# Silicon Labs Reports Fourth Quarter 2024 Results

Wireless IoT leader delivers in-line fourth-quarter results and guides to sequential growth in first quarter

AUSTIN, Texas, Feb. 4, 2025 /PRNewswire/ -- Silicon Labs (NASDAQ: SLAB), a leader in secure, intelligent wireless technology for a more connected world, reported financial results for the fourth quarter, which ended December 28, 2024.

"The Silicon Labs team executed well to close out 2024, with fourth quarter revenue nearly doubling from the same quarter one year ago," said Matt Johnson, President and Chief Executive Officer at Silicon Labs. "Looking ahead, we expect sequential revenue growth to resume beginning in the first quarter and are encouraged by our 2025 outlook as design wins across several key focus areas continue to ramp into production throughout the year."

#### **Fourth Quarter Financial Highlights**

- Revenue was \$166 million
- Industrial & Commercial revenue for the quarter was \$89 million, down 8% sequentially
- Home & Life revenue for the quarter was \$78 million, up 11% sequentially

#### Results on a GAAP basis:

- GAAP gross margin was 54.3%
- GAAP operating expenses were \$119 million
- GAAP operating loss was \$29 million
- GAAP diluted loss per share was\$(0.73)

Results on a non-GAAP basis, excluding the impact of stock compensation, amortization of acquired intangible assets, and certain other items as set forth in the below GAAP to Non-GAAP reconciliation tables were as follows:

- Non-GAAP gross margin was 54.6%
- Non-GAAP operating expenses were \$98 million
- Non-GAAP operating loss was \$7 million
- Non-GAAP diluted loss per share was\$(0.11)

#### **Business Outlook**

The company expects first-quarter revenue to be between \$170 to \$185 million. The company also estimates the following results:

#### On a GAAP basis:

- GAAP gross margin to be between 54% to 56%
- GAAP operating expenses of approximately \$128 million to \$130 million
- GAAP diluted loss per share between\$(0.75) to \$(1.05)

On a non-GAAP basis, excluding the impact of stock compensation, amortization of acquired intangible assets, and certain other items as set forth in the reconciliation tables:

- Non-GAAP gross margin to be between 54% to 56%
- Non-GAAP operating expenses of approximately \$103 million to \$105 million
- Non-GAAP diluted earnings (loss) per share between\$0.01 to \$(0.19)

#### **Earnings Webcast and Conference Call**

Silicon Labs will host an earnings conference call to discuss the quarterly results and answer questions a7:30 am CDT today. An audio webcast will be available on Silicon Labs' website (<a href="www.silabs.com">www.silabs.com</a>) under Investor Relations. In addition, the company will post an audio recording of the event at investor.silabs.com and make a replay available through March 6, 2025.

## **About Silicon Labs**

Silicon Labs (NASDAQ: SLAB) is a leader in secure, intelligent wireless technology for a more connected world. Our integrated

hardware and software platform, intuitive development tools, thriving ecosystem, and robust support make us an ideal long-term partner in building advanced industrial, commercial, home and life applications. We make it easy for developers to solve complex wireless challenges throughout the product lifecycle and get to market quickly with innovative solutions that transform industries, grow economies, and improve lives. silabs.com

#### **Forward-Looking Statements**

This press release contains forward-looking statements based on Silicon Labs' current expectations. The words "believe", "estimate", "expect", "intend", "anticipate", "plan", "project", "will", and similar phrases as they relate to Silicon Labs are intended to identify such forward-looking statements. These forward-looking statements reflect the current views and assumptions of Silicon Labs and are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Among the factors that could cause actual results to differ materially from those in the forward-looking statements are the following: the competitive and cyclical nature of the semiconductor industry; the challenging macroeconomic environment, including tariffs or any other policy changes; geographic concentration of manufacturers, assemblers, test service providers and customers in Asia that subjects Silicon Labs' business and results of operations to risks of natural disasters. epidemics or pandemics, war and political unrest; risks that demand and the supply chain may be adversely affected by military conflict (including in the Middle East, and between Russia and Ukraine), terrorism, sanctions or other geopolitical events globally (including in the Middle East, and conflict between Taiwan and China); risks that Silicon Labs may not be able to maintain its historical growth; quarterly fluctuations in revenues and operating results; difficulties developing new products that achieve market acceptance; risks associated with international activities (including trade barriers, particularly with respect to China); intellectual property litigation risks; risks associated with acquisitions and divestitures; product liability risks; difficulties managing and/or obtaining sufficient supply from Silicon Labs' distributors, manufacturers and subcontractors; dependence on a limited number of products; absence of long-term commitments from customers; inventory-related risks; difficulties managing international activities; risks that Silicon Labs may not be able to manage strains associated with its growth; credit risks associated with its accounts receivable; dependence on key personnel; stock price volatility; the impact of public health crises on the U.S. and global economy; debt-related risks; capital-raising risks; the timing and scope of share repurchases and/or dividends; average selling prices of products may decrease significantly and rapidly; information technology risks; cyber-attacks against Silicon Labs' products and its networks; risks associated with any material weakness in our internal controls over financial reporting; and other factors that are detailed in the SEC filings of Silicon Laboratories Inc. Silicon Labs disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. References in this press release to Silicon Labs shall mean Silicon Laboratories Inc.

Note to editors: Silicon Laboratories, Silicon Labs, the "S" symbol, and the Silicon Labs logo are trademarks of Silicon Laboratories Inc. All other product names noted herein may be trademarks of their respective holders.

#### Silicon Laboratories Inc.

#### **Condensed Consolidated Statements of Operations**

(In thousands, except per share data)

(Unaudited)

	Three Months Ended				Year Ended				
	December 28,		December 30,	December 28,		December 30			
		2024	2023		2024		2023		
Revenues	\$	166,249	\$ 86,845	\$	584,386	\$	782,258		
Cost of revenues		76,026	42,919		272,198		321,672		
Gross profit	-	90,223	43,926		312,188		460,586		
Operating expenses:									
Research and development		82,438	83,404		332,225		337,744		
Selling, general and administrative		36,412	33,633		145,453		146,996		
Operating expenses		118,850	117,037		477,678		484,740		

Operating loss	 (28,627)	-	(73,111)	(165,490)	 (24,154)
Other income (expense):					
Interest income and other, net	2,978		3,610	11,987	19,165
Interest expense	(260)		(942)	(1,310)	(5,554)
Loss before income taxes	(25,909)		(70,443)	(154,813)	 (10,543)
Provision (benefit) for income taxes	(2,086)		(15,536)	36,197	7,943
Equity-method loss	_		(14,880)	_	(16,030)
Net loss	\$ (23,823)	\$	(69,787)	\$ (191,010)	\$ (34,516)
Loss per share:					
Basic	\$ (0.73)	\$	(2.19)	\$ (5.93)	\$ (1.09)
Diluted	\$ (0.73)	\$	(2.19)	\$ (5.93)	\$ (1.09)
Weighted-average common shares outstanding					
Basic	32,420		31,848	32,191	31,804
Diluted	32,420		31,848	32,191	31,804

#### **Non-GAAP Financial Measurements**

In addition to the GAAP results provided throughout this document, Silicon Labs has provided non-GAAP financial measurements on a basis excluding non-cash and other charges and benefits. Details of these excluded items are presented in the tables below, which reconcile the GAAP results to non-GAAP financial measurements.

The non-GAAP financial measurements do not replace the presentation of Silicon Labs' GAAP financial results. These measurements provide supplemental information to assist management and investors in analyzing Silicon Labs' financial position and results of operations. Silicon Labs has chosen to provide this information to investors to enable them to perform meaningful comparisons of past, present and future operating results and as a means to emphasize the results of core on-going operations.

## Unaudited Reconciliation of GAAP to Non-GAAP Financial Measures

(In thousands, except per share data)

#### **Three Months Ended**

December 28, 2024

			GAAP		Stock					Non-GAAP		
		GAAP	Percent of	C	compensation	Intangi	ble Asset	N	on-GAAP	Percent of		
Non-GAAP Income Statement Items	Measure		Measure Revenu		Revenue	Expense		Amoi	rtization	1	Measure	Revenue
Revenues	\$	166,249										
Gross profit		90,223	54.3 %	\$	485	\$	_	\$	90,708	54.6 %		

Research and development	82,438	49.6 %	10,199	5,437	66,802	40.2 %
Selling, general and administrative	36,412	21.9 %	5,460	_	30,952	18.6 %
Operating expenses	118,850	71.5 %	15,659	5,437	97,754	58.8 %
Operating income (loss)	(28,627)	(17.2 %)	16,144	5,437	(7,046)	(4.2 %)

## **Three Months Ended**

## December 28, 2024

				Stock	Int	angible	I	ncome		Non-
		GAAP	Com	pensation		Asset		Tax	(	GAAP
Non-GAAP Loss Per Share	N	<i>l</i> leasure	Expense*		Amortization*		Adjustments		Measure	
Net income (loss)	\$	(23,823)	\$	16,144	\$	5,437	\$	(1,221)	\$	(3,463)
Diluted shares outstanding		32,420								32,420
Diluted loss per share	\$	(0.73)							\$	(0.11)

<sup>\*</sup> Represents pre-tax amounts

## **Unaudited Forward-Looking Statements Regarding Business Outlook**

(In millions, except per share data)

# Three Months Ended April 5, 2025

	GAAP	Non-GAAP	Non-GAAP
<b>Business Outlook</b>	Measure	Adjustments**	Measure
Gross margin	54% to 56%	— %	54% to 56%
Operating expenses	\$128 to \$130	\$(25)	\$103 to \$105
Diluted earnings (loss) per share	\$(0.75) to \$(1.05)	\$0.76 to \$0.86	\$0.01 to \$(0.19)

\*\* Non-GAAP adjustments include the following estimates: stock compensation expense of \$20.1 million, intangible asset amortization of \$5.4 million, and the application of a long-term non-GAAP tax rate of 20%.

#### Silicon Laboratories Inc.

#### **Condensed Consolidated Balance Sheets**

#### (In thousands, except per share data)

## (Unaudited)

	De	December 28,		cember 30,
		2024		2023
Assets	-	·		
Current assets:				
Cash and cash equivalents	\$	281,607	\$	227,504
Short-term investments		100,554		211,720
Accounts receivable, net		54,479		29,295
Inventories		105,639		194,295
Prepaid expenses and other current assets		59,754		75,117
Total current assets	-	602,033		737,931
Property and equipment, net		132,136		145,890
Goodwill		376,389		376,389
Other intangible assets, net		36,499		59,533
Other assets, net		75,617		123,313
Total assets	\$	1,222,674	\$	1,443,056
Liabilities and Stockholders' Equity				
Current liabilities:				
Accounts payable	\$	42,448	\$	57,498
Revolving line of credit		_		45,000
Deferred revenue and returns liability		3,073		2,117
Other current liabilities		52,362		58,955
Total current liabilities		97,883		163,570
Other non-current liabilities		44,770		70,804
Total liabilities	-	142,653		234,374
Commitments and contingencies				

Stockholders' equity:

Preferred stock – \$0.0001 par value; 10,000 shares authorized; no shares issued	_	_
Common stock – \$0.0001 par value; 250,000 shares authorized; 31,897 and 31,994		
shares issued and outstanding at December 30, 2023 and December 31, 2022,		
respectively	3	3
Additional paid-in capital	78,227	16,973
Retained earnings	1,001,721	1,192,731
Accumulated other comprehensive income (loss)	70	(1,025)
Total stockholders' equity	 1,080,021	 1,208,682
Total liabilities and stockholders' equity	\$ 1,222,674	\$ 1,443,056

## Silicon Laboratories Inc.

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

## (In thousands)

# (Unaudited)

	Year Ended				
	December 28, 2024			cember 30,	
				2023	
Operating Activities					
Net loss	\$	(191,010)	\$	(34,516)	
Adjustments to reconcile net loss to net cash used in operating activities:					
Depreciation of property and equipment		25,551		25,707	
Amortization of other intangible assets		23,034		25,374	
Amortization of debt discount and debt issuance costs		_		960	
Stock-based compensation expense		61,503		48,208	
Equity-method loss		_		16,030	
Deferred income taxes		29,470		(11,815)	
Changes in operating assets and liabilities:					
Accounts receivable		(25,184)		42,142	
Inventories		88,494		(93,398)	
Prepaid expenses and other assets		27,362		(10,733)	
Accounts payable		(15,155)		(25,644)	
Other current liabilities and income taxes		(21,768)		(37,793)	
Deferred revenue and returns liability		956		(4,663)	

Other non-current liabilities	(17,163)	29,793
Net cash used in operating activities	 (13,910)	(30,348)
Investing Activities		
Purchases of marketable securities	(73,602)	(103,485)
Sales of marketable securities	54,227	395,565
Maturities of marketable securities	131,858	200,530
Purchases of property and equipment	(11,748)	(22,282)
Proceeds from sale of equity investment	12,382	_
Purchases of other assets	_	(520)
Net cash provided by investing activities	113,117	469,808
Financing Activities		
Proceeds from issuance of debt	_	80,000
Payments on debt	(45,000)	(571,157)
Repurchases of common stock	(16)	(217,137)
Payment of taxes withheld for vested stock awards	(16,434)	(18,189)
Proceeds from the issuance of common stock	16,346	14,612
Net cash used in financing activities	(45,104)	(711,871)
Increase (decrease) in cash and cash equivalents	54,103	(272,411)
Cash and cash equivalents at beginning of period	227,504	499,915
Cash and cash equivalents at end of period	\$ 281,607	\$ 227,504

## SOURCE Silicon Labs

For further information: Thomas Haws, Investor Relations Manager, (512) 416-8500, investor.relations@silabs.com

https://news.silabs.com/2025-02-04-Silicon-Labs-Reports-Fourth-Quarter-2024-Results