	(1.6)%	(11.1)%
Total revenue	\$ 818.8	\$ 869.5	\$ 886.7	(5.8)%	(7.7)%
Operating income (loss)					
HPA	\$ 21.6	\$ 58.4	\$ 4.9	(63.0)%	340.8%
CSG	(7.5)	(15.6)	(19.5)	51.9%	61.5%
ACG	97.9	109.7	116.4	(10.8)%	(15.9)%
Unallocated amounts ⁽¹⁾	(81.9)	(124.3)	(97.2)	34.1%	15.7%
Total operating income	\$ 30.1	\$ 28.2	\$ 4.6	6.7%	554.3%
Operating income (loss) as a % of revenue					
HPA	15.7%	31.1%	3.8%	(15.4) ppt	11.9 ppt
CSG	(6.8)	(15.4)	(17.0)	8.6 ppt	10.2 ppt
ACG	17.1	18.9	18.1	(1.8) ppt	(1.0) ppt
Total operating income as a % of revenue	3.7%	3.3%	0.5%	0.4 ppt	3.2 ppt

(1) Includes stock-based compensation expense; amortization of acquired intangible assets; restructuring-related charges; acquisition and integration-related costs; goodwill and intangible asset impairments; settlements, gains, losses and other charges; costs associated with upgrading certain of the Company's core business systems; and start-up costs.

Non-GAAP Financial Measures

In addition to disclosing financial results calculated in accordance with United States (U.S.) generally accepted accounting principles (GAAP), this earnings release contains some or all of the following non-GAAP financial measures: (i) non-GAAP gross profit and gross margin, (ii) non-GAAP operating expenses, operating income and operating margin, (iii) non-GAAP net income, (iv) non-GAAP net income per diluted share, (v) free cash flow, (vi) EBITDA, (vii) non-GAAP return on invested capital (ROIC), and (viii) net debt or positive net cash. Each of these non-GAAP financial measures is either adjusted from GAAP results to exclude certain expenses or derived from multiple GAAP measures, which are outlined in the "Reconciliation of GAAP to Non-GAAP Financial Measures" tables, attached, and the "Additional Selected Non-GAAP Financial Measures and Reconciliations" tables, attached.

In managing Qorvo's business on a consolidated basis, management develops an annual operating plan, which is approved by our Board of Directors, using non-GAAP financial measures. In developing and monitoring performance against this plan, management considers the actual or potential impacts on these non-GAAP financial measures from actions taken to reduce costs with the goal of increasing gross margin and operating margin. In addition, management relies upon these non-GAAP financial measures to assess whether research and development efforts are at an appropriate level, and when making decisions about product spending, administrative budgets, and other operating expenses. Also, we believe that non-GAAP financial measures provide useful supplemental information to investors and enable investors to analyze the results of operations in the same way as management. We have chosen to provide this supplemental information to enable investors to perform additional comparisons of our operating results, to assess our liquidity and capital position and to analyze financial performance excluding the effect of expenses unrelated to operations, and stock-based compensation expense, which may obscure trends in Qorvo's underlying performance.

We believe that these non-GAAP financial measures offer an additional view of Qorvo's operations that, when coupled with the GAAP results and the reconciliations to corresponding GAAP financial measures, provide a more complete understanding of Qorvo's results of operations and the factors and trends affecting Qorvo's business. However, these non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP.

Our rationale for using these non-GAAP financial measures, as well as their impact on the presentation of Qorvo's operations, are outlined below:

Non-GAAP gross profit and gross margin. Non-GAAP gross profit and gross margin exclude amortization of acquired intangible assets, stock-based compensation expense, restructuring-related charges, acquisition and integration-related costs, and certain other charges or income. We believe that exclusion of these costs in presenting non-GAAP gross profit and gross margin facilitates a useful evaluation of our historical performance and projected costs and the potential for realizing cost efficiencies.

We view amortization of acquired acquisition-related intangible assets, such as the amortization of the cost associated with an acquired company's research and development efforts, trade names, and customer relationships, as items arising from pre-acquisition activities, determined at the time of an acquisition, rather than ongoing costs of operating Qorvo's business. While these intangible assets are continually evaluated for impairment, amortization of the cost of purchased intangible assets is a static expense, which is not typically affected by operations during any particular period. Although we exclude the amortization of purchased intangible assets from these non-GAAP financial measures, management believes that it is important for investors to understand that such intangible assets were recorded as part of purchase price accounting and contribute to revenue generation.

We believe that presentation of non-GAAP gross profit and gross margin and other non-GAAP financial measures that exclude the impact of stock-based compensation expense assists management and investors in evaluating the period-over-period performance of Qorvo's ongoing operations because (i) the expenses are non-cash in nature, and (ii) although the size of the grants is within our control, the amount of expense varies depending on factors such as short-term fluctuations in stock price volatility and prevailing interest rates, which can be unrelated to the operational performance of Qorvo during the period in which the expense is incurred and generally are outside the control of management. Moreover, we believe that the exclusion of stock-based compensation expense in presenting non-GAAP gross profit and gross margin and other non-GAAP financial measures is useful to investors to understand the impact of the expensing of stock-based compensation to Qorvo's gross profit and gross margins and other financial measures in comparison to prior periods. We also believe that the adjustments to profit and margin related to restructuring-related charges, and acquisition and integration-related costs do not constitute part of Qorvo's ongoing operations and therefore the exclusion of these items provides management and investors with better visibility into the actual costs required to generate revenues over time and facilitates a useful evaluation of our historical and projected performance. We believe disclosure of non-GAAP gross profit and gross margin has economic substance because the excluded expenses do not represent continuing cash expenditures and, as described above, we have little control over the timing and amount of the expenses in question.

Non-GAAP operating expenses, operating income and operating margin. Non-GAAP operating expenses, operating income and operating margin exclude stock-based compensation expense, amortization of acquired intangible assets, acquisition and integration-related costs, goodwill and intangible asset impairments, restructuring-related charges and certain settlements, gains, losses and other charges. We believe that presentation of a measure of operating expenses, operating income and operating margin that excludes amortization of acquired intangible assets and stock-based compensation expense is useful to both management and investors for the same reasons as described above with respect to our use of non-GAAP gross profit and gross margin. We believe that acquisition and integration-related costs, goodwill and intangible asset impairments, restructuring-related charges and certain settlements, gains, losses and other charges do not constitute part of Qorvo's ongoing operations and therefore, the exclusion of these costs provides management and investors with better visibility into the actual costs required to generate revenues over time and facilitates a useful evaluation of our historical and projected performance. We believe disclosure of non-GAAP operating expenses, operating income and operating margin has economic substance because the excluded expenses are either unrelated to ongoing operations or do not represent current cash expenditures.

Non-GAAP net income and non-GAAP net income per diluted share. Non-GAAP net income and non-GAAP net income per diluted share exclude the effects of stock-based compensation expense, amortization of acquired intangible assets, acquisition and integration-related costs, goodwill and intangible asset impairments, restructuring-related charges, certain settlements, gains, losses and other charges, investment and debt-related gains and losses, and also reflect an adjustment of income taxes. The income tax adjustment primarily represents the use of research and development tax credit carryforwards, deferred tax expense (benefit) items not affecting taxes payable, adjustments related to the deemed and actual repatriation of historical foreign earnings, non-cash expense (benefit) related to uncertain tax positions and other items unrelated to the current fiscal year or that are not indicative of our ongoing business operations. We believe that presentation of measures of net income and net income per diluted share that exclude these items is useful to both management and investors for the reasons described above with respect to non-GAAP gross profit and gross margin and non-GAAP operating expenses, operating income and operating margin. We believe disclosure of non-GAAP net income and non-GAAP net income per diluted share has economic substance because the excluded expenses are either unrelated to ongoing operations or do not represent current cash expenditures.

Free cash flow. Qorvo defines free cash flow as net cash provided by operating activities during the period minus property and equipment expenditures made during the period, and free cash flow margin is calculated as free cash flow as a percentage of revenue. We use free cash flow as a supplemental financial measure in our evaluation of liquidity and financial strength. Management believes that this measure is useful as an indicator of our ability to service our debt, meet other payment obligations and make strategic investments. Free cash flow should be considered in addition to, rather than as a substitute for, net income as a measure of our performance and net cash provided by operating activities as a measure of our liquidity. Additionally, our definition of free cash flow is limited, in that it does not represent residual cash flows available for discretionary expenditures due to the fact that the measure does not deduct the payments required for debt service and other contractual obligations. Therefore, we believe it is important to view free cash flow as a measure that provides supplemental information to our entire statement of cash flows.

EBITDA. Qorvo adjusts GAAP net income for interest expense, interest income, income tax expense (benefit), depreciation and intangible amortization expense, stock-based compensation and other charges that are not representative of Qorvo's ongoing operations (including goodwill and intangible asset impairments, investment and debt-related gains and losses, acquisition-related costs and restructuring-related costs and certain settlements, gains, losses and other charges) when presenting EBITDA. Management believes that this measure is useful to evaluate our ongoing operations and as a general indicator of our operating cash flow (in conjunction with a cash flow statement which also includes among other items, changes in working capital and the effect of non-cash charges).

Non-GAAP ROIC. ROIC is a non-GAAP financial measure that management believes provides useful supplemental information for management and the investor by measuring the effectiveness of our operations' use of invested capital to generate profits. We use ROIC to track how much value we are creating for our shareholders. Non-GAAP ROIC is calculated by dividing annualized non-GAAP operating income, net of an adjustment for income taxes (as described above), by average invested capital. Average invested capital is calculated by subtracting the average of the beginning balance and the ending balance of equity plus net debt, less certain goodwill.

Net debt or positive net cash. Net debt or positive net cash is defined as unrestricted cash, cash equivalents and short-term investments minus any

borrowings under our credit facility and the principal balance of our senior unsecured notes. Management believes that net debt or positive net cash provides useful information regarding the level of Qorvo's indebtedness by reflecting cash and investments that could be used to repay debt.

Inventory days on hand. Inventory days on hand is defined as (a) average net inventory for the period, divided by (b) the result of non-GAAP cost of goods sold for the period divided by the number of days in the period.

Forward-looking non-GAAP financial measures. Our earnings release contains forward-looking free cash flow, gross margin, income tax rate and diluted earnings per share. We provide these non-GAAP measures to investors on a prospective basis for the same reasons (set forth above) that we provide them to investors on a historical basis. We are unable to provide a reconciliation of the forward-looking non-GAAP financial measures to the most directly comparable forward-looking GAAP financial measures without unreasonable effort due to variability and difficulty in making accurate projections for items that would be required to be included in the GAAP measures, such as stock-based compensation, acquisition and integration-related costs, restructuring-related charges, goodwill and intangible asset impairments, certain settlements, gains, losses and other charges, investment and debt-related gains or losses and the provision for income taxes, which could have a potentially significant impact on our future GAAP results.

Limitations of non-GAAP financial measures. The primary material limitations associated with the use of non-GAAP financial measures as an analytical tool compared to the most directly comparable GAAP financial measures are these non-GAAP financial measures (i) may not be comparable to similarly titled measures used by other companies in our industry, and (ii) exclude financial information that some may consider important in evaluating our performance, thus limiting their usefulness as a comparative tool. We compensate for these limitations by providing full disclosure of the differences between these non-GAAP financial measures and the corresponding GAAP financial measures, including a reconciliation of the non-GAAP financial measures to the corresponding GAAP financial measures, to enable investors to perform their own analysis of our gross profit and gross margin, operating expenses, operating income, net income, net income per diluted share and net cash provided by operating activities. We further compensate for the limitations of our use of non-GAAP financial measures by presenting the corresponding GAAP measures more prominently.

Qorvo will conduct a conference call at 4:30 p.m. ET today to discuss today's press release. The conference call will be broadcast live over the Internet and can be accessed by any interested party at the following URL: <https://ir.qorvo.com> (under "Events & Presentations"). A telephone playback of the conference call will be available approximately two hours after the call's completion and can be accessed by dialing 1-412-317-0088 and using the passcode 7832615. The playback will be available through the close of business August 5, 2025.

About Qorvo

Qorvo (Nasdaq:QRVO) supplies innovative semiconductor solutions that make a better world possible. We combine product and technology leadership, systems-level expertise and global manufacturing scale to quickly solve our customers' most complex technical challenges. Qorvo serves diverse high-growth segments of large global markets, including automotive, consumer, defense & aerospace, industrial & enterprise, infrastructure and mobile. Visit www.qorvo.com to learn how our diverse and innovative team is helping connect, protect and power our planet.

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This press release includes "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements about our plans, objectives, representations and contentions, and are not historical facts and typically are identified by terms such as "may," "will," "should," "could," "expect," "plan," "anticipate," "believe," "estimate," "forecast," "predict," "potential," "continue" and similar words, although some forward-looking statements are expressed differently. You should be aware that the forward-looking statements included herein represent management's current judgment and expectations as of the date the statement is first made, but our actual results, events and performance could differ materially from those expressed or implied by forward-looking statements. We caution you not to place undue reliance upon any such forward-looking statements. We do not intend to update any of these forward-looking statements or publicly announce the results of any revisions to these forward-looking statements, other than as is required under U.S. federal securities laws. Our business is subject to numerous risks and uncertainties, including those relating to fluctuations in our operating results on a quarterly and annual basis; our substantial dependence on developing new products and achieving design wins; our dependence on several large customers for a substantial portion of our revenue; a loss of revenue if defense and aerospace contracts are canceled or delayed; our dependence on third parties; risks related to sales through distributors; risks associated with the operation of our manufacturing facilities; business disruptions; poor manufacturing yields; increased inventory risks and costs, due to timing of customers' forecasts; our inability to effectively manage or maintain relationships with chipset suppliers; our ability to continue to innovate in a very competitive industry; underutilization of manufacturing facilities; unfavorable changes in interest rates, pricing of certain precious metals, utility rates and foreign currency exchange rates; our acquisitions, divestitures and other strategic investments failing to achieve financial or strategic objectives; our ability to effectively execute on restructuring initiatives; our ability to attract, retain and motivate key employees; warranty claims, product recalls and product liability; changes in our effective tax rate; enactment of international or domestic tax legislation, or changes in regulatory guidance; changes in the favorable tax status of certain of our subsidiaries; risks associated with social, environmental, health and safety regulations, and climate change; risks from international sales and operations; economic regulation in China; changes in government trade policies, including imposition of tariffs and export restrictions; we may not be able to generate sufficient cash to service all of our debt; restrictions imposed by the agreements governing our debt; our reliance on our intellectual property portfolio; claims of infringement of third-party intellectual property rights; security breaches, failed system upgrades or regular maintenance and other similar disruptions to our IT systems; theft, loss or misuse of personal data by or about our employees, customers or third parties; provisions in our governing documents and Delaware law may discourage takeovers and business combinations that our stockholders might consider to be in their best interests; negative impacts from activist stockholders; and volatility in the price of our common stock. These and other risks and uncertainties, which are described in more detail under "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended March 29, 2025, and Qorvo's subsequent reports and statements that we file with the SEC, could cause actual results and developments to be materially different from those expressed or implied by any of these forward-looking statements.

Financial Tables to Follow

QORVO, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except per share data)

(Unaudited)

	Three Months Ended	
	June 28, 2025	June 29, 2024
Revenue	\$ 818,778	\$ 886,671
Cost of goods sold	486,976	554,367
Gross profit	331,802	332,304
Operating expenses:		
Research and development	179,244	187,602
Marketing and selling	56,891	59,816
General and administrative	50,998	55,107
Other operating expense	14,583	25,173
Total operating expenses	301,716	327,698
Operating income	30,086	4,606
Interest expense	(18,787)	(17,094)
Other income, net	20,386	11,765
Income (loss) before income taxes	31,685	(723)
Income tax (expense) benefit	(6,091)	1,137
Net income	\$ 25,594	\$ 414
Net income per share:		
Basic	\$ 0.28	\$ 0.00
Diluted	\$ 0.27	\$ 0.00
Weighted-average shares of common stock outstanding:		
Basic	92,915	95,467
Diluted	93,770	96,510

QORVO, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

(In thousands, except per share data)

(Unaudited)

	Three Months Ended		
	June 28, 2025	March 29, 2025	June 29, 2024
GAAP operating income	\$ 30,086	\$ 28,221	\$ 4,606
Stock-based compensation expense	42,475	27,415	42,366
Amortization of acquired intangible assets	21,521	24,040	30,474
Restructuring-related charges (adjustments)	7,879	(17,252)	19,574
Goodwill and intangible asset impairment	—	79,503	—
Acquisition and integration-related costs	604	4,395	2,582
Settlements, gains, losses and other charges (income)	5,617	5,527	(1,477)
Non-GAAP operating income	\$ 108,182	\$ 151,849	\$ 98,125
GAAP net income	\$ 25,594	\$ 31,365	\$ 414
Stock-based compensation expense	42,475	27,415	42,366
Amortization of acquired intangible assets	21,521	24,040	30,474
Restructuring-related charges (adjustments)	7,879	(17,252)	19,574
Goodwill and intangible asset impairment	—	79,503	—
Acquisition and integration-related costs	604	4,395	2,582
Settlements, gains, losses and other charges (income)	5,617	5,527	(1,477)
Investment and debt-related gains and losses	(8,052)	3,444	530
Adjustment of income taxes	(9,164)	(25,095)	(10,939)
Non-GAAP net income	\$ 86,474	\$ 133,342	\$ 83,524

GAAP weighted-average outstanding diluted shares	93,770	94,105	96,510
Dilutive stock-based awards	—	—	—
Non-GAAP weighted-average outstanding diluted shares	<u>93,770</u>	<u>94,105</u>	<u>96,510</u>
Non-GAAP net income per share, diluted	<u>\$ 0.92</u>	<u>\$ 1.42</u>	<u>\$ 0.87</u>

QORVO, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(Unaudited)

<i>(in thousands, except percentages)</i>	Three Months Ended					
	June 28, 2025		March 29, 2025		June 29, 2024	
GAAP gross profit/margin	\$ 331,802	40.5%	\$ 366,563	42.2%	\$ 332,304	37.5%
Stock-based compensation expense	5,641	0.7	5,645	0.7	5,186	0.6
Amortization of acquired intangible assets	19,165	2.3	21,684	2.5	25,827	2.9
Restructuring-related charges	3,725	0.5	5,492	0.6	—	—
Acquisition and integration-related costs	1	—	1	—	1,925	0.2
Other income	(340)	—	(720)	(0.1)	(2,586)	(0.3)
Non-GAAP gross profit/margin	<u>\$ 359,994</u>	<u>44.0%</u>	<u>\$ 398,665</u>	<u>45.9%</u>	<u>\$ 362,656</u>	<u>40.9%</u>

Non-GAAP Operating Income	Three Months Ended
<i>(as a percentage of revenue)</i>	June 28, 2025
GAAP operating income	3.7%
Stock-based compensation expense	5.2
Amortization of acquired intangible assets	2.6
Restructuring-related charges	0.9
Acquisition and integration-related costs	0.1
Settlements, gains, losses and other charges	0.7
Non-GAAP operating income	<u>13.2%</u>

Free Cash Flow (1)	Three Months Ended
<i>(in millions)</i>	June 28, 2025
Net cash provided by operating activities	\$ 182.9
Purchases of property and equipment	(37.5)
Free cash flow	<u>\$ 145.4</u>

(1) Free Cash Flow is calculated as net cash provided by operating activities minus property and equipment expenditures.

QORVO, INC. AND SUBSIDIARIES
ADDITIONAL SELECTED NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS
(In thousands)
(Unaudited)

	Three Months Ended		
	June 28, 2025	March 29, 2025	June 29, 2024

GAAP research and development expense	\$	179,244	\$	179,931	\$	187,602
Less:						
Stock-based compensation expense		14,181		14,364		12,727
Acquisition and integration-related costs		2		1		2
Non-GAAP research and development expense	\$	<u>165,061</u>	\$	<u>165,566</u>	\$	<u>174,873</u>

	Three Months Ended					
	June 28, 2025	March 29, 2025	June 29, 2024			
GAAP marketing and selling expense	\$	56,891	\$	55,517	\$	59,816
Less:						
Stock-based compensation expense		4,679		4,067		4,694
Amortization of acquired intangible assets		2,356		2,356		4,647
Non-GAAP marketing and selling expense	\$	<u>49,856</u>	\$	<u>49,094</u>	\$	<u>50,475</u>

	Three Months Ended					
	June 28, 2025	March 29, 2025	June 29, 2024			
GAAP general and administrative expense	\$	50,998	\$	35,064	\$	55,107
Less:						
Stock-based compensation expense		17,908		3,509		19,628
Non-GAAP general and administrative expense	\$	<u>33,090</u>	\$	<u>31,555</u>	\$	<u>35,479</u>

	Three Months Ended					
	June 28, 2025	March 29, 2025	June 29, 2024			
GAAP other operating expense	\$	14,583	\$	67,830	\$	25,173
Less:						
Stock-based compensation expense (adjustment)		66		(170)		131
Restructuring-related charges (adjustments)		4,154		(22,744)		19,574
Goodwill and intangible asset impairment		—		79,503		—
Acquisition and integration-related costs		602		4,393		655
Settlements, gains, losses and other charges		5,956		6,247		1,109
Non-GAAP other operating expense	\$	<u>3,805</u>	\$	<u>601</u>	\$	<u>3,704</u>

	Three Months Ended					
	June 28, 2025	March 29, 2025	June 29, 2024			
GAAP total operating expense	\$	301,716	\$	338,342	\$	327,698
Less:						
Stock-based compensation expense		36,834		21,770		37,180
Amortization of acquired intangible assets		2,356		2,356		4,647
Restructuring-related charges (adjustments)		4,154		(22,744)		19,574
Goodwill and intangible asset impairment		—		79,503		—
Acquisition and integration-related costs		604		4,394		657
Settlements, gains, losses and other charges		5,956		6,247		1,109
Non-GAAP total operating expense	\$	<u>251,812</u>	\$	<u>246,816</u>	\$	<u>264,531</u>

QORVO, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)

(Unaudited)

	June 28, 2025	March 29, 2025		
ASSETS				
Current assets:				
Cash and cash equivalents	\$	1,165,478	\$	1,021,176
Accounts receivable, net of allowances of \$285 and \$309 as of June 28, 2025 and March 29, 2025, respectively		328,326		386,719
Inventories		637,961		640,992
Prepaid expenses		30,759		32,808
Other receivables		14,958		11,023

Other current assets	68,774	74,557
Total current assets	2,246,256	2,167,275
Property and equipment, net of accumulated depreciation of \$1,879,567 and \$1,845,365 as of June 28, 2025 and March 29, 2025, respectively	794,273	801,895
Goodwill	2,389,741	2,389,741
Intangible assets, net	252,397	273,478
Long-term investments	21,637	23,433
Other non-current assets	293,220	277,309
Total assets	<u>\$ 5,997,524</u>	<u>\$ 5,933,131</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 280,122	\$ 260,663
Accrued liabilities	251,980	287,981
Other current liabilities	266,228	234,538
Total current liabilities	798,330	783,182
Long-term debt	1,549,200	1,549,215
Other long-term liabilities	212,925	208,422
Total liabilities	2,560,455	2,540,819
Commitments and contingent liabilities		
Stockholders' equity:		
Preferred stock, \$.0001 par value; 5,000 shares authorized; no shares issued and outstanding	—	—
Common stock and additional paid-in capital, \$.0001 par value; 405,000 shares authorized; 92,798 and 92,920 shares issued and outstanding at June 28, 2025 and March 29, 2025, respectively	3,439,103	3,431,308
Accumulated other comprehensive income (loss)	6,355	(5,013)
Accumulated deficit	(8,389)	(33,983)
Total stockholders' equity	3,437,069	3,392,312
Total liabilities and stockholders' equity	<u>\$ 5,997,524</u>	<u>\$ 5,933,131</u>

QORVO, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

(Unaudited)

	Three Months Ended	
	June 28, 2025	June 29, 2024
Cash flows from operating activities:		
Net income	\$ 25,594	\$ 414
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	39,466	41,279
Intangible assets amortization	27,994	34,871
Deferred income taxes	(3,756)	(25,604)
Stock-based compensation expense	42,475	42,366
Other, net	(1,804)	15,690
Changes in operating assets and liabilities:		
Accounts receivable, net	58,205	(11,637)
Inventories	4,725	(14,362)
Prepaid expenses and other assets	2,389	(2,798)
Accounts payable and accrued liabilities	(2,881)	19,897
Income taxes payable and receivable	(14,193)	(22,588)
Other liabilities	4,731	3,557
Net cash provided by operating activities	<u>182,945</u>	<u>81,085</u>
Cash flows from investing activities:		
Purchase of property and equipment	(37,543)	(38,232)
Proceeds from sale of business	—	55,576
Other investing activities	4,212	(34,529)
Net cash used in investing activities	<u>(33,331)</u>	<u>(17,185)</u>
Cash flows from financing activities:		
Repurchase of common stock, including transaction costs	(49,906)	(124,928)
Proceeds from the issuance of common stock	9,833	9,511

Tax withholding paid on behalf of employees for restricted stock units	(7,290)	(7,265)
Repurchase of debt	—	(26,661)
Net proceeds from sale of inventory subject to repurchase	45,599	127,024
Other financing activities	(5,171)	(7,206)
Net cash used in financing activities	<u>(6,935)</u>	<u>(29,525)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>1,623</u>	<u>(1,218)</u>
Net increase in cash, cash equivalents and restricted cash	144,302	33,157
Cash and cash equivalents at the beginning of the period	<u>1,021,176</u>	<u>1,049,258</u>
Cash and cash equivalents at the end of the period	<u>\$ 1,165,478</u>	<u>\$ 1,082,415</u>

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