

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, DC 20549**  
**Form 10-K**

(MARK ONE)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
**For the fiscal year ended November 3, 2024**

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
**For the transition period from      to**

**Broadcom Inc.**

**Delaware**  
(State or Other  
Jurisdiction of  
Incorporation or Organization)

**3421 Hillview Ave**  
**Palo Alto, CA 94304**  
**(650) 427-6000**  
(Exact Name of Registrant as Specified in Its  
Charter  
Address of Principal Executive Offices,  
Including Zip Code  
Registrant's Telephone Number, Including Area  
Code)

**001-38449**  
(Commission  
File Number)

**35-2617337**  
(I.R.S.  
Employer  
Identification No.)

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

| Title of Each Class             | Trading Symbol(s) | Name of Each Exchange on Which Registered |
|---------------------------------|-------------------|---|
| Common Stock, \$0.001 par value | AVGO              | The NASDAQ Global Select Market           |

**Securities registered pursuant to Section 12(g) of the Act:**  
**None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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

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

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

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to \$240.10D-1(b). ☐

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

The aggregate market value of voting and non-voting common equity held by non-affiliates as of May 3, 2024, based upon the closing sale price of such shares on The Nasdaq Global Select Market on such date was approximately \$583.1 billion.

As of November 29, 2024, there were 4,687,356,156 shares of our common stock outstanding.

**Documents Incorporated by Reference**

Portions of the registrant's definitive proxy statement for its 2025 annual meeting of stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. The registrant's definitive proxy statement will be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year to which this report relates.

**BROADCOM INC.  
2024 ANNUAL REPORT ON FORM 10-K**

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## **PART I**

The following discussion should be read in conjunction with the consolidated financial statements and notes thereto included elsewhere in this Annual Report on Form 10-K. This Annual Report on Form 10-K contains forward-looking statements within the meaning of the federal securities laws and particularly in Item 1: “Business,” Item 1A: “Risk Factors,” Item 3: “Legal Proceedings” and Item 7: “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Annual Report on Form 10-K. These statements are indicated by words or phrases such as “anticipate,” “expect,” “estimate,” “seek,” “plan,” “believe,” “could,” “intend,” “will,” and similar words or phrases. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. These forward-looking statements may include our projected financial results or expectations regarding acquisitions, developments in technology, products and seasonality of our business. Such statements are based on current expectations, estimates, forecasts and projections of our industry performance and macroeconomic conditions, based on management’s judgment, beliefs, current trends and market conditions, and involve risks and uncertainties that may cause actual results to differ materially from those contained in the forward-looking statements. We derive most of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. Accordingly, we caution you not to place undue reliance on these statements. Material factors that could cause actual results to differ materially from our expectations include, but are not limited to, those disclosed under “Risk Factors” in Part I, Item 1A of this Annual Report on Form 10-K. We undertake no intent or obligation to publicly update or revise any forward-looking statements for any reason, except as required by law.

Unless stated otherwise or the context otherwise requires, references to “Broadcom,” “we,” “our,” and “us” mean Broadcom Inc. and its consolidated subsidiaries. We operate on a 52- or 53-week fiscal year ending on the Sunday closest to October 31. The fiscal year ended November 3, 2024 was a 53-week year. We refer to our fiscal years by the calendar year in which they end.

## **ITEM 1. BUSINESS**

### **Overview**

We are a global technology leader that designs, develops and supplies a broad range of semiconductor and infrastructure software solutions. Our over 60-year history of innovation dates back to our diverse origins from AT&T/Bell Labs, Lucent and Hewlett-Packard Company, and evolved with LSI Corporation, Broadcom Corporation, Brocade Communications Systems LLC, CA, Inc., Symantec Enterprise Security, and VMware, Inc. ("VMware"). Over the years, we have assembled a large team of semiconductor and software design engineers around the world. We maintain design, product and software development engineering resources at locations in the U.S., Asia, Europe and Israel, providing us with engineering expertise worldwide. We combine global scale, engineering depth, broad product portfolio diversity, superior execution and operational focus to deliver category-leading semiconductor and infrastructure software solutions.

We develop semiconductor devices with a focus on complex digital and mixed signal complementary metal oxide semiconductor ("CMOS") based devices and analog III-V based products. We offer thousands of products that are used in end products such as enterprise and data center networking, including artificial intelligence ("AI") networking and connectivity, home connectivity, set-top boxes ("STB"), broadband access, telecommunication equipment, smartphones and base stations, data center servers and storage systems, factory automation, power generation and alternative energy systems, and electronic displays. We differentiate ourselves through our high-performance design and integration capabilities and focus on developing semiconductor products for target markets where we believe we can earn attractive margins.

Our infrastructure software solutions help enterprises simplify their information technology ("IT") environments so they can increase business velocity and flexibility, and enable customers to plan, develop, deliver, automate, manage, and secure applications across mainframe, distributed, edge, mobile, and private and hybrid cloud platforms. Many of the largest companies in the world, including most of the Fortune 500, and many government agencies rely on our software solutions to help manage and secure their on-premises and hybrid cloud environments, private cloud infrastructure and AI data centers. Our portfolio of industry-leading infrastructure and security software is designed to modernize, optimize, and secure the most complex private and hybrid cloud environments, enabling scalability, agility, automation, insights, resiliency and security, making it easy for customers to run their mission-critical workloads. We also offer mission-critical fibre channel storage area networking ("FC SAN") products and related software in the form of modules, switches and subsystems incorporating multiple semiconductor products.

On November 22, 2023, we acquired VMware in a cash-and-stock transaction (the "VMware Merger"), in which VMware stockholders received, in aggregate, approximately \$30.8 billion in cash and 544 million shares of Broadcom common stock (on a split adjusted basis) with a fair value of \$53.4 billion. We funded the cash portion of the VMware Merger consideration with net proceeds from the issuance of \$30.4 billion in term loans under a credit agreement that we entered into on August 15, 2023, as well as cash on hand. Following the VMware Merger, we sold VMware's end-user computing business to KKR & Co. Inc. for cash consideration of \$3.5 billion, after working capital adjustments. With the VMware Merger, we have bolstered our infrastructure software solutions and are able to offer our customers a greater capacity to address complex IT infrastructure issues.

### **Business Strategy**

Our strategy is focused on technology leadership and category-leading semiconductor and infrastructure software solutions delivering a comprehensive suite of innovative infrastructure technology products to the world's leading business and government customers. We seek to achieve this through strategic acquisitions of businesses and technologies, as well as extensive internal research and development, to ensure our products retain their technology market leadership. This strategy results in a robust business model designed to drive diversified and sustainable operating and financial results.

### **Products and Markets**

#### ***Semiconductor Solutions***

Semiconductors are made by imprinting a network of electronic components onto a semiconductor wafer. These devices are designed to perform various functions such as processing, amplifying and selectively filtering electronic signals, controlling electronic system functions and processing, and transmitting and storing data. Our digital and mixed signal products are based on silicon wafers with CMOS transistors offering fast switching speeds and low power consumption, which are both critical design factors for the markets we serve. We also offer analog products, which are based on III-V semiconductor materials that have higher electrical conductivity than silicon, and thus tend to have better performance characteristics in radio frequency ("RF"), and optoelectronic applications. III-V refers to elements from the 3rd and 5th groups in the periodic table of chemical elements. Examples of these materials used in our products are gallium arsenide ("GaAs") and indium phosphide ("InP").

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Our product portfolio ranges from discrete devices to complex sub-systems that include multiple device types and may also incorporate firmware for interfacing between analog and digital systems. In some cases, our products include mechanical hardware that interfaces with optoelectronic or capacitive sensors. We focus on markets that require high quality, leading technology and integrated performance characteristics of our products. The table below presents our key semiconductor product families and their major end markets and applications.

| Major End Markets | Major Applications   | Key Product Offerings   |
|-------------------|--|---|
| Networking        | • Data Center, Service Provider, and Enterprise Networking   | <ul style="list-style-type: none"> <li>• Ethernet switching and routing silicon</li> <li>• Custom silicon solutions</li> <li>• Optical and copper PHYs</li> <li>• Fiber optic transmitter and receiver components</li> </ul>  |
| Wireless          | • Mobile Device Connectivity   | <ul style="list-style-type: none"> <li>• RF front end modules and filters</li> <li>• Wi-Fi, Bluetooth, GPS/GNSS SoCs</li> <li>• Custom touch controllers</li> <li>• Inductive charging ASICs</li> </ul>   |
| Storage           | <ul style="list-style-type: none"> <li>• Servers and Storage Systems</li> <li>• HDD and SSD</li> </ul> | <ul style="list-style-type: none"> <li>• SAS and RAID controllers and adapters</li> <li>• PCIe switches</li> <li>• Fibre channel host bus adapters</li> <li>• Ethernet NIC</li> <li>• Read channel based SoCs; Custom flash controllers</li> <li>• Preamplifiers</li> </ul>                       |
| Broadband         | • STB and Broadband Access   | <ul style="list-style-type: none"> <li>• STB SoCs</li> <li>• DSL/PON gateways</li> <li>• DOCSIS cable modem and networking infrastructure</li> <li>• DSLAM/PON optical line termination</li> <li>• Wi-Fi access point SoCs</li> </ul>   |
| Industrial        | • Factory Automation, Renewable Energy and Automotive Electronics                                      | <ul style="list-style-type: none"> <li>• Optocouplers</li> <li>• Industrial fiber optics</li> <li>• Industrial and medical sensors</li> <li>• Motion control encoders and subsystems</li> <li>• Light emitting diodes</li> <li>• Ethernet PHYs, switch ICs and camera microcontrollers</li> </ul> |

**Data Center, Service Provider, and Enterprise Networking Solutions.** We provide semiconductor solutions for managing the movement of data in data center, service provider, and enterprise networking applications. Our products offer an enhanced, open, standards-based Ethernet network interface card (“NIC”) and switching solution to resolve connectivity bottlenecks in data centers, particularly in AI data centers where compute bandwidth and cluster sizes grow rapidly.

- **Ethernet Switching & Routing:** Ethernet is a ubiquitous interconnection technology that enables high-performance and cost-effective networking infrastructure. We offer a broad set of Ethernet switching and routing products that are optimized for AI data center, service provider and enterprise networks. In the data center market, our high capacity, low latency, switching silicon supports advanced protocols around virtualization and multi-pathing. Our Ethernet switching fabric technologies provide the ability to build highly scalable flat networks supporting tens of thousands of servers. Our service provider switch portfolio enables carrier networks to support prioritized delivery of data traffic in the wireless backhaul, access, aggregation and core of their networks. For enterprise networks, we offer product families with secure, encrypted switching capabilities and support lower power modes that comply with industry standards around energy efficient Ethernet.

- **Custom Silicon Solutions:** We provide advanced technology and intellectual property (“IP”) platforms for customers to design and develop application specific integrated circuits (“ASICs”) targeting AI and high-performance computing, networking and storage applications. Our custom silicon provides the platform to integrate embedded logic, memory, serializer/deserializer (“SerDes”) technology, IP cores and processor cores. ASICs are custom products built to individual customers specifications.

- **Physical Layer Devices:** These devices, also referred to as PHYs, are transceivers that enable the reception and transmission of Ethernet data packets over a physical medium such as copper wire or optical fibers. Our high

performance Ethernet transceivers are built upon a proprietary digital signal processing communication architecture optimized for high-speed network connections and support the latest standards and advanced features, such as energy efficient Ethernet, data encryption and time synchronization. We also offer a range of automotive Ethernet products, including PHYs, switches and camera microcontrollers, to meet growing consumer demand for in-vehicle connectivity and smart vision.

- **Fiber Optic Components:** We supply a wide array of optical components to the Ethernet networking, storage, and access, metro- and long-haul telecommunication markets. Our optical components enable the high speed reception and transmission of data through optical fibers.

**Mobile Device Connectivity Solutions.** We provide a broad variety of RF semiconductor devices, wireless connectivity solutions, custom touch controllers and inductive charging solutions for the wireless market.

- **RF Semiconductor Devices:** Our RF semiconductor devices selectively filter, as well as amplify and route, RF signals. Filters enable modern wireless communication systems to support a large number of subscribers simultaneously by ensuring that the multiple transmissions and receptions of voice and data streams do not interfere with each other. We were among the first to deliver commercial film bulk acoustic resonator ("FBAR") filters that offer technological advantages over competing filter technologies, to allow mobile handsets to function more efficiently in today's congested RF spectrum. FBAR technology has a significant market share within the cellular handset market. Our RF products include multi-chip module front-end modules that integrate transmit/receive switching and filtering functions for multiple frequency bands, filter modules and discrete filters, all using our proprietary FBAR technology.

Our expertise in FBAR technology, amplifier design, and module integration enables us to offer industry-leading performance in cellular RF transceiver applications.

- **Connectivity Solutions:** Our connectivity solutions include discrete and integrated Wi-Fi and Bluetooth solutions, and global positioning system/global navigation satellite system ("GPS/GNSS") receivers, designed for use in mobile devices including smartphones, tablets and wearable products.

Wi-Fi allows devices on a local area network to communicate wirelessly, adding the convenience of mobility to the utility of high-speed data networks. We offer a family of high performance, low power Wi-Fi chipsets. Bluetooth is a low power technology that enables direct connectivity between devices. We offer Bluetooth silicon and software solutions that enable manufacturers to easily and cost-effectively add Bluetooth functionality. These solutions include combination chips that offer integrated Wi-Fi and Bluetooth functionality, which provides significant performance advantages over discrete solutions.

We also offer a family of GPS, assisted-GPS and GNSS semiconductor products, software and data services. These products are part of a broader location platform that leverages a broad range of communications technologies, including Wi-Fi, Bluetooth and GPS, to provide more accurate location and navigation capabilities.

- **Custom Touch Controllers:** Our touch controllers process signals from touch screens in mobile handsets and tablets.
- **Inductive Charging ASICs:** Our custom inductive charging ASIC devices offer high efficiency and are highly integrated solutions for mobile and wearable devices.

**Servers and Storage System Solutions.** We provide semiconductor solutions for enabling secure movement of digital data to and from host machines, such as servers, personal computers and storage systems, to the underlying storage devices, such as hard disk drives ("HDD") and solid-state drives ("SSD").

- **SAS, RAID & PCIe Products:** We provide serial attached small computer system interface (SAS) and redundant array of independent disks (RAID) controller and adapter solutions to server and storage system original equipment manufacturers ("OEMs"). These solutions enable secure and high-speed data transmission between a host computer, such as a server, and storage peripheral devices, such as HDD, SSD and optical disk drives and disk and tape-based storage systems. Some of these solutions are delivered as stand-alone semiconductors, typically as a controller. Other solutions are delivered as circuit boards, known as adapter products, which incorporate our semiconductors onto a circuit board with other features. RAID technology is a critical part of our server storage connectivity solutions as it provides protection against the loss of critical data resulting from HDD failures.

We also provide interconnect semiconductors that support the peripheral component interconnect express ("PCIe") communication standards. PCIe is the primary interconnection mechanism inside computing systems today.

- **Fibre Channel Products:** We provide fibre channel host bus adapters, which connect host computers such as servers to FC SANs.
- **Ethernet NIC Controllers:** Our Ethernet NIC controllers are designed for high-performance virtualization, intelligent flow processing, secure data center connectivity, and machine learning.

- **HDD & SSD Solutions:** We provide read channel-based system-on-chip (“SoC”) and preamplifiers to HDD OEMs. These are the critical chips required to read, write and protect data. An HDD SoC is an integrated circuit (“IC”) that combines the functionality of a read channel, serial interface, memory and a hard disk controller in a small, high-performance, low-power and cost-effective package. Read channels convert analog signals that are generated by reading the stored data on the physical media into digital signals.

In addition, we sell preamplifiers, which are complex, high speed, mixed signal devices that enable writing and reading data to and from the HDD heads. The preamplifier interfaces with the SoC to provide the electronics data path in a HDD.

We also provide custom flash controllers to SSD OEMs. An SSD stores data in flash memory instead of on a hard disk, providing high speed access to the data. Flash controllers manage the underlying flash memory in SSDs, performing critical functions such as reading and writing data to and from the flash memory and performing error correction, wear leveling and bad block management.

**Broadband Solutions.** We provide semiconductor solutions for enabling STBs and broadband access applications.

- **Set-Top Box:** We offer complete SoC platform solutions for cable, satellite, Internet Protocol television, over-the-top and terrestrial STBs. Our products enable global service providers to introduce new and enhanced technologies and services in STBs, including transcoding, digital video recording functionality, higher definition video processing, increased networking capabilities, and more tuners to enable faster channel change and more simultaneous recordings. We are also enabling service providers in deploying High Efficiency Video Coding (“HEVC”), a video compression format that is a successor to the H.264/MPEG-4 format. HEVC enables ultra-high definition (“Ultra HD”) services by effectively doubling the capacity of existing networks to deploy new or existing content. Our families of STB solutions support the complete range of resolutions, from standard definition to high definition to Ultra HD.

- **Broadband Access:** We offer complete SoC platform solutions for digital subscriber line (“DSL”), cable, passive optical networking (“PON”) and wireless local area network for both consumer premise equipment (“CPE”) and central office (“CO”) deployments. Our CPE devices are used in broadband modems, residential gateways and Wi-Fi access points and routers. Our CO devices, including DSL Access Multiplexer (“DSLAM”), cable modem termination systems and PON optical line termination medium access controllers, are empowering modern operator broadband infrastructure. Our products enable global service providers to continue deploying next generation broadband access technologies across multiple standards, including G.fast, Data Over Cable Service Interface Specifications (“DOCSIS”), PON and Wi-Fi to provide more bandwidth and faster speeds to consumers.

**Factory Automation, Renewable Energy and Automotive Electronic Solutions.** We provide a broad variety of products for the general industrial and automotive markets, including optocouplers, industrial fiber optics, industrial and medical sensors, motion encoders, light emitting diode devices, and Ethernet ICs. Our industrial products are used in a diverse set of applications, spanning industrial automation, power generation and distribution systems, medical systems and equipment, defense and aerospace, and vehicle subsystems including those used in electric vehicle powertrain, infotainment and advanced driver assistance systems.

#### **Infrastructure Software**

Our infrastructure software solutions offer customers greater choice and flexibility to build, run, manage, connect and protect applications and data at scale across data center and private and hybrid cloud environments.

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The table below presents our software portfolios and their key offerings.

| Software Portfolio                         | Portfolio Description  | Key Portfolio Offerings   |
|--|--|---|
| <b>Private Cloud</b>                       | <ul style="list-style-type: none"> <li>Cloud infrastructure that is ubiquitous, flexible, and integrated across on-premises, edge, public and partner clouds</li> </ul>  | <ul style="list-style-type: none"> <li>VMware Cloud Foundation</li> <li>VMware Cloud Foundation Edge</li> <li>VMware vSphere Foundation</li> <li>Private AI</li> <li>Live Recovery</li> <li>Telco Cloud Platform</li> </ul>   |
| <b>Tanzu</b>                               | <ul style="list-style-type: none"> <li>Comprehensive solutions for application development operations and optimization</li> </ul>  | <ul style="list-style-type: none"> <li>Tanzu Platform</li> <li>Tanzu Data Solutions</li> <li>Tanzu CloudHealth</li> <li>Tanzu Labs</li> </ul>   |
| <b>VeloCloud</b>                           | <ul style="list-style-type: none"> <li>Comprehensive software-defined network solutions that enable enterprise edge connectivity and performance over Internet, fixed wireless access and satellite while simplifying deployments and reducing costs</li> </ul>  | <ul style="list-style-type: none"> <li>SD-WAN and SASE</li> <li>VeloRAIN</li> <li>Fixed Wireless Access</li> </ul>  |
| <b>Application Networking and Security</b> | <ul style="list-style-type: none"> <li>Comprehensive software-defined solutions featuring lateral security that protects VCF application traffic from malware and ransomware, and application load balancing with the only plug-and-play app delivery and security solution for VCF private cloud</li> </ul> | <ul style="list-style-type: none"> <li>Lateral Security Firewall</li> <li>Advanced Threat Protection</li> <li>Advanced Load Balancing</li> </ul>  |
| <b>Mainframe Software</b>                  | <ul style="list-style-type: none"> <li>DevOps, AIOps, Security, Workload Automation, Data Management, Foundational Software Solutions, and Beyond Code programs</li> </ul>   | <ul style="list-style-type: none"> <li>Operational Analytics &amp; Management</li> <li>Workload Automation</li> <li>Database &amp; Data Management</li> <li>Application Development &amp; Testing</li> <li>Identity &amp; Access Management</li> <li>Compliance &amp; Data Protection</li> <li>Security Insights</li> <li>Beyond Code programs</li> </ul> |
| <b>Distributed Software</b>                | <ul style="list-style-type: none"> <li>Solutions that optimize the planning, development and delivery of business critical services</li> </ul>   | <ul style="list-style-type: none"> <li>ValueOps</li> <li>DevOps</li> <li>AIOps</li> </ul>   |
| <b>Enterprise Security</b>                 | <ul style="list-style-type: none"> <li>Comprehensive cybersecurity and compliance solutions that secure against threats and compliance risks by protecting users and data on any app, device, or network</li> </ul>  | <ul style="list-style-type: none"> <li>Endpoint Security</li> <li>Network Security</li> <li>Information Security</li> <li>Application Security</li> <li>Identity Security</li> </ul>  |
| <b>FC SAN Management</b>                   | <ul style="list-style-type: none"> <li>Solutions that transform current storage networks with autonomous SAN capabilities</li> </ul>   | <ul style="list-style-type: none"> <li>Fibre Channel Switch</li> </ul>  |
| <b>Payment Security</b>                    | <ul style="list-style-type: none"> <li>Arcot payment authentication network powered by 3-D Secure</li> </ul>   | <ul style="list-style-type: none"> <li>Payment Security Suite</li> </ul>  |

**Private Cloud Software Portfolio.** Our private cloud infrastructure software delivers public cloud scale and agility with private cloud security, resilience and performance, and low overall total cost of ownership. Our VMware software supports customers' digital innovation with faster infrastructure modernization, a unified cloud experience and better platform security and cyber resiliency. The full portfolio is available directly from Broadcom, resellers and distributors, hyperscale cloud providers, value-added OEMs and VMware cloud service provider partners. VMware Cloud Foundation ("VCF") provides license portability, which enables customers to purchase subscriptions of VCF software and move their VCF environments between on-premises data centers and supported cloud endpoints. Advanced services for Private AI provide customers with the benefits of AI without having to compromise control of data, privacy, and compliance by bringing the AI model to customers' data.

- **VCF:** VCF delivers integrated, enterprise-class compute, networking, storage, management, and security across any environment. VCF includes native Kubernetes to support both virtual machines and containerized workloads on a single platform, enables advanced AI and machine learning workloads at enterprise scale and offers integrated data services capabilities. Our solutions enhance our customers' ability to continuously optimize performance and costs, protect the



business from threats and enable the business to focus on outcomes instead of operations through advanced observability and insights.

- **VMware Cloud Foundation Edge:** The edge compute stack designed to deliver frictionless management of edge apps and infrastructure across many sites with limited resources. It efficiently manages infrastructure and applications at dispersed sites.
- **vSphere Foundation IT Infrastructure Optimization:** vSphere Foundation supports modern IT requirements by boosting operational efficiency, elevating security and supercharging workload performance, all in support of accelerating innovation.
- **Private AI:** This solution enables organizations to use generative AI technologies while addressing privacy and compliance needs of the organization.
- **Live Recovery:** This solution helps organizations combat the evolving threat landscape through solutions and technologies that enable organizational resilience through rapid recovery of applications, data and critical business services.
- **Telco Cloud Platform:** This solution supports network operations for telecom operators and communications service providers to modernize their infrastructure and allows them to create monetizable services. The modernization of the telecom infrastructure is critical to enabling operational agility, onboarding and delivering services much faster across domains and simplifying operations with automation.

**Tanzu Software Portfolio.** Our application development, operations and optimization solutions help leading enterprises deliver highly performant applications and best-in-class user experiences.

- **Tanzu Platform:** This cloud native application platform accelerates software delivery, providing platform engineering teams with enhanced governance and operational efficiency while reducing toil and complexity for development teams. Tanzu Platform includes access to content including enterprise-ready curated distributions of open source software technologies used for storing and processing data. It also includes Tanzu AI Solutions, a set of capabilities that help application teams deliver generative AI-powered, intelligent applications quickly, safely, and at scale. Tanzu Platform also offers teams full-stack visibility from applications to infrastructure and efficient modern application lifecycle management across public and private clouds with Cloud Foundry and/or with any conformant Kubernetes.
- **Tanzu Data:** A suite of data services that provides advanced analytical data warehouse capabilities and real-time transactions and processing at massive scale with an in-memory data grid with vector database capabilities for AI use cases.
- **Tanzu CloudHealth:** This solution simplifies financial management, streamlines operations, and improves organizational collaboration across the multi-cloud environment.
- **Tanzu Labs:** This service provides hands-on cloud native consulting services to help customers move software to production while strengthening platform engineering skills.

**VeloCloud Portfolio.** VeloCloud provides networking solutions to connect, secure and optimize workloads across distributed locations. By combining our VeloRAIN (Robust AI Networking) architecture with seamless connectivity and outcome-based quality of service, VeloCloud provides users and devices with compute and connectivity to optimize performance, security and reliability across fixed or mobile environments, while simplifying operations.

- **SD-WAN and SASE:** Our SD-WAN (software-defined wide area network) solution, whether a part of our SASE (secure access service edge) architecture offering or standalone, provides a platform for enterprises to distribute modern applications and advanced AI systems while delivering security and ubiquity of access for distributed applications. Our SD-WAN or SASE solutions bring software-defined networking, security and AIOps together to support ubiquitous access across fiber, cellular and satellite for optimal performance and availability for modern applications.
- **VeloRAIN:** Our architecture uses AI or machine learning to improve the performance and security of distributed workloads.
- **Fixed Wireless Access:** This solution provides enterprises with reliable 5G connectivity to businesses and enterprise branches at the edge while optimizing the network through intelligence and network programmability.

**Application Networking and Security Software Portfolio.** Our application networking and security software delivers zero-trust lateral security and load balancing solutions enabling global digital organizations to combat malware and ransomware. These software-defined solutions provide distributed and scale-out architectures, deep visibility, plug-and-play operations and self-service consumption. Customers can deploy our solutions at speed and operate them at scale across all their private cloud applications, which can reduce the total cost of ownership.

- **Lateral Security Firewall:** This solution enables access control for applications, protects against lateral movement of threats and provides security policy recommendations based on the workloads, and enables isolation of sensitive applications for enhanced regulatory compliance.
- **Advanced Threat Prevention:** This solution integrates multiple threat detection and prevention technologies to deliver comprehensive protection from malware and ransomware attacks, including utilizing behavior-based techniques and advanced correlations to identify lateral threat movement and ransomware threat campaigns.
- **Advanced Load Balancing:** This solution simplifies and accelerates application deployments and enhances application availability and resiliency to deliver load balancing at the speed of applications, allowing customers to leverage built-in automation to deploy load balancing as code as part of DevOps workflows for rapid infrastructure roll out.

**Mainframe Software Portfolio.** Our mainframe software provides market-leading DevOps, AIOps, Cybersecurity, Workload Automation, Data Management, and Foundational Software solutions which enable customers to embrace open tools and technologies, innovate with their mainframe as part of their hybrid environment, and extend the value of their mainframe investments. Our commitment to partnering with our customers goes beyond products and technology. Through our unique Beyond Code programs we address challenges such as skills development, staffing, change management and cost-saving initiatives that drive greater overall business success with the platform.

- **Operational Analytics & Management:** These solutions combine big data, machine learning and AI with mainframe expertise to deliver meaningful and actionable insights to augment and automate day-to-day operations and deliver exceptional customer experiences.
- **Workload Automation:** These solutions reduce manual effort by enabling customers to proactively optimize resources and orchestrate automation across enterprise applications and systems.
- **Databases & Data Management:** These high-performance databases and management tools store, organize, and manage mainframe data to ensure optimal performance, efficient administration, and reliability of critical systems. Customers can also manage their mainframe data storage using modern mainframe solutions that securely store data on any device that customers choose, including the cloud. These software-only solutions are designed to save on costs and maintain confidence in data security.
- **Application Development & Testing:** These solutions enable customers to accelerate software delivery while increasing code quality through the use of our agile processes and tools, and DevOps solutions. Our open-first strategy helps customers modernize their mainframe environment through the use of open source and open application programming technologies across people, process, tooling and applications, resulting in greater synergy and alignment with their corporate IT environment.
- **Identity & Access Management:** These solutions manage mainframe access and elevate it with modern practices such as multi-factor authentication and privileged user management, and support all external security managers.
- **Compliance & Data Protection:** These solutions protect crucial mainframe data to ensure compliance, identify risk, proactively respond to potential threats, and reduce those risks to lighten the load on security management with automated identification and authorization cleanup.
- **Security Insights Platform:** This solution helps ensure a trusted environment for customers and their employees by quickly interpreting and assessing mainframe security posture, identifying risks and developing remediation steps on an ongoing and ad hoc basis. This data is available for use with in-house tools for security information and event management.
- **Beyond Code Programs:** These value-added offerings help ensure our customers get the most out of their mainframe investments. These offerings unlock additional value for organizations in areas such as educating and upskilling the workforce, providing expert guidance and support for change events, and uncovering opportunities to improve efficiency and save costs.

**Distributed Software Portfolio.** Our distributed software solutions enable global enterprises to optimize the planning, development and delivery of software, powering their business-critical digital services. Our solutions are designed to enable customers to innovate, improve customer experience, and drive profitability by aligning business, development, and operational teams. Our products, organized in the domains of ValueOps, DevOps, and AIOps, deliver end-to-end visibility across all stages of the digital lifecycle and help our customers realize better business outcomes and better experiences for their customers.

- **ValueOps:** This solution delivers value stream management capabilities that enable customers to schedule, track, and manage work throughout its lifecycle from investment planning to execution. It aligns business and development teams across the enterprise, increasing transparency, reducing inefficiencies, and improving time to value.
- **DevOps:** This solution offers capabilities that empower users of our agile processes and tools to track development progress and deploy releases confidently with assurance of feature completeness, high-quality and reduced risk. Key stakeholders have a single view of key insights into release progress, health, quality, defect trends, and metrics that drive focus, gauge readiness, and help to ensure successful, quality releases.
- **AIOps:** This solution combines application, infrastructure and network monitoring and correlation with intelligent remediation capabilities to help customers create more resilient production environments and improve customer experience.

**Enterprise Security Portfolio.** Our Enterprise Security solutions help organizations and governments secure against threats and compliance risks by protecting their users and data on any app, device, or network. Our integrated cyber defense approach simplifies cybersecurity with comprehensive solutions designed to secure critical business assets across on-premises and cloud infrastructures. Enterprise Security solutions utilize rich threat intelligence from a global network of security engineers, threat analyst and researchers, as well as advanced AI and machine learning engines, enabling customers to protect data, connect authorized users with trusted applications, and detect and respond to the most advanced targeted attacks.

- **Endpoint Security:** Endpoints are the critical last line of defense against cyber attackers. Our Symantec and Carbon Black endpoint security solutions prevent, detect and respond to emerging threats across all devices and operating systems including laptops, desktops, tablets, mobile phones, servers and cloud workloads through an AI driven security console and single agent.
- **Network Security:** Email and web access are the lifeblood and essential communication means for every modern organization. We have a full array of network security solutions, as well as a shared set of advanced threat protection technologies to stop inbound and outbound threats targeting end users, information and key infrastructure.
- **Information Security:** Information protection and compliance is critical to managing risk. We offer integrated information security solutions, based on an efficient, single-policy that can be applied across the entire environment, to help organizations identify and protect risky users, applications and their most sensitive data everywhere across endpoints, on-premises networks, cloud services and private applications.
- **Application Security:** Applications are increasingly targeted by cyber attackers. Our solutions secure critical systems, prevent unwanted changes, and ensure continuous compliance with regulatory mandates. Carbon Black solutions employ a positive security model that secures often overlooked use cases such as end-of-life operating systems, critical systems, fixed function devices, and air-gapped systems.
- **Identity Security:** User identities are under attack by cyber criminals hoping to exploit their access and privileges and do harm. Our solution mitigates these attacks by positively identifying legitimate users, enforcing granular access control policies, and streamlining access governance to prevent unauthorized access to sensitive resources and data.

**FC SAN Management.** We also offer mission-critical FC SAN products designed to help customers reduce the cost and complexity of managing business information within a shared data storage environment, enabling high levels of availability of mission-critical applications in the form of modules, switches and subsystems incorporating multiple semiconductor products. We deliver reliable and simplified management of these FC SAN products through our software-based management tools designed to maximize uptime, dramatically simplify storage area networking deployment and management, and provide high levels of visibility and insight into the storage network. Our Brocade Fibre Channel switch products provide interconnection, bandwidth and high-speed switching between servers and storage devices which are in a FC SAN.

**Payment Security Portfolio.** Our payment security suite is a software as a service (“SaaS”)-based payment authentication service to help banks and merchants protect against fraud and ensure a hassle-free online shopping experience for their customers.

## **Research and Development**

We are committed to continuous investment in product development and enhancement, with a focus on rapidly introducing new, proprietary products and releases. Many of our products have grown out of our own research and development efforts, and have given us competitive advantages in certain target markets due to performance differentiation. However, we opportunistically seek to enhance our capabilities through the acquisition of engineers with complementary research and development skills and complementary technologies and businesses. We focus our research and development efforts on the development of mission-critical, innovative, sustainable and higher value product platforms and those that improve the quality and stability in our broadly deployed products. We leverage our design capabilities in markets where we believe our innovation and reputation will allow us to earn attractive margins by developing high value-add products.

We plan to continue investing in product development, both organically and through acquisitions, to drive growth in our business. We also invest in process development and improvements to product features and functions, as well as fabrication capabilities to optimize processes for devices that are manufactured internally. Our field application engineers, design engineers, and product and software development engineers are located in many places around the world, and in many cases, near our top customers. This enhances our customer reach and our visibility into new product opportunities and, in the case of our semiconductor customers, enables us to support our customers in each stage of their product development cycle, from the early stages of production design to volume manufacturing and future growth. By collaborating with our customers, we have opportunities to develop high value-added, customized products for them that leverage our existing technologies. We anticipate that we will continue to make significant research and development investments in order to maintain our competitive position, and to ensure a continuous flow of innovative and sustainable product platforms.

## **Customers, Sales and Distribution**

We sell our products through our direct sales force and a select network of distributors and channel partners globally. Distributors and OEMs, or their contract manufacturers, typically account for the substantial majority of our semiconductor sales. A relatively small number of customers account for a significant portion of our net revenue. Sales to distributors accounted for 48% and 57% of our net revenue for fiscal years 2024 and 2023, respectively. We believe aggregate sales to our top five end customers, through all channels, accounted for approximately 40% and 35% of our net revenue for fiscal years 2024 and 2023, respectively. We expect to continue to experience significant customer concentration in future periods. The loss of, or significant decrease in demand from, any of our top five end customers could have a material adverse effect on our business, results of operations and financial condition.

Many of our semiconductor customers design products in North America or Europe that are then manufactured in Asia. To serve customers around the world, we have strategically developed relationships with large global electronic component distributors, complemented by a number of regional distributors with customer relationships based on their respective product ranges. We also sell our products to a wide variety of OEMs or their contract manufacturers. We have established strong relationships with leading OEM customers across multiple target markets. Our direct sales force focuses on supporting our large OEM customers, and has specialized product and service knowledge that enables us to sell specific offerings at key levels throughout a customer's organization. Certain customers require us to contract with them directly and with specified intermediaries, such as contract manufacturers. Many of our major customer relationships have been in place for many years and are often the result of years of collaborative product development. This has enabled us to build our extensive IP portfolio and develop critical expertise regarding our customers' requirements, including substantial system-level knowledge. This collaboration has provided us with key insights into our customers' businesses and has enabled us to be more efficient and productive and to better serve our target markets and customers. Many of our customers and their contract manufacturers often require time critical delivery of our products to multiple locations around the world. With sales offices located in various countries, our primary warehouse in Malaysia, and dedicated regional customer support call centers, where we address customer issues and handle logistics and other order fulfillment requirements, we believe we are well-positioned to support our customers throughout the design, technology transfer and manufacturing stages across all geographies.

Our software customers generally consist of large enterprises that have computing environments from multiple vendors and are in most major industries worldwide, including banks, insurance companies, other financial services providers, government agencies, global IT service providers, telecommunication providers, transportation companies, manufacturers, technology companies, retailers, educational organizations and health care institutions. Our private cloud infrastructure suite of solutions are available directly from Broadcom, resellers and distributors, hyperscale cloud providers, value-added OEMs and VMware cloud service provider partners. VCF provides license portability, which enables customers to purchase subscriptions of VCF software and move their VCF environments between on-premises data centers and supported cloud endpoints. We remain focused on strengthening relationships and increasing penetration within our existing core, mainframe, VMware, and Symantec endpoint customers and expanding the adoption of our enterprise software offerings with these customers. We believe our enterprise-wide license model will continue to offer our customers reduced complexity, more flexibility and an easier renewal process that will help drive revenue growth.

## **Manufacturing**

We focus on maintaining an efficient global supply chain and a variable, low-cost operating model. Accordingly, we outsource a majority of our manufacturing operations, utilizing third-party foundry and assembly and test capabilities, as well as some of our corporate infrastructure functions. The majority of our front-end wafer manufacturing operations is outsourced to external foundries, including Taiwan Semiconductor Manufacturing Company Limited ("TSMC"). We use third-party contract manufacturers for a significant majority of our assembly and test operations, including TSMC, Advanced Semiconductor Engineering, Inc., Foxconn Technology Group, Amkor Technology, Inc. and Siliconware Precision Industries Co., Ltd. We use our internal fabrication facilities for products utilizing our innovative and proprietary processes, such as our FBAR filters for wireless communications and our vertical-cavity surface emitting laser and side emitting lasers based on GaAs and InP lasers for fiber optic communications, while outsourcing commodity processes such as standard CMOS. By doing so, we can protect our IP and accelerate time to market for our products. The majority of our internal III-V semiconductor wafer fabrication is done in the U.S. and Singapore.

We purchase materials from hundreds of suppliers on a global basis. These purchases are generally on a purchase order basis and some parts are not readily available from alternate suppliers due to their unique design or the length of time and cost necessary for re-design or qualification. To address the potential disruption in our supply chain, we may use a number of techniques, including redesigning products for alternative components, making incremental or "lifetime" purchases, or qualifying more than one source of supply. Our long-term relationships with our suppliers allow us to proactively manage our technology development and product discontinuance plans, and to monitor our suppliers' financial health.

We also have a long history of operating in Asia where we manufacture and source the majority of our products and materials. We store the majority of our product inventory in our warehouse in Malaysia and our presence in Asia places us in close proximity to many of our customers' manufacturing facilities.

## **Competition**

The markets in which we participate are highly competitive. Our competitors range from large international companies offering a wide range of products to smaller companies specializing in narrow markets. The competitive landscape is changing as a result of a trend toward consolidation within many industries, as some of our competitors have merged with or been acquired by other competitors, while others have begun collaborating with each other. We expect this consolidation trend to continue. We expect competition in the markets in which we participate to continue to increase as existing competitors improve or expand their product offerings and as new companies enter the market. Additionally, our ability to compete effectively depends on a number of factors, including: quality, technical performance, price, product features, product system compatibility, system-level design capability, engineering expertise, responsiveness to customers, new product innovation, product availability, delivery timing and reliability, and customer sales and technical support.

In semiconductor solutions, we compete with integrated device manufacturers, fabless semiconductor companies and the internal resources of large integrated OEMs, such as Advanced Micro Devices, Inc., Amlogic Inc., Analog Devices, Inc., Cisco Systems, Inc., Coherent Corp., Hamamatsu Photonics K.K., Heidenhain Corporation, iC-Haus GmbH, Intel Corporation, Lumentum Holdings Inc., MACOM Technology Solutions Holdings, Inc., Marvell Technology, Inc., MaxLinear, Inc., MediaTek Inc., Microchip Technology Incorporated, Mitsubishi Electric Corporation, Murata Manufacturing Co., Ltd., NVIDIA Corporation, NXP Semiconductors N.V., ON Semiconductor Corporation, OSRAM Licht AG, Qorvo, Inc., Qualcomm Inc., Realtek Semiconductor Corp., Renesas Electronics Corporation, Skyworks Solutions, Inc., STMicroelectronics N.V., Sumitomo Corporation, Synaptics Incorporated, Texas Instruments, Inc., TDK-EPC Corporation, Toshiba Corporation, and Wolfspeed, Inc. (f/k/a Cree, Inc.).

In infrastructure software, we compete with large enterprise software vendors who continue to expand their product and service offerings and consolidate offerings into broad product lines, and smaller, niche players focused on specific markets, such as Atlassian Corporation, Plc, BeyondTrust Corporation, BMC Software Inc., Cisco Systems, Inc., CrowdStrike Holdings, Inc., CyberArk Software, Ltd., Dino-Software Corporation, Fortinet, Inc., Hewlett Packard Enterprise Company, International Business Machines Corporation, Microsoft Corporation, New Relic, Inc., OpenText Corporation, Oracle Corporation, Palo Alto Networks, Inc., Proofpoint, Inc., Rocket Software, Inc., SailPoint Technologies Holdings, Inc., Salesforce.com, Inc., ServiceNow, Inc., SolarWinds Corporation, Versa Networks, Inc., and Zscaler, Inc.

## **Intellectual Property**

Our success depends in part upon our ability to protect our IP. To accomplish this, we rely on a combination of IP rights, including patents, copyrights, trademarks, service marks, trade secrets and similar IP, as well as customary contractual protections with our customers, suppliers, employees and consultants, and through security measures to protect our trade secrets. We believe our current product expertise, key engineering talent and IP portfolio provide us with a strong platform from which to develop application specific products in key target markets.

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As of November 3, 2024, we had 20,870 U.S. and other patents and 2,650 U.S. and other pending patent applications. The expiration dates of our patents range from 2024 to 2043, with a small number of patents expiring in the near future, none of which are expected to be material to our IP portfolio. We are not substantially dependent on any single patent or group of related patents.

We focus our patent application program to a greater extent on those inventions and improvements that we believe are likely to be incorporated into our products, as contrasted with more basic research. However, we do not know how many of our pending patent applications will result in the issuance of patents or the extent to which the examination process could require us to narrow our claims.

We and our predecessors have also entered into a variety of IP licensing and cross-licensing arrangements that have both benefited our business and enabled some of our competitors. A portion of our revenue comes from IP licensing royalty payments and from litigation settlements relating to such IP. We also license third-party technologies that are incorporated into some elements of our design activities, products and manufacturing processes. Historically, licenses of the third-party technologies used by us have generally been available to us on acceptable terms.

The industries in which we compete are characterized by the existence of a large number of patents, copyrights, trademarks and trade secrets and by the vigorous pursuit, protection and enforcement of IP rights, including by patent holding companies that do not make or sell products. Some of our customer agreements require us to indemnify our customers for third-party IP infringement claims arising from our products. Claims of this sort could harm our relationships with our customers and might deter future customers from doing business with us. With respect to any IP rights claims against us or our customers or distributors, we may be required to defend ourselves or our customers or distributors in litigation, cease manufacturing the infringing products, pay damages, expend resources to develop non-infringing technology, seek a license which may not be available on commercially reasonable terms or at all, or relinquish patents or other IP rights.

In addition, the proprietary portions of our source code for our infrastructure software products are protected both as a trade secret and as copyrighted works. Except with respect to software components that are subject to open source licenses, our customers do not generally have access to the source code for our products. Rather, on-premises customers typically access only the executable code for our products, and SaaS customers access only the functionality of our SaaS offerings. Under certain contingent circumstances, some of our customers are beneficiaries of a source code escrow arrangement that would enable them to obtain a limited right to access and use our source code if specific conditions are met.

### **Employees**

Our continued success depends on our ability to attract, motivate and retain our workforce in a highly competitive labor market. Specifically, as the source of our technological and product innovations, our engineering and technical personnel are a critical asset.

We measure our employees' engagement by our voluntary attrition rate and employee feedback. Our global voluntary attrition rates in fiscal year 2024 were approximately 2.9% (excluding employees who joined Broadcom as a result of the VMware Merger) and approximately 6.2% (including employees who joined Broadcom as a result of the VMware Merger), which are both below the technology industry benchmark (AON, 2024 Salary Increase and Turnover Study — Second Edition, September 2024).

We also track the portion of our workforce in research and development roles. As of November 3, 2024, we had approximately 37,000 employees worldwide, with approximately 55% in research and development roles. By geography, approximately 48% of our employees are located in North America, 36% in Asia, and 16% in Europe, the Middle East and Africa.

### **Governmental Regulation**

We are subject to numerous regulations and laws in the United States and abroad involving matters central to our business. Many of these laws and regulations are evolving and their applicability and scope, as interpreted by the courts, remain uncertain.

We are subject to regulation by the U.S. Occupational Safety and Health Administration and similar health and safety laws in other jurisdictions. We believe that our properties and operations at our facilities comply in all material respects with applicable environmental laws and worker health and safety laws. However, the risk of environmental liabilities cannot be completely eliminated and there can be no assurance that the application of environmental, health and safety laws to our business will not require us to incur significant expenditures.

In addition, our business is subject to various import/export regulations, such as the U.S. Export Administration Regulations, and applicable executive orders, and rules of industrial standards bodies, like the International Organization for Standardization, as well as regulation by other agencies, such as the U.S. Federal Trade Commission ("FTC"). These laws,



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regulations and orders are complex, may change frequently and with limited notice, have generally and may continue to become more stringent over time. We may incur significant expenditures in future periods as a result.

Our semiconductor manufacturing operations and research and development involve the use of hazardous substances and are regulated under international, federal, state and local laws governing health, safety and the environment. These regulations include limitations on discharge of pollutants to air, water, and soil; remediation requirements; product chemical content limitations; manufacturing chemical use and handling restrictions; pollution control requirements; waste minimization considerations; and treatment, transport, storage and disposal of solid and hazardous wastes. We are also regulated under a number of international, federal, state and local laws regarding recycling, product packaging and product content requirements, including legislation enacted in the U.S., European Union and China, among a growing number of jurisdictions, which have placed greater restrictions on the use of lead, among other restricted substances, in electronic products, which affects materials composition and semiconductor packaging.

### **Seasonality**

Historically, our net revenue has typically been higher in the second half of the fiscal year than in the first half, primarily due to seasonality in our wireless communications products. These products have historically experienced seasonality due to launches of new mobile devices manufactured by our OEM customers. However, from time to time, typical seasonality and industry cyclicality are overshadowed by other factors such as wider macroeconomic effects, the timing of customer deployments, significant product transitions and launches by large OEMs, particularly with our AI and wireless communications products. We have a diversified business portfolio and we believe that our overall revenue is less susceptible to seasonal variations as a result of this diversification.

### **Available Information**

Our website is [www.broadcom.com](http://www.broadcom.com). At the “Investor Center” page on this website, we promptly make available free of charge the reports we file or furnish pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the “Exchange Act”) with the Securities and Exchange Commission (the “SEC”), as well as our proxy statements. Such periodic reports, proxy statements and other information are also available at the SEC’s website at [www.sec.gov](http://www.sec.gov). The information posted on our website is not incorporated into this Annual Report on Form 10-K.

### **Information About Our Executive Officers**

The following table provides information regarding our executive officers as of December 20, 2024:

| <b>Name and Title</b>    | <b>Age</b> | <b>Position and Offices</b>                          |
|--------------------------|------------|--|
| Hock E. Tan              | 73         | President, Chief Executive Officer and Director      |
| Kirsten M. Spears        | 60         | Chief Financial Officer and Chief Accounting Officer |
| Mark D. Brazeal          | 56         | Chief Legal and Corporate Affairs Officer            |
| Charlie B. Kawwas, Ph.D. | 54         | President, Semiconductor Solutions Group             |

Hock E. Tan has served as our President and Chief Executive Officer since March 2006. He was President and Chief Executive Officer at Integrated Circuit Systems, Inc. (“ICS”), a publicly traded timing solutions IC company, from 1999 until its acquisition by Integrated Device Technology, Inc. in 2005. He also served in a number of executive positions at ICS, including Chief Operating Officer from 1996 to 1999 and Senior Vice President and Chief Financial Officer from 1995 to 1999. He was Vice President of Finance at Commodore International, Ltd. from 1992 to 1994, and held senior management positions at PepsiCo, Inc. and General Motors Corporation. He was also managing director of Pacven Investment, Ltd., a venture capital fund in Singapore, from 1988 to 1992, and was managing director of Hume Industries Ltd. in Malaysia from 1983 to 1988.

Kirsten M. Spears has served as our Chief Financial Officer and Chief Accounting Officer since December 2020. She served as our Principal Accounting Officer from March 2016 to December 2020 and Vice President and Corporate Controller from May 2014 to December 2020. She was Vice President and Corporate Controller at LSI Corporation from 2007 until its acquisition by us in 2014. She held several management positions in accounting and reporting at LSI from 1997 to 2007. She also worked for PriceWaterhouseCoopers prior to joining LSI.

Mark D. Brazeal has served as our Chief Legal and Corporate Affairs Officer since December 2021. He served as our Chief Legal Officer from March 2017 to December 2021. He was Chief Legal Officer and Senior Vice President, IP Licensing for SanDisk Corporation from 2014 until its acquisition by Western Digital Corporation in 2016. He held several senior legal positions at Broadcom Corporation from 2000 to 2014, including Senior Vice President and Senior Deputy General Counsel in charge of all commercial, operational, IP licensing and litigation matters. He was also an attorney in the transactional and IP groups at the law firms of Wilson Sonsini Goodrich & Rosati, Yuasa & Hara and Howrey & Simon prior to joining Broadcom Corporation.

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Charlie B. Kawwas has served as our President, Semiconductor Solutions Group since July 2022. He served as our Chief Operating Officer from December 2020 to July 2022, Senior Vice President and Chief Sales Officer from June 2015 to December 2020 and Senior Vice President, Worldwide Sales from May 2014 to June 2015. He was head of worldwide sales at LSI Corporation from 2010 until its acquisition by us in 2014. He held several executive leadership positions at LSI from 2007 to 2010, including Vice President of Sales and Marketing for the networking division and Vice President of Marketing for the networking and storage products group. He was also the leader of Product Line Management for the Optical Ethernet and Multi-service Edge portfolio at Nortel Networks Corporation prior to joining LSI.



## ITEM 1A. RISK FACTORS

Our business, operations and financial results are subject to various risks and uncertainties, including those described below, that could adversely affect our business, financial condition, results of operations, cash flows, and the trading price of our common stock. The following material factors, among others, could cause our actual results to differ materially from historical results and those expressed in forward-looking statements made by us or on our behalf in filings with the SEC, press releases, communications with investors and oral statements. Additional risks, trends and uncertainties not presently known to us or that we currently believe are immaterial may also harm our business, financial condition, results of operations, cash flows, our reputation or the trading price of our common stock.

### Risk Factors Summary

The following is a summary of the material risks that could adversely affect our business, operations and financial results.

#### ***Risks Related to Our Business***

- Adverse global economic conditions could have a negative effect on us.
- Our business is subject to various governmental regulations and trade restrictions.
- Global political and economic conditions and other factors related to our international operations could adversely affect us.
- Failure to realize the benefits expected from the VMware Merger could adversely affect our business and the value of our common stock.
- We have pursued, and may in the future pursue mergers, acquisitions, investments, joint ventures and dispositions, which could adversely affect our results of operations.
- We are subject to risks associated with our distributors and other channel partners.
- We are dependent on senior management and if we are unable to attract and retain qualified personnel, we may not be able to execute our business strategy effectively.
- Cyber security threats or other security breaches, or any other impairment of the confidentiality, integrity or availability of our IT systems, or those of one or more of our corporate infrastructure vendors, could have a material adverse effect on our business.
- A significant reduction in demand or loss of one or more of our significant customers may adversely affect our business.
- We operate in the highly cyclical semiconductor industry.
- We make investments in research and development and the slow or unsuccessful return of our investments in research and development could adversely affect us.
- Winning business in the semiconductor solutions industry is subject to a lengthy process that often requires us to incur significant expense, from which we may ultimately generate no revenue.
- Dependence on contract manufacturing and suppliers of critical components within our supply chain may adversely affect our ability to bring products to market.
- We purchase a significant amount of the materials used in our products from a limited number of suppliers.
- Failure to adjust our manufacturing and supply chain to accurately meet customer demand could adversely affect our results of operations.
- A prolonged disruption of our or our suppliers' manufacturing facilities, research and development facilities, warehouses or other significant operations could have a material adverse effect on us.
- We may be unable to maintain appropriate manufacturing capacity or product yields at our own manufacturing facilities.
- We may be involved in legal proceedings that could materially adversely affect our business.
- Failure of our software products to manage and secure IT infrastructures and environments could have a material adverse effect on our business.
- The growth of our software business depends on customer acceptance of our newer products and services.
- Incompatibility of our software products with operating environments, platforms, or third-party products may adversely affect demand for our products and services.
- Failure to enter into software license agreements on a satisfactory basis could adversely affect us.
- Our use of open source software in certain products and services could materially adversely affect our business, financial condition and results of operations.

- Our sales to government customers subject us to uncertainties and additional governmental regulations.
- Failure to effectively manage our products and services lifecycles could harm our business.
- Our operating results are subject to substantial quarterly and annual fluctuations.
- Competition in our industries could prevent us from growing our revenue.
- Our ability to maintain or improve gross margin.
- If we are unable to protect the significant amount of IP we utilize in our business, our business could be adversely affected.
- We are subject to warranty claims, product recalls and product liability.
- The complexity of our products could result in unforeseen delays or expense or undetected defects or bugs.
- We are subject to privacy and data security laws and contractual commitments, and our actual or perceived failure to comply with such laws and commitments could harm our business.
- We must comply with a variety of technical standards, domestic and international laws and regulations in the manufacture and distribution of our semiconductors.
- Environmental, social and governance matters may adversely affect our relationships with customers and investors.

***Risks Relating to Our Taxes***

- Our income taxes and overall cash tax costs are affected by a number of factors that could have a material, adverse effect on our financial results.
- If our tax incentives or tax holiday arrangements change or cease to be in effect or applicable, our corporate income taxes could significantly increase.
- We have potential tax liabilities as a result of VMware's former controlling ownership by Dell, which could have an adverse effect on our financial condition and operating results.

***Risks Relating to Our Indebtedness***

- Our substantial indebtedness could adversely affect our financial health and our ability to execute our business strategy.

***Risks Relating to Owning Our Common Stock***

- Our stock price may be volatile and your investment could lose value.
- There can be no assurance that we will continue to declare cash dividends.

For a more complete discussion of the material risks facing our business, see below.

**Risks Related to Our Business**

***Adverse global economic conditions could have a negative effect on our business, results of operations and financial condition and liquidity.***

A general slowdown in the global economy or in a particular region or industry, other unfavorable changes in economic conditions, such as inflation, higher interest rates, tightening of the credit markets, recession or slowing growth, or an increase in trade tensions with U.S. trading partners could negatively impact our business, financial condition and liquidity. Adverse global economic conditions have from time to time caused or exacerbated significant slowdowns in the industries and markets in which we operate, which have adversely affected our business and results of operations. Macroeconomic weakness and uncertainty also make it more difficult for us to accurately forecast operating results, and may make it more difficult to raise or refinance debt. An escalation of trade tensions between the U.S. and China has resulted in trade restrictions, increased protectionism and increased tariffs that harm our ability to participate in Chinese markets or compete effectively with Chinese companies. Sustained uncertainty about, or worsening of, current global economic conditions and further escalation of trade tensions between the U.S. and its trading partners, especially China, and the decoupling of the U.S. and China economies, could result in a global economic slowdown and long-term changes to global trade. Such events may also (i) cause our customers and consumers to reduce, delay or forgo technology spending, (ii) result in customers sourcing products from other suppliers not subject to such restrictions or tariffs, (iii) lead to the insolvency or consolidation of key suppliers and customers, and (iv) intensify pricing pressures. Any or all of these factors could negatively affect demand for our products and our business, financial condition and results of operations.

***Our business is subject to various governmental regulations. Compliance with these regulations may cause us to incur significant expense and failure to maintain compliance with applicable regulations could adversely affect our business.***

Our business is subject to various domestic and international laws and other legal requirements, including anti-competition and import/export regulations, such as the U.S. Export Administration Regulations, and applicable executive

orders. These laws, regulations and orders are complex, may change frequently and with limited notice, and generally become more stringent over time. We may be required to incur significant expense to comply with, or to remedy violations of, these regulations. In addition, if our customers fail to comply with these regulations, we may be required to suspend sales to these customers, which could damage our reputation and negatively impact our results of operations. The U.S. government may continue to add companies to its restricted entity list and/or technologies to its list of prohibited exports to specific countries, which have had and may in the future have an adverse effect on our revenue and our ability to sell our products. These restrictive governmental actions and any similar measures that may be imposed on U.S. companies by other governments, especially in light of ongoing trade tensions with China, will likely limit or prevent us from doing business with certain of our customers or suppliers and harm our ability to compete effectively or otherwise negatively affect our ability to sell our products. Furthermore, government authorities may take retaliatory actions, impose conditions for the supply of products or require the license or other transfer of IP, which could have a material adverse effect on our business.

Our products and operations are also subject to regulation by U.S. and non-U.S. regulatory agencies, such as the U.S. Federal Trade Commission. We have previously been, and may in the future be, involved or required to participate in regulatory investigations or inquiries, such as the ongoing investigation by the Korean Fair Trade Commission into certain of our contracting and business practices, which have previously and may in the future evolve into legal or other administrative proceedings. Growing public concern over concentration of economic power in corporations is leading to increased anti-competition legislation, regulation, administrative rule making and enforcement activity. Involvement in regulatory investigations or inquiries can be costly, lengthy, complex and time consuming, diverting the attention and energies of our management and technical personnel. If any pending or future governmental investigations result in an unfavorable resolution, we could be required to cease the manufacture and sale of the subject products or technology, pay fines or disgorge profits or other payments, and/or cease certain conduct and/or modify our contracting or business practices, which could have a material adverse effect on our business, financial condition and results of operations.

***Global political and economic conditions and other factors related to our international operations could adversely affect our business, financial condition and results of operations.***

A majority of our products are produced, sourced and sold internationally and our international revenue represents a significant percentage of our overall revenue. Multiple factors relating to our international operations and to particular countries in which we operate could have a material adverse effect on our business, financial condition and results of operations. These factors include:

- changes in political, regulatory, legal or economic conditions, geopolitical turmoil (including China-Taiwan relations), including terrorism, war or political or military coups, state-sponsored or politically motivated cyber-attacks, or civil disturbances or political instability (foreign and domestic);
- restrictive governmental actions, such as restrictions on the transfer or repatriation of funds and foreign investments, data privacy regulations, climate change regulations and trade protection measures, including increasing protectionism, import/export restrictions (including with regards to advanced technologies), import/export duties and quotas, trade sanctions and customs duties and tariffs, all of which have increased and may further increase;
- changes in global tax regulations;
- difficulty in obtaining product distribution and support, and transportation delays;
- potential inability to localize software products;
- difficulty in enforcing contracts, collecting accounts receivables and maintaining appropriate financial controls;
- difficulty in conducting due diligence with respect to business partners;
- public health or safety concerns, medical epidemics or pandemics, and other natural- or man-made disasters; and
- nationalization of businesses and expropriation of assets.

A significant legal risk associated with conducting business internationally is compliance with the various and differing laws and regulations of the many countries in which we do business. Although our policies prohibit us, our employees and our agents from engaging in unethical business practices, there can be no assurance that all of our employees, distributors or other agents will refrain from acting in violation of our related anti-corruption or other policies and procedures. Any such violation could have a material adverse effect on our business.

***Failure to realize the benefits expected from the VMware Merger could adversely affect our business and the value of our common stock.***

As part of our integration of the VMware business, we are focusing on VMware's core business of creating private cloud environments on-premises among large enterprises globally and divesting non-core assets. If VMware customers do not accept our business strategy, including our transition from a perpetual to a subscription licensing model and our simplified product portfolio, the investments we have made or may make to implement our strategy may be of no or limited value, we may lose significant customers, our financial results may be adversely affected and our stock price may suffer.

Although we expect significant benefits to result from the VMware Merger, if we do not successfully manage the challenges inherent in integrating an acquired business, we may not realize these benefits, and our revenue, expenses, operating results, financial condition and stock price could be materially adversely affected. Achieving these benefits will depend, in part, on our ability to integrate VMware's business successfully and efficiently and VMware customers accepting our business strategy, including our transition from a perpetual to a subscription licensing model and our simplified product portfolio. The successful integration of the VMware business has required, and will continue to require, significant management attention, and may divert the attention of management from other business and operational issues.

***We have pursued, and may in the future pursue, mergers, acquisitions, investments, joint ventures and dispositions, which could adversely affect our results of operations.***

Our growth strategy includes acquiring or investing in businesses that offer complementary products, services and technologies, or enhancing our market coverage or technological capabilities. Any acquisitions we may undertake, including the VMware Merger, and their integration involve risks and uncertainties, which could impede the execution of our business strategy, such as:

- U.S. and non-U.S. regulatory approval may take longer than anticipated, not be forthcoming or contain burdensome conditions;
- unexpected delays, challenges and related expenses, and disruption of our business;
- diversion of management's attention from daily operations and the pursuit of other opportunities;
- incurring significant restructuring charges and amortization expense, assuming liabilities and ongoing or new lawsuits, potential impairment of acquired goodwill and other intangible assets, and increasing our expenses and working capital requirements;
- the potential for deficiencies in internal controls of the acquired business, as well as implementing our own management information systems, operating systems and internal controls for the acquired operations;
- our due diligence process may fail to identify significant issues with the acquired business' products, financial disclosures, accounting practices, legal, tax and other contingencies, compliance with local laws and regulations (and interpretations thereof) in the U.S. and multiple international jurisdictions;
- difficulties integrating the acquired business or company and in managing and retaining acquired employees, vendors and customers; and
- inaccuracies in our original estimates and assumptions used to assess a transaction, which may result in us not realizing the expected financial or strategic benefits of any such transaction.

From time to time, we seek to divest or wind down portions of our business or exit minority investments, any of which could materially affect our cash flows and results of operations. Such dispositions involve risks and uncertainties, including disruption to other parts of our business, potential loss of employees or customers, or exposure to unanticipated liabilities or ongoing obligations following any such dispositions. In addition, dispositions may include the transfer of technology and/or the licensing of certain IP rights to third-party purchasers that limits our ability to utilize such IP rights or assert these rights against third parties. Such events could have a material adverse impact on our business and operations.

***We are subject to risks associated with our distributors and other channel partners, including product inventory levels and product sell-through.***

We sell our products through a direct sales force and a select network of distributors and other channel partners globally. Sales to distributors accounted for 48% of our net revenue in fiscal year 2024 and are subject to a number of risks, including:

- fluctuations in demand based on our distributors' product inventory levels, and the timing of delivery to and demand of end customers;
- our distributors and other channel partners are generally not subject to minimum sales requirements or any obligation to market our products to their customers and may market and distribute competing products; and

- our distributors' and other channel partners' agreements are generally nonexclusive and may be terminated at any time without cause.

Our dependence on channel partners has increased following the VMware Merger. Failure to maintain good relationships with our distributors and channel partners could adversely impact our business. In addition, we sell our semiconductor products through an increasingly limited number of distributors, which exposes us to additional customer concentration and related credit risks.

From time to time, we enlist our distributors and channel partners to lead go-to-market and customer relationships for certain products, such as our Accelerate Program and Catalyst Initiative for certain infrastructure software products, with certain sole distribution relationships by region. To the extent these distributors and channel partners fail to maintain good relationships with our customers or we are unable to continue enlisting our distributors and channel partners to lead go-to-market and customer relationships, our business, operating results and cash flow may be adversely impacted.

We do not always have a direct relationship with the end customers of our products. As a result, our semiconductor products may be used in applications for which they were not necessarily designed or tested, and the misuse or failure of our semiconductor products could result in significant liabilities to us, damage our reputation and harm our business, operating results and cash flow.

***Our business would be adversely affected by the departure of existing members of our senior management team.***

Our success depends, in large part, on the continued contributions of our senior management team, in particular the services of Hock E. Tan, our President and Chief Executive Officer. Effective succession planning is also important for our long-term success. Failure to ensure effective transfers of knowledge and smooth transitions involving senior management could hinder our strategic planning and execution. None of our senior management is bound by written employment contracts. In addition, we do not currently maintain key person life insurance covering our senior management. The loss of any of our senior management could harm our ability to implement our business strategy and respond to the rapidly changing market conditions in which we operate.

***If we are unable to attract and retain qualified personnel, especially our engineering and technical personnel, we may not be able to execute our business strategy effectively.***

Our future success depends on our ability to attract, retain and motivate qualified personnel. As the source of our technological and product innovations, our engineering and technical personnel, such as our AI-related product engineers and cybersecurity experts, are a significant asset. Competition for these employees is significant in many areas of the world in which we operate, particularly in Silicon Valley and Southeast Asia where qualified engineers are in high demand. In addition, current or future immigration laws may make it more difficult to hire or retain qualified engineers, further limiting the pool of available talent. We believe equity awards provide a powerful long-term retention incentive and have historically granted these awards to the substantial majority of our employees. If we are unable to continue our current equity granting philosophy or our stock underperforms, this could impair our efforts to attract and retain necessary personnel. Any inability to retain, attract or motivate such personnel and provide competitive employment benefits could have a material adverse effect on our business, financial condition and results of operations.

***Cyber security threats or other security breaches, or any other impairment of the confidentiality, integrity or availability of our IT systems, or those of one or more of our corporate infrastructure vendors, could have a material adverse effect on our business.***

Our business depends on a wide variety of complex IT systems and services, including cloud-based and other critical corporate services relating to, among other things, product research and development, financial reporting, product orders and fulfillment, HR, benefit plan administration, IT network management, and electronic communication and collaboration services. These systems and services are both internally managed and outsourced, and in many cases we rely upon third-party data centers. Any failure of these internal or third-party systems and services to operate effectively could disrupt our operations and could have a material adverse effect on our business, financial condition and results of operations. Our operations are dependent upon our ability to protect our IT infrastructure against damage from business continuity events that could have a significant disruptive effect. Although these systems are designed to protect and secure our customers', suppliers' and employees' confidential information, as well as our own proprietary information, we are, out of necessity, dependent on our vendors to adequately address cybersecurity threats to their own systems. In addition, software products we use and technologies produced by us have occasionally had in the past and may have in the future, vulnerabilities that, if left unmitigated, could reduce the overall level of security of the systems on which the software is installed.

Cyber-attacks are increasing in number and sophistication, are well-financed, in some cases supported by state actors, and are designed to not only attack, but also to evade detection. Since the techniques used to obtain unauthorized access to systems, or to otherwise sabotage them, change frequently and are often not recognized until launched against a target, we

may be unable to anticipate these techniques or to implement adequate preventative measures. The emergence and maturation of AI capabilities may also lead to new and/or more sophisticated methods of attack, including fraud that relies upon “deep fake” impersonation technology or other forms of generative automation that may scale up the efficiency or effectiveness of cyber threat activity.

As a critical vendor in the digital supply chain for both governmental entities and critical infrastructure operators, we and our products may be targeted by those seeking to threaten the confidentiality, integrity and availability of systems supporting essential public services. Geopolitical instability may increase the likelihood that we will experience direct or collateral consequences from cyber conflicts between nation-states or other politically motivated actors targeting critical technology infrastructure.

Accidental or willful security breaches or other unauthorized access to our information systems or the systems of our service providers and business partners, or the existence of computer viruses or malware (such as ransomware) in our or their data or software have in the past exposed, and could in the future expose, us to a risk of information loss, business disruption, and misappropriation of proprietary and confidential information, including information relating to our products or customers and the personal information of our employees or third parties. Such an event could disrupt our business and result in, among other things, unfavorable publicity, damage to our reputation, loss of our trade secrets and other competitive information, litigation by affected parties and possible financial obligations for liabilities and damages related to the theft or misuse of such information, significant remediation costs, disruption of key business operations and significant diversion of our resources, as well as fines and other sanctions resulting from any regulatory non-compliance, any of which could have a material adverse effect on our business, profitability and financial condition. While we may be entitled to damages if our vendors fail to perform under their agreements with us, any award may be insufficient to cover the actual costs incurred by us and, as a result of a vendor’s failure to perform, we may be unable to collect any damages.

Despite our internal controls and investment in security measures, we have, from time to time, been subject to disruptive cyber-attacks and unauthorized network intrusions and malware on our own IT networks or those of our service providers or business partners. Although no such cybersecurity incidents have been material to us, we continue to devote resources to protect our systems and data from unauthorized access or misuse, and we may be required to expend greater resources in the future. Businesses we acquire have previously increased, and may continue to increase, the scope and complexity of our IT networks, and this has, from time to time, increased our risk exposure to cyber-attacks when there are difficulties integrating diverse legacy systems that support operations for the acquired businesses.

In addition, certain aspects of effective cybersecurity are dependent upon our employees, contractors and other trusted partners reliably safeguarding secrets (e.g., application credentials) and adhering to our security policies and access control mechanisms. We have in the past experienced, and expect in the future to experience, security incidents arising from a failure to properly handle such secrets or adhere to such policies and, although no such events have had a material adverse effect on our business, there can be no assurance that an insider threat will not result in a material cyber incident. Our logging, alerting and cyber incident detection mechanisms may not cover every system potentially targeted by threat actors, may not have the capability to detect certain types of unauthorized activities, and may not capture and surface information sufficient to enable us to timely detect and take responsive action to insider or external threats.

U.S. and non-U.S. regulators, as well as customers and service providers, have also increased their focus on cybersecurity vulnerabilities and risks. Compliance with laws, regulations, and contractual provisions concerning privacy, cybersecurity, secure technology development, data governance, data protection, confidentiality and IP could result in significant expense, and any failure to comply could result in proceedings against us by regulatory authorities or other third parties and may also increase our overall compliance burden. See also “*Failure of our software products to manage and security IT infrastructures and environments could have a material adverse effect on our business.*”

***The majority of our sales have historically come from a small number of customers and a reduction in demand or loss of one or more of our significant customers may adversely affect our business.***

We have historically depended on a small number of end customers, OEMs, their respective contract manufacturers (“CMs”) and certain distributors for a majority of our business and revenue. For fiscal year 2024, sales to distributors accounted for 48% of our net revenue. We believe aggregate sales, through all channels, to our top five end customers accounted for approximately 40% of our net revenue for fiscal year 2024. This customer concentration increases the risk of quarterly fluctuations in our operating results and our sensitivity to any material adverse developments experienced by these customers.

Our semiconductor customers are not generally required to purchase specific quantities of products. Even when customers agree to source an agreed portion of their product needs from us, such arrangements often include pricing schedules or methodologies that apply regardless of the volume of products purchased, and those customers may not purchase the amount of product we expect. As a result, we may not generate the amount of revenue or achieve the level of profitability we expect under such arrangements. Moreover, our top customers' purchasing power has, in some cases, given them the ability to make greater demands on us with regard to pricing and contractual terms in general. Some customers may even reduce the amount of products or decline to purchase due to their internal development of the products. The loss of, or any substantial reduction in sales to, any of our top customers, including our hyperscale customers, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

***We operate in the highly cyclical semiconductor industry.***

The semiconductor industry is highly cyclical and is characterized by rapid price erosion, wide fluctuations in product supply and demand, constant and rapid technological change, evolving technical standards, evolving markets such as AI, frequent new product introductions, and short product life cycles. From time to time, these factors, together with changes in general economic conditions, cause significant upturns and downturns in the industry and in our business. The market for AI-related products has resulted in a significant upturn in certain segments of the industry resulting in record revenue, which may not be sustainable. Previously the industry experienced a significant upturn due to a supply imbalance that resulted in record profitability and increases in average selling prices, which was followed by a down-cycle resulting in diminished demand for end-user products, high inventory levels and periods of inventory adjustment, and elimination of expedite fees. Historically, such down-cycles have also been characterized by under-utilization of manufacturing capacity, changes in revenue mix and accelerated erosion of average selling prices, which can lead to reduced profitability and a decline in our stock price. The Creating Helpful Incentives to Produce Semiconductors for America Act could also result in an increase in supply leading to excess inventory and a decrease in average selling prices. We expect our business to continue to be subject to cyclical downturns even when overall economic conditions are relatively stable. If we cannot offset industry or market downturns, our net revenue may decline and our financial condition and results of operations may suffer.

***We make investments in research and development and the slow or unsuccessful return of our investments could materially adversely affect our business, financial condition and results of operations.***

The industries in which we compete are characterized by rapid technological change, new technological trends such as AI and cloud computing, changes in customer requirements, frequent new product introductions and enhancements, short product cycles, evolving industry standards and new delivery methods. In addition, to compete successfully in the semiconductor industry, we must continue to develop and respond to technological advancements and requirements, such as low-power consumption, higher bandwidth and increase in the number of clusters. Failure to successfully develop increasingly advanced technologies, including ASICs such as custom AI accelerators or XPU and other AI-related products, could impair our competitive position. In order to remain competitive, we have made, and expect to continue to make, significant investments in research and development. If we fail to timely develop new and enhanced products and technologies, if we focus on technologies that do not become widely adopted, or if new competitive technologies that we do not support become widely accepted, demand for our products such as our custom AI accelerators or XPU and other AI-related products may be reduced. Increased investments in research and development, or slow or unsuccessful research and development efforts, would have a negative impact on our financial results.

***Winning business in the semiconductor solutions industry is subject to a lengthy process that often requires us to incur significant expense, from which we may ultimately generate no revenue.***

Our semiconductor business is dependent on us winning competitive bid selection processes, known as "design wins." These selection processes are typically lengthy and can require us to dedicate significant development expenditures and scarce engineering resources in pursuit of a single customer opportunity. Failure to obtain a particular design win may prevent us from obtaining design wins in subsequent generations of a particular product. This can result in lost revenue and can weaken our position in future selection processes.

Winning a product design does not guarantee sales to a customer. Customers could delay or cancel plans, fail to qualify our products, reduce or discontinue use of our products or fail to successfully market and sell their products, which could reduce demand for our products and cause us to hold excess inventory, materially adversely affecting our business, financial condition and results of operations. In addition, the timing of design wins is unpredictable and implementing production for a major design win or multiple design wins at the same time, such as our design wins for our custom AI accelerators or XPU and other AI-related products, may strain our resources and those of our CMs. In such event, we may be forced to dedicate significant additional resources such as product engineering and incur additional costs and expenses, which we expect to continue for our AI-related products. These risks are exacerbated by the fact that many of our products, such as our AI-related products, are dependent on our continued success in the development and quality of our products and product engineering.



***Dependence on contract manufacturing and suppliers of critical components within our supply chain may adversely affect our ability to bring products to market, damage our reputation and adversely affect our results of operations.***

We operate a primarily outsourced manufacturing business model that principally utilizes CMs, such as third-party wafer foundries. Our semiconductor products require wafer manufacturers with state-of-the-art fabrication equipment and techniques, and most of our products are designed to be manufactured in a specific process, typically at one particular fab or foundry, either our own or with a particular CM. Qualifying and establishing reliable production at acceptable yields with a new CM, if at all, is a lengthy and often expensive process.

We depend on our CMs to allocate sufficient manufacturing capacity to meet our needs, to produce products of acceptable quality at acceptable yields, and to deliver those products to us on a timely basis. We do not generally have long-term capacity commitments with our CMs and substantially all of our manufacturing services are on a purchase order basis with no minimum quantities. Further, our CMs may fail to timely develop or successfully implement new, advanced manufacturing processes, including transitions to smaller geometry process technologies. From time to time, our CMs may also cease to, or become unable to, manufacture a component for us.

TSMC, one of our CMs, manufactured approximately 95% of the wafers manufactured by our CMs during fiscal year 2024. We believe our wafer requirements represent a meaningful portion of TSMC's total production capacity. However, TSMC also fabricates wafers for other companies, including some of our competitors, and could choose or be required to prioritize capacity for other customers or reduce or eliminate deliveries to us on short notice. In addition, TSMC has, and may in the future, raise their prices to us.

If any of the foregoing circumstances occur, we may be unable to meet our customer demand, or to the same extent as our competitors, fail to meet our contractual obligations or forgo revenue opportunities. This could damage our relationships with our customers, result in litigation for alleged failure to meet our obligations, or result in payment of significant damages, and our net revenue could decline, adversely affecting our business, financial condition, results of operations and gross margin.

***We purchase a significant amount of the materials, including components, used in our products from a limited number of suppliers.***

Our manufacturing processes and those of our CMs rely on many materials, including silicon, GaAs and InP wafers, copper lead frames, precious and rare earth metals, mold compound, ceramic packages and various chemicals and gases. During fiscal year 2024, we purchased approximately two-thirds of our manufacturing materials from five materials suppliers, some of which are single source suppliers. The lead time needed to identify and qualify a new supplier is typically lengthy and there is often no readily available alternative source. We do not generally have long-term contracts with our materials suppliers and substantially all of our purchases are on a purchase order basis. Suppliers may extend lead times, limit supplies, place products on allocation or increase prices, any of which could disrupt supply or increase demand in the industry. Additionally, the supply of these materials may be negatively impacted by increased trade tensions between the U.S. and its trading partners, particularly China. Any such supply constraints could result in loss of revenue opportunities and adversely impact our business, financial condition and results of operations.

***A prolonged disruption of our or our suppliers' manufacturing facilities, research and development facilities, warehouses or other significant operations could have a material adverse effect on our business, financial condition and results of operations.***

Although we operate a primarily outsourced manufacturing business model, we also rely on our own manufacturing facilities, in particular in Fort Collins, Colorado, Singapore, and Breinigsville, Pennsylvania. Our Fort Collins and Breinigsville facilities are the sole sources for the FBAR components used in many of our wireless devices and for the InP-based wafers used in our fibre optics products, respectively. Many of our facilities, and those of our CMs and suppliers, are concentrated in the same geographic regions of California and the Pacific Rim, which have above average seismic activity and severe weather activity, and increases the risk of natural disasters impacting multiple suppliers. In addition, a significant majority of our research and development personnel are located in the Czech Republic, India, Israel, and the U.S., and our primary warehouse is in Malaysia.

A prolonged disruption at or shut-down of one or more of our manufacturing facilities or warehouses or those of our CMs or suppliers, due to natural- or man-made disasters or other events outside of our control, such as climate change, water shortages, political unrest, military conflicts, geopolitical turmoil, trade tensions, government orders, labor shortages, medical epidemics, economic instability, equipment failure or for any other reason, would limit our capacity to meet customer demands and delay new product development until a replacement facility and equipment, if necessary, were found. To date, such events have not had a material adverse effect on our business. However, such an event could disrupt our operations, forgo revenue opportunities, potentially lose market share, result in us being unable to timely satisfy customer demand, expose us to claims by our customers, result in significant expense to repair or replace our affected facilities, and, in some



instances, could significantly curtail our research and development efforts in a particular product area or target market, any of which could materially and adversely affect our business. This disruption could also prevent our customers from resuming their own manufacturing following such an event, they may cancel or scale back their orders from us and this may in turn adversely affect our results of operations. Such events could also result in increased fixed costs relative to the revenue we generate and adversely affect our results of operations.

***Failure to adjust our manufacturing and supply chain to accurately meet customer demand could adversely affect our results of operations.***

We make significant decisions, including determining the levels of business that we will seek and accept, production schedules, levels of reliance on contract manufacturing and outsourcing, internal fabrication utilization and other resource requirements, based on customer requirements or estimates thereof, which may not be accurate. Many factors could impact our estimates of customers' demands, including changes in product development cycles, competing technologies and product releases, new or unexpected end-user products, such as demand for AI-related products, and changes in business and economic conditions. If we are unable to timely respond to changes in customer demand, this could damage our customer relationships, harm our reputation, prevent us from taking advantage of opportunities and adversely impact our business, financial condition and results of operations.

***We may be unable to maintain appropriate manufacturing capacity or product yields at our own manufacturing facilities, which could adversely affect our relationships with our customers, and our business, financial condition and results of operations.***

We must maintain appropriate capacity and product yields at our own manufacturing facilities to meet anticipated customer demand. From time to time, this requires us to invest in expansion or improvements of those facilities, which may not be sufficient or in time, to meet customer demand and we may have to put customers on product allocation, forgo sales or lose customers as a result. Conversely, if we overestimate customer demand, we would experience excess capacity and fixed costs at these facilities will not be fully absorbed, which could adversely affect our results of operations. Similarly, reduced product yields, due to design or manufacturing issues or otherwise, may involve significant time and cost to remedy and cause delays in our ability to supply product to our customers, all of which could cause us to forgo sales, incur liabilities or lose customers, and harm our results of operations.

***We may be involved in legal proceedings, including IP, securities litigation, and employee-related claims, which could, among other things, divert efforts of management and result in significant expense and loss of our IP rights.***

We are often involved in legal proceedings, including cases involving our IP rights and those of others, commercial matters, acquisition-related lawsuits, securities class action lawsuits, employee-related claims and other actions. Litigation or settlement of such actions, regardless of their merit, have been, and can continue to be, costly, lengthy, complex and time consuming, diverting the attention and energies of our management and technical personnel.

The industries in which we operate are characterized by companies holding large numbers of patents, copyrights, trademarks and trade secrets and vigorously pursuing, protecting and enforcing IP rights, including actions by patent-holding companies that do not make or sell products. From time to time, third parties assert against us and our customers and distributors their IP rights to technologies that are important to our business. We may be required to indemnify our customers or purchasers for third-party IP infringement claims, including costs to defend those claims, and payment of damages in the case of adverse rulings. However, our CMs and suppliers may or may not be required to indemnify us should we or our customers be subject to such third-party claims. Claims of this sort could also harm our relationships with our customers and might deter future customers from doing business with us. If any pending or future proceedings result in an adverse outcome, we could be required to:

- cease the manufacture, use or sale of the infringing products, processes or technology and/or make changes to our processes or products;
- pay substantial damages for past, present and future use of the infringing technology, including up to treble damages if willful infringement is found;
- expend significant resources to develop non-infringing technology;
- license technology from the third party claiming infringement, which license may not be available on commercially reasonable terms, or at all;
- enter into cross-licenses with our competitors, which could weaken our overall IP portfolio and our ability to compete in particular product categories;
- pay substantial damages to our direct or end customers to discontinue use or replace infringing technology with non-infringing technology; or

- relinquish IP rights associated with one or more of our patent claims.

Any of the foregoing results could have a material adverse effect on our business, financial condition and results of operations.

***Failure of our software products to manage and secure IT infrastructures and environments could have a material adverse effect on our business.***

Certain aspects of our software products are intended to manage and secure IT infrastructures and environments, and as a result, we expect these products to be ongoing targets of cyber-attacks. Open source code or other third-party software used in these products could also be targeted and may make our products vulnerable to additional security risks not posed by purely proprietary products. Our products are complex and, when deployed, may contain errors, defects or security vulnerabilities, some of which may not be discovered before the product has been released, installed and used by customers. The complexity and breadth of our technical and production environments, which involve globally dispersed development and engineering teams, increases the risk that errors, defects or vulnerabilities will be introduced and may delay our ability to detect, mitigate or remediate such incidents.

In the past, elements of our proprietary source code have been exposed in an unauthorized manner. It is possible that such exposure of source code could reveal unknown security vulnerabilities in our products that could be exploited by malicious actors. Our products are also subject to known and unknown security vulnerabilities resulting from integration with third-party products or services.

Although we continually seek to improve our countermeasures to prevent such incidents, we may be unable to anticipate every scenario and it is possible that certain cyber threats or vulnerabilities will be undetected or unmitigated in time to prevent an attack or an accidental incident on us and our customers. Additionally, efforts by malicious cyber actors or others could cause interruptions, delays or cessation of our product licensing, or modification of our software, which could cause us to lose existing or potential customers.

A successful cyber-attack involving our products could cause customers and potential customers to believe our services are ineffective or unreliable and result in, among other things, the loss of customers, unfavorable publicity, damage to our reputation, difficulty in marketing our products, and allegations by our customers that we have not performed our contractual obligations, and give rise to significant costs, including costs related to developing solutions or indemnification obligations under our agreements. Any such event could adversely impact our revenue and results of operations. See also *"Cyber security threats or other security breaches, or any other impairment of the confidentiality, integrity or availability of our IT systems, or those of one or more of our corporate infrastructure vendors, could have a material adverse effect on our business."*

***The growth of our software business depends on demand for our data center virtualization products, as well as customer acceptance of our products, services and business strategy.***

Many of our software products and services are based on data center virtualization and related hybrid-cloud technologies used to manage distributed computing architectures, which form the foundation for hybrid-cloud computing. Enabling businesses to modernize applications and efficiently implement their hybrid-cloud services presents new and difficult technological, operational and compliance challenges. If businesses build new or shift existing compute workloads off-premises to public cloud providers, this could limit the market for on-premises deployments of our data center virtualization products. Current and future customers may not perceive benefits associated with adopting our hybrid-cloud and enterprise-grade private cloud platform or our simplified product portfolios. If demand is significantly less than anticipated or we fail to realize the expected returns on our business strategy, our business, financial condition, results of operations and cash flows may be adversely affected.

***If our software products do not remain compatible with ever-changing operating environments, platforms, or third-party products, demand for our products and services could decrease, which could materially adversely affect our business.***

We may be required to make substantial modification of our products to maintain compatibility with operating systems, systems software and computer hardware used by our customers or to provide our customers with desired features or capabilities. We must also continually address the challenges of dynamic and accelerating market trends and competitive developments, such as the emergence of advanced persistent threats in the security space, to compete effectively. There can be no assurance that we will be able to adapt our products in response to these developments.

Further, our software solutions interact with a variety of software and hardware developed by third parties, as well as cloud providers. If we lose access to third-party code and specifications for the development of code or cloud providers fail to support our products or otherwise limit the functionality, compatibility or certification of our products or otherwise impose unfavorable terms and conditions, this could negatively impact our ability to develop compatible software. This could result in higher research and development costs for the enhancement and modification of our existing products or development of

new products. Any additional restrictions could materially adversely affect our business, financial condition and operating results and cash flow.

***Failure to enter into software license agreements on a satisfactory basis could materially adversely affect our business.***

Many of our existing software customers have multi-year enterprise software license agreements, some of which involve substantial aggregate fee amounts. These customers often do not have a contractual obligation to purchase additional solutions and often have termination for convenience clauses without payment of a substantive penalty. The failure or inability to renew customer agreements of similar scope, on terms that are commercially attractive to us, could materially adversely affect our business, financial condition and operating results and cash flow, or software license agreements without termination for convenience clauses could cause our operating results to fluctuate.

***Our use of open source software in certain products and services could materially adversely affect our business, financial condition, operating results and cash flow.***

Many of our products and services incorporate open source software, the use of which may subject us to certain conditions, including the obligation to offer such products for no cost or to make the proprietary source code of those products publicly available. Open source licenses are generally “as-is” and do not provide warranties, support or assurance of title or controls on origin, which may expose us to potential liability if the software fails to work or has security vulnerabilities.

Although we monitor our use of open source software to avoid subjecting our products to unintended conditions and security vulnerabilities, we may receive third-party claims regarding our compliance with the conditions of such open source licenses and we may be required to take steps to remedy an alleged infringement or noncompliance, including modifying or releasing our product code or paying damages.

***Our sales to government customers subject us to uncertainties and governmental regulations, which could have a material adverse effect on our business.***

Our contracts signed with the U.S. federal, state and local government and non-U.S. government agencies are generally subject to annual fiscal funding approval and may be renegotiated or terminated at the discretion of the government. Termination, renegotiation or the lack of funding approval for a contract could adversely affect our sales, revenue and reputation. Additionally, our government contracts and our arrangements with channel partners who may sell directly to government customers are generally subject to requirements that may generally not be present in commercial contracts and/or may be complex, as well as audits and investigations. Failure to meet contractual requirements could result in various civil and criminal actions and penalties, and administrative sanctions, including termination of contracts, refund of a portion of fees received, forfeiture of profits, suspension of payments, fines and suspensions or debarment from doing business with the government, which could materially adversely affect our business, financial condition, operating results and cash flow.

***Failure to effectively manage our products and services lifecycles could harm our business.***

As part of the natural lifecycle of our products and services, customers are informed when products or services will be reaching their end of life or end of availability and will no longer be supported or receive updates and security patches. If these products or services remain subject to a service contract, the customer may transition to alternative products or services. Failure to effectively manage our products and services lifecycles could lead to customer dissatisfaction and contractual liabilities, which could adversely affect our business and operating results.

***Our operating results are subject to substantial quarterly and annual fluctuations.***

Our operating results have fluctuated in the past and are likely to fluctuate in the future. These fluctuations may occur on a quarterly and annual basis and are due to a number of factors, many of which are beyond our control. In addition to many of the risks described elsewhere in this “Risk Factors” section, these factors include, among others:

- the timing of launches by our customers of new products in which our products are included and changes in end-user demand for our customers’ products;
- fluctuations in the levels of component or product inventories held by our customers, which may lead to increased requests to delay shipment of our semiconductor products;
- the shift to cloud-based IT solutions and services, such as hyperscale computing, which may adversely affect the timing and volume of sales of our semiconductor products for use in traditional enterprise data centers;
- the timing and extent of our software license and subscription revenue, and other non-product revenue;
- the timing of new software contracts and renewals, including the timing of software contracts that do not have termination for convenience clauses;

- the timing of any terminations of software contracts that require us to refund to customers any pre-paid amounts under the contract;
- the timing of contracts with distributors and channel partners to lead go-to-market and customer relationships for certain products;
- our ability to timely develop, introduce and market new products and technologies;
- new product announcements and introductions by us or our competitors;
- seasonality or other fluctuations in demand in our markets;
- timing and amount of research and development and related new product expenditures, and the timing of receipt of any research and development grant monies; and
- timing of any regulatory changes, particularly with respect to trade sanctions and customs duties and tariffs, and tax reform, or changes in the interpretation or enforcement of existing requirements.

The foregoing factors are often difficult to predict, and these, as well as other factors, could materially adversely affect our quarterly or annual operating results. In addition, a significant amount of our operating expenses are relatively fixed in nature. Any failure to adjust spending quickly enough to compensate for a revenue shortfall could magnify the adverse impact of such revenue shortfall on our results of operations. As a result, we believe that quarter-to-quarter comparisons of our revenue and operating results may not be meaningful or reliable indicators of our future performance. If our operating results in one or more future quarters fail to meet the expectations of securities analysts or investors, a significant decline in the trading price of our common stock may occur, which may happen immediately or over time.

***Competition in our industries could prevent us from growing our revenue.***

The industries in which we operate are highly competitive and characterized by rapid technological changes, evolving industry standards, changes in customer requirements, often aggressive pricing practices and, in some cases, new delivery methods. We expect competition in these industries to continue to increase as existing competitors improve or expand their product offerings or as new competitors enter our markets. In addition, the trend toward consolidation is changing the competitive landscape. We expect this trend to continue, which may result in combined competitors having greater resources than us.

Some of our competitors have longer operating histories, greater name recognition or presence in key markets, a larger installed customer base, larger technical staff, a more comprehensive IP portfolio or better patent protection, more established relationships with vendors or suppliers, or greater manufacturing, distribution, financial, research and development, technical and marketing resources than us. We face competition from companies that receive financial and other support from their home country government, customers who develop competing products, public cloud providers, numerous smaller companies that specialize in specific aspects of the highly fragmented software industry, open source authors who provide software and IP for free, and competitors who offer their products through try-and-buy or freemium models.

The actions of our competitors, in the areas of pricing and product bundling in particular, could have a substantial adverse impact on us. Further, competitors may leverage their superior market position, as well as IP or other proprietary information, including interface, interoperability or technical information, in new and emerging technologies and platforms that may inhibit our ability to compete effectively. If we are unable to compete successfully, we may lose market share for our products or incur significant reduction in our gross margins, either of which could have a material adverse effect on our business and results of operations.

***Our gross margin is dependent on a number of factors, including our product mix, price erosion, acquisitions we may make, level of capacity utilization and commodity prices.***

Our gross margin is highly dependent on product mix, which is susceptible to seasonal and other fluctuations in our markets. A shift in sales mix away from our higher margin products, as well as the timing and amount of our software licensing and non-product revenue, could adversely affect our future gross margin percentages. In addition, increased competition and the existence of product alternatives, more complex engineering requirements, lower demand, industry oversupply or reductions in our technological lead compared to our competitors, and other factors have in the past and may in the future lead to further price erosion, lower revenue and lower margin. Conversely, periods of robust demand that create a supply imbalance can lead to higher gross margins that may not be sustainable over the longer term.

***We utilize a significant amount of IP in our business. If we are unable or fail to protect our IP, our business could be adversely affected.***

Our success depends in part upon protecting our IP. To accomplish this, we rely on a combination of IP rights, including patents, copyrights, trademarks and trade secrets, as well as customary contractual protections with our customers, suppliers, employees and consultants. We spend significant resources to monitor and protect our IP rights, including the unauthorized use of our products and usage rates of the software seat licenses and subscriptions that we sell. Even with significant expenditures, we may not be able to protect the IP rights that are valuable to our business or have sufficient IP rights to protect our products or our business. Further, effective IP protection may be unavailable or more limited in other jurisdictions, relative to those protections available in the U.S., and may not be applied for or may be abandoned in one or more relevant jurisdictions. In addition, when patents expire, we lose the protection and competitive advantages they provided to us.

We also generate revenue from licensing royalty payments and from technology claim settlements relating to certain of our IP. Licensing of our IP rights, particularly exclusive licenses, may limit our ability to assert those IP rights against third parties, including the licensee of those rights. In addition, from time to time, we acquire companies with IP that is subject to licensing obligations to other third parties. These licensing obligations have extended, and may in the future extend, to our own IP, limiting our ability to assert our IP rights.

From time to time, we pursue litigation to assert our IP rights, including, in some cases, against our customers and suppliers. Claims of this sort could also harm our relationships with our customers and might deter future customers from doing business with us. Conversely, third parties have and may in the future pursue IP litigation against us, including as a result of our IP licensing business. Any inability to adequately protect our IP could limit the value of our technology, result in the loss of opportunities to sell or license our technology to others or limit our collection of royalty payments, any of which could negatively impact our business, financial condition and results of operations.

In addition, from time to time, we obtain or renew IP licenses. Our inability to obtain or renew these licenses on acceptable terms, or at all, could have a material adverse effect on our business and results of operations.

***We are subject to warranty claims, product recalls and product liability.***

From time to time, we may be subject to warranty or product liability claims that may lead to significant expense. Our customer contracts typically contain warranty and indemnification provisions, and in certain cases may also contain liquidated damages provisions. The potential liabilities associated with such provisions are significant, and in some cases, including in agreements with some of our largest customers, are potentially unlimited. Any such liabilities may greatly exceed any revenue we receive from the relevant products. Costs, payments or damages incurred or paid by us in connection with warranty and product liability claims and product recalls could materially adversely affect our financial condition and results of operations. We may also be exposed to such claims as a result of any acquisition we may undertake in the future. Product liability insurance is subject to significant deductibles and there is no guarantee that such insurance will be available or adequate to protect against all such claims, or we may elect to self-insure with respect to certain matters. Although we maintain reserves for reasonably estimable liabilities and purchase product liability insurance, our reserves may be inadequate to cover the uninsured portion of such claims.

***The complexity of our products could result in unforeseen delays or expense or undetected defects or bugs, which could adversely affect the market acceptance of new products, damage our reputation with current or prospective customers, and materially and adversely affect our operating costs.***

Highly complex products, such as those we offer, may contain defects and bugs when they are first introduced or as new versions, software documentation or enhancements are released, or their release may be delayed due to unforeseen difficulties during product development. If any of our products or third-party components used in our products, contain defects or bugs, or have reliability, quality or compatibility problems, we may not be able to successfully design workarounds. Furthermore, if any of these problems are not discovered until after we have commenced commercial production or deployment, we may be required to incur additional development costs and product recall, repair or replacement costs. Significant technical challenges also arise with our software products because our customers license and deploy our products across a variety of computer platforms and integrate them with a number of third-party software applications and databases. As a result, if there is system-wide failure or an actual or perceived breach of information integrity, security or availability occurs in one of our end-user customer's system, it can be difficult to determine which product is at fault and we could ultimately be harmed by the failure of another supplier's product. Consequently, our reputation may be damaged and customers may be reluctant to buy our products and we may have to invest significant capital and other resources, which could materially and adversely affect our ability to retain existing customers and attract new customers. As a result, our financial results could be materially adversely affected.

***We collect, use, store, or otherwise process personal information, which subjects us to privacy and data security laws and contractual commitments, and our actual or perceived failure to comply with such laws and commitments could harm our business.***

We collect, use and store (collectively referred to as “process” in this paragraph) a high volume, variety and velocity of certain personal information in connection with the operation of our business. This creates various levels of privacy risks across different parts of our business, depending on the type of personal information, the jurisdiction in question and the purpose of their processing. The personal information we process is subject to an increasing number of federal, state, local, and foreign laws and regulations regarding privacy and data security, as well as contractual commitments. Privacy legislation and other data protection regulations, enforcement and policy activity in this area are expanding rapidly in many jurisdictions and creating a complex regulatory compliance environment. Sectoral legislation, certification requirements and technical standards applying to certain categories of our customers, such as those in the financial services or public sector, have exacerbated this trend. The cost of complying with and implementing these privacy-related and data governance measures could increase depending on any additional burdensome security, business processes, or business record or data localization requirements. Concerns about government interference, sovereignty and expanding privacy, cybersecurity and data governance legislation could adversely affect our customers and our products and services, particularly in cloud computing, AI and our own data management practices. The theft, loss or misuse of personal data collected, used, stored or transferred by us to run our business could result in significantly increased business and security costs or costs related to defending legal claims. Any inadvertent failure or perceived failure by us to comply with privacy, data governance or cybersecurity obligations may result in governmental enforcement actions, litigation, substantial fines and damages, and could cause our customers to lose trust in us, which could have an adverse effect on our reputation and business.

***Environmental, social and governance (“ESG”) matters may adversely affect our relationships with customers and investors and increase compliance costs.***

There is an increasing focus from lawmakers, regulators, investors, customers, employees and other stakeholders concerning ESG matters, including environment, climate, water, diversity and inclusion, human rights and governance transparency. A number of our customers have adopted, or may adopt, procurement policies that include ESG provisions or requirements that their suppliers should comply with, or they may seek to include such provisions or requirements in their procurement terms and conditions. An increasing number of investors are also requiring companies to disclose ESG-related policies, practices and metrics. In addition, various jurisdictions have adopted, or are developing, complex and lengthy ESG-related laws or regulations that may be difficult to comply with and will increase our direct compliance costs, as well as indirect costs passed on to us from our customers and suppliers. Further, there is an increasing number of state-level anti-ESG initiatives in the United States that may conflict with other regulatory requirements or our various stakeholders’ expectations. If we fail to materially comply with or meet the evolving legal and regulatory requirements or expectations of our various stakeholders, we may be subject to enforcement actions, required to pay fines, face decreased customer demand or lose investors, which could harm our reputation, revenue and results of operations. Our actual or perceived failure to achieve our publicly disclosed ESG-related initiatives could negatively impact our reputation, subject us to litigation or enforcement actions, or otherwise harm our business.

In addition, an increasing number of OEMs are seeking to source products that do not contain conflict minerals. This could adversely affect the sourcing, availability and pricing of minerals used in the manufacture of semiconductor devices, including our products. As a result, we may face difficulties in satisfying our customers’ demands, which may harm our sales and operating results.

***We must comply with technical standards and a variety of domestic and international laws and regulations in the manufacture and distribution of our semiconductors, the costs of which could have a material adverse effect on our business, financial condition and results of operations.***

The manufacture and distribution of our semiconductors must comply with technical standards and a variety of domestic and international laws and regulations, including those related to the materials composition of our semiconductor products, and the use, disposal, clean-up of and human exposure to hazardous materials. This could increase the complexity and costs of our product design and procurement operations, require us to stop distributing our products commercially until they comply with such new standards, lead our customers to suspend imports of their products into that country, require us to re-engineer our products and disrupt cross-border manufacturing relationships. In addition, we may be required to modify our manufacturing process or equipment, or be restricted in our ability to expand our facilities. Any failure by us to comply with such requirements could result in litigation against us and the payment of significant fines and damages by us in the event of a significant adverse judgment. Any such event could have a material adverse effect on our business, financial condition and results of operations. Complying with any cleanup or remediation obligations for which we are or become responsible could also be costly and have a material adverse effect on our business, financial condition and results of operations.



## Risks Related to Our Taxes

***Our income taxes and overall cash tax costs are affected by a number of factors that could have a material, adverse effect on our financial results.***

Our income taxes are subject to volatility and could be adversely affected by numerous factors, including reorganization or restructuring of our business, tax structure, business combinations, jurisdictional mix of our income and assets, and changes in tax legislation or accounting policies or related interpretations.

As a result of U.S. tax reforms, our global income is subject to tax in the U.S. and we expect an increase in our effective tax rate and our cash tax costs. In addition, many countries are implementing anti-base-erosion legislation and guidance aimed at standardizing and modernizing global corporate tax policy, including changes to cross-border tax, transfer pricing documentation rules, and nexus-based tax incentive practices. Many countries have implemented or are in the process of implementing a global minimum tax, which may materially increase our effective tax rate and cash tax costs. For example, Singapore recently adopted the global minimum tax, which will be effective for our fiscal year 2026. Substantial changes in domestic or international corporate tax policies, regulations or guidance, enforcement activities or legislative investigations and inquiries may materially adversely affect our business and impact our provision for income taxes, net income, cash flow and our results of operations generally.

Significant judgment is required in determining our worldwide income taxes, and our calculations of income taxes payable currently and on a deferred basis are based on our interpretations of applicable tax laws. Although we believe our tax estimates are reasonable, there is no assurance that the final determination of our income tax liability will not be materially different than what is reflected in our income tax provisions and accruals. In addition, we are subject to, and are under, tax audits in various jurisdictions. Although we believe our tax positions are reasonable, the final determination of tax audits could be materially different from our income tax provisions and accruals, which could have a material adverse effect on our results of operations and cash flows in the period or periods for which that determination is made.

As a result of the VMware Merger, we are subject to tax audits in various jurisdictions for the Dell Technologies, Inc. (“Dell”) consolidated group, of which VMware was a member beginning in Dell’s fiscal year 2017 until November 2021. While VMware is no longer a member of the Dell consolidated group, it is still subject to audit for the periods in which it was member of the Dell consolidated group. While we believe VMware’s positions are reasonable, the final determination of tax audits could be materially different from our income tax provisions and accruals. Further, pursuant to a tax agreement between VMware and Dell, in the event VMware becomes subject to audits as a member of Dell’s consolidated group, Dell has authority to control the audit and represent Dell and our interests, which could limit our ability to affect the outcome of such audits.

***If our tax incentives or tax holiday arrangements change or cease to be in effect or applicable, our corporate income taxes could significantly increase.***

Our operations benefit from the various tax incentives extended to us in various jurisdictions to encourage investment or employment. Each tax incentive and tax holiday is subject to our compliance with various conditions and may, in some instances, be amended or terminated prior to their scheduled termination date by the relevant governmental authority. If we cannot, or elect not to, comply with the conditions related to our tax incentive or tax holiday, we could be required to refund previously realized material tax benefits. If such tax incentive or tax holiday is modified or terminated prior to its expiration absent a new incentive applying, we could suffer material adverse tax and other financial consequences, which would increase our expenses, reduce our profitability and adversely affect our cash flows. In addition, we may be required, or elect, to modify our operational structure and tax strategy in order to keep an incentive, which could result in a decrease in the benefits of the incentive. Adoption of global minimum tax provisions in a country in which we have an existing tax incentive could have a material adverse impact on our tax incentives. Our tax incentives and tax holiday, before taking into consideration U.S. foreign tax credits, decreased the provision for income taxes by approximately \$2,261 million in the aggregate and increased diluted net income per share by \$0.47 for fiscal year 2024.

Our interpretations and conclusions regarding the tax incentives are not binding on any taxing authority, and if our assumptions and interpretations are incorrect, the benefits of the tax incentives may be adversely affected.

***We have potential tax liabilities as a result of VMware’s former controlling ownership by Dell, which could have an adverse effect on our financial condition and operating results.***

If the VMware spin-off from Dell in November 2021 is determined to not be tax-free for any reason, we could be liable for all or a portion of the tax liability, which could have a material adverse effect on our financial condition and operating results. Further, if the VMware Merger results in the spin-off failing to qualify as a tax-free transaction under Section 355 of the Internal Revenue Code, Dell, its affiliates and, potentially, its stockholders would incur significant tax liabilities and we may be required to indemnify Dell and its affiliates for any such tax liabilities, which could be material.

## **Risks Related to Our Indebtedness**

***Our substantial indebtedness could adversely affect our financial health and our ability to execute our business strategy.***

As of November 3, 2024, the aggregate indebtedness was \$69,847 million. Our substantial indebtedness and the instruments governing our indebtedness could have important consequences including:

- increasing our vulnerability to adverse general economic and industry conditions;
- exposing us to interest rate risk as our 2023 Term Loans bear floating interest rates;
- limiting our flexibility in planning for, or reacting to, changes in the economy and the industries in which we operate;
- placing us at a competitive disadvantage compared to our competitors with less indebtedness;
- making it more difficult to borrow additional funds in the future to fund growth, acquisitions, working capital, capital expenditures and other purposes; and
- potentially requiring us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund our other business needs.

We receive debt ratings from the major credit rating agencies in the U.S., and any downgrade in our credit rating or the ratings of our indebtedness, or adverse conditions in the debt capital markets, could materially adversely affect our business, financial condition and results of operations.

## **Risks Related to Owning Our Common Stock**

***Our stock price has been, and may in the future be, volatile and your investment could lose value.***

The trading price of our common stock has, at times, fluctuated significantly and could be subject to wide fluctuations in response to any of the risk factors listed in this “Risk Factors” section, and others, including:

- issuance of new or updated research or other reports by securities analysts;
- anticipated or actual demand for AI-related products, including ASICs such as custom AI accelerators or XPU;s;
- broad market, industry and competitor-related fluctuations;
- unsubstantiated news reports or other inaccurate publicity regarding us or our business;
- fluctuations in the valuation and results of operations of our significant customers as well as companies perceived by investors to be comparable to us;
- announcements of proposed acquisitions by us or our competitors;
- announcements of, or expectations of, additional debt or equity financing transactions;
- hedging or arbitrage trading activity involving our common stock; and
- significant sales of our common stock by one or more of our largest investors.

These fluctuations are often unrelated or disproportionate to our operating performance. Broad market and industry fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or currency fluctuations, may negatively impact the market price of our common stock. You may not realize any return on your investment in us and may lose some or all of your investment. In the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. In addition, we have been, and in the future we may be, subject to lawsuits stemming from our acquisitions. Securities litigation against us, including the lawsuits related to such acquisitions, could result in substantial costs and divert our management’s attention from other business concerns, which could seriously harm our business.

***There can be no assurance that we will continue to declare cash dividends.***

Our Board of Directors has adopted a dividend policy pursuant to which we currently pay a cash dividend on our common stock on a quarterly basis. The declaration and payment of any dividend is subject to the approval of our Board of Directors and our dividend may be discontinued or reduced at any time. Because we are a holding company, our ability to pay cash dividends is also limited by restrictions or limitations on our ability to obtain sufficient funds through dividends from subsidiaries. There can be no assurance that we will declare cash dividends in the future in any particular amounts, or at all. A reduction in our cash dividend payments could have a negative effect on our stock price.

## **ITEM 1B. UNRESOLVED STAFF COMMENTS**

None.



## **ITEM 1C. CYBERSECURITY**

### **Risk Management and Strategy**

Our cybersecurity risk management program is intended to protect the confidentiality, integrity and availability of our critical systems and information. Our program includes processes for identifying, assessing and managing material risks from cybersecurity threats that are guided by the National Institute of Standards & Technology's Cyber Security Framework, the ISO 27001 international standard for information security and other applicable industry benchmarks.

Our cybersecurity risk management program is integrated into our overall enterprise risk management system and processes, and includes:

- a team of professionals within our Global Technology Organization team who are responsible for identifying and mitigating cybersecurity risks and managing our security controls and response activities;
- risk assessment processes designed to identify cybersecurity risks to our critical systems, information, products, services and our broader enterprise IT environment;
- an annual tabletop exercise to simulate a response to a cybersecurity incident; and
- mandatory training annually and upon hiring for all employees on data privacy and cybersecurity topics.

When appropriate, we utilize independent, external service providers to assess, test or otherwise assist with certain aspects of our cybersecurity risk management program and related processes, including for penetration testing, threat monitoring and incident response. We also employ a vendor risk assessment process to mitigate risks presented by certain third-party service providers, and we require such providers to manage their cybersecurity risks in conformance to industry standards, notify us of relevant cybersecurity events and satisfy additional contractual requirements.

As of the date of this Annual Report on Form 10-K, we are not aware of any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected or are reasonably likely to materially affect us, including our business strategy, results of operations, or financial condition. See Item 1A. Risk Factors, "Cyber security threats or other security breaches, or any other impairment of the confidentiality, integrity or availability of our IT systems, or those of one or more of our corporate infrastructure vendors, could have a material adverse effect on our business" in this Annual Report on Form 10-K for additional information about our cybersecurity-related risks.

### **Cybersecurity Governance**

Our Board of Directors is actively involved in overseeing our cybersecurity risk management and shares oversight responsibility and processes with the Audit Committee of the Board of Directors (the "Audit Committee").

Our management, including our Chief Information Officer ("CIO"), in consultation with our Chief Information Security Officer ("CISO"), reviews with the Audit Committee at least quarterly our cybersecurity security policies, practices and protective measures, threat intelligence, cybersecurity incidents and related risks. At least quarterly, our CIO also provides the Audit Committee with an update on our enterprise security program that includes procedures and policies for testing vulnerabilities, responding to cybersecurity threats, and training and evaluating our employees. The Audit Committee and management also update our Board of Directors at least quarterly on our cybersecurity performance and risk profile and the effectiveness of our cybersecurity processes.

Our management, including our CIO and CISO, are responsible for assessing and managing material risks from cybersecurity threats. Our CIO oversees our Global Technology Organization that has primary responsibility for our overall cybersecurity risk management program. Our CIO, who reports to our Chief Executive Officer, has over 20 years of experience managing global IT operations, including strategy, applications, infrastructure, information security, support and execution. Our CISO, who reports to the CIO, has approximately 30 years of cybersecurity experience assessing and managing cybersecurity programs.

Our management is informed about and monitors the prevention, detection, mitigation, and remediation of cybersecurity risks and incidents through various means, which may include, among other things, threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us, and alerts and reports produced by security tools deployed in our IT environment.

## **ITEM 2. PROPERTIES**

We are headquartered in Palo Alto, California and our primary warehouse is located in Malaysia. We conduct our administration, manufacturing, research and development, sales and marketing in both owned and leased facilities. We believe that our owned and leased facilities are adequate for our present operations. We do not identify or allocate assets by operating segment.

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As of November 3, 2024, our owned and leased facilities in excess of 100,000 square feet consisted of:

| (In square feet)                 | United States | Other Countries | Total     |
|----------------------------------|---------------|-----------------|-----------|
| Owned facilities <sup>(a)</sup>  | 2,919,706     | 928,888         | 3,848,594 |
| Leased facilities <sup>(b)</sup> | 849,322       | 2,354,773       | 3,204,095 |
| Total facilities                 | 3,769,028     | 3,283,661       | 7,052,689 |

(a) Includes 318,000 square feet and 153,000 square feet of property owned in Malaysia subject to a 60-year land lease with the state authority expiring in May 2051 and March 2077, respectively, subject to renewal at our option. Also includes 561,000 square feet of property in Palo Alto, California subject to a 40-year land lease with the Stanford University Board of Trustees expiring in May 2046 that does not have a renewal option.

(b) Building leases expire on varying dates through February 2046 and generally include renewals at our option.

**ITEM 3. LEGAL PROCEEDINGS**

The information set forth under Note 14. "Commitments and Contingencies" included in Part II, Item 8 of this Annual Report on Form 10-K, is incorporated herein by reference. For an additional discussion of certain risks associated with legal proceedings, see "Risk Factors" above.

**ITEM 4. MINE SAFETY DISCLOSURES**

None.

**PART II**

**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

**Market Information**

Broadcom common stock is listed on The Nasdaq Global Select Market under the symbol "AVGO".

**Holders**

As of November 29, 2024, there were 1,735 holders of record of our common stock. A substantially greater number of stockholders are "street name" or beneficial holders, whose shares are held of record by banks, brokers and other financial institutions.

**Issuer Purchases of Equity Securities**

During the fiscal quarter ended November 3, 2024, we paid approximately \$1,204 million in employee withholding taxes due upon the vesting of net settled equity awards. We withheld approximately 8 million shares of common stock from employees in connection with such net share settlement at an average price of \$160.31 per share. These shares may be deemed to be "issuer purchases" of shares.

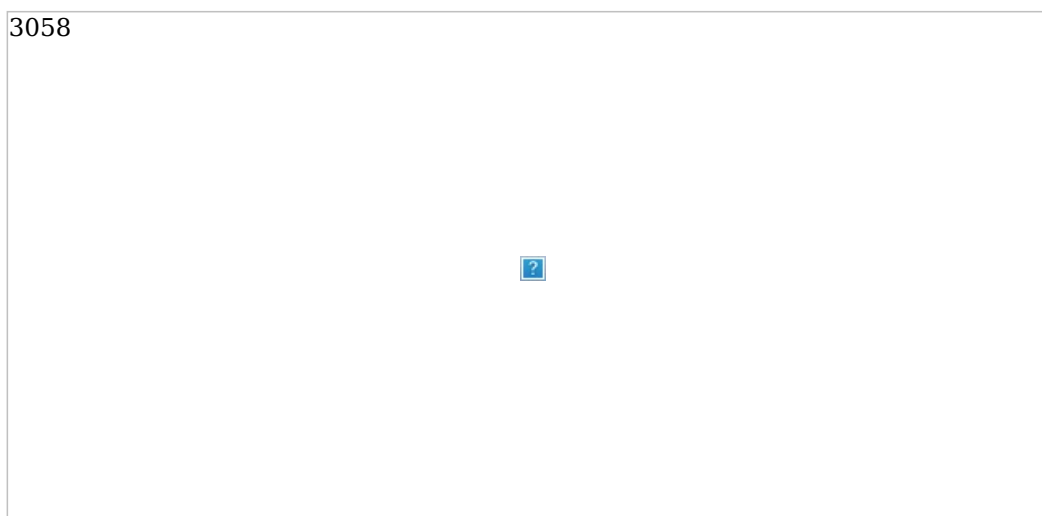
In December 2021, our Board of Directors authorized a stock repurchase program to repurchase up to \$10 billion of our common stock from time to time through December 31, 2022, which was subsequently extended to December 31, 2023. In May 2022, our Board of Directors authorized another stock repurchase program to repurchase up to an additional \$10 billion of our common stock from time to time through December 31, 2023. All \$20 billion of the authorized amount under these stock repurchase programs was utilized prior to expiration on December 31, 2023.

**Stock Performance Graph**

The following graph shows a comparison of cumulative total return for our common stock, the Standard & Poor's 500 Stock Index (the "S&P 500 Index") and the NASDAQ 100 Index for the five fiscal years ended November 3, 2024. The total return graph and table assume that \$100 was invested on November 1, 2019 (the last trading day of our fiscal year 2019) in each of Broadcom Inc. common stock, the S&P 500 Index and the NASDAQ 100 Index and assume that all dividends are reinvested. Indexes are calculated on a month-end basis.

The comparisons in the graph below are based on historical data and are not indicative of, or intended to forecast, the possible future performance of our common stock.

**Comparison of Five Year Cumulative Total Return**  
Among Broadcom Inc., the S&P 500 Index and the NASDAQ 100 Index



|                  | November 3,<br>2019 | November 1,<br>2020 | October 31,<br>2021 | October 30,<br>2022 | October 29,<br>2023 | November 3,<br>2024 |
|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Broadcom Inc.    | \$ 100.00           | \$ 123.53           | \$ 193.73           | \$ 177.51           | \$ 323.12           | \$ 661.00           |
| S&P 500 Index    | \$ 100.00           | \$ 108.65           | \$ 155.28           | \$ 133.58           | \$ 143.35           | \$ 202.39           |
| NASDAQ 100 Index | \$ 100.00           | \$ 136.71           | \$ 197.45           | \$ 144.98           | \$ 179.61           | \$ 255.89           |

*The graph and the table above shall not be deemed "filed" with the SEC for the purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing made by us with the SEC, regardless of any general incorporation language in such filing.*

**ITEM 6. [RESERVED]**

## ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*This Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with our consolidated financial statements and notes thereto, which appear elsewhere in this Annual Report on Form 10-K. This discussion may contain forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under the caption "Risk Factors" or in other parts of this Annual Report on Form 10-K.*

The following section generally discusses our financial condition and results of operations for our fiscal year ended November 3, 2024 ("fiscal year 2024") compared to our fiscal year ended October 29, 2023 ("fiscal year 2023"). A discussion regarding our financial condition and results of operations for fiscal year 2023 compared to our fiscal year ended October 30, 2022 can be found in Part II, Item 7 of our Annual Report on Form 10-K for fiscal year 2023, filed with the Securities and Exchange Commission (the "SEC") on December 14, 2023.

### Overview

We are a global technology leader that designs, develops and supplies a broad range of semiconductor and infrastructure software solutions. We develop semiconductor devices with a focus on complex digital and mixed signal complementary metal oxide semiconductor based devices and analog III-V based products. We offer thousands of products that are used in end products such as enterprise and data center networking, including artificial intelligence ("AI") networking and connectivity, home connectivity, set-top boxes, broadband access, telecommunication equipment, smartphones and base stations, data center servers and storage systems, factory automation, power generation and alternative energy systems, and electronic displays. Our infrastructure software solutions help enterprises simplify their information technology environments so they can increase business velocity and flexibility, and enable customers to plan, develop, deliver, automate, manage and secure applications across mainframe, distributed, edge, mobile, and private and hybrid cloud platforms. Our portfolio of infrastructure and security software is designed to modernize, optimize, and secure the most complex private and hybrid cloud environments, enabling scalability, agility, automation, insights, resiliency and security making it easy for customers to run their mission-critical workloads. We also offer mission-critical fibre channel storage area networking ("FC SAN") products and related software in the form of modules, switches and subsystems incorporating multiple semiconductor products.

We have two reportable segments: semiconductor solutions and infrastructure software. Our semiconductor solutions segment includes all of our product lines and intellectual property ("IP") licensing. Our infrastructure software segment includes our private and hybrid cloud, application development and delivery, software-defined edge, application networking and security, mainframe, distributed and cybersecurity solutions, and our FC SAN business.

Our fiscal year 2024 was a 53-week fiscal year compared to our fiscal year 2023, which was a 52-week fiscal year. The additional week in the first quarter of fiscal year 2024 resulted in higher net revenue, gross margin dollars, research and development expense, and selling general and administrative expense for fiscal year 2024, compared to the corresponding prior year fiscal period.

Our strategy is focused on technology leadership and category-leading semiconductor and infrastructure software solutions delivering a comprehensive suite of innovative infrastructure technology products to the world's leading business and government customers. We seek to achieve this through strategic acquisitions of businesses and technologies, as well as extensive internal research and development, to ensure our products retain their technology market leadership. This strategy results in a robust business model designed to drive diversified and sustainable operating and financial results.

The demand for our products has been affected in the past, and is likely to continue to be affected in the future, by various factors, including the following:

- gain or loss of significant customers;
- general economic and market conditions in the industries and markets in which we compete;
- anticipated or actual demand for AI-related products;
- our distributors' product inventory and end customer demand;
- the rate at which our present and future customers and end-users adopt our products and technologies in our target markets, including our AI related products, and the rate at which our customers' products that include our technology are accepted in their markets;
- the shift to cloud-based information technology solutions and services, such as hyperscale computing, which may adversely affect the timing and volume of sales of our products for use in traditional enterprise data centers; and
- the timing, rescheduling or cancellation of expected customer orders.

### ***Fiscal Year Highlights***

Highlights during fiscal year 2024 include the following:

- On November 22, 2023, we completed the acquisition of VMware, Inc. (“VMware”), for approximately \$30.8 billion in cash and 544 million shares of Broadcom common stock (on a split adjusted basis) with a fair value of \$53.4 billion.
- We generated \$19,962 million of cash from operations.
- We paid \$9,814 million in cash dividends.
- We repurchased \$7,176 million of common stock.
- We completed a ten-for-one forward stock split of our common stock. All share, equity award and per share amounts have been retroactively adjusted to reflect the stock split.

### **Acquisitions and Divestitures**

#### ***Acquisition of VMware and Divestiture of EUC***

On November 22, 2023, we acquired VMware in a cash-and-stock transaction (the “VMware Merger”). The VMware stockholders received approximately \$30,788 million in cash and 544 million shares of Broadcom common stock with a fair value of \$53,398 million. In addition, we assumed all outstanding VMware restricted stock unit (“RSU”) awards and performance stock unit awards held by continuing employees. The assumed awards were converted into RSU awards for shares of Broadcom common stock. All outstanding RSU awards held by non-employee directors and in-the-money VMware stock options were accelerated and converted into the right to receive cash and shares of Broadcom common stock, in equal parts.

We funded the cash portion of the VMware Merger with the net proceeds from the issuance of the 2023 Term Loans, as defined and discussed in Note 10. “Borrowings” included in Part II, Item 8 of this Annual Report on Form 10-K, as well as cash on hand. We assumed \$8,250 million of VMware’s outstanding senior unsecured notes.

On July 1, 2024, we sold VMware’s end-user computing (“EUC”) business to KKR & Co. Inc. for cash consideration of \$3.5 billion, after working capital adjustments.

#### ***Acquisition of Seagate’s SoC Operations***

On April 23, 2024, we acquired certain assets related to the design, development, and manufacture of System-on-Chip (“SoC”) operations of Seagate Technology Holdings plc for \$600 million.

### **Net Revenue**

A majority of our net revenue is derived from sales of a broad range of semiconductor devices that are incorporated into electronic products, as well as from modules, switches and subsystems. Net revenue is also generated from the sale of software solutions that enable our customers to plan, develop, deliver, automate, manage, and secure applications across mainframe, distributed, edge, mobile, and private and hybrid cloud platforms.

Our overall net revenue, as well as the percentage of total net revenue generated by sales in our semiconductor solutions and infrastructure software segments, have varied from quarter to quarter, due largely to fluctuations in end-market demand, including the effects of seasonality, which are discussed in detail in Part I, Item 1. *Business* under “Seasonality” of this Annual Report on Form 10-K.

Distributors and original equipment manufacturers (“OEMs”), or their contract manufacturers, typically account for the substantial majority of our semiconductor sales. To serve customers around the world, we have strategically developed relationships with large global electronic component distributors, complemented by a number of regional distributors with customer relationships based on their respective product ranges. We have established strong relationships with leading OEM customers across multiple target markets. Our direct sales force focuses on supporting our large OEM customers and has specialized product and service knowledge that enables us to sell specific offerings at key levels throughout a customer’s organization. Certain customers require us to contract with them directly and with specified intermediaries, such as contract manufacturers. Many of our major customer relationships have been in place for many years and are often the result of years of collaborative product development. This has enabled us to build our extensive IP portfolio and develop critical expertise regarding our customers’ requirements, including substantial system-level knowledge. This collaboration has provided us with key insights into our customers’ businesses and has enabled us to be more efficient and productive and to better serve our target markets and customers. We recognize revenue upon the delivery of our products to the distributors, which can cause our quarterly net revenue to fluctuate significantly. Such revenue is reduced for estimated returns and distributor allowances.

Our software customers generally consist of large enterprises that have computing environments from multiple vendors and are highly complex. Our private cloud infrastructure suite of solutions are available directly from Broadcom, resellers and distributors, hyperscale cloud providers, value-added OEMs and VMware cloud service provider partners. VMware Cloud Foundation (“VCF”) provides license portability, which enables customers to purchase subscriptions of VCF software and move their VCF environments between on-premises data centers and supported cloud endpoints. We remain focused on strengthening relationships and increasing penetration within our existing core, mainframe, VMware, and Symantec endpoint customers and expanding the adoption of our enterprise software offerings with these customers. We believe our enterprise-wide license model will continue to offer our customers reduced complexity, more flexibility and an easier renewal process that will help drive revenue growth.

## **Costs and Expenses**

*Cost of products sold.* Cost of products sold consists primarily of the costs for semiconductor wafers and other materials, as well as the costs of assembling and testing those products and materials. Such costs include personnel and overhead related to our manufacturing operations, which include stock-based compensation expense, related occupancy, computer services, equipment costs, manufacturing quality, order fulfillment, warranty adjustments, and inventory adjustments including write-downs for inventory obsolescence.

Although we outsource a significant portion of our manufacturing activities, we do have some proprietary semiconductor fabrication facilities. If we are unable to utilize our owned fabrication facilities at a desired level, the fixed costs associated with these facilities will not be fully absorbed, resulting in higher average unit costs and lower gross margins.

*Cost of subscriptions and services.* Cost of subscriptions and services consists of personnel, project costs associated with professional services or support of our subscriptions and services revenue, and allocated facilities costs and other corporate expenses. Personnel costs include stock-based compensation expense.

Total cost of revenue also includes amortization of acquisition-related intangible assets and restructuring charges.

*Research and development.* Research and development expense consists primarily of personnel costs for our engineers engaged in the design and development of our products and technologies, including stock-based compensation expense. These expenses also include project material costs, third-party fees paid to consultants, prototype development expense, allocated facilities costs and other corporate expenses and computer services costs related to supporting computer tools used in the engineering and design process.

*Selling, general and administrative.* Selling expense consists primarily of compensation and associated costs for sales and marketing personnel, including stock-based compensation expense, sales commissions paid to our independent sales representatives, advertising costs, trade shows, corporate marketing, promotion, travel related to our sales and marketing operations, related occupancy and equipment costs, and other marketing costs. General and administrative expense consists primarily of compensation and associated costs for executive management, finance, human resources and other administrative personnel, including stock-based compensation expense, outside professional fees, allocated facilities costs, acquisition-related costs, which include direct transaction costs and integration costs, and other corporate expenses.

*Amortization of acquisition-related intangible assets.* In connection with our acquisitions, we recognize intangible assets that are amortized over their estimated useful lives. We also recognize goodwill, which is not amortized, and in-process research and development (“IPR&D”), which is initially capitalized as an indefinite-lived intangible asset, in connection with our acquisitions. Upon completion of each underlying project, IPR&D assets are reclassified as amortizable purchased intangible assets and amortized over their estimated useful lives.

*Restructuring and other charges.* Restructuring and other charges consist primarily of non-recurring charges related to compensation costs associated with employee exit programs, IP litigation, alignment of our global manufacturing operations, rationalization of product development program costs, facility and lease abandonments, fixed asset impairment, IPR&D impairment, and other exit costs, including curtailment of service or supply agreements.

*Interest expense.* Interest expense includes coupon interest, commitment fees, accretion of original issue discount, amortization of debt premiums and debt issuance costs, and expenses related to debt modifications or extinguishments.

*Other income (expense), net.* Other income (expense), net includes interest income, gains and losses on investments, foreign currency remeasurement, and other miscellaneous items.

*Provision for income taxes.* We benefit from the tax incentives extended to us in various jurisdictions to encourage investment or employment. Our tax incentives from the Singapore Economic Development Board provide that any qualifying income earned in Singapore is subject to tax incentives or reduced rates of Singapore income tax, subject to our compliance with the conditions specified in these incentives and legislative developments. These Singapore tax incentives are scheduled

to expire in November 2030. The corporate income tax rate in Singapore that would otherwise apply to us would be 17%. We also have a tax holiday from our qualifying income earned in Malaysia, which is scheduled to expire in 2028.

Each tax incentive and tax holiday is subject to our compliance with various operating and other conditions. If we cannot, or elect not to, comply with any such operating conditions specified, we could, in some instances, be required to refund previously realized material tax benefits, or if such tax incentive or tax holiday is terminated prior to its expiration absent a new incentive applying, we will lose the related tax benefits earlier than scheduled. We may elect to modify our operational structure and tax strategy, which may not be as beneficial to us as the benefits provided under the present tax concession arrangements. Before taking into consideration the effects of the U.S. Tax Cuts and Jobs Act and other indirect tax impacts, the effect of these tax incentives and tax holiday decreased the provision for income taxes by approximately \$2,261 million and \$2,104 million for fiscal years 2024 and 2023, respectively.

Our interpretations and conclusions regarding the tax incentives are not binding on any taxing authority, and if our assumptions about tax and other laws are incorrect, the benefits of the tax incentives may be adversely affected.

### **Critical Accounting Estimates**

The preparation of financial statements in accordance with generally accepted accounting principles in the United States (“GAAP”) requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. We base our estimates and assumptions on current facts, historical experience and various other factors that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. Our actual financial results may differ materially and adversely from our estimates. Our critical accounting policies are those that affect our financial statements materially and involve difficult, subjective or complex judgments by management. Those policies include revenue recognition, business combinations, valuation of goodwill and long-lived assets, and income taxes. See Note 2. “Summary of Significant Accounting Policies” included in Part II, Item 8 of this Annual Report on Form 10-K for further information on our critical accounting policies and estimates.

*Revenue recognition.* We account for a contract with a customer when both parties have approved the contract and are committed to perform their respective obligations, each party’s rights can be identified, payment terms can be identified, the contract has commercial substance, and it is probable we will collect substantially all of the consideration we are entitled to. Revenue is recognized when, or as, performance obligations are satisfied by transferring control of a promised product or service to a customer. Our products and services can be broadly categorized as sales of products and subscriptions and services.

We recognize products revenue from sales to direct customers and distributors when control transfers to the customer. An allowance for distributor credits covering price adjustments is made based on our estimate of historical experience rates as well as considering economic conditions and contractual terms. To date, actual distributor claims activity has been materially consistent with the provisions we have made based on our historical estimates. However, because of the inherent nature of estimates, there is always a risk that there could be significant differences between actual amounts and our estimates. Different judgments or estimates could result in variances that might be significant to reported operating results. We also record reductions of revenue for rebates in the same period that the related revenue is recorded. We accrue 100% of potential rebates at the time of sale. We reverse the accrual of unclaimed rebate amounts as specific rebate programs contractually end and when we believe unclaimed rebates are no longer subject to payment and will not be paid. Thus, the reversal of unclaimed rebates may have a positive impact on our net revenue and net income in subsequent periods.

*Business combinations.* Accounting for business combinations requires our management to make significant estimates and assumptions, especially at the acquisition date, for intangible assets, contractual obligations assumed, restructuring liabilities, pre-acquisition contingencies, and contingent consideration, where applicable. Although we believe the assumptions and estimates we have made in the past have been reasonable and appropriate, they are based, in part, on historical experience and information obtained from the management of the acquired companies and are inherently uncertain. Critical estimates in valuing certain acquired intangible assets include, the present value of projected cash flows regarding the projected revenues, projected expenses which include cost of revenue, research and development and selling, general and administrative expenses, technology obsolescence rate, contributory asset charges, discount rate and income tax rate for developed technology; the projected revenues, customer retention rate, customer ramp up period, discount rate and income tax rate for the customer contracts and related relationships; the projected revenues, technology obsolescence rate, expected costs to develop IPR&D into commercially viable products, discount rate and income tax rate for the IPR&D; and the projected revenues, brand asset phase-out pattern, brand asset royalty rate, discount rate and the income tax rate for the trade name. Unanticipated events and circumstances may occur which could affect the accuracy or validity of such assumptions, estimates or actual results.



*Valuation of goodwill and long-lived assets.* We perform an annual impairment review of our goodwill during the fourth fiscal quarter of each year, and more frequently if we believe indicators of impairment exist. The process of evaluating the potential impairment of goodwill is highly subjective and requires significant judgment. To review for impairment, we first assess qualitative factors to determine whether events or circumstances lead to a determination that it is more likely than not that the fair value of any of our reporting units is less than its carrying amount. Our qualitative assessment of the recoverability of goodwill, whether performed annually or based on specific events or circumstances, considers various macroeconomic, industry-specific and company-specific factors. These factors include: (i) severe adverse industry or economic trends; (ii) significant company-specific actions, including exiting an activity in conjunction with restructuring of operations; (iii) current, historical or projected deterioration of our financial performance; or (iv) a sustained decrease in our market capitalization below our net book value. After assessing the totality of events and circumstances, if we determine that it is not more likely than not that the fair value of any of our reporting units is less than its carrying amount, no further assessment is performed. If we determine that it is more likely than not that the fair value of any of our reporting units is less than its carrying amount, we calculate the fair value of that reporting unit and compare the fair value to the reporting unit's net book value.

Determining the fair value of a reporting unit involves the use of significant estimates and assumptions. Our goodwill impairment test uses both the income approach and the market approach to estimate a reporting unit's fair value. The income approach is based on the discounted cash flow method that uses the reporting unit estimates for forecasted future financial performance, including revenues, operating expenses, and taxes, as well as working capital and capital asset requirements. These estimates are developed as part of our long-term planning process based on assumed market segment growth rates and our assumed market segment share, estimated costs based on historical data and various internal estimates. Projected cash flows are then discounted to a present value employing a discount rate that properly accounts for the estimated market weighted-average cost of capital, as well as any risk unique to the subject cash flows. The market approach is based on weighting the financial multiples of comparable companies and applying a control premium. A reporting unit's carrying value represents the assignment of various assets and liabilities, excluding certain corporate assets and liabilities, such as cash and debt.

We assess the impairment of long-lived assets, including purchased IPR&D, property, plant and equipment, right-of-use assets, and intangible assets, whenever events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. Factors we consider important which could trigger an impairment review include: (i) significant under-performance relative to historical or projected future operating results, (ii) significant changes in the manner of our use of the acquired assets or the strategy for our overall business, or (iii) significant negative industry or economic trends. The process of evaluating the potential impairment of long-lived assets under the accounting guidance on property, plant and equipment, and intangible assets is also highly subjective and requires significant judgment. In order to estimate the fair value of long-lived assets, we typically make various assumptions about the future prospects of our business or the part of our business to which the long-lived assets relate. We also consider market factors specific to the business and estimate future cash flows to be generated by the business, which requires significant judgment as it is based on assumptions about market demand for our products over a number of future years. Based on these assumptions and estimates, we determine whether we need to take an impairment charge to reduce the value of the long-lived assets stated on our consolidated balance sheets to reflect their estimated fair value. Assumptions and estimates about future values and remaining useful lives are complex and often subjective. They can be affected by a variety of factors, including external factors, such as the real estate market, industry and economic trends, and internal factors, such as changes in our business strategy and our internal forecasts. Although we believe the assumptions and estimates we have made in the past have been reasonable and appropriate, changes in assumptions and estimates could materially impact our reported financial results.

*Income taxes.* Significant management judgment is required in developing our provision for or benefit from income taxes, including the determination of deferred tax assets and liabilities and any valuation allowances that might be required against the deferred tax assets. We have considered projected future taxable income and ongoing prudent and feasible tax planning strategies in assessing the need for valuation allowances. An adjustment to the valuation allowance will either increase or decrease our provision for or benefit from income taxes in the period such determination is made. In evaluating the exposure associated with various tax filing positions, we accrue an income tax liability when such positions do not meet the more-likely-than-not threshold for recognition.

The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax laws and regulations in a multitude of jurisdictions. We recognize potential liabilities for anticipated tax audit issues in the U.S. and other tax jurisdictions based on our estimate of whether, and the extent to which, additional taxes, interest, and penalties will be due. If our estimate of income tax liabilities proves to be less than the actual amount ultimately assessed, a further charge to tax expense would be required. If the payment of these amounts ultimately proves to be unnecessary, the reversal of the accrued liabilities would result in tax benefits being recognized in the period when we determine the liabilities no longer exist.

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### **Fiscal Year Presentation**

We operate on a 52- or 53-week fiscal year ending on the Sunday closest to October 31. Our fiscal year 2024 was a 53-week fiscal year. Fiscal years 2023 and 2022 each consisted of 52 weeks.

The financial statements included in Part II, Item 8 of this Annual Report on Form 10-K are presented in accordance with GAAP and expressed in U.S. dollars.

## Results of Operations

### Fiscal Year 2024 Compared to Fiscal Year 2023

The following table sets forth our results of operations for the periods presented:

|   | Fiscal Year Ended   |                     |                                  |                     |
|---|---------------------|---------------------|----------------------------------|---------------------|
|   | November 3,<br>2024 | October 29,<br>2023 | November 3,<br>2024              | October 29,<br>2023 |
|   | (In millions)       |                     | (As a percentage of net revenue) |                     |
| Statements of Operations Data:                        |                     |                     |                                  |                     |
| Net revenue:  |                     |                     |                                  |                     |
| Products  | \$ 30,359           | \$ 27,891           | 59 %                             | 78 %                |
| Subscriptions and services                            | 21,215              | 7,928               | 41                               | 22                  |
| Total net revenue                                     | 51,574              | 35,819              | 100                              | 100                 |
| Cost of revenue:                                      |                     |                     |                                  |                     |
| Cost of products sold                                 | 9,797               | 8,636               | 19                               | 24                  |
| Cost of subscriptions and services                    | 2,991               | 636                 | 6                                | 2                   |
| Amortization of acquisition-related intangible assets | 6,023               | 1,853               | 12                               | 5                   |
| Restructuring charges                                 | 254                 | 4                   | —                                | —                   |
| Total cost of revenue                                 | 19,065              | 11,129              | 37                               | 31                  |
| Gross margin  | 32,509              | 24,690              | 63                               | 69                  |
| Research and development                              | 9,310               | 5,253               | 18                               | 15                  |
| Selling, general and administrative                   | 4,959               | 1,592               | 10                               | 4                   |
| Amortization of acquisition-related intangible assets | 3,244               | 1,394               | 6                                | 4                   |
| Restructuring and other charges                       | 1,533               | 244                 | 3                                | 1                   |
| Total operating expenses                              | 19,046              | 8,483               | 37                               | 24                  |
| Operating income                                      | \$ 13,463           | \$ 16,207           | 26 %                             | 45 %                |

### Net Revenue

A relatively small number of customers account for a significant portion of our net revenue. Direct sales to one customer, which is a distributor, accounted for 28% and 21% of our net revenue for fiscal years 2024 and 2023, respectively.

We believe aggregate sales to our top five end customers, through all channels, accounted for approximately 40% and 35% of our net revenue for fiscal years 2024 and 2023, respectively. We expect to continue to experience significant customer concentration in future periods. The loss of, or significant decrease in demand from, any of our top five end customers could have a material adverse effect on our business, results of operations and financial condition.

From time to time, some of our key semiconductor customers place large orders or delay orders, causing our quarterly net revenue to fluctuate significantly. This is particularly true of our products used in AI and wireless applications as fluctuations may be magnified by the timing of customer deployments and product launches, and seasonal variations in sales. In addition, the macroeconomic environment remains uncertain and may cause our net revenue to fluctuate significantly and impact our results of operations.

Although we recognize revenue for the majority of our products when title and control transfer in Penang, Malaysia, we disclose net revenue by country based primarily on the geographic shipment or delivery location specified by our distributors, OEMs, contract manufacturers, channel partners, or software customers. In fiscal years 2024 and 2023, 20% and 32%, respectively, of our net revenue came from shipments or deliveries to China (including Hong Kong). However, the end customers for either our products or for the end products into which our products are incorporated, are frequently located in countries other than China (including Hong Kong). As a result, we believe that a substantially smaller percentage of our net revenue is ultimately dependent on sales of either our product or our customers' product incorporating our product, to end customers located in China (including Hong Kong).

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The following tables set forth net revenue by segment for the periods presented:

| Net Revenue by Segment  | Fiscal Year Ended                 |                  |           |          |
|-------------------------|-----------------------------------|------------------|-----------|----------|
|                         | November 3, 2024                  | October 29, 2023 | \$ Change | % Change |
|                         | (In millions, except percentages) |                  |           |          |
| Semiconductor solutions | \$ 30,096                         | \$ 28,182        | \$ 1,914  | 7 %      |
| Infrastructure software | 21,478                            | 7,637            | 13,841    | 181 %    |
| Total net revenue       | \$ 51,574                         | \$ 35,819        | \$ 15,755 | 44 %     |

| Net Revenue by Segment  | Fiscal Year Ended                |                  |
|-------------------------|----------------------------------|------------------|
|                         | November 3, 2024                 | October 29, 2023 |
|                         | (As a percentage of net revenue) |                  |
| Semiconductor solutions | 58 %                             | 79 %             |
| Infrastructure software | 42                               | 21               |
| Total net revenue       | 100 %                            | 100 %            |

Net revenue from our semiconductor solutions segment increased due to strong product demand for our networking products, primarily AI networking products, partially offset by lower demand for our broadband and server storage products. Net revenue from our infrastructure software segment increased primarily due to contributions from VMware.

### Gross Margin

Gross margin was \$32,509 million for fiscal year 2024 compared to \$24,690 million for fiscal year 2023. The increase was primarily due to contributions from VMware, partially offset by higher amortization of acquisition-related intangible assets from the VMware Merger.

As a percentage of net revenue, gross margin was 63% and 69% of net revenue for the fiscal years 2024 and 2023, respectively. The decrease was primarily due to higher amortization of acquisition-related intangible assets from the VMware Merger. In addition, gross margin contributions from our infrastructure software segment were partially offset by less favorable margin within the semiconductor solutions segment driven by product mix.

### Research and Development Expense

Research and development expense increased \$4,057 million, or 77%, in fiscal year 2024, compared to the prior fiscal year. The increase was primarily due to higher compensation, including higher stock-based compensation, as a result of an increase in headcount from the VMware Merger. The increase in stock-based compensation expense was also due to annual employee equity awards granted at higher grant-date fair values.

### Selling, General and Administrative Expense

Selling, general and administrative expense increased \$3,367 million, or 211%, in fiscal year 2024, compared to the prior fiscal year. The increase was primarily due to higher compensation, including higher stock-based compensation, as a result of an increase in headcount from the VMware Merger. The increase in stock-based compensation expense was also due to annual employee equity awards granted at higher grant-date fair values.

### Amortization of Acquisition-Related Intangible Assets

Amortization of acquisition-related intangible assets recognized in operating expenses increased \$1,850 million, or 133%, in fiscal year 2024, compared to the prior fiscal year primarily due to higher amortization of customer-related intangible assets from the VMware Merger.

### Restructuring and Other Charges

Restructuring and other charges recognized in operating expenses were \$1,533 million and \$244 million in fiscal years 2024 and 2023, respectively. The fiscal year 2024 charges primarily included employee termination costs from cost reduction activities related to the VMware Merger. The fiscal year 2023 charges primarily included non-recurring charges related to IP litigation.

### Stock-Based Compensation Expense

Total stock-based compensation expense was \$5,670 million and \$2,171 million for fiscal years 2024 and 2023, respectively. The increase was primarily due to equity awards assumed and granted in connection with the VMware Merger and annual employee equity awards granted at higher grant-date fair values.

The following table sets forth the total unrecognized compensation cost related to unvested stock-based awards outstanding and expected to vest as of November 3, 2024. The remaining weighted-average service period was 3.0 years.

| <b>Fiscal Year:</b> | <b>Unrecognized Compensation Cost, Net of Expected Forfeitures</b> |
|---------------------|--|
|                     | <b>(In millions)</b>   |
| 2025                | \$ 4,429   |
| 2026                | 3,607  |
| 2027                | 2,643  |
| 2028                | 580  |
| <b>Total</b>        | <b>\$ 11,259</b>   |

During the first quarter of fiscal year ended November 3, 2019 (“fiscal year 2019”), our Compensation Committee approved a broad-based program of multi-year equity grants of time- and market-based RSUs (the “Multi-Year Equity Awards”) in lieu of our annual employee equity awards historically granted on March 15 of each year. Each Multi-Year Equity Award vests on the same basis as four annual grants made on March 15 of each year, beginning in fiscal year 2019, with successive four-year vesting periods. We recognize stock-based compensation expense related to the Multi-Year Equity Awards from the grant date through their respective vesting date, ranging from 4 years to 7 years.

### Segment Operating Results

| Operating Income by Segment | Fiscal Year Ended                 |                  | \$ Change  | % Change |
|-----------------------------|-----------------------------------|------------------|------------|----------|
|                             | November 3, 2024                  | October 29, 2023 |            |          |
|                             | (In millions, except percentages) |                  |            |          |
| Semiconductor solutions     | \$ 16,759                         | \$ 16,486        | \$ 273     | 2 %      |
| Infrastructure software     | 13,977                            | 5,639            | 8,338      | 148 %    |
| Unallocated expenses        | (17,273)                          | (5,918)          | (11,355)   | 192 %    |
| Total operating income      | \$ 13,463                         | \$ 16,207        | \$ (2,744) | (17)%    |

Operating income from our semiconductor solutions segment increased mainly driven by revenue growth from networking products, primarily AI networking products, partially offset by lower net revenue from our broadband and server storage products. Operating income from our infrastructure software segment increased primarily due to contributions from VMware.

Unallocated expenses include amortization of acquisition-related intangible assets; stock-based compensation expense; restructuring and other charges; acquisition-related costs; and other costs that are not used in evaluating the results of, or in allocating resources to, our segments. Unallocated expenses increased 192% in fiscal year 2024, compared to the prior fiscal year, primarily due to higher amortization of acquisition-related intangible assets, stock-based compensation expense and restructuring and other charges. These increases were primarily due to the VMware Merger. The increase in stock-based compensation expense was also due to annual employee equity awards granted at higher grant-date fair values.

### Non-Operating Income and Expenses

*Interest expense.* Interest expense was \$3,953 million and \$1,622 million for fiscal years 2024 and 2023, respectively. The increase was primarily due to interest on debt incurred for the VMware Merger.

*Other income (expense), net.* Other income (expense), net includes interest income, gains and losses on investments, foreign currency remeasurement and other miscellaneous items. Other income, net, was \$406 million and \$512 million for fiscal years 2024 and 2023, respectively. The decrease was primarily due to lower interest income as a result of a lower invested balance.

*Provision for income taxes.* The provision for income taxes was \$3,748 million and \$1,015 million for fiscal years 2024 and 2023, respectively. The increase was primarily due to the impact of a non-recurring intra-group transfer of certain IP rights to the United States as a result of supply chain realignment and the resulting shift in the jurisdictional mix of income.

### **Liquidity and Capital Resources**

The following section discusses our principal liquidity and capital resources as well as our primary liquidity requirements and uses of cash. Our cash and cash equivalents are maintained in highly liquid investments with remaining maturities of 90 days or less at the time of purchase. We believe our cash equivalents are liquid and accessible.

Our primary sources of liquidity as of November 3, 2024 consisted of: (i) \$9,348 million in cash and cash equivalents, (ii) cash we expect to generate from operations and (iii) available capacity under our \$7.5 billion unsecured revolving credit facility. In addition, we may also generate cash from the sale of assets and debt or equity financings from time to time.

Our short-term and long-term liquidity requirements primarily arise from: (i) business acquisitions and investments we may make from time to time, (ii) working capital requirements, (iii) research and development and capital expenditure needs, (iv) cash dividend payments (if and when declared by our Board of Directors), (v) interest and principal payments related to our \$69,847 million of outstanding indebtedness, and (vi) payment of income taxes. Our ability to fund these requirements will depend, in part, on our future cash flows, which are determined by our future operating performance and, therefore, subject to prevailing global macroeconomic conditions and financial, business and other factors, some of which are beyond our control. We expect capital expenditures to be higher in the fiscal year ending November 2, 2025 as compared to fiscal year 2024. Our debt and liquidity needs increased in fiscal year 2024 as a result of completing the VMware Merger. We funded the cash portion of the consideration with net proceeds from the issuance of \$30,390 million in term loans (the "2023 Term Loans"), as well as cash on hand. We also assumed \$8,250 million of VMware's outstanding senior unsecured notes. During fiscal year 2024, we made repayments of \$16,795 million on our 2023 Term Loans.

We believe that our cash and cash equivalents on hand, cash flows from operations and our revolving credit facility will provide sufficient liquidity to operate our business and fund our current and assumed obligations for at least the next 12 months. For additional information regarding our cash requirement from contractual obligations, indebtedness and lease obligations, see Note 14. "Commitments and Contingencies", Note 10. "Borrowings" and Note 6. "Leases" in Part II, Item 8 of this Annual Report on Form 10-K.

From time to time, we engage in discussions with third parties regarding potential acquisitions of, or investments in, businesses, technologies and product lines. Any such transaction, or evaluation of potential transactions, could require significant use of our cash and cash equivalents, or require us to increase our borrowings to fund such transactions. If we do not have sufficient cash to fund our operations or finance growth opportunities, including acquisitions, or unanticipated capital expenditures, our business and financial condition could suffer. In such circumstances, we may seek to obtain new debt or equity financing. However, we cannot assure you that such additional financing will be available on terms acceptable to us or at all. Our ability to service our senior unsecured notes, the 2023 Term Loans and any other indebtedness we may incur will depend on our ability to generate cash in the future. We may also elect to sell additional debt or equity securities for reasons other than those specified above.

In addition, we may, at any time and from time to time, seek to retire or purchase our outstanding debt through cash tenders and/or exchanges for equity or debt, in open-market purchases, privately negotiated transactions or otherwise. Such tenders, exchanges or purchases, if any, will be upon such terms and at such prices as we may determine, and will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. We may also make additional prepayments of the 2023 Term Loans. The amounts involved may be material.

### Working Capital

On November 22, 2023, we completed the VMware Merger. The following table presents the changes in selected balance sheet captions other than assets acquired and liabilities assumed from the VMware Merger during fiscal year 2024.

|                                    | Balances at<br>October 29,<br>2023 | Balances<br>Acquired and<br>Assumed from<br>VMware (a) | Balances at<br>November 3,<br>2024 | Non-VMware<br>Acquisition<br>Change |
|------------------------------------|------------------------------------|--|------------------------------------|-------------------------------------|
|                                    | (In millions)                      |  |                                    |                                     |
| Trade accounts receivable, net     | \$ 3,154                           | \$ 3,571   | \$ 4,416                           | \$ (2,309)                          |
| Other current assets               | \$ 1,606                           | \$ 1,108   | \$ 4,071                           | \$ 1,357                            |
| Accounts payable                   | \$ 1,210                           | \$ 359   | \$ 1,662                           | \$ 93                               |
| Employee compensation and benefits | \$ 935                             | \$ 848   | \$ 1,971                           | \$ 188                              |
| Current portion of long-term debt  | \$ 1,608                           | \$ 1,264   | \$ 1,271                           | \$ (1,601)                          |
| Other current liabilities          | \$ 3,652                           | \$ 11,217  | \$ 11,793                          | \$ (3,076)                          |

(a) Excludes VMware's EUC assets and liabilities held for sale.

- Trade accounts receivable, net decreased primarily due to strong collections and additional receivables sold through factoring arrangements.
- Other current assets increased from higher contract assets due to the timing of software revenue recognition.
- Current portion of long-term debt decreased primarily due to \$2,813 million of repayments, offset in part by \$1,245 million becoming due within the next twelve months.
- Other current liabilities decreased primarily from lower contract liabilities as software revenue was recognized from previous software contracts.

### Capital Returns

| Cash Dividends Declared and Paid           | Fiscal Year Ended                    |                     |
|--|--------------------------------------|---------------------|
|  | November 3,<br>2024                  | October 29,<br>2023 |
|  | (In millions, except per share data) |                     |
| Dividends per share to common stockholders | \$ 2.105                             | \$ 1.840            |
| Dividends to common stockholders           | \$ 9,814                             | \$ 7,645            |

In December 2021, our Board of Directors authorized a stock repurchase program to repurchase up to \$10 billion of our common stock from time to time through December 31, 2022, which was subsequently extended to December 31, 2023. In May 2022, our Board of Directors authorized another stock repurchase program to repurchase up to an additional \$10 billion of our common stock from time to time through December 31, 2023. During fiscal years 2024 and 2023, we repurchased and retired approximately 67 million and 91 million shares of our common stock for \$7,176 million and \$5,824 million, respectively. All \$20 billion of the authorized amount under these stock repurchase programs was utilized prior to expiration on December 31, 2023.



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During fiscal years 2024 and 2023, we paid approximately \$5,216 million and \$1,861 million, respectively, in employee withholding taxes due upon the vesting of net settled equity awards. We withheld approximately 38 million and 26 million shares of common stock from employees in connection with such net share settlements during fiscal years 2024 and 2023, respectively.

**Cash Flows**

|   | Fiscal Year Ended   |                     |
|---|---------------------|---------------------|
|   | November 3,<br>2024 | October 29,<br>2023 |
|   | (In millions)       |                     |
| Net cash provided by operating activities | \$ 19,962           | \$ 18,085           |
| Net cash used in investing activities     | (23,070)            | (689)               |
| Net cash used in financing activities     | (1,733)             | (15,623)            |
| Net change in cash and cash equivalents   | \$ (4,841)          | \$ 1,773            |

**Operating Activities**

Cash flows from operating activities consisted of net income adjusted for certain non-cash and other items and changes in assets and liabilities. The \$1,877 million increase in cash provided by operations during fiscal year 2024 compared to fiscal year 2023 was primarily due to contributions from VMware. The \$8,187 million decrease in net income was largely driven by \$13,058 million higher non-cash adjustments including amortization of intangible assets, stock-based compensation, and deferred taxes and other non-cash taxes related to the VMware Merger.

**Investing Activities**

Cash flows from investing activities primarily consisted of cash used for acquisitions, proceeds from the sale of a business, capital expenditures, and proceeds and payments related to investments. The \$22,381 million increase in cash used in investing activities for fiscal year 2024 compared to fiscal year 2023 was primarily due to a \$25,925 million increase in cash used for acquisitions due to the VMware Merger and the acquisition of Seagate's SoC operations, net of cash acquired, offset in part by \$3,485 million proceeds from the sale of the EUC business.

**Financing Activities**

Cash flows from financing activities primarily consisted of proceeds and payments related to our long-term borrowings, dividend payments, stock repurchases, and employee withholding tax payments related to net settled equity awards. The \$13,890 million increase in cash flows from financing activities for fiscal year 2024 compared to fiscal year 2023 was primarily due to \$39,954 million of net proceeds from the 2023 Term Loans and the issuance of senior notes, offset in part by a \$19,205 million increase in payments on debt obligations, a \$3,355 million increase in employee withholding tax payments related to net settled equity awards, a \$2,169 million increase in dividend payments, and a \$1,352 million increase in stock repurchases.

**ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK****Foreign Currency Exchange Risk**

From time to time, we use foreign exchange forward contracts to hedge a portion of our exposures to changes in currency exchange rates, which result from our global operating and financing activities. We do not use derivative financial instruments for trading or speculative purposes. A hypothetical 10% change in currency exchange rates would not have a material impact on our consolidated financial statements.

***Interest Rate Risk***

Changes in interest rates affect the fair value of our outstanding fixed rate senior notes. As of November 3, 2024 and October 29, 2023, we had \$56.3 billion and \$40.8 billion in principal amount of fixed rate senior notes outstanding, and the estimated aggregate fair value of these senior notes was \$51.4 billion and \$33.2 billion, respectively. As of November 3, 2024 and October 29, 2023, a hypothetical 50 basis point increase or decrease in market interest rates would change the fair value of our fixed rate senior notes by approximately \$1.7 billion and \$1.4 billion, respectively. However, this hypothetical change in interest rates would not impact the interest expense on our fixed rate senior notes outstanding. To hedge variability of cash flows due to changes in the benchmark interest rate of anticipated future debt issuances, we have entered, and in the future may enter, into treasury rate lock contracts.

As of November 3, 2024, we had \$13.6 billion of outstanding 2023 Term Loans, which are subject to floating interest rates. A hypothetical 100 basis point change in the interest rate would increase or decrease the interest expense on the 2023 Term Loans for the next 12 months by approximately \$137 million. The carrying value of the 2023 Term Loans approximates their fair value as the underlying interest rates are tied to the Secured Overnight Financing Rate. We had no floating rate debt outstanding as of October 29, 2023.

**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

**BROADCOM INC.  
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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Broadcom Inc.

### ***Opinions on the Financial Statements and Internal Control over Financial Reporting***

We have audited the accompanying consolidated balance sheets of Broadcom Inc. and its subsidiaries (the “Company”) as of November 3, 2024 and October 29, 2023, and the related consolidated statements of operations, of comprehensive income, of stockholders’ equity and of cash flows for each of the three years in the period ended November 3, 2024, including the related notes and financial statement schedule listed in the index appearing under Item 15(a)(2) (collectively referred to as the “consolidated financial statements”). We also have audited the Company's internal control over financial reporting as of November 3, 2024, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of November 3, 2024 and October 29, 2023, and the results of its operations and its cash flows for each of the three years in the period ended November 3, 2024 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of November 3, 2024, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

### ***Basis for Opinions***

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

### ***Definition and Limitations of Internal Control over Financial Reporting***

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### ***Critical Audit Matters***

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or

complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

***Acquisition of VMware — Valuation of VMware Cloud Foundation (“VCF”) Developed Technology, Certain Customer Contracts and Related Relationships, VCF In-process Research and Development, and VMware Trade Name Intangible Assets***

As described in Notes 2 and 4 of the consolidated financial statements, on November 22, 2023, the Company completed the acquisition of VMware LLC for total consideration of \$86,290 million. The Company acquired \$45,572 million of intangible assets in connection with the acquisition. Of these acquired intangible assets, \$24,156 million related to developed technology valued using the multi-period excess earnings method under the income approach, of which a significant portion related to VCF; \$15,239 million related to customer contracts and related relationships valued using the with-and-without method under the income approach, of which a significant portion related to certain customer contracts and relationships; \$4,730 million related to in-process research and development valued using the multi-period excess earnings method under the income approach, of which \$4,705 million related to VCF; and \$1,205 million related to trade names valued using the relief-from-royalty method, of which a significant portion related to the VMware trade name. The present value of projected cash flows included significant judgment and assumptions regarding (a) the projected revenues, projected expenses, technology obsolescence rate, contributory asset charges, and the discount rate for the VCF developed technology, (b) the projected revenues, customer retention rate, customer ramp up period, and the discount rate for the certain customer contracts and related relationships, (c) the projected revenues, technology obsolescence rate and the discount rate for the VCF in-process research and development, and (d) the projected revenues, brand asset phase-out pattern, brand asset royalty rate, and the discount rate for the VMware trade name.

The principal considerations for our determination that performing procedures relating to the valuation of the VCF developed technology, certain customer contracts and related relationships, VCF in-process research and development, and the VMware trade name intangible assets acquired in the VMware acquisition is a critical audit matter are (i) the significant judgment by management when developing the fair value estimates; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management’s significant assumptions related to (a) the projected revenues, projected expenses, technology obsolescence rate, contributory asset charges, and discount rate for the VCF developed technology, (b) certain projected revenues, customer retention rate, customer ramp up period, and discount rate for the certain customer contracts and related relationships, (c) the projected revenues, technology obsolescence rate and discount rate for the VCF in-process research and development, and (d) certain projected revenues, brand asset phase-out pattern, brand asset royalty rate, and discount rate for the VMware trade name (collectively referred to as “the aforementioned significant assumptions”); and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the acquisition accounting, including controls over management’s valuation of the acquired developed technology, customer contracts and related relationships, in-process research and development, and the trade names. These procedures also included, among others, (i) reading the purchase agreement; (ii) testing management’s process for developing the fair value estimate of the acquired VCF developed technology, certain customer contracts and related relationships, VCF in-process research and development, and the VMware trade name; (iii) evaluating the appropriateness of the multi-period excess earnings, with-and-without, and relief-from-royalty methods used by management; (iv) testing the completeness and accuracy of underlying data used in the multi-period excess earnings, with-and-without, and relief-from-royalty methods; and (v) evaluating the reasonableness of the aforementioned significant assumptions used by management. Evaluating management’s assumptions related to (a) the projected revenues and projected expenses for the VCF developed technology, (b) certain projected revenues, customer retention rate, and customer ramp up period for the certain customer contracts and related relationships, (c) projected revenues for the VCF in-process research and development, and (d) certain projected revenues for the VMware trade name involved considering (i) the current and past performance of VMware; (ii) the consistency with external market and industry data; and (iii) whether the assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in (i) evaluating the appropriateness of multi-period excess earnings, with-and-without, and relief-from-royalty methods and (ii) the reasonableness of (a) the technology obsolescence rate, contributory asset charge, and discount rate for the VCF developed technology, (b) the discount rate for the certain customer contracts and related relationships, (c) the technology obsolescence rate and discount rate for the VCF in-process research and development, and (d) brand asset phase-out pattern, brand asset royalty rate, and discount rate for the VMware trade name.

/s/ PricewaterhouseCoopers LLP

San Jose, California  
December 20, 2024

We have served as the Company’s auditor since 2006.

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**BROADCOM INC.  
CONSOLIDATED BALANCE SHEETS**

|  | November 3,<br>2024             | October 29,<br>2023 |
|--|---------------------------------|---------------------|
|  | (In millions, except par value) |                     |
| <b>ASSETS</b>  |                                 |                     |
| Current assets:  |                                 |                     |
| Cash and cash equivalents  | \$ 9,348                        | \$ 14,189           |
| Trade accounts receivable, net   | 4,416                           | 3,154               |
| Inventory  | 1,760                           | 1,898               |
| Other current assets   | 4,071                           | 1,606               |
| Total current assets   | 19,595                          | 20,847              |
| Long-term assets:  |                                 |                     |
| Property, plant and equipment, net   | 2,521                           | 2,154               |
| Goodwill   | 97,873                          | 43,653              |
| Intangible assets, net   | 40,583                          | 3,867               |
| Other long-term assets   | 5,073                           | 2,340               |
| Total assets   | <u>\$ 165,645</u>               | <u>\$ 72,861</u>    |
| <b>LIABILITIES AND EQUITY</b>  |                                 |                     |
| Current liabilities:   |                                 |                     |
| Accounts payable   | \$ 1,662                        | \$ 1,210            |
| Employee compensation and benefits   | 1,971                           | 935                 |
| Current portion of long-term debt  | 1,271                           | 1,608               |
| Other current liabilities  | 11,793                          | 3,652               |
| Total current liabilities  | 16,697                          | 7,405               |
| Long-term liabilities:   |                                 |                     |
| Long-term debt   | 66,295                          | 37,621              |
| Other long-term liabilities  | 14,975                          | 3,847               |
| Total liabilities  | 97,967                          | 48,873              |
| Commitments and contingencies (Note 14)  |                                 |                     |
| Stockholders' equity:  |                                 |                     |
| Preferred stock, \$0.001 par value; 100 shares authorized; none issued and outstanding   | —                               | —                   |
| Common stock, \$0.001 par value; 29,000 shares authorized; 4,686 and 4,139 shares issued and outstanding as of November 3, 2024 and October 29, 2023, respectively | 5                               | 4                   |
| Additional paid-in capital   | 67,466                          | 21,095              |
| Retained earnings  | —                               | 2,682               |
| Accumulated other comprehensive income   | 207                             | 207                 |
| Total stockholders' equity   | 67,678                          | 23,988              |
| Total liabilities and equity   | <u>\$ 165,645</u>               | <u>\$ 72,861</u>    |

The accompanying notes are an integral part of these consolidated financial statements.



**BROADCOM INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

|   | Fiscal Year Ended                    |                     |                     |
|---|--------------------------------------|---------------------|---------------------|
|   | November 3,<br>2024                  | October 29,<br>2023 | October 30,<br>2022 |
|   | (In millions, except per share data) |                     |                     |
| Net revenue:  |                                      |                     |                     |
| Products  | \$ 30,359                            | \$ 27,891           | \$ 26,277           |
| Subscriptions and services                              | 21,215                               | 7,928               | 6,926               |
| Total net revenue                                       | 51,574                               | 35,819              | 33,203              |
| Cost of revenue:  |                                      |                     |                     |
| Cost of products sold                                   | 9,797                                | 8,636               | 7,629               |
| Cost of subscriptions and services                      | 2,991                                | 636                 | 627                 |
| Amortization of acquisition-related intangible assets   | 6,023                                | 1,853               | 2,847               |
| Restructuring charges                                   | 254                                  | 4                   | 5                   |
| Total cost of revenue                                   | 19,065                               | 11,129              | 11,108              |
| Gross margin  | 32,509                               | 24,690              | 22,095              |
| Research and development                                | 9,310                                | 5,253               | 4,919               |
| Selling, general and administrative                     | 4,959                                | 1,592               | 1,382               |
| Amortization of acquisition-related intangible assets   | 3,244                                | 1,394               | 1,512               |
| Restructuring and other charges                         | 1,533                                | 244                 | 57                  |
| Total operating expenses                                | 19,046                               | 8,483               | 7,870               |
| Operating income  | 13,463                               | 16,207              | 14,225              |
| Interest expense  | (3,953)                              | (1,622)             | (1,737)             |
| Other income (expense), net                             | 406                                  | 512                 | (54)                |
| Income from continuing operations before income taxes   | 9,916                                | 15,097              | 12,434              |
| Provision for income taxes                              | 3,748                                | 1,015               | 939                 |
| Income from continuing operations                       | 6,168                                | 14,082              | 11,495              |
| Loss from discontinued operations, net of income taxes  | (273)                                | —                   | —                   |
| Net income  | 5,895                                | 14,082              | 11,495              |
| Dividends on preferred stock                            | —                                    | —                   | (272)               |
| Net income attributable to common stock                 | \$ 5,895                             | \$ 14,082           | \$ 11,223           |
| Basic income per share attributable to common stock:    |                                      |                     |                     |
| Income per share from continuing operations             | \$ 1.33                              | \$ 3.39             | \$ 2.74             |
| Loss per share from discontinued operations             | (0.06)                               | —                   | —                   |
| Net income per share                                    | \$ 1.27                              | \$ 3.39             | \$ 2.74             |
| Diluted income per share attributable to common stock:  |                                      |                     |                     |
| Income per share from continuing operations             | \$ 1.29                              | \$ 3.30             | \$ 2.65             |
| Loss per share from discontinued operations             | (0.06)                               | —                   | —                   |
| Net income per share                                    | \$ 1.23                              | \$ 3.30             | \$ 2.65             |
| Weighted-average shares used in per share calculations: |                                      |                     |                     |
| Basic   | 4,624                                | 4,149               | 4,089               |
| Diluted   | 4,778                                | 4,272               | 4,232               |

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

|  | Fiscal Year Ended   |                     |                     |
|--|---------------------|---------------------|---------------------|
|  | November 3,<br>2024 | October 29,<br>2023 | October 30,<br>2022 |
|  | (In millions)       |                     |                     |
| Net income   | \$ 5,895            | \$ 14,082           | \$ 11,495           |
| Other comprehensive income, net of tax:  |                     |                     |                     |
| Change in unrealized gain on derivative instruments                                    | (1)                 | 290                 | 37                  |
| Change in actuarial loss and prior service costs associated with defined benefit plans | 1                   | (29)                | 25                  |
| Other comprehensive income, net of tax   | —                   | 261                 | 62                  |
| Comprehensive income   | <u>\$ 5,895</u>     | <u>\$ 14,343</u>    | <u>\$ 11,557</u>    |

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

|   | Fiscal Year Ended   |                     |                     |
|---|---------------------|---------------------|---------------------|
|   | November 3,<br>2024 | October 29,<br>2023 | October 30,<br>2022 |
|   | (In millions)       |                     |                     |
| <b>Cash flows from operating activities:</b>                                      |                     |                     |                     |
| Net income  | \$ 5,895            | \$ 14,082           | \$ 11,495           |
| Adjustments to reconcile net income to net cash provided by operating activities: |                     |                     |                     |
| Amortization of intangible and right-of-use assets                                | 9,417               | 3,333               | 4,455               |
| Depreciation  | 593                 | 502                 | 529                 |
| Stock-based compensation  | 5,741               | 2,171               | 1,533               |
| Deferred taxes and other non-cash taxes   | 1,965               | (501)               | (34)                |
| Loss on debt extinguishment   | 157                 | —                   | 100                 |
| Non-cash interest expense   | 427                 | 132                 | 129                 |
| Other   | 404                 | 9                   | 183                 |
| Changes in assets and liabilities, net of acquisitions and disposals:             |                     |                     |                     |
| Trade accounts receivable, net  | 2,327               | (187)               | (870)               |
| Inventory   | 150                 | 27                  | (627)               |
| Accounts payable  | 121                 | 209                 | (79)                |
| Employee compensation and benefits  | 78                  | (279)               | 136                 |
| Other current assets and current liabilities                                      | (5,323)             | (628)               | 222                 |
| Other long-term assets and long-term liabilities                                  | (1,990)             | (785)               | (436)               |
| Net cash provided by operating activities   | 19,962              | 18,085              | 16,736              |
| <b>Cash flows from investing activities:</b>                                      |                     |                     |                     |
| Acquisitions of businesses, net of cash acquired                                  | (25,978)            | (53)                | (246)               |
| Proceeds from sale of business  | 3,485               | —                   | —                   |
| Purchases of property, plant and equipment  | (548)               | (452)               | (424)               |
| Purchases of investments  | (175)               | (346)               | (200)               |
| Sales of investments  | 156                 | 228                 | 200                 |
| Other   | (10)                | (66)                | 3                   |
| Net cash used in investing activities   | (23,070)            | (689)               | (667)               |
| <b>Cash flows from financing activities:</b>                                      |                     |                     |                     |
| Proceeds from long-term borrowings  | 39,954              | —                   | 1,935               |
| Payments on debt obligations  | (19,608)            | (403)               | (2,361)             |
| Payments of dividends   | (9,814)             | (7,645)             | (7,032)             |
| Repurchases of common stock - repurchase program                                  | (7,176)             | (5,824)             | (7,000)             |
| Shares repurchased for tax withholdings on vesting of equity awards               | (5,216)             | (1,861)             | (1,455)             |
| Issuance of common stock  | 190                 | 122                 | 114                 |
| Other   | (63)                | (12)                | (17)                |
| Net cash used in financing activities   | (1,733)             | (15,623)            | (15,816)            |
| Net change in cash and cash equivalents   | (4,841)             | 1,773               | 253                 |
| Cash and cash equivalents at beginning of period                                  | 14,189              | 12,416              | 12,163              |
| Cash and cash equivalents at end of period  | \$ 9,348            | \$ 14,189           | \$ 12,416           |
| <b>Supplemental disclosure of cash flow information:</b>                          |                     |                     |                     |
| Cash paid for interest  | \$ 3,250            | \$ 1,503            | \$ 1,386            |
| Cash paid for income taxes  | \$ 3,155            | \$ 1,782            | \$ 908              |

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM INC.**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**

|   | 8.00% Mandatory<br>Convertible<br>Preferred Stock |              | Common Stock |              | Additional<br>Paid-in<br>Capital | Retained<br>Earnings | Accumulated<br>Other<br>Comprehensive<br>Income (Loss) | Total<br>Stockholders'<br>Equity |
|---|---|--------------|--------------|--------------|----------------------------------|----------------------|--|----------------------------------|
|   | Shares  | Par<br>Value | Shares       | Par<br>Value |                                  |                      |  |                                  |
| (In millions)   |   |              |              |              |                                  |                      |  |                                  |
| <b>Balance as of October 31, 2021</b>   | 4   | \$ —         | 4,129        | \$ 4         | \$ 24,326                        | \$ 748               | \$ (116)   | \$ 24,962                        |
| Net income  | —   | —            | —            | —            | —                                | 11,495               | —  | 11,495                           |
| Other comprehensive income  | —   | —            | —            | —            | —                                | —                    | 62   | 62                               |
| Fair value of partially vested equity awards assumed in connection with an acquisition                  | —   | —            | —            | —            | 4                                | —                    | —  | 4                                |
| Dividends to common stockholders  | —   | —            | —            | —            | (50)                             | (6,683)              | —  | (6,733)                          |
| Dividends to preferred stockholders   | —   | —            | —            | —            | —                                | (272)                | —  | (272)                            |
| Common stock issued   | —   | —            | 77           | —            | 114                              | —                    | —  | 114                              |
| Stock-based compensation  | —   | —            | —            | —            | 1,533                            | —                    | —  | 1,533                            |
| Repurchases of common stock   | —   | —            | (117)        | —            | (3,316)                          | (3,684)              | —  | (7,000)                          |
| Common stock issued in connection with Mandatory Convertible Preferred Stock conversion                 | (4)   | —            | 116          | —            | —                                | —                    | —  | —                                |
| Shares repurchased for tax withholdings on vesting of equity awards                                     | —   | —            | (26)         | —            | (1,456)                          | —                    | —  | (1,456)                          |
| <b>Balance as of October 30, 2022</b>   | —   | —            | 4,179        | 4            | 21,155                           | 1,604                | (54)   | 22,709                           |
| Net income  | —   | —            | —            | —            | —                                | 14,082               | —  | 14,082                           |
| Other comprehensive income  | —   | —            | —            | —            | —                                | —                    | 261  | 261                              |
| Dividends to common stockholders  | —   | —            | —            | —            | —                                | (7,645)              | —  | (7,645)                          |
| Common stock issued   | —   | —            | 77           | —            | 122                              | —                    | —  | 122                              |
| Stock-based compensation  | —   | —            | —            | —            | 2,171                            | —                    | —  | 2,171                            |
| Repurchases of common stock   | —   | —            | (91)         | —            | (481)                            | (5,359)              | —  | (5,840)                          |
| Shares repurchased for tax withholdings on vesting of equity awards                                     | —   | —            | (26)         | —            | (1,872)                          | —                    | —  | (1,872)                          |
| <b>Balance as of October 29, 2023</b>   | —   | —            | 4,139        | 4            | 21,095                           | 2,682                | 207  | 23,988                           |
| Net income  | —   | —            | —            | —            | —                                | 5,895                | —  | 5,895                            |
| Issuance of common stock upon the acquisition of VMware, Inc.   | —   | —            | 544          | 1            | 53,420                           | —                    | —  | 53,421                           |
| Fair value of partially vested equity awards assumed in connection with the acquisition of VMware, Inc. | —   | —            | —            | —            | 750                              | —                    | —  | 750                              |
| Dividends to common stockholders  | —   | —            | —            | —            | (2,809)                          | (7,005)              | —  | (9,814)                          |
| Common stock issued   | —   | —            | 108          | —            | 190                              | —                    | —  | 190                              |
| Stock-based compensation  | —   | —            | —            | —            | 5,747                            | —                    | —  | 5,747                            |
| Repurchases of common stock   | —   | —            | (67)         | —            | (5,604)                          | (1,572)              | —  | (7,176)                          |
| Shares repurchased for tax withholdings on vesting of equity awards                                     | —   | —            | (38)         | —            | (5,323)                          | —                    | —  | (5,323)                          |
| <b>Balance as of November 3, 2024</b>   | —   | \$ —         | 4,686        | \$ 5         | \$ 67,466                        | \$ —                 | \$ 207   | \$ 67,678                        |

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. Overview and Basis of Presentation**

**Overview**

Broadcom Inc. ("Broadcom"), a Delaware corporation, is a global technology leader that designs, develops and supplies a broad range of semiconductor and infrastructure software solutions. We develop semiconductor devices with a focus on complex digital and mixed signal complementary metal oxide semiconductor based devices and analog III-V based products. We offer thousands of products that are used in end products such as enterprise and data center networking, including artificial intelligence ("AI") networking and connectivity, home connectivity, set-top boxes, broadband access, telecommunication equipment, smartphones and base stations, data center servers and storage systems, factory automation, power generation and alternative energy systems, and electronic displays. Our infrastructure software solutions help enterprises simplify their information technology ("IT") environments so they can increase business velocity and flexibility, and enable customers to plan, develop, deliver, automate, manage and secure applications across mainframe, distributed, edge, mobile, and private and hybrid cloud platforms. Our portfolio of infrastructure and security software is designed to modernize, optimize, and secure the most complex private and hybrid cloud environments, enabling scalability, agility, automation, insights, resiliency and security making it easy for customers to run their mission-critical workloads. We also offer mission-critical fibre channel storage area networking ("FC SAN") products and related software in the form of modules, switches and subsystems incorporating multiple semiconductor products. Unless stated otherwise or the context otherwise requires, references to "Broadcom," "we," "our," and "us" mean Broadcom and its consolidated subsidiaries. We have two reportable segments: semiconductor solutions and infrastructure software. See Note 13. "Segment Information" for additional information.

On November 22, 2023, we completed the acquisition of VMware, Inc. ("VMware") in a cash-and-stock transaction (the "VMware Merger"). The VMware stockholders received approximately \$30,788 million in cash and 544 million shares of Broadcom common stock (on a split adjusted basis) with a fair value of \$53,398 million. VMware was a leading provider of multi-cloud services for all applications, enabling digital innovation with enterprise control. We acquired VMware to enhance our infrastructure software capabilities. The accompanying consolidated financial statements include the results of operations of VMware commencing on November 22, 2023. See Note 4. "Acquisitions" for additional information.

**Basis of Presentation**

We operate on a 52- or 53-week fiscal year ending on the Sunday closest to October 31. Our fiscal year ended November 3, 2024 ("fiscal year 2024") was a 53-week fiscal year, with the first fiscal quarter containing 14 weeks. Our fiscal year ended October 29, 2023 ("fiscal year 2023") and fiscal year ended October 30, 2022 ("fiscal year 2022") were both 52-week fiscal years.

The accompanying consolidated financial statements include the accounts of Broadcom and its subsidiaries and have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). All intercompany balances and transactions have been eliminated in consolidation.

On July 12, 2024, we completed a ten-for-one forward stock split of our common stock through the filing of an amendment ("Amendment") to our Amended and Restated Certificate of Incorporation. The Amendment proportionately increased the number of shares of our authorized common stock without changing the par value of \$0.001 per share. All share, equity award and per share amounts and related stockholders' equity balances presented in the accompanying consolidated financial statements and notes thereto have been retroactively adjusted, where applicable, to reflect the stock split.

**2. Summary of Significant Accounting Policies**

*Foreign currency remeasurement.* We operate in a U.S. dollar functional currency environment. Foreign currency assets and liabilities for monetary accounts are remeasured into U.S. dollars at current exchange rates. Non-monetary items such as inventory and property, plant and equipment, are measured and recorded at historical exchange rates. The effects of foreign currency remeasurement were not material for any period presented.

*Use of estimates.* The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from these estimates, and such differences could affect the results of operations reported in future periods.

*Cash and cash equivalents.* We consider all highly liquid investment securities with original maturities of three months or less at the date of purchase to be cash equivalents. We determine the appropriate classification of our cash and cash equivalents at the time of purchase.

*Trade accounts receivable, net.* Trade accounts receivable are recognized at the invoiced amount and do not bear interest. Accounts receivable are reduced by an allowance for doubtful accounts, which is our best estimate of the expected credit losses in our existing accounts receivable. We determine the allowance based on historical experience and current economic conditions, among other factors. Allowances for doubtful accounts were not material as of November 3, 2024 or October 29, 2023. Accounts receivable are also recognized net of sales returns and distributor credit allowances. These amounts are recognized when it is both probable and estimable that discounts will be granted or products will be returned. Allowances for sales returns and distributor credit allowances as of November 3, 2024 and October 29, 2023 were \$101 million and \$137 million, respectively.

*Concentrations of credit risk and significant customers.* Our cash, cash equivalents and accounts receivable are potentially subject to concentration of credit risk. Cash and cash equivalents may be redeemable upon demand and are maintained with financial institutions that management believes are of high credit quality and therefore bear minimal credit risk. We seek to mitigate our credit risks by spreading such risks across multiple counterparties and monitoring the risk profile of these counterparties. Our accounts receivable are derived from revenue earned from customers located both within and outside the U.S. We mitigate collection risks from our customers by performing regular credit evaluations of our customers' financial conditions, and require collateral, such as letters of credit and bank guarantees, in certain circumstances.

*Concentration of other risks.* We operate in markets that are highly competitive and rapidly changing. Significant technological changes, shifting customer needs, the emergence of competitive products with new capabilities, general economic conditions worldwide, the ability to safeguard patents and other intellectual property ("IP") in a rapidly evolving market and reliance on third-party wafer fabricators, assembly and test subcontractors and independent distributors and other factors could affect our financial results.

*Inventory.* We value our inventory at the lower of actual cost or net realizable value of the inventory, with cost being determined under the first-in, first-out method. We record a provision for excess and obsolete inventory based primarily on our forecast of product demand and production requirements. The excess and obsolete balance determined by this analysis becomes the basis for our excess and obsolete inventory charge and the written-down value of the inventory becomes its new cost basis.

*Retirement benefit plans.* For defined benefit pension plans, we consider various factors in determining our respective benefit obligations and net periodic benefit cost, including the number of employees that we expect to receive benefits, their salary levels and years of service, the expected return on plan assets, the discount rate, the timing of the payment of benefits, and other actuarial assumptions. If the actual results and events of the benefit plans differ from our current assumptions, the benefit obligations may be over- or under-valued.

The key assumptions are the discount rate and the expected rate of return on plan assets. The U.S. discount rates are based on a hypothetical yield curve constructed using high-quality corporate bonds selected to yield cash flows that match the expected timing and amount of the benefit payments. The U.S. expected rate of return on plan assets is set equal to the discount rate due to the implementation of our fully-matched, liability-driven investment strategy. We evaluate these assumptions at least annually. For the non-U.S. plans, we set assumptions specific to each country. We have elected to measure defined benefit pension plan assets and liabilities as of October 31, which is the month end that is closest to our fiscal year end.

*Derivative instruments.* We use derivative financial instruments to manage exposure to foreign exchange risk and interest rate risk. We do not use derivative financial instruments for speculative or trading purposes.

Outstanding derivatives are recognized as assets or liabilities at their fair values based on Level 2 inputs, as defined in the fair value hierarchy. For derivative instruments designated as cash flow hedges, the changes in fair value are initially recognized in other comprehensive income, net of tax in the period of change, and are subsequently reclassified and recognized in the same line item as the hedged item when either the hedged transactions affect earnings or it becomes probable that the hedged transactions will not occur.

We use foreign exchange forward contracts to manage exposure to foreign exchange risk. These forward contracts are not designated as hedging instruments, and the changes in fair value are recognized in other income (expense), net in the period of change. We did not have any material foreign exchange forward contracts outstanding as of November 3, 2024 or October 29, 2023. The gains and losses recorded in other income (expense), net for derivative instruments not designated as hedges were not material.

During fiscal years 2023 and 2022, we entered into treasury rate lock contracts that mature in approximately one year to hedge variability of cash flows due to changes in the benchmark interest rate of anticipated future debt issuances. These treasury rate locks were designated and accounted for as cash flow hedging instruments. In August 2023, we early settled all treasury rate lock contracts, which had a \$5.5 billion notional amount, for a cumulative gain of \$371 million. The cumulative gain was recorded net of tax of \$44 million as a component of accumulated other comprehensive income as of October 29, 2023. The cash receipts from the settlement were included in cash flows from operating activities in the consolidated statement of cash flows during fiscal year 2023. In fiscal year 2024, upon the issuance of our \$1.75 billion 4.800% senior notes due October 2034 as discussed in Note 10. "Borrowings", \$75 million out of the \$371 million pre-tax cumulative gain in accumulated other comprehensive income will be amortized to interest expense through October 15, 2034 using the effective interest method. The remaining cumulative gain will be amortized to interest expense associated with future debt referencing the hedged treasury rates.

**Property, plant and equipment.** Property, plant and equipment are stated at cost less accumulated depreciation and amortization. Additions, improvements and major renewals are capitalized, and maintenance, repairs and minor renewals are expensed as incurred. Assets are held in construction in progress until placed in service, upon which date, we begin to depreciate these assets. When assets are retired or disposed of, the assets and related accumulated depreciation and amortization are removed from our property, plant and equipment balances and the resulting gain or loss is reflected in the consolidated statements of operations. Buildings and leasehold improvements are generally depreciated over 15 to 40 years, or over the lease period, whichever is shorter, and machinery and equipment are generally depreciated over 3 to 10 years. We use the straight-line method of depreciation for all property, plant and equipment.

**Leases.** We determine if an arrangement is a lease, or contains a lease, at the inception of the arrangement and evaluate whether the lease is an operating lease or a finance lease at the commencement date. We recognize right-of-use ("ROU") assets and lease liabilities for operating and finance leases with terms greater than 12 months, and account for the lease and non-lease components as a single component. ROU assets represent our right to use an asset for the lease term, while lease liabilities represent our obligation to make lease payments. Operating and finance lease ROU assets and liabilities are recognized based on the present value of lease payments over the lease term at the lease commencement date. We use the implicit interest rate or, if not readily determinable, our incremental borrowing rate as of the lease commencement date to determine the present value of lease payments. The incremental borrowing rate is based on our unsecured borrowing rate, adjusted for the effects of collateral. Operating and finance lease ROU assets are recognized net of any lease prepayments and incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Operating lease expense is recognized on a straight-line basis over the lease term. Finance lease expense is recognized based on the effective interest method over the lease term.

**Fair value measurement.** Fair value is defined as the price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-level hierarchy is applied to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under the guidance on fair value measurements are described below:

**Level 1 —** Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Our Level 1 assets include cash equivalents, banker's acceptances, trading securities investments and investment funds. We measure trading securities investments and investment funds at quoted market prices as they are traded in active markets with sufficient volume and frequency of transactions.

**Level 2 —** Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified contractual term, a Level 2 input must be observable for substantially the full term of the asset or liability.

**Level 3 —** Level 3 inputs are unobservable inputs for the asset or liability in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include investment in equity securities without readily determinable fair values, goodwill, intangible assets, and property, plant and equipment, which are measured at fair value using a discounted cash flow approach when they are impaired. Quantitative information for Level 3 assets and liabilities reviewed at each reporting period includes indicators of significant deterioration in the earnings performance, credit rating, asset quality, business prospects of the investee, and financial indicators of the investee's ability to continue as a going concern.

**Business combinations.** We account for business combinations under the acquisition method of accounting, which requires us to recognize separately from goodwill the assets acquired and the liabilities assumed at their acquisition date fair



values, except for revenue contracts acquired, which are recognized in accordance with our revenue recognition policy. While we use our best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date as well as contingent consideration, where applicable, our estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, we record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recognized in our consolidated statements of operations. Accounting for business combinations requires our management to make significant estimates and assumptions, especially at the acquisition date, for intangible assets, contractual obligations assumed, restructuring liabilities, pre-acquisition contingencies, and contingent consideration, where applicable. Although we believe the assumptions and estimates we have made in the past have been reasonable and appropriate, they are based, in part, on historical experience and information obtained from the management of the acquired companies and are inherently uncertain. Critical estimates in valuing certain acquired intangible assets include the present value of projected cash flows regarding the projected revenues, projected expenses which include cost of revenue, research and development and selling, general and administrative expenses, technology obsolescence rate, contributory asset charges, discount rate and income tax rate for developed technology; the projected revenues, customer retention rate, customer ramp up period, discount rate and income tax rate for the customer contracts and related relationships; the projected revenues, technology obsolescence rate, expected costs to develop in-process research and development ("IPR&D") into commercially viable products, discount rate and income tax rate for the IPR&D; and the projected revenues, brand asset phase-out pattern, brand asset royalty rate, discount rate and the income tax rate for the trade name. Unanticipated events and circumstances may occur which could affect the accuracy or validity of such assumptions, estimates or actual results.

**Goodwill.** Goodwill represents the excess of purchase price and related costs over the value assigned to the net tangible and identifiable intangible assets of businesses acquired. Goodwill is not amortized but is reviewed annually (or more frequently if impairment indicators arise) for impairment. To review for impairment, we first assess qualitative factors to determine whether events or circumstances lead to a determination that it is more likely than not that the fair value of any of our reporting units is less than its carrying amount. Our qualitative assessment of the recoverability of goodwill, whether performed annually or based on specific events or circumstances, considers various macroeconomic, industry-specific and company-specific factors. Those factors include: (i) severe adverse industry or economic trends; (ii) significant company-specific actions, including exiting an activity in conjunction with restructuring of operations; (iii) current, historical or projected deterioration of our financial performance; or (iv) a sustained decrease in our market capitalization below our net book value. After assessing the totality of events and circumstances, if we determine that it is not more likely than not that the fair value of any of our reporting units is less than its carrying amount, no further assessment is performed. If we determine that it is more likely than not that the fair value of any of our reporting units is less than its carrying amount, we calculate the fair value of that reporting unit and compare the fair value to the reporting unit's net book value. If the fair value of the reporting unit is greater than its net book value, there is no impairment. Otherwise, we calculate the implied fair value of goodwill by deducting the fair value of all tangible and intangible assets, excluding goodwill, of the reporting unit from the fair value of the reporting unit. The implied fair value of goodwill is compared to the carrying value of goodwill. If the implied fair value of goodwill is less than the carrying value of goodwill, an impairment loss is recognized equal to the difference. Determining the fair value of a reporting unit involves the use of significant estimates and assumptions.

**Long-lived assets.** Purchased finite-lived intangible assets are carried at cost less accumulated amortization. Amortization is recognized over the periods during which the intangible assets are expected to contribute to our cash flows. Purchased IPR&D projects are capitalized at fair value as an indefinite-lived intangible asset and assessed for impairment thereafter. Upon completion of each underlying project, IPR&D assets are reclassified as amortizable purchased intangible assets and amortized over their estimated useful lives. If an IPR&D project is abandoned, we recognize the carrying value of the related intangible asset in our consolidated statements of operations in the period it is abandoned. On a quarterly basis, we monitor factors and changes in circumstances that could indicate carrying amounts of long-lived assets, including purchased intangible assets, ROU assets, and property, plant and equipment, may not be recoverable. Factors we consider important which could trigger an impairment review include: (i) significant under-performance relative to historical or projected future operating results, (ii) significant changes in the manner of our use of the acquired assets or the strategy for our overall business, and (iii) significant negative industry or economic trends. An impairment loss must be measured if the sum of the expected future cash flows (undiscounted and before interest) from the use and eventual disposition of the asset (or asset group) is less than the net book value of the asset (or asset group). The amount of the impairment loss will generally be measured as the difference between the net book value of the asset (or asset group) and the estimated fair value.

**Warranty.** We accrue for the estimated costs of product warranties at the time revenue is recognized. Product warranty costs are estimated based upon our historical experience and specific identification of the product requirements, which may fluctuate based on product mix. Additionally, we accrue for warranty costs associated with occasional or unanticipated product quality issues if a loss is probable and can be reasonably estimated.

*Revenue recognition.* We account for a contract with a customer when both parties have approved the contract and are committed to perform their respective obligations, each party's rights can be identified, payment terms can be identified, the contract has commercial substance, and it is probable we will collect substantially all of the consideration we are entitled to. Revenue is recognized when, or as, performance obligations are satisfied by transferring control of a promised product or service to a customer.

Payment terms and conditions vary by contract type, and terms between invoicing and when payment is due are short-term in duration. The timing of revenue recognition and required payments can differ and payment terms are generally structured to provide the customer with predictable and dependable ways to procure our products, not to provide or receive financing from the customer.

*Nature of Products and Services*

Our products and services can be broadly categorized as sales of products and subscriptions and services. The following is a description of the principal activities from which we generate revenue.

*Products.* We recognize revenue from sales to direct customers and distributors when control transfers to the customer. Rebates and incentives offered to distributors, which are earned when sales to end customers are completed, are estimated at the point of revenue recognition. We have elected to exclude from the transaction price any taxes collected from a customer and to account for shipping and handling activities performed after a customer obtains control of the product as activities to fulfill the promise to transfer the product. From time to time, certain customers agree to pay us secure supply fees in exchange for prioritized fulfillment of product orders. Such fees are included in the transaction price of the product orders and are recognized as revenue in the period that control over the products is transferred to the customer.

*Subscriptions and services.* Our subscriptions and services revenue consists of sales and royalties from software arrangements, support services, professional services, transfer of IP, and non-recurring engineering ("NRE") arrangements.

Revenue from software arrangements primarily consists of fees, which may be paid either at contract inception or in installments over the contract term, that provide customers with a right to use the software, access general support and maintenance, and utilize our professional services.

Our software licenses have standalone functionality from which customers derive benefit, and the customer obtains control of the software when it is delivered or made available for download. We believe that for the majority of software arrangements, customers derive significant benefit from the ongoing support we provide. Certain of our subscriptions and services arrangements permit our customers to unilaterally terminate or cancel these arrangements at any time at the customer's convenience, referred to as termination for convenience provisions, without substantive termination penalty and receive a pro-rata refund of any prepaid fees. Accordingly, we account for arrangements with these termination for convenience provisions as a series of daily contracts, resulting in ratable revenue recognition of software revenue over the contractual period.

Support services consist primarily of telephone support and the provision of unspecified updates and upgrades on a when-and-if-available basis. Support services represent stand-ready obligations for which revenue is recognized ratably over the term of the arrangement.

Professional services consist of implementation, consulting, customer education and customer training services. The obligation to provide professional services is generally satisfied over time, with the customer simultaneously receiving and consuming the benefits as we satisfy our performance obligations.

Rights to our IP are either sold or licensed to a customer. IP revenue recognition is dependent on the nature and terms of each agreement. We recognize IP revenue upon delivery of the IP if there are no substantive future obligations to perform under the arrangement. Sales-based or usage-based royalties from the license of IP are recognized at the later of the period the sales or usages occur or the satisfaction of the performance obligation to which some or all of the sales-based or usage-based royalties have been allocated.

There are two main categories of NRE contracts that we enter into with our customers: (a) NRE contracts in which we develop a custom chip and (b) NRE contracts in which we accelerate our development of a new chip upon the customer's request. The majority of our NRE contract revenues meet the over time criteria. As such, revenue is recognized over the development period with the measure of progress using the input method based on costs incurred to total cost as the services are provided. For NRE contracts that do not meet the over time criteria, revenue is recognized at a point in time when the NRE services are complete.

*Material rights.* Contracts with customers may also include material rights that are also performance obligations. These include the right to renew or receive products or services at a discounted price in the future. Revenue allocated to material rights is recognized when the customer exercises the right or the right expires.

#### *Arrangements with Multiple Performance Obligations*

Our contracts may contain more than one of the products and services listed above, each of which is separately accounted for as a distinct performance obligation.

*Allocation of consideration.* We allocate total contract consideration to each distinct performance obligation in a bundled arrangement on a relative standalone selling price basis. The standalone selling price reflects the price we would charge for a specific product or service if it were sold separately in similar circumstances and to similar customers.

*Standalone selling price.* When available, we use directly observable transactions to determine the standalone selling prices for performance obligations. When directly observable transactions are not available, our estimates of standalone selling price for each performance obligation require judgment that considers multiple factors, including, but not limited to, reasonably available data points such as costs incurred to provide the good or service, market conditions, entity-specific factors such as pricing strategies and objectives, and information about the customer.

We separately determine the standalone selling prices by product or service type. Additionally, we segment the standalone selling prices for products where the pricing strategies differ, and where there are differences in customers and circumstances that warrant segmentation.

We also estimate the standalone selling price of our material rights. We estimate the value of the customer's option to purchase or receive additional products or services at a discounted price by estimating the incremental discount the customer would obtain when exercising the option and the likelihood that the option would be exercised.

#### *Other Policies and Judgments*

*Contract modifications.* We may modify contracts to offer customers additional products or services. Each of the additional products and services is generally considered distinct from those products or services transferred to the customer before the modification. We evaluate whether the contract price for the additional products and services reflects the standalone selling price as adjusted for facts and circumstances applicable to that contract. In these cases, we account for the additional products or services as a separate contract. In other cases where the pricing in the modification does not reflect the standalone selling price as adjusted for facts and circumstances applicable to that contract, we account for the additional products or services as part of the existing contract on a prospective basis, on a cumulative catch-up basis, or a combination of both based on the nature of the modification. In instances where the pricing in the modification offers the customer a credit for a prior arrangement, we adjust our variable consideration reserves for returns and other concessions.

*Right of return.* Certain contracts contain a right of return that allows the customer to cancel all or a portion of the product or service and receive a credit. We estimate returns based on historical returns data which is constrained to an amount for which a material revenue reversal is not probable. We do not recognize revenue for products or services that are expected to be returned.

*Practical expedient elected.* We do not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed. For contracts that were modified before the beginning of the earliest reporting period presented, we have not retrospectively restated the contract for those modifications. We have disclosed the aggregate effect of all modifications when identifying the satisfied and unsatisfied performance obligations for purposes of determining the transaction price and allocating the transaction price at transition.

*Research and development.* Research and development expense consists primarily of personnel costs for our engineers and third parties engaged in the design and development of our products, software and technologies, including salary, bonus and stock-based compensation expense, project material costs, services and depreciation. Such costs are charged to research and development expense as they are incurred.

*Stock-based compensation expense.* We recognize compensation expense for time-based restricted stock units ("RSUs") using the straight-line amortization method based on the fair value of RSUs on the date of grant. The fair value of RSUs is the closing market price of Broadcom common stock on the date of grant, reduced by the present value of dividends expected to be paid on Broadcom common stock prior to vesting. We recognize compensation expense for time-based stock options and employee stock purchase plan rights under the Broadcom Inc. Employee Stock Purchase Plan, as amended ("ESPP") based on the estimated grant-date fair value determined using the Black-Scholes valuation model with a straight-line amortization method.

Certain equity awards include both service and market conditions. The fair value of market-based awards is estimated on the date of grant using the Monte Carlo simulation technique. Compensation expense for market-based awards is amortized based upon a graded vesting method over the service period.

We estimate forfeitures expected to occur and recognize stock-based compensation expense for such awards expected to vest. We will recognize additional expense if actual forfeitures are lower than we estimated, and will recognize a benefit if actual forfeitures are higher than we estimated. Changes in the estimated forfeiture rates can have a significant effect on stock-based compensation expense since the effect of adjusting the rate is recognized in the period the forfeiture estimate is changed.

*Shipping and handling costs.* Our shipping and handling costs charged to customers are included in net revenue and the associated expense is included in cost of revenue for all periods presented.

*Litigation and settlement costs.* We are involved in legal actions and other matters arising in our recent business acquisitions and in the normal course of business. We recognize an estimated loss contingency when the outcome is probable prior to issuance of the consolidated financial statements and we are able to reasonably estimate the amount or range of any possible loss.

*Income taxes.* We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the consolidated financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

We recognize net deferred tax assets to the extent we believe these assets will more likely than not be realized. In making such determination, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies and recent financial operations. If we determine that we are able to realize our deferred income tax assets in the future in excess of their net carrying values, we adjust the valuation allowance and reduce the provision for income taxes or increase the benefit from income taxes. Likewise, if we determine that we are not able to realize all or part of our net deferred tax assets, we increase the provision for income taxes or decrease the benefit from income taxes in the period such determination is made.

The U.S. Tax Cuts and Jobs Act enacted on December 22, 2017 (the “2017 Tax Act”) introduced significant changes to U.S. income tax law. The Global Intangible Low-Taxed Income (“GILTI”) provisions of the 2017 Tax Act require Broadcom to include in its U.S. income tax return foreign subsidiary earnings in excess of an allowable return on the foreign subsidiary’s tangible assets. We have elected to record the impacts of GILTI during the period incurred.

We account for uncertainty in income taxes in accordance with the applicable accounting guidance on income taxes. This guidance provides that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits.

*Net income per share.* Basic net income per share is computed by dividing net income attributable to common stock by the weighted-average number of shares of common stock outstanding during the period. Diluted net income per share is computed by dividing net income attributable to common stock by the weighted-average number of shares of common stock and potentially dilutive shares of common stock outstanding during the period. Potentially dilutive shares outstanding include the dilutive effect of unvested RSUs and ESPP rights (together referred to as “equity awards”), as well as convertible preferred stock. Potentially dilutive shares whose effect would have been antidilutive are excluded from the computation of diluted net income per share.

The dilutive effect of equity awards is calculated based on the average stock price for each fiscal period, using the treasury stock method. Under the treasury stock method, the amount the employee must pay for purchasing shares under the ESPP and the amount of compensation expense for future service that we have not yet recognized are collectively assumed to be used to repurchase shares. The dilutive effect of convertible preferred stock is calculated using the if-converted method. The if-converted method assumes that these securities were converted at the beginning of the reporting period to the extent that the effect is dilutive.

### **3. Revenue from Contracts with Customers**

#### ***Disaggregation***

We have considered (1) information that is regularly reviewed by our Chief Executive Officer, who has been identified as the chief operating decision maker (the “CODM”) as defined by the authoritative guidance on segment reporting, in evaluating financial performance and (2) disclosures presented outside of our financial statements in our earnings releases and used in investor presentations to disaggregate revenues. The principal category we use to disaggregate revenues is the nature of our products and subscriptions and services, as presented in our consolidated statements of operations. In addition, revenues by reportable segment are presented in Note 13. “Segment Information.”

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The following tables present revenue disaggregated by type of revenue and by region for the periods presented:

| Fiscal Year 2024           |               |              |                                    |           |
|----------------------------|---------------|--------------|------------------------------------|-----------|
|                            | Americas      | Asia Pacific | Europe, the Middle East and Africa | Total     |
|                            | (In millions) |              |                                    |           |
| Products                   | \$ 2,244      | \$ 26,219    | \$ 1,896                           | \$ 30,359 |
| Subscriptions and services | 12,726        | 2,203        | 6,286                              | 21,215    |
| Total                      | \$ 14,970     | \$ 28,422    | \$ 8,182                           | \$ 51,574 |

| Fiscal Year 2023           |               |              |                                    |           |
|----------------------------|---------------|--------------|------------------------------------|-----------|
|                            | Americas      | Asia Pacific | Europe, the Middle East and Africa | Total     |
|                            | (In millions) |              |                                    |           |
| Products                   | \$ 2,601      | \$ 23,263    | \$ 2,027                           | \$ 27,891 |
| Subscriptions and services | 5,678         | 657          | 1,593                              | 7,928     |
| Total                      | \$ 8,279      | \$ 23,920    | \$ 3,620                           | \$ 35,819 |

| Fiscal Year 2022           |               |              |                                    |           |
|----------------------------|---------------|--------------|------------------------------------|-----------|
|                            | Americas      | Asia Pacific | Europe, the Middle East and Africa | Total     |
|                            | (In millions) |              |                                    |           |
| Products                   | \$ 2,371      | \$ 21,761    | \$ 2,145                           | \$ 26,277 |
| Subscriptions and services | 4,573         | 744          | 1,609                              | 6,926     |
| Total                      | \$ 6,944      | \$ 22,505    | \$ 3,754                           | \$ 33,203 |

Although we recognize revenue for the majority of our products when title and control transfer in Penang, Malaysia, we disclose net revenue by region based primarily on the geographic shipment location or delivery location specified by our distributors, original equipment manufacturer ("OEM") customers, contract manufacturers, channel partners, or software customers.

### Contract Balances

Contract assets and contract liabilities balances were as follows:

|                      | November 3, 2024 | October 29, 2023 |
|----------------------|------------------|------------------|
|                      | (In millions)    |                  |
| Contract Assets      | \$ 4,402         | \$ 955           |
| Contract Liabilities | \$ 14,495        | \$ 2,786         |

Changes in our contract assets and contract liabilities primarily result from the timing difference between our performance and the customer's payment. Contract assets and contract liabilities as of November 3, 2024 included the impact of VMware balances acquired on November 22, 2023. We fulfill our obligations under a contract with a customer by transferring products and services in exchange for consideration from the customer. We recognize a contract asset when we transfer products or services to a customer and the right to consideration is conditional on something other than the passage of time. Accounts receivable are recorded when the customer has been billed or the right to consideration is unconditional. We recognize contract liabilities when we have received consideration or an amount of consideration is due from the customer and we have a future obligation to transfer products or services. As of November 3, 2024, approximately 55% of contract liabilities related to contracts subject to termination for convenience provisions. The amount of revenue recognized during fiscal year 2024 that was included in the contract liabilities balance as of October 29, 2023 was \$2,440 million. The amount of revenue recognized during fiscal year 2023 that was included in the contract liabilities balance as of October 30, 2022 was \$2,915 million.

### **Remaining Performance Obligations**

Revenue allocated to remaining performance obligations represents the transaction price allocated to unsatisfied or partially unsatisfied performance obligations. Remaining performance obligations include unearned revenue and amounts that will be invoiced and recognized as revenue in future periods, but do not include contracts for software, subscriptions or services where the customer is not committed. The customer is not considered committed when termination for convenience without payment of a substantive penalty exists, either contractually or through customary business practice. Additionally, as a practical expedient, we have not included contracts that have an original duration of one year or less, nor have we included contracts with sales-based or usage-based royalties promised in exchange for a license of IP.

Certain multi-year customer contracts in our semiconductor solutions and infrastructure software segments contain firmly committed amounts and the remaining performance obligations under these contracts as of November 3, 2024 were approximately \$20.5 billion. We expect approximately 43% of this amount to be recognized as revenue over the next 12 months. For contracts with termination for convenience rights, our customers generally do not exercise those rights. In addition, the majority of our revenue is from contracts with a duration of one year or less. Accordingly, our remaining performance obligations disclosed above are not indicative of revenue for future periods.

## **4. Acquisitions**

### **Acquisition of VMware, Inc.**

On November 22, 2023, we completed the VMware Merger. Pursuant to the Agreement and Plan of Merger, each share of VMware common stock issued and outstanding immediately prior to the VMware Merger was indirectly converted into the right to receive, at the election of the holder of such share of VMware common stock, either \$142.50 in cash or 2.52 shares of Broadcom common stock (on a split adjusted basis). The stockholder election was prorated, such that the total number of shares of VMware common stock entitled to receive cash and the total number of shares of VMware common stock entitled to receive Broadcom common stock, in each case, was equal to 50% of the aggregate number of shares of VMware common stock issued and outstanding immediately prior to the VMware Merger. Based on the VMware stockholders' elections, the VMware stockholders received approximately \$30,788 million in cash and 544 million shares of Broadcom common stock with a fair value of \$53,398 million.

We funded the cash portion of the VMware Merger with the net proceeds from the issuance of the 2023 Term Loans, as defined and discussed in Note 10. "Borrowings", as well as cash on hand. We assumed \$8,250 million of VMware's outstanding senior unsecured notes.

### **Purchase Consideration**

|   | (In millions) |
|---|---------------|
| Fair value of Broadcom common stock issued for outstanding VMware common stock  | \$ 53,398     |
| Cash paid for outstanding VMware common stock                                   | 30,788        |
| Cash paid by Broadcom to retire VMware's term loan                              | 1,257         |
| Fair value of partially vested assumed VMware equity awards                     | 805           |
| Fair value of Broadcom common stock issued for accelerated VMware equity awards | 23            |
| Cash paid for accelerated VMware equity awards                                  | 13            |
| Effective settlement of pre-existing relationships                              | 6             |
| Total purchase consideration  | 86,290        |
| Less: cash acquired   | 6,642         |
| Total purchase consideration, net of cash acquired                              | \$ 79,648     |

We assumed all outstanding VMware RSU awards and performance stock unit ("PSU") awards held by continuing employees. The assumed awards were converted into RSU awards for shares of Broadcom common stock. All outstanding in-the-money VMware stock options and RSU awards held by non-employee directors were accelerated and converted into the right to receive cash and shares of Broadcom common stock, in equal parts.

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The following table presents our allocation of the total purchase price, net of cash acquired:

|  | <b>Fair Value<br/>(In millions)</b> |
|--|-------------------------------------|
| Trade accounts receivable                | \$ 3,571                            |
| Inventory                                | 15                                  |
| Assets held-for-sale                     | 5,206                               |
| Other current assets                     | 757                                 |
| Property, plant and equipment            | 531                                 |
| Goodwill                                 | 54,206                              |
| Intangible assets                        | 45,572                              |
| Other long-term assets                   | 1,064                               |
| <b>Total assets acquired</b>             | <b>110,922</b>                      |
| Accounts payable                         | (359)                               |
| Employee compensation and benefits       | (848)                               |
| Current portion of long-term debt        | (1,264)                             |
| Liabilities held-for-sale                | (1,901)                             |
| Other current liabilities                | (11,041)                            |
| Long-term debt                           | (6,254)                             |
| Other long-term liabilities              | (9,607)                             |
| <b>Total liabilities assumed</b>         | <b>(31,274)</b>                     |
| <b>Fair value of net assets acquired</b> | <b>\$ 79,648</b>                    |

Goodwill is primarily attributable to the assembled workforce and anticipated synergies and economies of scale expected from the integration of the VMware business. The synergies include certain cost savings, operating efficiencies and other strategic benefits projected to be achieved as a result of the VMware Merger. Goodwill is not deductible for tax purposes.

Assets and liabilities held-for-sale primarily included the end-user computing (“EUC”) business and certain other assets and liabilities, which were not aligned with our strategic objectives. On July 1, 2024, we sold the EUC business to KKR & Co. Inc. for cash consideration of \$3.5 billion, after working capital adjustments. We do not have any material continuing involvement with this business and have presented its results in discontinued operations.

Our results of continuing operations included \$12,384 million of net revenue attributable to VMware for fiscal year 2024. It is impracticable to determine the effect on net income attributable to VMware as we immediately integrated VMware into our ongoing operations. Transaction costs related to the VMware Merger of \$255 million were primarily included in selling, general and administrative expense for fiscal year 2024.



### **Intangible Assets**

|   | <b>Fair Value</b><br><b>(In millions)</b> | <b>Weighted-Average</b><br><b>Amortization Periods</b><br><b>(In years)</b> |
|---|---|---|
| Developed technology                            | \$ 24,156                                 | 8   |
| Customer contracts and related relationships    | 15,239                                    | 8   |
| Trade name                                      | 1,205                                     | 14  |
| Off-market component of customer contracts      | 242                                       | 2   |
| Total identified finite-lived intangible assets | 40,842                                    |   |
| IPR&D   | 4,730                                     | N/A   |
| Total identified intangible assets              | <u>\$ 45,572</u>                          |   |

Developed technology relates to products used for VMware cloud foundation, application management, security, application networking and security, and software-defined edge. We valued the developed technology using the multi-period excess earnings method under the income approach. This method reflects the present value of the projected cash flows that are expected to be generated by the developed technology less charges representing the contribution of other assets to those cash flows. The economic useful life was determined based on the technology cycle related to each developed technology, as well as the cash flows over the forecast period.

Customer contracts and related relationships represent the fair value of future projected revenue that will be derived from sales of products to existing customers of VMware. Customer contracts and related relationships were valued using the with-and-without-method under the income approach. In the with-and-without method, the fair value was measured by the difference between the present values of the cash flows with and without the existing customers in place over the period of time necessary to reacquire the customers. The economic useful life was determined by evaluating many factors, including the useful life of other intangible assets, the length of time remaining on the acquired contracts and the historical customer turnover rates.

Trade name relates to the “VMware” trade name. The fair value was determined by applying the relief-from-royalty method under the income approach. This method is based on the application of a royalty rate to forecasted revenue under the trade name. The economic useful life was determined based on the expected life of the trade name and the cash flows anticipated over the forecast period.

Off-market component of customer contracts relate to rebates and marketing development funds provided to customers prior to the VMware Merger. We valued these contracts based on their remaining unamortized balances, which approximate their fair value. The economic useful life was determined based on the remaining terms of customer contracts.

The fair value of IPR&D was determined using the multi-period excess earnings method under the income approach. This method reflects the present value of the projected cash flows that are expected to be generated by the IPR&D, less charges representing the contribution of other assets to those cash flows.

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The following table presents the details of IPR&D by category as of the date of the VMware Merger:

| Description  | IPR&D    | Percentage of Completion | Estimated Cost to Complete | Expected Release Date (By Fiscal Year) |
|--|----------|--------------------------|----------------------------|--|
| (Dollars in millions)  |          |                          |                            |  |
| VMware cloud foundation July 2024 releases                     | \$ 790   | 67 %                     | \$ 38                      | 2024 (a)                               |
| VMware cloud foundation March 2025 releases                    | \$ 2,900 | 58 %                     | \$ 185                     | 2025 (b)                               |
| VMware cloud foundation July 2025 releases                     | \$ 750   | 43 %                     | \$ 65                      | 2025 (c)                               |
| VMware cloud foundation networking and security virtualization | \$ 265   | 21 %                     | \$ 59                      | 2024 (a)                               |
| Application networking and security                            | \$ 25    | 21 %                     | \$ 47                      | 2024 (a)                               |

(a) Released during fiscal year 2024.

(b) \$1,380 million of the \$2,900 million was released during fiscal year 2024. The remaining balance is expected to be released during the second half of the fiscal year ending November 2, 2025 ("fiscal year 2025").

(c) Expected to be released during the first half of the fiscal year ending November 1, 2026.

VMware cloud foundation is a private cloud platform that integrates compute, storage, networking, and management into a single solution and provides license portability. It enables customers to modernize infrastructure and accelerate developer productivity with greater resilience and security.

We believe the amounts of purchased intangible assets recorded above represent the fair values of, and approximate the amounts a market participant would pay for, these intangible assets as of the date of the VMware Merger.

#### Unaudited Pro Forma Information

The following unaudited pro forma financial information presents combined results of operations for each of the periods presented, as if VMware had been acquired as of the beginning of fiscal year 2023. The unaudited pro forma information includes adjustments to amortization for intangible assets acquired, stock-based compensation expense, interest expense for acquisition financing, amortization of deferred assets and liabilities, and depreciation for property and equipment acquired. The unaudited pro forma information presented below is for informational purposes only and is not necessarily indicative of our consolidated results of operations of the combined business had the acquisition actually occurred at the beginning of fiscal year 2023 or of the results of our future operations of the combined business.

|                       | Fiscal Year |           |
|-----------------------|-------------|-----------|
|                       | 2024        | 2023      |
| (In millions)         |             |           |
| Pro forma net revenue | \$ 52,188   | \$ 48,227 |
| Pro forma net income  | \$ 6,473    | \$ 8,215  |

#### Acquisition of Seagate's SoC Operations

On April 23, 2024, we acquired certain assets related to the design, development, and manufacture of System-on-Chip ("SoC") operations of Seagate Technology Holdings plc for \$600 million. We acquired these assets to strengthen our portfolio of SoC products.

The following table presents our allocation of the total purchase price. Goodwill is allocated to the semiconductor solutions segment and is deductible for tax purposes.

|                       | Fair Value<br>(In millions) |
|-----------------------|-----------------------------|
| Intangible assets     | \$ 570                      |
| Goodwill              | 14                          |
| Other assets          | 16                          |
| Total assets acquired | \$ 600                      |

### **Intangible Assets**

|   | <b>Fair Value</b><br><b>(In millions)</b> | <b>Weighted-Average</b><br><b>Amortization Periods</b><br><b>(In years)</b> |
|---|---|---|
| Customer contracts and related relationships    | \$ 410                                    | 11  |
| Developed technology                            | 90  | 11  |
| Total identified finite-lived intangible assets | 500                                       |   |
| IPR&D   | 70  | N/A   |
| Total identified intangible assets              | <u>\$ 570</u>                             |   |

Customer contracts and related relationships represent the fair value of future projected revenue that will be derived from sales of SoC controller products for hard disk drive applications. Customer contracts and related relationships were valued using the multi-period excess earnings method under the income approach. This method reflects the present value of the projected cash flows that are expected to be generated by the customer contracts and related relationships less charges representing the contribution of other assets to those cash flows. The economic useful life was determined based on the useful lives of other intangible assets and the length of time remaining on the acquired contracts.

Developed technology relates to SoC controller products for hard disk drive applications. We valued the developed technology using the relief-from-royalty method under the income approach. This method is based on the application of a royalty rate to forecasted revenue under the developed technology. The economic useful life was determined based on the technology cycle related to each developed technology, as well as the cash flows over the forecast period.

The fair value of IPR&D was determined using the relief-from-royalty method under the income approach. This method is based on the application of a royalty rate to forecasted revenue from the IPR&D.

## **5. Supplemental Financial Information**

### **Cash Equivalents**

Cash equivalents included \$1,716 million and \$1,470 million of time deposits and \$1,171 million and \$1,650 million of money-market funds as of November 3, 2024 and October 29, 2023, respectively. For time deposits, carrying value approximates fair value due to the short-term nature of the instruments. The fair value of money-market funds, which was consistent with their carrying value, was determined using unadjusted prices in active, accessible markets for identical assets, and as such, they were classified as Level 1 assets in the fair value hierarchy.

### **Accounts Receivable Factoring**

We sell certain of our trade accounts receivable on a non-recourse basis to third-party financial institutions pursuant to factoring arrangements. We account for these transactions as sales of receivables and present cash proceeds as cash provided by operating activities in the consolidated statements of cash flows. Total trade accounts receivable sold under the factoring arrangements were \$5,900 million, \$3,975 million and \$3,700 million during fiscal years 2024, 2023 and 2022, respectively. Factoring fees for the sales of receivables were recorded in other income (expense), net and were not material for any of the periods presented.

### **Inventory**

|                 | <b>November 3,<br/>2024</b> | <b>October 29,<br/>2023</b> |
|-----------------|-----------------------------|-----------------------------|
|                 | <b>(In millions)</b>        |                             |
| Finished goods  | \$ 504                      | \$ 676                      |
| Work-in-process | 970                         | 901                         |
| Raw materials   | 286                         | 321                         |
| Total inventory | <u>\$ 1,760</u>             | <u>\$ 1,898</u>             |

**Property, Plant and Equipment, Net**

|   | November 3,<br>2024 | October 29,<br>2023 |
|---|---------------------|---------------------|
|   | (In millions)       |                     |
| Land                                      | \$ 204              | \$ 195              |
| Construction in progress                  | 57                  | 63                  |
| Buildings and leasehold improvements      | 1,518               | 1,181               |
| Machinery and equipment                   | 5,246               | 4,739               |
| Total property, plant and equipment       | 7,025               | 6,178               |
| Accumulated depreciation and amortization | (4,504)             | (4,024)             |
| Total property, plant and equipment, net  | \$ 2,521            | \$ 2,154            |

Depreciation expense was \$593 million, \$502 million and \$529 million for fiscal years 2024, 2023 and 2022, respectively.

**Other Current Assets**

|                                    | November 3,<br>2024 | October 29,<br>2023 |
|------------------------------------|---------------------|---------------------|
|                                    | (In millions)       |                     |
| Current portion of contract assets | \$ 1,916            | \$ 499              |
| Prepaid expenses                   | 1,391               | 743                 |
| Other                              | 764                 | 364                 |
| Total other current assets         | \$ 4,071            | \$ 1,606            |

**Other Current Liabilities**

|                                 | November 3,<br>2024 | October 29,<br>2023 |
|---------------------------------|---------------------|---------------------|
|                                 | (In millions)       |                     |
| Contract liabilities            | \$ 9,395            | \$ 2,487            |
| Tax liabilities                 | 720                 | 473                 |
| Interest payable                | 535                 | 380                 |
| Other                           | 1,143               | 312                 |
| Total other current liabilities | \$ 11,793           | \$ 3,652            |

**Other Long-Term Liabilities**

|   | November 3,<br>2024 | October 29,<br>2023 |
|---|---------------------|---------------------|
|   | (In millions)       |                     |
| Contract liabilities                              | \$ 5,100            | \$ 299              |
| Deferred tax liabilities                          | 4,703               | 99                  |
| Unrecognized tax benefits, interest and penalties | 3,669               | 2,792               |
| Other   | 1,503               | 657                 |
| Total other long-term liabilities                 | \$ 14,975           | \$ 3,847            |

**Other Income (Expense), Net**

|                             | Fiscal Year   |        |         |
|-----------------------------|---------------|--------|---------|
|                             | 2024          | 2023   | 2022    |
|                             | (In millions) |        |         |
| Interest income             | \$ 461        | \$ 535 | \$ 100  |
| Other income                | 21            | 15     | 30      |
| Gain (loss) on investments  | (12)          | 11     | (169)   |
| Other expense               | (64)          | (49)   | (15)    |
| Other income (expense), net | \$ 406        | \$ 512 | \$ (54) |

Other income and other expense include foreign exchange gains and losses, factoring fees for the sales of receivables, and other miscellaneous items.

**Discontinued Operations**

During fiscal year 2024, we sold the EUC business for \$3.5 billion, after working capital adjustments. In connection with the sale, we agreed to provide transitional services to the buyer on a short-term basis. We do not have any material continuing involvement with this business and have presented its results in discontinued operations.

The following table summarizes the selected financial information of discontinued operations:

|  | Fiscal Year   |
|--|---------------|
|  | 2024          |
|  | (In millions) |
| Net revenue  | \$ 858        |
| Loss from discontinued operations before income taxes  | \$ (12)       |
| Provision for income taxes                             | (261)         |
| Loss from discontinued operations, net of income taxes | \$ (273)      |

**6. Leases**

We have operating and finance leases for our facilities, land, data centers and certain equipment. Operating lease expense was \$187 million, \$91 million and \$98 million for fiscal years 2024, 2023 and 2022, respectively. Finance lease expense was \$27 million, \$16 million and \$18 million for fiscal years 2024, 2023 and 2022, respectively.

Other lease information, which included the impact of VMware leases acquired on November 22, 2023, was as follows.

|   | Fiscal Year   |       |        |
|---|---------------|-------|--------|
|   | 2024          | 2023  | 2022   |
|   | (In millions) |       |        |
| Cash paid for operating leases included in operating cash flows | \$ 223        | \$ 90 | \$ 103 |
| ROU assets obtained in exchange for operating lease liabilities | \$ 1,165      | \$ 28 | \$ 16  |
| ROU assets obtained in exchange for finance lease liabilities   | \$ 49         | \$ —  | \$ 1   |

|   | November 3,<br>2024 | October 29,<br>2023 |
|---|---------------------|---------------------|
| Weighted-average remaining lease term - operating leases (In years) | 11                  | 10                  |
| Weighted-average remaining lease term - finance leases (In years)   | 2                   | 2                   |
| Weighted-average discount rate - operating leases                   | 5.31 %              | 3.90 %              |
| Weighted-average discount rate - finance leases                     | 3.13 %              | 3.09 %              |

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Supplemental balance sheet information related to leases, which included the VMware leases acquired on November 22, 2023, was as follows:

|   | Classification on the Consolidated Balance Sheets | November 3, 2024 | October 29, 2023 |
|---|---|------------------|------------------|
| (In millions)                                   |   |                  |                  |
| ROU assets - operating leases                   | Other long-term assets                            | \$ 1,325         | \$ 463           |
| ROU assets - finance leases                     | Property, plant and equipment, net                | \$ 15            | \$ 22            |
| Short-term lease liabilities - operating leases | Other current liabilities                         | \$ 207           | \$ 60            |
| Long-term lease liabilities - operating leases  | Other long-term liabilities                       | \$ 1,143         | \$ 359           |
| Short-term lease liabilities - finance leases   | Current portion of long-term debt                 | \$ 26            | \$ 45            |
| Long-term lease liabilities - finance leases    | Long-term debt                                    | \$ 13            | \$ 4             |

Future minimum lease payments under non-cancelable leases as of November 3, 2024 were as follows:

|                                    | November 3, 2024 |                |
|------------------------------------|------------------|----------------|
|                                    | Operating Leases | Finance Leases |
| (In millions)                      |                  |                |
| 2025                               | \$ 268           | \$ 26          |
| 2026                               | 194              | 8              |
| 2027                               | 171              | 3              |
| 2028                               | 144              | 2              |
| 2029                               | 124              | 2              |
| Thereafter                         | 894              | —              |
| Total undiscounted liabilities     | 1,795            | 41             |
| Less: interest                     | (445)            | (2)            |
| Present value of lease liabilities | \$ 1,350         | \$ 39          |

## 7. Goodwill and Intangible Assets

### Goodwill

|   | Semiconductor Solutions | Infrastructure Software | Total     |
|---|-------------------------|-------------------------|-----------|
| (In millions)                           |                         |                         |           |
| Balance as of October 30, 2022          | \$ 25,967               | \$ 17,647               | \$ 43,614 |
| Acquisitions                            | 34                      | 5                       | 39        |
| Balance as of October 29, 2023          | 26,001                  | 17,652                  | 43,653    |
| Acquisition of VMware                   | —                       | 54,206                  | 54,206    |
| Acquisition of Seagate's SoC operations | 14                      | —                       | 14        |
| Balance as of November 3, 2024          | \$ 26,015               | \$ 71,858               | \$ 97,873 |

We completed three acquisitions in fiscal year 2023, all of which qualified as business combinations. The consideration for these acquisitions was primarily allocated to goodwill and intangible assets.

During the fourth quarter of fiscal years 2024, 2023 and 2022, we completed our annual impairment assessments and concluded that goodwill was not impaired in any of these years.

**Intangible Assets**

|  | <b>Gross Carrying Amount</b> | <b>Accumulated Amortization</b> | <b>Net Book Value</b> |
|--|------------------------------|---------------------------------|-----------------------|
|  | <b>(In millions)</b>         |                                 |                       |
| <b>As of November 3, 2024:</b>               |                              |                                 |                       |
| Purchased technology                         | \$ 35,467                    | \$ (12,551)                     | \$ 22,916             |
| Customer contracts and related relationships | 16,186                       | (2,271)                         | 13,915                |
| Trade names                                  | 1,720                        | (369)                           | 1,351                 |
| Other  | 166                          | (105)                           | 61                    |
| Intangible assets subject to amortization    | 53,539                       | (15,296)                        | 38,243                |
| IPR&D  | 2,340                        | —                               | 2,340                 |
| Total  | <u>\$ 55,879</u>             | <u>\$ (15,296)</u>              | <u>\$ 40,583</u>      |

|  |                  |                    |                 |
|--|------------------|--------------------|-----------------|
| <b>As of October 29, 2023:</b>               |                  |                    |                 |
| Purchased technology                         | \$ 12,938        | \$ (10,723)        | \$ 2,215        |
| Customer contracts and related relationships | 7,059            | (5,753)            | 1,306           |
| Trade names                                  | 649              | (388)              | 261             |
| Other  | 177              | (102)              | 75              |
| Intangible assets subject to amortization    | 20,823           | (16,966)           | 3,857           |
| IPR&D  | 10               | —                  | 10              |
| Total  | <u>\$ 20,833</u> | <u>\$ (16,966)</u> | <u>\$ 3,867</u> |

Based on the amount of intangible assets subject to amortization at November 3, 2024, the expected amortization expense for each of the next five fiscal years and thereafter was as follows:

| <b>Fiscal Year:</b> | <b>Expected Amortization Expense</b> |
|---------------------|--------------------------------------|
|                     | <b>(In millions)</b>                 |
| 2025                | \$ 8,055                             |
| 2026                | 7,571                                |
| 2027                | 6,533                                |
| 2028                | 5,443                                |
| 2029                | 4,356                                |
| Thereafter          | 6,285                                |
| Total               | <u>\$ 38,243</u>                     |

The weighted-average remaining amortization periods by intangible asset category were as follows:

| <b>Amortizable intangible assets:</b>        | <b>November 3, 2024</b> |
|--|-------------------------|
|  | <b>(In years)</b>       |
| Purchased technology                         | 7                       |
| Customer contracts and related relationships | 7                       |
| Trade names                                  | 12                      |
| Other  | 7                       |

## 8. Net Income Per Share

|  | Fiscal Year                          |                  |                  |
|--|--------------------------------------|------------------|------------------|
|  | 2024                                 | 2023             | 2022             |
|  | (In millions, except per share data) |                  |                  |
| <b>Numerator:</b>  |                                      |                  |                  |
| Income from continuing operations  | \$ 6,168                             | \$ 14,082        | \$ 11,495        |
| Dividends on preferred stock   | —                                    | —                | (272)            |
| Income from continuing operations attributable to common stock                       | 6,168                                | 14,082           | 11,223           |
| Loss from discontinued operations, net of income taxes, attributable to common stock | (273)                                | —                | —                |
| Net income attributable to common stock  | <u>\$ 5,895</u>                      | <u>\$ 14,082</u> | <u>\$ 11,223</u> |
| <b>Denominator:</b>  |                                      |                  |                  |
| Weighted-average shares outstanding - basic  | 4,624                                | 4,149            | 4,089            |
| Dilutive effect of equity awards   | 154                                  | 123              | 143              |
| Weighted-average shares outstanding - diluted  | <u>4,778</u>                         | <u>4,272</u>     | <u>4,232</u>     |
| <b>Basic income per share attributable to common stock:</b>                          |                                      |                  |                  |
| Income per share from continuing operations  | \$ 1.33                              | \$ 3.39          | \$ 2.74          |
| Loss per share from discontinued operations  | (0.06)                               | —                | —                |
| Net income per share   | <u>\$ 1.27</u>                       | <u>\$ 3.39</u>   | <u>\$ 2.74</u>   |
| <b>Diluted income per share attributable to common stock:</b>                        |                                      |                  |                  |
| Income per share from continuing operations  | \$ 1.29                              | \$ 3.30          | \$ 2.65          |
| Loss per share from discontinued operations  | (0.06)                               | —                | —                |
| Net income per share   | <u>\$ 1.23</u>                       | <u>\$ 3.30</u>   | <u>\$ 2.65</u>   |

For fiscal year 2022, diluted net income per share excluded the potentially dilutive effect of 104 million shares of common stock issuable upon the conversion of 8.00% Mandatory Convertible Preferred Stock, Series A, \$0.001 par value per share ("Mandatory Convertible Preferred Stock") as their effect was antidilutive. All shares of our Mandatory Convertible Preferred Stock were converted into shares of our common stock before the end of fiscal year 2022.

## 9. Retirement Plans

### Defined Benefit Pension Plans

The U.S. defined benefit pension plans primarily consist of a qualified pension plan. Benefits of the qualified pension plan are provided under an adjusted career-average-pay program, a cash-balance program or a dollar-per-month program. Benefit accruals under this plan were frozen in 2009. Participants in the adjusted career-average-pay program no longer earn service accruals. Participants in the cash-balance program no longer earn service accruals, but continue to earn 4% interest per year on their cash-balance accounts. There are no active participants under the dollar-per-month program. We also have a frozen non-qualified supplemental pension plan in the United States that principally provides benefits based on compensation in excess of amounts that can be considered under the qualified pension plan.

For certain non-U.S. countries, we also have defined benefit pension plans for eligible employees. Eligibility is generally determined based on the terms of our plans and local statutory requirements.



**Net Periodic Benefit Cost**

|                                | Fiscal Year   |             |             |
|--------------------------------|---------------|-------------|-------------|
|                                | 2024          | 2023        | 2022        |
|                                | (In millions) |             |             |
| Service cost                   | \$ 17         | \$ 8        | \$ 8        |
| Interest cost                  | 63            | 60          | 39          |
| Expected return on plan assets | (60)          | (59)        | (39)        |
| Other                          | (2)           | —           | 1           |
| Net periodic benefit cost      | <u>\$ 18</u>  | <u>\$ 9</u> | <u>\$ 9</u> |
| Net actuarial (gain) loss      | \$ (3)        | \$ 20       | \$ (17)     |

The components of net periodic benefit cost other than the service cost are included in other income (expense), net. Service cost is recognized in operating expenses.

**Benefit Obligations and Plan Assets**

|   | Pension Benefits |                  |
|---|------------------|------------------|
|   | November 3, 2024 | October 29, 2023 |
|   | (In millions)    |                  |
| <b>Change in plan assets:</b>   |                  |                  |
| Fair value of plan assets — beginning of period   | \$ 1,105         | \$ 1,160         |
| Actual return on plan assets  | 123              | 19               |
| Employer contributions  | 21               | 15               |
| Plan participants' contributions  | 1                | 1                |
| Benefit payments  | (108)            | (94)             |
| Plan assets acquired in VMware acquisition  | 18               | —                |
| Foreign currency impact   | (2)              | 4                |
| Fair value of plan assets — end of period   | <u>1,158</u>     | <u>1,105</u>     |
| <b>Change in benefit obligations:</b>   |                  |                  |
| Benefit obligations — beginning of period   | 1,101            | 1,143            |
| Service cost  | 17               | 8                |
| Interest cost   | 63               | 60               |
| Actuarial (gain) loss   | 65               | (22)             |
| Plan participants' contributions  | 1                | 1                |
| Benefit payments  | (108)            | (94)             |
| Curtailments  | (13)             | —                |
| Benefit obligations assumed in VMware acquisition   | 72               | —                |
| Foreign currency impact   | (4)              | 5                |
| Benefit obligations — end of period   | <u>1,194</u>     | <u>1,101</u>     |
| Overfunded (underfunded) status of benefit obligations <sup>(a)</sup>                                     | <u>\$ (36)</u>   | <u>\$ 4</u>      |
| Actuarial losses and prior service costs recognized in accumulated other comprehensive loss, net of taxes | \$ (106)         | \$ (108)         |

(a) Substantially all amounts recognized on the consolidated balance sheets were recorded in other long-term assets and other long-term liabilities for all periods presented.

*Plans with benefit obligations less than plan assets:*

|                                 | November 3,<br>2024 | October 29,<br>2023 |
|---------------------------------|---------------------|---------------------|
|                                 | (In millions)       |                     |
| Projected benefit obligations   | \$ 1,064            | \$ 1,022            |
| Accumulated benefit obligations | \$ 1,063            | \$ 1,022            |
| Fair value of plan assets       | \$ 1,118            | \$ 1,079            |

*Plans with benefit obligations in excess of plan assets:*

|                                 | November 3,<br>2024 | October 29,<br>2023 |
|---------------------------------|---------------------|---------------------|
|                                 | (In millions)       |                     |
| Projected benefit obligations   | \$ 130              | \$ 79               |
| Accumulated benefit obligations | \$ 99               | \$ 64               |
| Fair value of plan assets       | \$ 40               | \$ 26               |

The fair value of pension plan assets as of November 3, 2024 and October 29, 2023 included \$229 million and \$204 million, respectively, of assets for our non-U.S. pension plans.

The projected benefit obligations as of November 3, 2024 and October 29, 2023 included \$260 million and \$202 million, respectively, of obligations related to our non-U.S. pension plans. The accumulated benefit obligations as of November 3, 2024 and October 29, 2023 included \$229 million and \$188 million, respectively, of obligations related to our non-U.S. pension plans.

**Expected Future Benefit Payments**

| Fiscal Years: | Expected<br>Benefit<br>Payments<br>(In millions) |
|---------------|--|
| 2025          | \$ 99  |
| 2026          | \$ 98  |
| 2027          | \$ 97  |
| 2028          | \$ 95  |
| 2029          | \$ 95  |
| 2030-2034     | \$ 440   |

**Investment Policy**

Plan assets of the U.S. qualified pension plan, which represent substantially all of the plan assets, are generally invested in funds held by third-party fund managers. Our benefit plan investment committee has set the investment strategy to fully match the liability. We direct the overall portfolio allocation and use a third-party investment consultant that has the discretion to structure portfolios and select the investment managers within those allocation parameters. Multiple investment managers are utilized, including both active and passive management approaches. The plan assets are invested using the liability-driven investment strategy intended to minimize market and interest rate risks, and those assets are periodically rebalanced toward asset allocation targets.

The target asset allocation for the U.S. qualified pension plan reflects a risk/return profile that we believe is appropriate relative to the liability structure and return goals for the plan. We periodically review the allocation of plan assets relative to alternative allocation models to evaluate the need for adjustments based on forecasted liabilities and plan liquidity needs. For both fiscal years 2024 and 2023, 100% of the U.S. qualified pension plan assets were allocated to fixed income, in line with the target allocation. The fixed income allocation is primarily directed toward long-term core bond investments, with smaller allocations to Treasury Inflation-Protected Securities and high-yield bonds.

**Fair Value Measurement of Plan Assets**

| <b>November 3, 2024</b>                                |                      |                    |                    |
|--|----------------------|--------------------|--------------------|
| <b>Fair Value Measurements at Reporting Date Using</b> |                      |                    |                    |
| <b>Level 1</b>   | <b>Level 2</b>       | <b>Total</b>       |                    |
|  | <b>(In millions)</b> |                    |                    |
| Cash equivalents                                       | 17 <sup>(a)</sup>    | \$ —               | \$ 17              |
| Equity securities:                                     |                      |                    |                    |
| Non-U.S. equity securities                             | 83 <sup>(b)</sup>    | —                  | 83                 |
| Fixed-income securities:                               |                      |                    |                    |
| U.S. treasuries  | —                    | 184 <sup>(c)</sup> | 184                |
| Corporate bonds  | —                    | 715 <sup>(c)</sup> | 715                |
| Municipal bonds  | —                    | 22 <sup>(c)</sup>  | 22                 |
| Government bonds                                       | —                    | 14 <sup>(c)</sup>  | 14                 |
| Asset-backed securities                                | —                    | 1 <sup>(c)</sup>   | 1                  |
| Plan assets measured by fair value hierarchy           | \$ 100               | \$ 936             | 1,036              |
| Plan assets measured at net asset value                |                      |                    | 122 <sup>(d)</sup> |
| Total plan assets                                      |                      |                    | \$ 1,158           |

| <b>October 29, 2023</b>                                |                      |                    |          |
|--|----------------------|--------------------|----------|
| <b>Fair Value Measurements at Reporting Date Using</b> |                      |                    |          |
| <b>Level 1</b>   | <b>Level 2</b>       | <b>Total</b>       |          |
|  | <b>(In millions)</b> |                    |          |
| Cash equivalents                                       | \$ 16 <sup>(a)</sup> | \$ —               | \$ 16    |
| Equity securities:                                     |                      |                    |          |
| Non-U.S. equity securities                             | 62 <sup>(b)</sup>    | —                  | 62       |
| Fixed-income securities:                               |                      |                    |          |
| U.S. treasuries  | —                    | 144 <sup>(c)</sup> | 144      |
| Corporate bonds  | —                    | 837 <sup>(c)</sup> | 837      |
| Municipal bonds  | —                    | 23 <sup>(c)</sup>  | 23       |
| Government bonds                                       | —                    | 21 <sup>(c)</sup>  | 21       |
| Asset-backed securities                                | —                    | 2 <sup>(c)</sup>   | 2        |
| Total plan assets                                      | \$ 78                | \$ 1,027           | \$ 1,105 |

- (a) Cash equivalents primarily included short-term investment funds which consisted of short-term money market instruments that were valued based on quoted prices in active markets.
- (b) These equity securities were valued based on quoted prices in active markets.
- (c) These amounts consisted of investments that were traded less frequently than Level 1 securities and were valued using inputs that included quoted prices for similar assets in active markets and inputs other than quoted prices that were observable for the assets, such as interest rates, yield curves, prepayment speeds, collateral performance, broker/dealer quotes and indices that were observable at commonly quoted intervals.
- (d) Plan assets measured at fair value using net asset value as a practical expedient were excluded from the fair value hierarchy.

### Assumptions

The assumptions used to determine the benefit obligations and net periodic benefit cost for our defined benefit pension plans are presented in the table below. The expected long-term return on assets shown in the table below represents an estimate of long-term returns on investment portfolios primarily consisting of combinations of debt, equity and other investments, depending on the plan. The long-term rates of return are then weighted based on the asset classes in which the pension funds are invested. Discount rates reflect the current rate at which defined benefit pension obligations could be settled based on the measurement dates of the plans, which is October 31, the month end closest to our fiscal year end. The range of assumptions reflects the different economic environments within various countries.

|   | Assumptions for Benefit Obligations<br>as of |                     | Assumptions for Net Periodic Benefit Cost<br>Fiscal Year |              |              |
|---|--|---------------------|--|--------------|--------------|
|   | November 3,<br>2024                          | October 29,<br>2023 | 2024   | 2023         | 2022         |
| Discount rate                           | 1.75%-6.75%                                  | 1.75%-7.00%         | 1.75%-7.10%  | 1.25%-7.25%  | 0.75%-6.50%  |
| Average increase in compensation levels | 2.00%-8.80%                                  | 2.00%-10.00%        | 2.00%-8.80%  | 2.00%-10.00% | 2.00%-10.00% |
| Expected long-term return on assets     | N/A  | N/A                 | 2.50%-7.25%  | 2.50%-7.00%  | 1.50%-7.25%  |

### Defined Contribution Plans

Our eligible U.S. employees participate in a company-sponsored 401(k) plan. Under the plan, we match employee contributions dollar for dollar up to 6% of their eligible earnings. All matching contributions vest immediately. During fiscal years 2024, 2023 and 2022, we made contributions of \$210 million, \$100 million and \$96 million, respectively, to the 401(k) plan. The increase in fiscal year 2024 was due to the VMware Merger.

In addition, other eligible employees outside of the U.S. receive retirement benefits under various defined contribution retirement plans.

## 10. Borrowings

|   | Effective Interest Rate | November 3, 2024 | October 29, 2023 |
|---|-------------------------|------------------|------------------|
| (Dollars in millions)                           |                         |                  |                  |
| <u>October 2024 Senior Notes - fixed rate</u>   |                         |                  |                  |
| 4.150% notes due February 2028                  | 4.36 %                  | \$ 875           | \$ —             |
| 4.350% notes due February 2030                  | 4.51 %                  | 1,500            | —                |
| 4.550% notes due February 2032                  | 4.70 %                  | 875              | —                |
| 4.800% notes due October 2034                   | 4.38 %                  | 1,750            | —                |
|   |                         | 5,000            | —                |
| <u>July 2024 Senior Notes - fixed rate</u>      |                         |                  |                  |
| 5.050% notes due July 2027                      | 5.27 %                  | 1,250            | —                |
| 5.050% notes due July 2029                      | 5.23 %                  | 2,250            | —                |
| 5.150% notes due November 2031                  | 5.30 %                  | 1,500            | —                |
|   |                         | 5,000            | —                |
| <u>2023 Term Loans - floating rate</u>          |                         |                  |                  |
| SOFR plus 1.125% term loan due November 2026    | 6.23 %                  | 5,595            | —                |
| SOFR plus 1.375% term loan due November 2028    | 6.31 %                  | 8,000            | —                |
|   |                         | 13,595           | —                |
| <u>April 2022 Senior Notes - fixed rate</u>     |                         |                  |                  |
| 4.000% notes due April 2029                     | 4.17 %                  | 750              | 750              |
| 4.150% notes due April 2032                     | 4.30 %                  | 1,200            | 1,200            |
| 4.926% notes due May 2037                       | 5.33 %                  | 2,500            | 2,500            |
|   |                         | 4,450            | 4,450            |
| <u>September 2021 Senior Notes - fixed rate</u> |                         |                  |                  |
| 3.137% notes due November 2035                  | 4.23 %                  | 3,250            | 3,250            |
| 3.187% notes due November 2036                  | 4.79 %                  | 2,750            | 2,750            |
|   |                         | 6,000            | 6,000            |
| <u>March 2021 Senior Notes - fixed rate</u>     |                         |                  |                  |
| 3.419% notes due April 2033                     | 4.66 %                  | 2,250            | 2,250            |
| 3.469% notes due April 2034                     | 4.63 %                  | 3,250            | 3,250            |
|   |                         | 5,500            | 5,500            |
| <u>January 2021 Senior Notes - fixed rate</u>   |                         |                  |                  |
| 1.950% notes due February 2028                  | 2.10 %                  | 750              | 750              |
| 2.450% notes due February 2031                  | 2.56 %                  | 2,750            | 2,750            |
| 2.600% notes due February 2033                  | 2.70 %                  | 1,750            | 1,750            |
| 3.500% notes due February 2041                  | 3.60 %                  | 3,000            | 3,000            |
| 3.750% notes due February 2051                  | 3.84 %                  | 1,750            | 1,750            |
|   |                         | 10,000           | 10,000           |
| <u>June 2020 Senior Notes - fixed rate</u>      |                         |                  |                  |
| 3.459% notes due September 2026                 | 4.19 %                  | 752              | 752              |
| 4.110% notes due September 2028                 | 5.02 %                  | 1,118            | 1,118            |
|   |                         | 1,870            | 1,870            |
| <u>May 2020 Senior Notes - fixed rate</u>       |                         |                  |                  |
| 2.250% notes due November 2023                  | 2.40 %                  | —                | 105              |
| 3.150% notes due November 2025                  | 3.29 %                  | 900              | 900              |

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|   | Effective Interest<br>Rate | November 3,<br>2024   | October 29,<br>2023 |
|---|----------------------------|-----------------------|---------------------|
|   |                            | (Dollars in millions) |                     |
| 4.150% notes due November 2030                      | 4.27 %                     | 1,856                 | 1,856               |
| 4.300% notes due November 2032                      | 4.39 %                     | 2,000                 | 2,000               |
|   |                            | 4,756                 | 4,861               |
| <u>April 2020 Senior Notes - fixed rate</u>         |                            |                       |                     |
| 5.000% notes due April 2030                         | 5.18 %                     | 606                   | 606                 |
| <u>April 2019 Senior Notes - fixed rate</u>         |                            |                       |                     |
| 3.625% notes due October 2024                       | 3.98 %                     | —                     | 622                 |
| 4.750% notes due April 2029                         | 4.95 %                     | 1,655                 | 1,655               |
|   |                            | 1,655                 | 2,277               |
| <u>2017 Senior Notes - fixed rate</u>               |                            |                       |                     |
| 3.625% notes due January 2024                       | 3.74 %                     | —                     | 829                 |
| 3.125% notes due January 2025                       | 3.23 %                     | 495                   | 495                 |
| 3.875% notes due January 2027                       | 4.02 %                     | 2,922                 | 2,922               |
| 3.500% notes due January 2028                       | 3.60 %                     | 777                   | 777                 |
|   |                            | 4,194                 | 5,023               |
| <u>Assumed VMware Senior Notes - fixed rate</u>     |                            |                       |                     |
| 4.500% notes due May 2025                           | 5.81 %                     | 750                   | —                   |
| 1.400% notes due August 2026                        | 5.60 %                     | 1,500                 | —                   |
| 4.650% notes due May 2027                           | 5.60 %                     | 500                   | —                   |
| 3.900% notes due August 2027                        | 5.50 %                     | 1,250                 | —                   |
| 1.800% notes due August 2028                        | 5.44 %                     | 750                   | —                   |
| 4.700% notes due May 2030                           | 5.75 %                     | 750                   | —                   |
| 2.200% notes due August 2031                        | 5.74 %                     | 1,500                 | —                   |
|   |                            | 7,000                 | —                   |
| <u>Assumed CA Senior Notes - fixed rate</u>         |                            |                       |                     |
| 4.700% notes due March 2027                         | 5.15 %                     | 215                   | 215                 |
| <u>Other senior notes - fixed rate</u>              |                            |                       |                     |
| 3.500% notes due August 2024                        | 3.55 %                     | —                     | 7                   |
| 4.500% notes due August 2034                        | 4.55 %                     | 6                     | 6                   |
|   |                            | 6                     | 13                  |
| Total principal amount outstanding                  |                            | \$ 69,847             | \$ 40,815           |
| Current portion of principal amount outstanding     |                            | \$ 1,245              | \$ 1,563            |
| Short-term finance lease liabilities                |                            | 26                    | 45                  |
| Total current portion of long-term debt             |                            | \$ 1,271              | \$ 1,608            |
| Non-current portion of principal amount outstanding |                            | \$ 68,602             | \$ 39,252           |
| Long-term finance lease liabilities                 |                            | 13                    | 4                   |
| Unamortized discount and issuance costs             |                            | (2,320)               | (1,635)             |
| Total long-term debt                                |                            | \$ 66,295             | \$ 37,621           |

The senior notes and term loans are recorded net of discount and issuance costs, which are amortized to interest expense over the respective terms of such instruments. The effective interest rates are calculated based on contractual interest, discount and issuance costs and, if applicable, reclassification of the cumulative gain from derivatives. See Note 2. "Summary of Significant Accounting Policies" for additional information for derivative instruments.

### **Senior Notes**

We issued senior unsecured notes for an aggregate principal amount of \$5,000 million in October 2024 and \$5,000 million in July 2024.

In connection with the VMware Merger, we assumed \$8,250 million of VMware's outstanding senior unsecured notes. We repaid \$1,250 million of 1.000% notes upon maturity in August 2024.

We may redeem or purchase, in whole or in part, any of our senior notes prior to their respective maturities, subject to a specified make-whole premium determined in accordance with the indentures governing the respective notes, plus accrued and unpaid interest. In the event of a change in control, note holders will have the right to require us to repurchase their notes at a price equal to 101% of the principal amount of such notes, plus accrued and unpaid interest.

### **2023 Term Loans**

On August 15, 2023, we entered into a credit agreement (the "2023 Credit Agreement"), which provided us with the ability to borrow term loans in connection with the VMware Merger. Upon completion of the VMware Merger, we entered an \$11,195 million unsecured term A-2 facility (the "Term A-2 Loan"), an \$11,195 million unsecured term A-3 facility (the "Term A-3 Loan"), and an \$8,000 million unsecured term A-5 facility (the "Term A-5 Loan", collectively, the "2023 Term Loans").

During fiscal year 2024, we repaid \$11,195 million of our Term A-2 Loan using the net proceeds from the senior notes issued in July 2024 and the sale of the EUC business, as well as cash on hand. We also repaid \$5,600 million of our Term A-3 Loan using the net proceeds from the senior notes issued in October 2024 and cash on hand. As a result of these repayments, we wrote off unamortized discount and issuance costs of \$157 million, which were included in interest expense in the consolidated statement of operations.

The 2023 Term Loans bear interest, payable monthly or every three months at our election, at floating interest rates tied to the Secured Overnight Financing Rate ("SOFR"). The Term A-3 Loan and Term A-5 Loan will mature and be payable on the third or fifth anniversary, respectively, of the date of the VMware Merger. Subject to the terms of the 2023 Credit Agreement, we are permitted to voluntarily make prepayments of the term loans without penalty. Our obligations under the 2023 Credit Agreement are unsecured and are not guaranteed by any of our subsidiaries.

### **2021 Credit Agreement**

In January 2021, we entered into a credit agreement (the "2021 Credit Agreement"), which provides for a five-year \$7.5 billion unsecured revolving credit facility, of which \$500 million is available for the issuance of multi-currency letters of credit. The issuance of letters of credit and certain other instruments would reduce the aggregate amount otherwise available under the revolving credit facility for revolving loans. Subject to the terms of the 2021 Credit Agreement, we are permitted to borrow, repay and reborrow revolving loans at any time prior to the earlier of (a) January 19, 2026 and (b) the date of termination in whole of the revolving lenders' commitments under the 2021 Credit Agreement. We had no borrowings outstanding under the revolving credit facility at either November 3, 2024 or October 29, 2023.

### **Commercial Paper**

We have a commercial paper program pursuant to which we may issue unsecured commercial paper notes ("Commercial Paper") in principal amount of up to \$2 billion outstanding at any time with maturities of up to 397 days from the date of issue. Commercial Paper is sold under customary terms in the commercial paper market and may be issued at a discount from par or, alternatively, may be sold at par and bear interest at rates dictated by market conditions at the time of their issuance. The discount associated with the Commercial Paper is amortized to interest expense over its term. Outstanding Commercial Paper reduces the amount that would otherwise be available to borrow for general corporate purposes under our revolving credit facility. We had no Commercial Paper outstanding at either November 3, 2024 or October 29, 2023.

### **Fair Value of Debt**

As of November 3, 2024, the estimated aggregate fair value of our debt was \$65,022 million. The fair value of our senior notes was determined using quoted prices from less active markets. The carrying value of the 2023 Term Loans approximates their fair value as the 2023 Term Loans are carried at a market observable interest rate that resets periodically. All of our debt obligations are categorized as Level 2 instruments.

### **Future Principal Payments of Debt**

The future scheduled principal payments of debt as of November 3, 2024 were as follows:

| <b>Fiscal Year:</b> | <b>Future Scheduled<br/>Principal Payments<br/>(In millions)</b> |
|---------------------|--|
| 2025                | \$ 1,245   |
| 2026                | 3,152  |
| 2027                | 11,732   |
| 2028                | 4,270  |
| 2029                | 12,655   |
| Thereafter          | 36,793   |
| <b>Total</b>        | <b>\$ 69,847</b>   |

As of November 3, 2024 and October 29, 2023, we were in compliance with all debt covenants.

## **11. Stockholders' Equity**

### **Stock Split**

On July 12, 2024, we completed a ten-for-one forward stock split of our common stock, proportionately increasing the number of shares of our authorized common stock from 2.9 billion to 29 billion without changing the par value of \$0.001 per share. All share, equity award and per share amounts and related stockholders' equity balances presented herein have been retroactively adjusted, where applicable, to reflect the stock split.

### **Cash Dividends Declared and Paid**

|   | <b>Fiscal Year</b>                          |             |             |
|---|---|-------------|-------------|
|   | <b>2024</b>                                 | <b>2023</b> | <b>2022</b> |
|   | <b>(In millions, except per share data)</b> |             |             |
| Dividends per share to common stockholders    | \$ 2.105                                    | \$ 1.840    | \$ 1.640    |
| Dividends to common stockholders              | \$ 9,814                                    | \$ 7,645    | \$ 6,733    |
| Dividends per share to preferred stockholders | \$ —  | \$ —        | \$ 80.00    |
| Dividends to preferred stockholders           | \$ —  | \$ —        | \$ 299      |

On September 30, 2019, we completed an offering of approximately 4 million shares of Mandatory Convertible Preferred Stock, which generated net proceeds of approximately \$3,679 million and would automatically convert into shares of our common stock on September 30, 2022.

The holders of Mandatory Convertible Preferred Stock were entitled to receive, when, as and if declared by our Board of Directors, or an authorized committee thereof, out of funds legally available for payment, cumulative dividends at the annual rate of 8.00% of the liquidation preference of \$1,000 per share (equivalent to \$80 annually per share), payable in cash or, subject to certain limitations, by delivery of shares of our common stock or any combination of cash and shares of our common stock, at our election.

During fiscal year 2022, outstanding shares of our Mandatory Convertible Preferred Stock converted into an aggregate of approximately 116 million shares of our common stock at conversion rates ranging between 30.894 and 31.149 common shares per share of Mandatory Convertible Preferred Stock. We paid cash in lieu of fractional shares of common stock upon conversion.

### **Stock Repurchase Programs**

In December 2021, our Board of Directors authorized a stock repurchase program to repurchase up to \$10 billion of our common stock from time to time through December 31, 2022, which was subsequently extended to December 31, 2023. In May 2022, our Board of Directors authorized another stock repurchase program to repurchase up to an additional \$10 billion of our common stock from time to time through December 31, 2023. During fiscal years 2024, 2023 and 2022, we repurchased and retired approximately 67 million, 91 million and 117 million shares of our common stock for \$7,176 million, \$5,824 million and \$7,000 million, respectively. All \$20 billion of the authorized amount under these stock repurchase programs was utilized prior to expiration on December 31, 2023.



## **Equity Incentive Award Plans**

### **2012 Plan**

In connection with the acquisition of Broadcom Corporation, we assumed its 2012 stock incentive plan and outstanding unvested RSUs that were held by its employees. During the second quarter of fiscal year 2021, our stockholders approved the amendment and restatement of the Broadcom Corporation 2012 stock incentive plan, now called the Broadcom Inc. 2012 Stock Incentive Plan (the “2012 Plan”). Under the 2012 Plan, we may grant stock options and stock appreciation rights with an exercise price that is no less than the fair market value on the date of grant, restricted stock awards, and RSUs to employees. No participant may be granted such awards for more than an aggregate of 40 million shares in any fiscal year. Equity awards granted generally vest over four years. The 2012 Plan reduced the number of shares available for new equity award grants to 200 million shares and removed the annual share replenishment provision provided under the Broadcom Corporation 2012 stock incentive plan. During the second quarter of fiscal year 2023, our stockholders approved the amendment and restatement of the 2012 Plan to increase the number of shares of common stock authorized for issuance by 250 million shares. Awards cancelled or forfeited and shares withheld to satisfy tax withholding obligations become available for future issuance. As of November 3, 2024, 364 million shares remained available for issuance under the 2012 Plan.

We may grant market-based RSUs with both a service condition and a market condition as part of our equity compensation programs. The market-based RSUs generally vest over four years, subject to satisfaction of market conditions. During fiscal years 2024, 2023 and 2022, we granted market-based RSUs under which grantees may receive the number of shares ranging from 0% to 300% of the original grant on a stock split adjusted basis at vesting based upon the total stockholder return (“TSR”) on our common stock on an absolute basis and as compared to the TSR of an index group of companies. During fiscal year 2023, we also granted market-based RSUs vesting over five years, subject to satisfaction of stock price performance milestones.

### **2007 Plan**

In connection with the VMware Merger, we assumed the VMware, Inc. Amended and Restated 2007 Equity and Incentive Plan (the “2007 Plan”) and outstanding unvested RSU awards and PSU awards originally granted by VMware under the 2007 Plan that were held by continuing employees. These assumed awards were converted into approximately 46 million Broadcom RSU awards and will vest in accordance with their original terms, generally over four years. Under the 2007 Plan, we may grant stock options and stock appreciation rights with an exercise price that is no less than the fair market value on the date of grant, restricted stock, RSUs, and other stock-based or cash-based awards to employees. Equity awards granted under the 2007 Plan following the VMware Merger are expected to be on similar terms and consistent with similar grants made pursuant to the 2012 Plan. Awards cancelled or forfeited and shares withheld to satisfy tax withholding obligations become available for future issuance. As of November 3, 2024, 62 million shares remained available for issuance under the 2007 Plan.

### **Employee Stock Purchase Plan**

The ESPP provides eligible employees with the opportunity to acquire an ownership interest in us through periodic payroll deductions, based on a 6-month look-back period, at a price equal to the lesser of 85% of the fair market value of our common stock at either the beginning or the end of the relevant offering period. The ESPP is structured as a qualified employee stock purchase plan under Section 423 of the Internal Revenue Code of 1986. However, the ESPP is not intended to be a qualified pension, profit sharing or stock bonus plan under Section 401(a) of the Internal Revenue Code of 1986 and is not subject to the provisions of the Employee Retirement Income Security Act of 1974.

**Stock-Based Compensation Expense**

|   | Fiscal Year     |                 |                 |
|---|-----------------|-----------------|-----------------|
|   | 2024            | 2023            | 2022            |
|   | (In millions)   |                 |                 |
| Cost of products sold   | \$ 119          | \$ 88           | \$ 65           |
| Cost of subscriptions and services                                      | 545             | 122             | 82              |
| Research and development  | 3,460           | 1,513           | 1,048           |
| Selling, general and administrative                                     | 1,546           | 448             | 338             |
| Total stock-based compensation expense <sup>(a)</sup>                   | <u>\$ 5,670</u> | <u>\$ 2,171</u> | <u>\$ 1,533</u> |
| Estimated income tax benefits for stock-based compensation              | \$ 991          | \$ 367          | \$ 255          |
| Excess income tax benefits for stock-based awards exercised or released | \$ 1,296        | \$ 507          | \$ 375          |

(a) Does not include stock-based compensation expense related to discontinued operations recognized during fiscal year 2024, which was included in loss from discontinued operations, net of income taxes in our consolidated statement of operations.

Fiscal year 2024 stock-based compensation expense included \$1,613 million related to equity awards assumed in connection with the VMware Merger.

During the first quarter of fiscal year 2019, the Compensation Committee of our Board of Directors approved a broad-based program of multi-year equity grants of time- and market-based RSUs (the "Multi-Year Equity Awards") in lieu of our annual employee equity awards historically granted on March 15 of each year. Each Multi-Year Equity Award vests on the same basis as four annual grants made March 15 of each year, beginning in fiscal year 2019, with successive four-year vesting periods. Stock-based compensation expense related to the Multi-Year Equity Awards was \$356 million, \$596 million and \$794 million for fiscal years 2024, 2023 and 2022, respectively.

As of November 3, 2024, the total unrecognized compensation cost related to unvested stock-based awards was \$11,259 million, which is expected to be recognized over the remaining weighted-average service period of 3.0 years.

The following table summarizes the weighted-average assumptions utilized to calculate the fair value of market-based awards granted in the periods presented:

|                          | Fiscal Year |        |        |
|--------------------------|-------------|--------|--------|
|                          | 2024        | 2023   | 2022   |
| Risk-free interest rate  | 4.2 %       | 4.0 %  | 1.4 %  |
| Dividend yield           | 1.7 %       | 3.3 %  | 2.7 %  |
| Volatility               | 32.0 %      | 32.8 % | 37.1 % |
| Expected term (in years) | 3.6         | 4.8    | 3.4    |

The risk-free interest rate was derived from the average U.S. Treasury Strips rate, which approximated the rate in effect appropriate for the term at the time of grant.

The dividend yield was based on the historical and expected dividend payouts as of the respective award grant dates.

The volatility was based on our own historical stock price volatility over the period commensurate with the expected life of the awards and the implied volatility of a 180-day call option on our own common stock measured at a specific date.

The expected term was commensurate with the awards' contractual terms.

### Restricted Stock Unit Awards

A summary of time- and market-based RSU activity was as follows:

|                                      | Number of RSUs<br>Outstanding | Weighted-Average<br>Grant Date<br>Fair Value<br>Per Share |
|--------------------------------------|-------------------------------|---|
| (In millions, except per share data) |                               |   |
| Balance as of October 31, 2021       | 234                           | \$ 20.04  |
| Granted                              | 27                            | \$ 52.77  |
| Vested                               | (74)                          | \$ 22.55  |
| Forfeited                            | (12)                          | \$ 24.28  |
| Balance as of October 30, 2022       | 175                           | \$ 23.85  |
| Granted                              | 124                           | \$ 51.98  |
| Vested                               | (74)                          | \$ 26.25  |
| Forfeited                            | (7)                           | \$ 30.79  |
| Balance as of October 29, 2023       | 218                           | \$ 38.92  |
| Assumed in VMware Merger             | 46                            | \$ 96.85  |
| Granted                              | 81                            | \$ 115.58   |
| Vested                               | (107)                         | \$ 54.34  |
| Forfeited                            | (25)                          | \$ 88.62  |
| Balance as of November 3, 2024       | 213                           | \$ 66.44  |

The aggregate fair value of time- and market-based RSUs that vested in fiscal years 2024, 2023 and 2022 was \$14,914 million, \$5,423 million and \$4,207 million, respectively, which represented the market value of our common stock on the date that the RSUs vested. The number of RSUs vested included shares of common stock that we withheld for settlement of employees' tax obligations due upon the vesting of RSUs.

### 12. Income Taxes

The components of income before income taxes by U.S. and foreign jurisdictions were as follows:

|   | Fiscal Year |           |            |
|---|-------------|-----------|------------|
|   | 2024        | 2023      | 2022       |
| (In millions)   |             |           |            |
| Domestic loss   | \$ (4,851)  | \$ (63)   | \$ (2,020) |
| Foreign income  | 14,767      | 15,160    | 14,454     |
| Income from continuing operations before income taxes | \$ 9,916    | \$ 15,097 | \$ 12,434  |

The components of the provision for income taxes were as follows:

|  | Fiscal Year   |          |        |
|--|---------------|----------|--------|
|  | 2024          | 2023     | 2022   |
|  | (In millions) |          |        |
| <b>Current tax provision:</b>            |               |          |        |
| Federal                                  | \$ 1,030      | \$ 952   | \$ 174 |
| State                                    | 52            | 23       | 48     |
| Foreign                                  | 701           | 541      | 762    |
| Total                                    | 1,783         | 1,516    | 984    |
| <b>Deferred tax provision (benefit):</b> |               |          |        |
| Federal                                  | 1,855         | (499)    | 68     |
| State                                    | (70)          | (31)     | (15)   |
| Foreign                                  | 180           | 29       | (98)   |
| Total                                    | 1,965         | (501)    | (45)   |
| Total provision for income taxes         | \$ 3,748      | \$ 1,015 | \$ 939 |

The following is a reconciliation of our effective tax rate to the statutory federal tax rate:

|   | Fiscal Year |        |        |
|---|-------------|--------|--------|
|   | 2024        | 2023   | 2022   |
| Statutory tax rate  | 21.0 %      | 21.0 % | 21.0 % |
| State, net of federal benefit                                     | (0.1)       | —      | 0.2    |
| Foreign income taxed at different rates                           | (22.4)      | (17.3) | (19.1) |
| Deemed inclusion of foreign earnings                              | 16.3        | 9.9    | 8.0    |
| Impact of non-recurring intra-group transfer of certain IP rights | 39.6        | —      | —      |
| Uncertain tax benefits  | 1.8         | (1.9)  | 1.6    |
| Excess tax benefits from stock-based compensation                 | (13.1)      | (3.4)  | (3.0)  |
| Research and development credit                                   | (6.0)       | (1.8)  | (1.4)  |
| Other, net  | 0.7         | 0.2    | 0.2    |
| Effective tax rate on income before income taxes                  | 37.8 %      | 6.7 %  | 7.5 %  |

The increase in provision for income taxes in fiscal year 2024 compared to fiscal year 2023 was primarily due to the impact of a non-recurring intra-group transfer of certain IP rights to the United States as a result of supply chain realignment and the resulting shift in jurisdictional mix of income, partially offset by an increase in excess tax benefits from stock-based awards. The increase in provision for income taxes in fiscal year 2023 compared to fiscal year 2022 was primarily due to higher income before income taxes, partially offset by an increase in the recognition of uncertain tax benefits as a result of lapses of statutes of limitations.

We derive the effective tax rate benefit attributed to foreign income taxed at different rates primarily from our operations in Singapore and Malaysia. Our tax incentives from the Singapore Economic Development Board provide that any qualifying income earned in Singapore is subject to tax incentives or reduced rates of Singapore income tax, subject to our compliance with the conditions specified in these incentives and legislative developments. These Singapore tax incentives are scheduled to expire in November 2030. We have also obtained a tax holiday on our qualifying income in Malaysia, which is scheduled to expire in fiscal year 2028. The tax holiday that we negotiated in Malaysia is also subject to our compliance with various operating and other conditions. Before taking into consideration the effects of the U.S. Tax Cuts and Jobs Act and other indirect tax impacts, the effect of these tax incentives and tax holiday was to decrease the provision for income taxes by approximately \$2,261 million, \$2,104 million and \$1,821 million for fiscal years 2024, 2023 and 2022, respectively.

Significant components of our deferred tax assets and liabilities consisted of the following:

|  | November 3,<br>2024 | October 29,<br>2023 |
|--|---------------------|---------------------|
|  | (In millions)       |                     |
| <b>Deferred income tax assets:</b>                 |                     |                     |
| Net operating loss, credit and other carryforwards | \$ 2,905            | \$ 1,809            |
| Capitalized research and development               | 2,459               | 275                 |
| Deferred revenue                                   | 776                 | 208                 |
| Employee stock awards                              | 291                 | 190                 |
| Depreciation and amortization                      | 81                  | 223                 |
| Other deferred income tax assets                   | 672                 | 329                 |
| Gross deferred income tax assets                   | 7,184               | 3,034               |
| Less: valuation allowance                          | (2,218)             | (1,789)             |
| Deferred income tax assets                         | 4,966               | 1,245               |
| <b>Deferred income tax liabilities:</b>            |                     |                     |
| Depreciation and amortization                      | 8,772               | 97                  |
| Unamortized debt discount and issuance costs       | 420                 | 302                 |
| Foreign earnings not indefinitely reinvested       | 105                 | 86                  |
| Other deferred income tax liabilities              | 210                 | 62                  |
| Deferred income tax liabilities                    | 9,507               | 547                 |
| Net deferred income tax assets (liabilities)       | \$ (4,541)          | \$ 698              |

As a result of the acquisition of VMware, we established \$3,642 million of net deferred tax liabilities on the excess of book basis over the tax basis of acquired assets. Our net deferred tax liabilities also increased during the year due to the non-recurring intra-group transfer of certain IP rights to the United States. The valuation allowance disclosed in the table above relates to substantially all U.S. state and foreign net operating loss carryforwards and research and development tax credits that may not be realized.

We continue to indefinitely reinvest \$1,785 million of certain accumulated foreign earnings. The unrecognized deferred income tax liability related to these earnings is estimated to be \$187 million. All other current and future earnings of all our foreign subsidiaries are not considered permanently reinvested.

As of November 3, 2024, we had tax effected U.S. state net operating loss carryforwards of \$126 million and foreign net operating loss carryforwards of \$92 million, all of which expire in various years beginning in fiscal year 2025. We had \$2,176 million of state research and development tax credits which begin to expire in fiscal year 2025.

### Uncertain Tax Positions

The following table reconciles the beginning and ending balance of gross unrecognized tax benefits:

|  | Fiscal Year   |          |          |
|--|---------------|----------|----------|
|  | 2024          | 2023     | 2022     |
|  | (In millions) |          |          |
| Beginning balance  | \$ 4,655      | \$ 5,117 | \$ 5,030 |
| Lapses of statutes of limitations  | (39)          | (634)    | (50)     |
| Increases in balances related to tax positions taken during prior periods (including those related to acquisitions made during the year) | 844           | 26       | —        |
| Decreases in balances related to tax positions taken during prior periods  | (9)           | (13)     | (113)    |
| Increases in balances related to tax positions taken during current period   | 447           | 170      | 288      |
| Decreases in balances related to settlements with taxing authorities   | (55)          | (11)     | (38)     |
| Ending balance   | \$ 5,843      | \$ 4,655 | \$ 5,117 |

We recognize interest and penalties related to unrecognized tax benefits within the provision for income taxes. Accrued interest and penalties were included within other long-term liabilities. During fiscal years 2024, 2023 and 2022, we recognized interest and penalties of \$144 million, \$22 million and \$25 million respectively, within the provision for income taxes. As of November 3, 2024 and October 29, 2023, the total accrued interest and penalties was approximately \$701 million and \$389 million, respectively. The increase in total accrued interest and penalties was primarily the result of the VMware acquisition in addition to the current year accrual.

As of November 3, 2024 and October 29, 2023, approximately \$6,544 million and \$5,044 million, respectively, of the unrecognized tax benefits and accrued interest and penalties would, if recognized, benefit our effective income tax rate. We are subject to U.S. income tax examination for fiscal years 2018 and later. Certain of our acquired companies are subject to tax examinations in major jurisdictions outside of the U.S. for fiscal years 2005 and later. It is possible that our existing unrecognized tax benefits may change up to \$3,580 million as a result of lapses of the statute of limitations for certain audit periods and/or audit examinations expected to be completed within the next 12 months.

### 13. Segment Information

#### Reportable Segments

We have two reportable segments: semiconductor solutions and infrastructure software. Each segment has separate financial information that is utilized on a regular basis by the CODM in determining how to allocate resources and evaluate performance. The reportable segments are determined based on several factors including, but not limited to, customer base, homogeneity of products, technology, delivery channels and similar economic characteristics.

*Semiconductor solutions.* We provide semiconductor solutions for managing the movement of data in data center, service provider, and enterprise networking applications, including AI networking and connectivity. We provide a broad variety of radio frequency semiconductor devices, wireless connectivity solutions, custom touch controllers, and inductive charging solutions for mobile applications. We also provide semiconductor solutions for enabling the set-top box and broadband access markets and for enabling secure movement of digital data to and from host machines, such as servers, personal computers and storage systems, to the underlying storage devices, such as hard disk drives and solid state drives. We also provide a broad variety of products for the general industrial and automotive markets. Our semiconductor solutions segment also includes our IP licensing.

*Infrastructure software.* We provide a portfolio of software solutions that help enterprises simplify their IT environments so they can increase business velocity and flexibility, and enable customers to plan, develop, deliver, automate, manage and secure applications across mainframe, distributed, edge, mobile, and private and hybrid cloud platforms. Our portfolio of infrastructure and security software is designed to modernize, optimize, and secure the most complex private and hybrid cloud environments, enabling scalability, agility, automation, insights, resiliency and security making it easy for customers to run their mission-critical workloads. We also offer mission-critical FC SAN products and related software.

Our CODM assesses the performance of each segment and allocates resources to each segment based on net revenue and operating results and does not evaluate each segment using discrete asset information. Operating results by segment include items that are directly attributable to each segment and also include shared expenses such as marketing, general and administrative activities, facilities and IT expenses. Shared expenses are primarily allocated based on revenue and headcount.

### Unallocated Expenses

Unallocated expenses include amortization of acquisition-related intangible assets, stock-based compensation expense, restructuring and other charges, acquisition-related costs, and other costs, which are not used in evaluating the results of, or in allocating resources to, our segments. Acquisition-related costs include transaction costs and any costs directly related to the acquisition and integration of acquired businesses.

Depreciation expense directly attributable to each reportable segment is included in the operating results of each segment. However, the CODM does not evaluate depreciation expense by operating segment and, therefore, it is not separately presented. There was no inter-segment revenue for any of the periods presented. The accounting policies of the segments are the same as those described in the summary of significant accounting policies.

|                          | Fiscal Year      |                  |                  |
|--------------------------|------------------|------------------|------------------|
|                          | 2024             | 2023             | 2022             |
|                          | (In millions)    |                  |                  |
| <b>Net revenue:</b>      |                  |                  |                  |
| Semiconductor solutions  | \$ 30,096        | \$ 28,182        | \$ 25,818        |
| Infrastructure software  | 21,478           | 7,637            | 7,385            |
| Total net revenue        | <u>\$ 51,574</u> | <u>\$ 35,819</u> | <u>\$ 33,203</u> |
| <b>Operating income:</b> |                  |                  |                  |
| Semiconductor solutions  | \$ 16,759        | \$ 16,486        | \$ 15,075        |
| Infrastructure software  | 13,977           | 5,639            | 5,219            |
| Unallocated expenses     | (17,273)         | (5,918)          | (6,069)          |
| Total operating income   | <u>\$ 13,463</u> | <u>\$ 16,207</u> | <u>\$ 14,225</u> |

### Geographic Information

Net revenue by country is based primarily on the geographic shipment or delivery location as specified by the distributors, OEMs, contract manufacturers, channel partners, or software customers who purchased our products or services. For the majority of our products, title and control transfer to our customers in Penang, Malaysia. The products are then transported to the customer specific locations. Net revenue from the United States for fiscal years 2024, 2023 and 2022 was \$12,887 million, \$6,975 million and \$5,915 million, respectively. Net revenue from China (including Hong Kong) for fiscal years 2024, 2023 and 2022 was \$10,483 million, \$11,533 million and \$11,637 million, respectively. Net revenue from Singapore for fiscal years 2024, 2023 and 2022 was \$9,559 million, \$4,479 million and \$4,003 million, respectively. Net revenue from other foreign countries for fiscal years 2024, 2023 and 2022 was \$18,645 million, \$12,832 million and \$11,648 million, respectively. These geographic delivery locations are not necessarily indicative of the geographic location of our end customers or the country in which our end customers sell devices containing our products. For example, we believe a substantial portion of our products shipped or delivered to China (including Hong Kong) is included in devices sold by our end customers in the United States and Europe.

Long-lived assets include property, plant and equipment and are based on the physical location of the assets.

|                           | November 3,<br>2024 | October 29,<br>2023 |
|---------------------------|---------------------|---------------------|
|                           | (In millions)       |                     |
| <b>Long-lived assets:</b> |                     |                     |
| United States             | \$ 1,685            | \$ 1,371            |
| Taiwan                    | 365                 | 341                 |
| Other                     | 471                 | 442                 |
| Total long-lived assets   | <u>\$ 2,521</u>     | <u>\$ 2,154</u>     |

#### **Significant Customer Information**

We sell our products through our direct sales force and a select network of distributors and channel partners globally. One customer accounted for 18% and 21% of our net accounts receivable balance as of November 3, 2024 and October 29, 2023, respectively. During fiscal years 2024, 2023 and 2022, one customer accounted for 28%, 21% and 20% of our net revenue, respectively. Revenue from this customer was included in our semiconductor solutions segment.

### **14. Commitments and Contingencies**

#### **Commitments**

The following table summarizes contractual obligations and commitments as of November 3, 2024:

| Fiscal Year: | Purchase<br>Commitments | Other Contractual<br>Commitments |
|--------------|-------------------------|----------------------------------|
|              | (In millions)           |                                  |
| 2025         | \$ 272                  | \$ 486                           |
| 2026         | 283                     | 404                              |
| 2027         | 7                       | 352                              |
| 2028         | 7                       | 293                              |
| 2029         | —                       | 240                              |
| Thereafter   | —                       | 997                              |
| Total        | <u>\$ 569</u>           | <u>\$ 2,772</u>                  |

*Purchase Commitments.* Represent unconditional purchase obligations to purchase goods or services, primarily inventory, that are enforceable and legally binding on us and specify all significant terms, including fixed or minimum quantities to be purchased, price provisions, and the approximate timing of the transaction. Purchase obligations exclude agreements that are cancelable without penalty and unconditional purchase obligations with a remaining term of one year or less.

*Other Contractual Commitments.* Represent amounts payable pursuant to agreements related to IT and other service agreements.

Due to the inherent uncertainty with respect to the timing of future cash outflows associated with our unrecognized tax benefits at November 3, 2024, we are unable to reliably estimate the timing of cash settlement with the respective taxing authorities. Therefore, \$3,669 million of unrecognized tax benefits and accrued interest and penalties as of November 3, 2024 have been excluded from the table above.

#### **Contingencies**

From time to time, we are involved in litigation that we believe is of the type common to companies engaged in our lines of business, including commercial disputes, employment issues, tax disputes and disputes involving claims by third parties that our activities infringe their patent, copyright, trademark or other IP rights, as well as regulatory investigations or inquiries. Legal proceedings and regulatory investigations or inquiries are often complex, may require the expenditure of significant funds and other resources, and the outcomes of such proceedings are inherently uncertain, with material adverse outcomes possible. IP property claims generally involve the demand by a third-party that we cease the manufacture, use or sale of the allegedly infringing products, processes or technologies and/or pay substantial damages or royalties for past, present and future use of the allegedly infringing IP. Claims that our products or processes infringe or misappropriate any third-party IP rights (including claims arising through our contractual indemnification of our customers) often involve highly



complex, technical issues, the outcome of which is inherently uncertain. Moreover, from time to time, we pursue litigation to assert our IP rights. Regardless of the merit or resolution of any such litigation, complex IP litigation is generally costly and diverts the efforts and attention of our management and technical personnel.

#### ***Lawsuits Relating to VMware Backlog***

On March 31, 2020, a securities class action lawsuit was filed against VMware and certain former officers of VMware in the United States District Court for the Northern District of California (the “California Court”). On September 18, 2020, the plaintiffs filed a consolidated amended complaint alleging that VMware’s statements about backlog and the related internal controls during the period from August 2018 through February 2020 were materially misleading. The defendants filed a motion to dismiss, which was granted with leave to amend on September 10, 2021. On October 8, 2021, the plaintiffs filed their Second Amended Consolidated Complaint based on the same alleged disclosure deficiencies. The defendants’ motion to dismiss the Second Amended Consolidated Complaint was filed on November 5, 2021. On April 2, 2023, the California Court denied the defendants’ motion to dismiss finding that the plaintiffs had adequately stated claims under Sections 10 and 20A of the Securities Exchange Act of 1934. The parties have agreed to settlement terms pending approval by the California Court.

#### ***Other Matters***

We are currently engaged in a number of legal actions in the ordinary course of our business.

#### ***Contingency Assessment***

We do not believe, based on currently available facts and circumstances, that the final outcome of any pending legal proceedings, ongoing regulatory investigations or tax disputes, taken individually or as a whole, will have a material adverse effect on our consolidated financial statements. However, lawsuits may involve complex questions of fact and law and may require the expenditure of significant funds and other resources to defend. The results of litigation, regulatory investigations or tax disputes are inherently uncertain, and material adverse outcomes are possible. From time to time, we may enter into confidential discussions regarding the potential settlement of such lawsuits. Any settlement of pending litigation could require us to incur substantial costs and other ongoing expenses, such as future royalty payments in the case of an IP dispute.

During the periods presented, no material amounts have been accrued or disclosed in the accompanying consolidated financial statements with respect to loss contingencies associated with any other legal proceedings, regulatory investigations or tax disputes as potential losses for such matters are not considered probable and ranges of losses are not reasonably estimable. These matters are subject to many uncertainties and the ultimate outcomes are not predictable. There can be no assurances that the actual amounts required to satisfy any liabilities arising from the matters described above will not have a material adverse effect on our consolidated financial statements.

#### ***Other Indemnifications***

As is customary in our industry and as provided for in local law in the U.S. and other jurisdictions, many of our standard contracts provide remedies to our customers and others with whom we enter into contracts, such as defense, settlement, or payment of judgment for IP claims related to the use of our products. From time to time, we indemnify customers, as well as our suppliers, contractors, lessors, lessees, companies that purchase our businesses or assets and others with whom we enter into contracts, against combinations of loss, expense, or liability arising from various triggering events related to the sale and the use of our products, the use of their goods and services, the use of facilities and state of our owned facilities, the state of the assets and businesses that we sell and other matters covered by such contracts, usually up to a specified maximum amount. In addition, from time to time we also provide protection to these parties against claims related to undiscovered liabilities, additional product liabilities or environmental obligations. In our experience, claims made under such indemnifications are rare and the associated estimated fair value of the liability is not material.

## 15. Restructuring and Other Charges

### **Restructuring Charges**

The following table summarizes the significant activities within, and components of, the restructuring liabilities:

|                                | <b>Employee<br/>Termination<br/>Costs</b> | <b>Lease and<br/>Impairment Costs</b> | <b>Total</b> |
|--------------------------------|---|---------------------------------------|--------------|
|                                | <b>(In millions)</b>                      |                                       |              |
| Balance as of October 31, 2021 | \$ 4                                      | \$ —                                  | \$ 4         |
| Restructuring charges          | 24  | 38                                    | 62           |
| Utilization                    | (24)                                      | (38)                                  | (62)         |
| Balance as of October 30, 2022 | 4   | —                                     | 4            |
| Restructuring charges          | 20  | 24                                    | 44           |
| Utilization                    | (22)                                      | (24)                                  | (46)         |
| Balance as of October 29, 2023 | 2   | —                                     | 2            |
| Restructuring charges          | 1,510                                     | 277                                   | 1,787        |
| Utilization                    | (1,393)                                   | (277)                                 | (1,670)      |
| Balance as of November 3, 2024 | \$ 119                                    | \$ —                                  | \$ 119       |

In connection with the VMware Merger, we initiated restructuring activities to integrate the acquired business, align our workforce and improve efficiencies in our operations. Restructuring charges in fiscal year 2024 primarily related to employee termination costs. We also incurred \$277 million of impairment charges primarily related to lease assets and property, plant and equipment. We expect these restructuring activities to be substantially completed by the end of fiscal year 2025. These charges were recognized primarily in operating expenses.

During fiscal year 2023, we incurred \$24 million of impairment charges primarily related to lease assets and property, plant and equipment. During fiscal year 2022, we incurred \$38 million of impairment charges related to lease assets.

As of November 3, 2024 and October 29, 2023, short-term and long-term lease liabilities included \$192 million and \$44 million of obligations related to restructured leases, respectively.

### **Other Charges**

Restructuring and other charges in our consolidated statement of operations for fiscal year 2023 included \$204 million of non-recurring charges related to IP litigation.

## 16. Subsequent Events

### **Cash Dividends Declared**

On December 10, 2024, our Board of Directors declared a quarterly cash dividend of \$0.59 per share on our common stock, payable on December 31, 2024 to stockholders of record on December 23, 2024.

## Schedule II — Valuation and Qualifying Accounts

|   | Balance at<br>Beginning<br>of Period | Additions to<br>Allowances | Charges<br>Utilized/<br>Write-offs | Balance at<br>End of<br>Period |
|---|--------------------------------------|----------------------------|------------------------------------|--------------------------------|
|   | (In millions)                        |                            |                                    |                                |
| Accounts receivable allowances:                     |                                      |                            |                                    |                                |
| Distributor credit allowances <sup>(a)</sup>        |                                      |                            |                                    |                                |
| Fiscal year ended November 3, 2024                  | \$ 133                               | \$ 351                     | \$ (390)                           | \$ 94                          |
| Fiscal year ended October 29, 2023                  | \$ 125                               | \$ 502                     | \$ (494)                           | \$ 133                         |
| Fiscal year ended October 30, 2022                  | \$ 128                               | \$ 484                     | \$ (487)                           | \$ 125                         |
| Other accounts receivable allowances <sup>(b)</sup> |                                      |                            |                                    |                                |
| Fiscal year ended November 3, 2024                  | \$ 4                                 | \$ 17                      | \$ (10)                            | \$ 11                          |
| Fiscal year ended October 29, 2023                  | \$ 1                                 | \$ 5                       | \$ (2)                             | \$ 4                           |
| Fiscal year ended October 30, 2022                  | \$ 2                                 | \$ 10                      | \$ (11)                            | \$ 1                           |
| Income tax valuation allowances:                    |                                      |                            |                                    |                                |
| Fiscal year ended November 3, 2024                  | \$ 1,789                             | \$ 3,151                   | \$ (2,722)                         | \$ 2,218                       |
| Fiscal year ended October 29, 2023                  | \$ 1,777                             | \$ 117                     | \$ (105)                           | \$ 1,789                       |
| Fiscal year ended October 30, 2022                  | \$ 1,782                             | \$ 118                     | \$ (123)                           | \$ 1,777                       |

(a) Distributor credit allowances relate to price adjustments and other allowances.

(b) Other accounts receivable allowances primarily include sales returns and allowance for doubtful accounts.

### ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

### ITEM 9A. CONTROLS AND PROCEDURES

#### *Evaluation of Disclosure Controls and Procedures*

Our management, with the participation of our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), evaluated the effectiveness of our disclosure controls and procedures as of November 3, 2024. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of November 3, 2024, our CEO and CFO concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

### **Management's Report on Internal Control Over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) promulgated under the Exchange Act as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by the Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of us are being made only in accordance with authorizations of management and directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of November 3, 2024. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control-Integrated Framework* (2013). Based on this assessment, our management concluded that, as of November 3, 2024, our internal control over financial reporting is effective based on those criteria.

The effectiveness of our internal control over financial reporting as of November 3, 2024 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which is included in Part II, Item 8. of this Annual Report on Form 10-K.

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

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fourth quarter ended November 3, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## **ITEM 9B. OTHER INFORMATION**

### **Insider Trading Arrangements**

On September 23, 2024, Diane M. Bryant, a member of our Board of Directors, adopted a trading plan intended to satisfy Rule 10b5-1(c) under the Exchange Act (the "Trading Plan"). The Trading Plan provides for the potential sale of up to 15,000 shares of Broadcom common stock so long as the market price of Broadcom common stock satisfies certain threshold prices specified in the Trading Plan. The Trading Plan will expire on September 12, 2025, subject to early termination for certain specified events set forth in the Trading Plan.

## **ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS**

Not applicable.

### **PART III**

#### **ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**

Broadcom has adopted an insider trading compliance policy that governs the purchase, sale, and/or other transactions of our securities by our directors, officers and employees and Broadcom itself. A copy of our insider trading compliance policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

The remaining information required by Item 10 is incorporated herein by reference from sections entitled “Board of Directors,” “Corporate Governance” and “Proposal 1 — Election of Directors” in our definitive Proxy Statement for our 2025 Annual Meeting of Stockholders. Our executive officers are listed at the end of Item 1 of this Annual Report on Form 10-K.

#### **ITEM 11. EXECUTIVE COMPENSATION**

The information required by Item 11 is incorporated herein by reference from sections entitled “Board of Directors — Director Compensation,” “Board of Directors — Board Committees — Compensation Committee — Compensation Committee Interlocks and Insider Participation,” “Compensation Discussion and Analysis,” “Compensation Committee Report,” “Executive Compensation,” and “CEO Pay Ratio” in our definitive Proxy Statement for our 2025 Annual Meeting of Stockholders.

#### **ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

The information required by Item 12 is incorporated herein by reference from sections entitled “Stockholder Information — Security Ownership of Certain Beneficial Owners, Directors and Executive Officers” and “Equity Compensation Plan Information” in our definitive Proxy Statement for our 2025 Annual Meeting of Stockholders.

#### **ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

The information required by Item 13 is incorporated herein by reference from sections entitled “Board of Directors” and “Certain Relationships and Related Party Transactions” in our definitive Proxy Statement for our 2025 Annual Meeting of Stockholders.

#### **ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES**

The information required by Item 14 is incorporated herein by reference from the section entitled “Proposal 2 — Ratification of Appointment of Independent Registered Public Accounting Firm” in our definitive Proxy Statement for our 2025 Annual Meeting of Stockholders.

## PART IV

### ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following are filed as part of this Annual Report on Form 10-K:

#### 1. Financial Statements

The following consolidated financial statements are included in Item 8 of this Annual Report on Form 10-K:

|  | <b>Page</b>        |
|--|--------------------|
| <a href="#">Reports of Independent Registered Public Accounting Firm</a> | <a href="#">50</a> |
| <a href="#">Consolidated Balance Sheets</a>                              | <a href="#">51</a> |
| <a href="#">Consolidated Statements of Operations</a>                    | <a href="#">52</a> |
| <a href="#">Consolidated Statements of Comprehensive Income</a>          | <a href="#">53</a> |
| <a href="#">Consolidated Statements of Cash Flows</a>                    | <a href="#">54</a> |
| <a href="#">Consolidated Statements of Stockholders' Equity</a>          | <a href="#">55</a> |
| <a href="#">Notes to Consolidated Financial Statements</a>               | <a href="#">56</a> |

#### 2. Financial Statement Schedules

The financial statement schedule of the Registrant and its subsidiaries for fiscal years 2024, 2023 and 2022 required by Item 15(a) (Schedule II, Valuation and Qualifying Accounts) is included in Item 8 of this Annual Report on Form 10-K:

|   | <b>Page</b>        |
|---|--------------------|
| <a href="#">Schedule II - Valuation and Qualifying Accounts</a> | <a href="#">92</a> |

Schedules not filed have been omitted because they are not applicable, are not required or the information required to be set forth therein is included in the financial statements or notes thereto.

#### 3. Exhibits

The documents set forth below are filed herewith or incorporated by reference to the location indicated.

| Exhibit Number | Description   | Incorporated by Reference |           |         |             | Filed Herewith |
|----------------|---|---------------------------|-----------|---------|-------------|----------------|
|                |   | Form                      | File No.  | Exhibit | Filing Date |                |
| 2.1            | <a href="#">Agreement and Plan of Merger, dated as of May 26, 2022, by and among Broadcom Inc., VMware, Inc., Verona Holdco, Inc., Verona Merger Sub, Inc., Barcelona Merger Sub 2, Inc. and Barcelona Merger Sub 3, LLC.</a> | 8-K                       | 001-38449 | 2.1     | 05-26-2022  |                |
| 3.1            | <a href="#">Amended and Restated Certificate of Incorporation (including all amendments thereto).</a>   | 10-Q                      | 001-38449 | 3.1     | 09-11-2024  |                |
| 3.2            | <a href="#">Amended and Restated Bylaws.</a>  | 8-K12B                    | 001-38449 | 3.2     | 04-04-2018  |                |
| 4.1            | <a href="#">Form of Common Stock Certificate.</a>   | 10-Q                      | 001-38449 | 4.1     | 06-14-2018  |                |
| 4.2            | <a href="#">Description of Common Stock.</a>  |                           |           |         |             | X              |
| 4.3            | <a href="#">Indenture, dated as of January 19, 2017, by and among the Broadcom Corporation and Broadcom Cayman Finance Limited (the "Co-Issuers"), the guarantors and Wilmington Trust, National Association, as trustee.</a> | 8-K                       | 001-37690 | 4.1     | 01-20-2017  |                |
| 4.4            | <a href="#">First Supplemental Indenture to the January 2017 Indenture, dated as of April 9, 2018.</a>  | 8-K                       | 001-38449 | 4.1     | 04-09-2018  |                |
| 4.5            | <a href="#">Second Supplemental Indenture to the January 2017 Indenture, dated as of January 25, 2019.</a>  | 8-K                       | 001-38449 | 4.1     | 01-25-2019  |                |

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| Exhibit Number | Description   | Incorporated by Reference |           |         |             | Filed Herewith |
|----------------|---|---------------------------|-----------|---------|-------------|----------------|
|                |   | Form                      | File No.  | Exhibit | Filing Date |                |
| 4.6            | <a href="#">Form of 3.625% Senior Notes due 2024 (included in Exhibit 4.3).</a>   | 8-K                       | 001-37690 | 4.1     | 01-20-2017  |                |
| 4.7            | <a href="#">Form of 3.875% Senior Notes due 2027 (included in Exhibit 4.3).</a>   | 8-K                       | 001-37690 | 4.1     | 01-20-2017  |                |
| 4.8            | <a href="#">Indenture, dated as of October 17, 2017, by and among the Co-Issuers, the guarantors and Wilmington Trust, National Association, as trustee.</a>  | 8-K                       | 001-37690 | 4.1     | 10-17-2017  |                |
| 4.9            | <a href="#">Supplemental Indenture to the October 2017 Indenture, dated as of April 9, 2018.</a>  | 8-K                       | 001-38449 | 4.2     | 04-09-2018  |                |
| 4.10           | <a href="#">Second Supplemental Indenture to the October 2017 Indenture, dated as of January 25, 2019.</a>  | 8-K                       | 001-38449 | 4.2     | 01-25-2019  |                |
| 4.11           | <a href="#">Form of 2.650% Senior Notes due 2023 (included in Exhibit 4.8).</a>   | 8-K                       | 001-37690 | 4.1     | 10-17-2017  |                |
| 4.12           | <a href="#">Form of 3.125% Senior Notes due 2025 (included in Exhibit 4.8).</a>   | 8-K                       | 001-37690 | 4.1     | 10-17-2017  |                |
| 4.13           | <a href="#">Form of 3.500% Senior Notes due 2028 (included in Exhibit 4.8).</a>   | 8-K                       | 001-37690 | 4.1     | 10-17-2017  |                |
| 4.14           | <a href="#">Indenture, dated as of April 5, 2019, by and among the Company as Issuer, Broadcom Technologies Inc., Broadcom Corporation and Broadcom Cayman Finance Limited, and Wilmington Trust, National Association, as trustee.</a> | 8-K                       | 001-38449 | 4.1     | 04-05-2019  |                |
| 4.15           | <a href="#">Form of 3.625% Senior Notes due 2024 (included in Exhibit 4.14).</a>  | 8-K                       | 001-38449 | 4.1     | 04-05-2019  |                |
| 4.16           | <a href="#">Form of 4.750% Senior Notes due 2029 (included in Exhibit 4.14).</a>  | 8-K                       | 001-38449 | 4.1     | 04-05-2019  |                |
| 4.17           | <a href="#">Indenture, dated as of April 9, 2020, by and among the Company, as Issuer, Broadcom Technologies Inc. and Broadcom Corporation (the "2020 Guarantors"), and Wilmington Trust, National Association, as trustee.</a>         | 8-K                       | 001-38449 | 4.1     | 04-09-2020  |                |
| 4.18           | <a href="#">Form of 5.000% Senior Notes due 2030 (included in Exhibit 4.17).</a>  | 8-K                       | 001-38449 | 4.1     | 04-09-2020  |                |
| 4.19           | <a href="#">Indenture, dated as of May 8, 2020, by and among the Company as Issuer, the 2020 Guarantors, and Wilmington Trust, National Association, as trustee.</a>  | 8-K                       | 001-38449 | 4.1     | 05-08-2020  |                |
| 4.20           | <a href="#">Form of 2.250% Senior Notes due 2023 (included in Exhibit 4.19).</a>  | 8-K                       | 001-38449 | 4.1     | 05-08-2020  |                |
| 4.21           | <a href="#">Form of 3.150% Senior Notes due 2025 (included in Exhibit 4.19).</a>  | 8-K                       | 001-38449 | 4.1     | 05-08-2020  |                |
| 4.22           | <a href="#">Form of 4.150% Senior Notes due 2030 (included in Exhibit 4.19).</a>  | 8-K                       | 001-38449 | 4.1     | 05-08-2020  |                |
| 4.23           | <a href="#">Form of 4.300% Senior Notes due 2032 (included in Exhibit 4.19).</a>  | 8-K                       | 001-38449 | 4.1     | 05-08-2020  |                |
| 4.24           | <a href="#">Indenture, dated as of May 21, 2020, by and among the Company, the 2020 Guarantors and Wilmington Trust, National Association, as trustee.</a>  | 8-K                       | 001-38449 | 4.1     | 05-21-2020  |                |
| 4.25           | <a href="#">Form of 3.459% Senior Notes due 2026 (included in Exhibit 4.24).</a>  | 8-K                       | 001-38449 | 4.1     | 05-21-2020  |                |

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| Exhibit Number | Description   | Incorporated by Reference |           |         |             | Filed Herewith |
|----------------|---|---------------------------|-----------|---------|-------------|----------------|
|                |   | Form                      | File No.  | Exhibit | Filing Date |                |
| 4.26           | <a href="#">Form of 4.110% Senior Notes due 2028 (included in Exhibit 4.24).</a>  | 8-K                       | 001-38449 | 4.1     | 05-21-2020  |                |
| 4.27           | <a href="#">Indenture, dated as of January 19, 2021, by and among the Company, the 2020 Guarantors and Wilmington Trust, National Association, as Trustee.</a>  | 8-K                       | 001-38449 | 4.1     | 01-19-2021  |                |
| 4.28           | <a href="#">Form of 1.950% Senior Notes due 2028 (included in Exhibit 4.27).</a>  | 8-K                       | 001-38449 | 4.1     | 01-19-2021  |                |
| 4.29           | <a href="#">Form of 2.450% Senior Notes due 2031 (included in Exhibit 4.27).</a>  | 8-K                       | 001-38449 | 4.1     | 01-19-2021  |                |
| 4.30           | <a href="#">Form of 2.600% Senior Notes due 2033 (included in Exhibit 4.27).</a>  | 8-K                       | 001-38449 | 4.1     | 01-19-2021  |                |
| 4.31           | <a href="#">Form of 3.500% Senior Notes due 2041 (included in Exhibit 4.27).</a>  | 8-K                       | 001-38449 | 4.1     | 01-19-2021  |                |
| 4.32           | <a href="#">Form of 3.750% Senior Notes due 2051 (included in Exhibit 4.27).</a>  | 8-K                       | 001-38449 | 4.1     | 01-19-2021  |                |
| 4.33           | <a href="#">Registration Rights Agreement, dated as of January 19, 2021, by and among the Company, the 2020 Guarantors and Morgan Stanley &amp; Co. LLC, BNP Paribas Securities Corp., RBC Capital Markets, LLC, SMBC Nikko Securities America, Inc., and Truist Securities, Inc., as representatives of the several initial purchasers of the January 2021 Senior Notes.</a> | 8-K                       | 001-38449 | 4.7     | 01-19-2021  |                |
| 4.34           | <a href="#">Indenture, dated as of March 31, 2021, by and between the Company and Wilmington Trust, National Association, as Trustee.</a>   | 8-K                       | 001-38449 | 4.1     | 03-31-2021  |                |
| 4.35           | <a href="#">Form of 3.419% Senior Notes due 2033 (included in Exhibit 4.34).</a>  | 8-K                       | 001-38449 | 4.1     | 03-31-2021  |                |
| 4.36           | <a href="#">Form of 3.469% Senior Notes due 2034 (included in Exhibit 4.34).</a>  | 8-K                       | 001-38449 | 4.1     | 03-31-2021  |                |
| 4.37           | <a href="#">Registration Rights Agreement, dated as of March 31, 2021, by and among the Company and BofA Securities, Inc. and HSBC Securities (USA) Inc., as dealer-managers in connection with the March 2021 Exchange Offer.</a>  | 8-K                       | 001-38449 | 4.4     | 03-31-2021  |                |
| 4.38           | <a href="#">Indenture, dated as of September 30, 2021, by and between the Company and Wilmington Trust, National Association, as Trustee.</a>   | 8-K                       | 001-38449 | 4.1     | 09-30-2021  |                |
| 4.39           | <a href="#">Form of 3.137% Senior Notes due 2035 (included in Exhibit 4.38).</a>  | 8-K                       | 001-38449 | 4.1     | 09-30-2021  |                |
| 4.40           | <a href="#">Form of 3.187% Senior Notes due 2036 (included in Exhibit 4.38).</a>  | 8-K                       | 001-38449 | 4.1     | 09-30-2021  |                |
| 4.41           | <a href="#">Registration Rights Agreement, dated as of September 30, 2021, by and among the Company and BNP Paribas Securities Corp., J.P. Morgan Securities LLC and TD Securities (USA) LLC, as dealer-managers in connection with the September 2021 exchange offer.</a>  | 8-K                       | 001-38449 | 4.4     | 09-30-2021  |                |
| 4.42           | <a href="#">Indenture, dated April 14, 2022, between the Company and Wilmington Trust, National Association, as trustee.</a>  | 8-K                       | 001-38449 | 4.1     | 04-15-2022  |                |
| 4.43           | <a href="#">Form of 4.00% Senior Notes due 2029 (included in Exhibit 4.42).</a>   | 8-K                       | 001-38449 | 4.1     | 04-15-2022  |                |



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| Exhibit Number | Description   | Incorporated by Reference |           |         |             | Filed Herewith |
|----------------|---|---------------------------|-----------|---------|-------------|----------------|
|                |   | Form                      | File No.  | Exhibit | Filing Date |                |
| 4.44           | <a href="#">Form of 4.15% Senior Notes due 2032 (included in Exhibit 4.42).</a>   | 8-K                       | 001-38449 | 4.1     | 04-15-2022  |                |
| 4.45           | <a href="#">Registration Rights Agreement, dated as of April 14, 2022, between the Company and BofA Securities, Inc., HSBC Securities (USA) Inc., and RBC Capital Markets, LLC, as representatives of the several initial purchasers of the April 2022 Senior Notes.</a>    | 8-K                       | 001-38449 | 4.4     | 04-15-2022  |                |
| 4.46           | <a href="#">Indenture, dated April 18, 2022, between the Company and Wilmington Trust, National Association, as trustee.</a>  | 8-K                       | 001-38449 | 4.1     | 04-18-2022  |                |
| 4.47           | <a href="#">Form of 4.926% Senior Notes due 2037 (included in Exhibit 4.46).</a>  | 8-K                       | 001-38449 | 4.1     | 04-18-2022  |                |
| 4.48           | <a href="#">Registration Rights Agreement, dated April 18, 2022, between the Company and Barclays Capital Inc., BBVA Securities Inc., BNP Paribas Securities Corp. and J.P. Morgan Securities LLC, as dealer-managers in connection with the April 2022 Exchange Offer.</a> | 8-K                       | 001-38449 | 4.3     | 04-18-2022  |                |
| 4.49           | <a href="#">Indenture, dated July 12, 2024, between the Company and Wilmington Trust, National Association, as trustee.</a>   | 8-K                       | 001-38449 | 4.1     | 07-12-2024  |                |
| 4.50           | <a href="#">Supplemental Indenture No. 1, dated July 12, 2024, between the Company and Wilmington Trust, National Association, as trustee.</a>  | 8-K                       | 001-38449 | 4.2     | 07-12-2024  |                |
| 4.51           | <a href="#">Form of 5.050% Senior Notes due 2027 (included in Exhibit 4.50).</a>  | 8-K                       | 001-38449 | 4.2     | 07-12-2024  |                |
| 4.52           | <a href="#">Form of 5.050% Senior Notes due 2029 (included in Exhibit 4.50).</a>  | 8-K                       | 001-38449 | 4.2     | 07-12-2024  |                |
| 4.53           | <a href="#">Form of 5.150% Senior Notes due 2031 (included in Exhibit 4.50).</a>  | 8-K                       | 001-38449 | 4.2     | 07-12-2024  |                |
| 4.54           | <a href="#">Supplemental Indenture No. 2, dated October 2, 2024, between the Company and Wilmington Trust, National Association, as trustee.</a>  | 8-K                       | 001-38449 | 4.2     | 10-02-2024  |                |
| 4.55           | <a href="#">Form of 4.150% Senior Notes due 2028 (included in Exhibit 4.54).</a>  | 8-K                       | 001-38449 | 4.2     | 10-02-2024  |                |
| 4.56           | <a href="#">Form of 4.350% Senior Notes due 2030 (included in Exhibit 4.54).</a>  | 8-K                       | 001-38449 | 4.2     | 10-02-2024  |                |
| 4.57           | <a href="#">Form of 4.550% Senior Notes due 2032 (included in Exhibit 4.54).</a>  | 8-K                       | 001-38449 | 4.2     | 10-02-2024  |                |
| 4.58           | <a href="#">Form of 4.800% Senior Notes due 2034 (included in Exhibit 4.54).</a>  | 8-K                       | 001-38449 | 4.2     | 10-02-2024  |                |
| 10.1           | <a href="#">Form of Indemnification and Advancement Agreement (effective April 4, 2018).</a>  | 8-K12B                    | 001-38449 | 10.1    | 04-04-2018  |                |
| 10.2           | <a href="#">Credit Agreement, dated as of January 19, 2021, among the Company, the lenders and other parties party thereto, and Bank of America, N.A., as Administrative Agent.</a>   | 8-K                       | 001-38449 | 10.1    | 01-19-2021  |                |
| 10.3           | <a href="#">Amendment No. 1, dated April 18, 2023, among Broadcom Inc., the lenders and other parties thereto, and Bank of America, N.A., as Administrative Agent, to the Credit Agreement, dated as of January 19, 2021.</a>   | 10-Q                      | 001-38449 | 10.1    | 06-07-2023  |                |

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| Exhibit Number | Description   | Incorporated by Reference |            |              |             | Filed Herewith |
|----------------|---|---------------------------|------------|--------------|-------------|----------------|
|                |   | Form                      | File No.   | Exhibit      | Filing Date |                |
| 10.4           | <a href="#">Credit Agreement, dated as of August 15, 2023, among Broadcom, the lenders and other parties party thereto, and Bank of America, N.A., as Administrative Agent.</a>   | 8-K                       | 001-38449  | 10.1         | 08-16-2023  |                |
| 10.5           | <a href="#">First Amendment to Credit Agreement, dated as of December 1, 2023, amending the Credit Agreement, dated as of August 15, 2023, among Broadcom, the lenders and other parties thereto, and Bank of America, N.A., as Administrative Agent.</a> | 10-Q                      | 001-38449  | 10.5         | 03-14-2024  |                |
| 10.6           | <a href="#">Lease Agreement dated August 10, 2017 between Five Point Office Venture I, LLC and Broadcom Corporation.</a>  | 10-K                      | 001-37690  | 10.29        | 12-21-2017  |                |
| 10.7           | <a href="#">First Amendment to Lease Agreement by and between Five Point Office Venture 1, LLC and Broadcom Corporation.</a>  | 10-K                      | 001-38449  | 10.18        | 12-18-2020  |                |
| 10.8 *         | <a href="#">Settlement and Patent License and Non-Assert Agreement by and between Qualcomm Incorporated and Broadcom Corporation.</a>   | 8-K/A                     | 000-23993  | 10.1         | 07-23-2009  |                |
| 10.9 +         | <a href="#">Avago Technologies Limited 2009 Equity Incentive Award Plan.</a>  | S-1/A                     | 333-153127 | 10.18        | 07-27-2009  |                |
| 10.10 +        | <a href="#">Broadcom Inc. Employee Stock Purchase Plan (as amended and restated on April 1, 2019).</a>  | Schedule 14A              | 001-38449  | Appendix B-1 | 02-19-2019  |                |
| 10.11 +        | <a href="#">LSI Corporation 2003 Equity Incentive Plan, as amended.</a>   | S-8                       | 333-195741 | 4.1          | 05-06-2014  |                |
| 10.12 +        | <a href="#">Amendment to the LSI Corporation 2003 Equity Incentive Plan (effective February 1, 2016).</a>   | 10-K                      | 001-37690  | 10.45        | 12-23-2016  |                |
| 10.13 +        | <a href="#">Amendment to the LSI Corporation 2003 Equity Incentive Plan (effective April 4, 2018).</a>  | 8-K12B                    | 001-38449  | 10.10        | 04-04-2018  |                |
| 10.14 +        | <a href="#">Broadcom Inc. 2012 Stock Incentive Plan (as amended and restated on April 5, 2021).</a>   | 10-Q                      | 001-38449  | 10.1         | 06-11-2021  |                |
| 10.15 +        | <a href="#">VMware, Inc. Amended and Restated 2007 Equity and Incentive Plan.</a>   | S-8                       | 333-275702 | 99.1         | 11-22-2023  |                |
| 10.16 +        | <a href="#">Form of Annual Bonus Plan for Executive Employees.</a>  | 10-K                      | 001-37690  | 10.53        | 12-23-2016  |                |
| 10.17 +        | <a href="#">Form of Agreement for Multi-Year Equity Award of Restricted Stock Unit Award under the Avago Technologies Limited 2009 Equity Incentive Award Plan (effective December 5, 2017).</a>  | 8-K                       | 001-38449  | 10.1         | 12-06-2018  |                |
| 10.18 +        | <a href="#">Form of Agreement for Multi-Year Equity Award of Performance Stock Units under the Avago Technologies Limited 2009 Equity Incentive Award Plan (effective March 13, 2018).</a>  | 8-K                       | 001-38449  | 10.2         | 12-06-2018  |                |
| 10.19 +        | <a href="#">Form of Restricted Stock Unit Award Agreement under LSI Corporation 2003 Equity Incentive Plan, as amended (effective December 8, 2020).</a>  | 10-K                      | 001-38449  | 10.51        | 12-18-2020  |                |
| 10.20 +        | <a href="#">Form of Performance Stock Unit Agreement (Relative TSR) under LSI Corporation 2003 Equity Incentive Plan, as amended (effective December 8, 2020).</a>  | 10-K                      | 001-38449  | 10.52        | 12-18-2020  |                |
| 10.21 +        | <a href="#">Form of Restricted Stock Unit Award Agreement under Broadcom Corporation 2012 Stock Incentive Plan (effective December 5, 2017).</a>  | 10-K                      | 001-37690  | 10.61        | 12-21-2017  |                |

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| Exhibit Number | Description   | Incorporated by Reference |            |         |             | Filed Herewith |
|----------------|---|---------------------------|------------|---------|-------------|----------------|
|                |   | Form                      | File No.   | Exhibit | Filing Date |                |
| 10.22 +        | <a href="#">Form of Restricted Stock Unit Award Agreement under Broadcom Inc. 2012 Stock Incentive Plan (effective April 5, 2021).</a>  | 10-Q                      | 001-38449  | 10.3    | 06-11-2021  |                |
| 10.23 +        | <a href="#">Form of Performance Share Unit Agreement (Relative TSR) under Broadcom Corporation 2012 Stock Incentive Plan (effective March 15, 2018).</a>  | 10-Q                      | 001-37690  | 10.5    | 03-15-2018  |                |
| 10.24 +        | <a href="#">Form of Performance Stock Unit Award Agreement under the Broadcom Inc. 2012 Stock Incentive Plan (effective April 5, 2021).</a>   | 10-Q                      | 001-38449  | 10.4    | 06-11-2021  |                |
| 10.25 +        | <a href="#">Form of Performance Stock Unit Award Agreement (Price Contingency) under Broadcom Inc. 2012 Stock Incentive Plan.</a>   | 8-K                       | 001-38449  | 10.1    | 11-02-2022  |                |
| 10.26 +        | <a href="#">Performance Stock Unit Award Agreement, dated April 5, 2021, between Broadcom Inc. and Hock E. Tan.</a>   | 10-Q                      | 001-38449  | 10.2    | 06-11-2021  |                |
| 10.27 +        | <a href="#">Broadcom Inc. 2023 Inducement Plan.</a>   | S-8                       | 333-276053 | 99.1    | 12-14-2023  |                |
| 10.28 +        | <a href="#">Form of Restricted Stock Unit Agreement under Broadcom Inc. 2023 Inducement Plan.</a>   | S-8                       | 333-276053 | 99.2    | 12-14-2023  |                |
| 10.29 +        | <a href="#">Form of Performance Stock Unit Agreement under Broadcom Inc. 2023 Inducement Plan.</a>  | S-8                       | 333-276053 | 99.3    | 12-14-2023  |                |
| 10.30 +        | <a href="#">Policy on Acceleration of Executive Staff Equity Awards in the Event of Permanent Disability (as amended June 2, 2021).</a>   | 8-K                       | 001-38449  | 10.1    | 06-03-2021  |                |
| 10.31 +        | <a href="#">Policy on Acceleration of Equity Awards in the Event of Death (as amended January 1, 2023).</a>   | 10-Q                      | 001-38449  | 10.2    | 09-06-2023  |                |
| 10.32 +        | <a href="#">Amended and Restated Severance Benefits Agreement, dated December 10, 2020, between Broadcom Inc. and Hock E. Tan.</a>  | 8-K                       | 001-38449  | 10.1    | 12-10-2020  |                |
| 10.33 +        | <a href="#">Amended and Restated Severance Benefits Agreement, dated December 10, 2020, between Broadcom Inc. and Charlie B. Kawwas.</a>  | 8-K                       | 001-38449  | 10.2    | 12-10-2020  |                |
| 10.34 +        | <a href="#">Severance Benefits Agreement, dated September 26, 2017, between Broadcom Limited and Mark Brazeal.</a>  | 10-Q                      | 001-38449  | 10.18   | 06-16-2018  |                |
| 10.35 +        | <a href="#">Severance Benefits Agreement, dated December 10, 2020, between Broadcom Inc. and Kirsten M. Spears.</a>   | 8-K                       | 001-38449  | 10.5    | 12-10-2020  |                |
| 19.1           | <a href="#">Broadcom Inc. Insider Trading Compliance Policy</a>   |                           |            |         |             | X              |
| 21.1           | <a href="#">List of Subsidiaries.</a>   |                           |            |         |             | X              |
| 23.1           | <a href="#">Consent of PricewaterhouseCoopers LLP, independent registered public accounting firm.</a>   |                           |            |         |             | X              |
| 24.1           | <a href="#">Power of Attorney (see signature page to this Form 10-K).</a>   |                           |            |         |             | X              |
| 31.1           | <a href="#">Certification of Principal Executive Officer of Broadcom Inc. Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a> |                           |            |         |             | X              |
| 31.2           | <a href="#">Certification of Principal Financial Officer of Broadcom Inc. Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a> |                           |            |         |             | X              |

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| Exhibit Number | Description  | Incorporated by Reference |           |         |             | Filed Herewith |
|----------------|--|---------------------------|-----------|---------|-------------|----------------|
|                |  | Form                      | File No.  | Exhibit | Filing Date |                |
| 32.1           | <a href="#">Certification of Principal Executive Officer of Broadcom Inc. Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>  |                           |           |         |             | X              |
| 32.2           | <a href="#">Certification of Principal Financial Officer of Broadcom Inc. Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>  |                           |           |         |             | X              |
| 97.1           | <a href="#">Clawback Policy.</a>   | 10-K                      | 001-38449 | 97.1    | 12-14-2023  |                |
| 101.INS        | Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.                   |                           |           |         |             | X              |
| 101.SCH        | Inline XBRL Schema Document.   |                           |           |         |             | X              |
| 101.CAL        | Inline XBRL Calculation Linkbase Document.   |                           |           |         |             | X              |
| 101.DEF        | Inline XBRL Definition Linkbase Document.  |                           |           |         |             | X              |
| 101.LAB        | Inline XBRL Labels Linkbase Document.  |                           |           |         |             | X              |
| 101.PRE        | Inline XBRL Presentation Linkbase Document.  |                           |           |         |             | X              |
| 104            | Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. |                           |           |         |             | X              |

Notes:

- + Indicates a management contract or compensatory plan or arrangement.
- \* Certain information omitted pursuant to a request for confidential treatment filed with the SEC.

**ITEM 16. FORM 10-K SUMMARY**

None.

### SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BROADCOM INC.

By: /s/ Hock E. Tan  
**Name: Hock E. Tan**  
**Title: President and Chief Executive Officer**

Date: December 20, 2024

### POWER OF ATTORNEY

Each person whose individual signature appears below hereby authorizes and appoints Hock E. Tan, Kirsten M. Spears and Mark D. Brazeal, and each of them, with full power of substitution and resubstitution and full power to act without the other, as his or her true and lawful attorney-in-fact and agent to act in his or her name, place and stead and to execute in the name and on behalf of each person, individually and in each capacity stated below, and to file any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing, ratifying and confirming all that said attorneys-in-fact and agents or any of them or their or his substitute or substitutes may lawfully do or cause to be done by virtue thereof.

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Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed by the following persons on behalf of the Registrant in the capacities indicated and on the dates indicated.

| <u>Signature</u>                                      | <u>Title</u>  | <u>Date</u>       |
|---|---|-------------------|
| <u>/s/ Hock E. Tan</u><br>Hock E. Tan                 | President, Chief Executive Officer and Director<br>(Principal Executive Officer)          | December 20, 2024 |
| <u>/s/ Kirsten M. Spears</u><br>Kirsten M. Spears     | Chief Financial Officer<br>(Principal Financial Officer and Principal Accounting Officer) | December 20, 2024 |
| <u>/s/ Henry Samuelli</u><br>Henry Samuelli           | Chairman of the Board of Directors  | December 20, 2024 |
| <u>/s/ Eddy W. Hartenstein</u><br>Eddy W. Hartenstein | Lead Independent Director   | December 20, 2024 |
| <u>/s/ Diane M. Bryant</u><br>Diane M. Bryant         | Director  | December 20, 2024 |
| <u>/s/ Gayla J. Delly</u><br>Gayla J. Delly           | Director  | December 20, 2024 |
| <u>/s/ Kenneth Y. Hao</u><br>Kenneth Y. Hao           | Director  | December 20, 2024 |
| <u>/s/ Check Kian Low</u><br>Check Kian Low           | Director  | December 20, 2024 |
| <u>/s/ Justine F. Page</u><br>Justine F. Page         | Director  | December 20, 2024 |
| <u>/s/ Harry L. You</u><br>Harry L. You               | Director  | December 20, 2024 |