UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark one)

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

For the quarterly period ended June 28, 2025

or

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

For the transition period from to .

Commission File Number 0-21272

Sanmina Corporation

(Exact name of registrant as specified in its charter)

DE	**77-0228183**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

2700 N. First St., San Jose, CA	**95134**
(Address of principal executive offices)	(Zip Code)

(408) 964-3500

(Registrant’s telephone number, including area code)

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock	SANM	NASDAQ Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [x]   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 [x]   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 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 [x]	Accelerated filer [ ]	Non-accelerated filer [ ]	Smaller reporting company	☐
			Emerging growth company	☐

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

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

As of July 21, 2025, there were 53,284,450 shares outstanding of the issuer’s common stock, $0.01 par value per share.

SANMINA CORPORATION

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PART I. FINANCIAL INFORMATION

ITEM 1. ***Interim Financial Statements (Unaudited)***

SANMINA CORPORATION

CONDENSED CONSOLIDATED BALANCE SHEETS

	As of	
	June 28, 2025	September 28, 2024
	(Unaudited)	
	(In thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 797,878	$ 625,860
Accounts receivable, net of allowances of approximately $8 million and $7 million as of June 28, 2025 and September 28, 2024, respectively	1,379,287	1,337,562
Contract assets	411,707	384,077
Inventories	1,589,807	1,443,629
Prepaid expenses and other current assets	123,204	79,301
Total current assets	4,301,883	3,870,429
Property, plant and equipment, net	629,504	616,067
Deferred income tax assets	154,174	160,703
Other assets	136,195	175,646
Total assets	$ 5,221,756	$ 4,822,845
LIABILITIES AND STOCKHOLDERS’ EQUITY		
Current liabilities:		
Accounts payable	$ 1,432,535	$ 1,441,984
Accrued liabilities	110,763	132,513
Deferred revenue and customer advances	525,144	215,553
Accrued payroll and related benefits	161,848	133,129
Short-term debt, including current portion of long-term debt	17,500	17,500
Total current liabilities	2,247,790	1,940,679
Long-term liabilities:		
Long-term debt	287,183	299,823
Other liabilities	211,927	220,835
Total long-term liabilities	499,110	520,658
Commitments and contingencies (Note 7)		
Stockholders’ equity	2,474,856	2,361,508

See accompanying notes to condensed consolidated financial statements.

SANMINA CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Nine Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
	(Unaudited)			
	(In thousands, except per share data)			
Net sales	$ 2,041,562	$ 1,841,430	$ 6,031,990	$ 5,550,823
Cost of sales	1,860,512	1,687,891	5,506,790	5,081,687
Gross profit	181,050	153,539	525,200	469,136
Operating expenses:				
Selling, general and administrative	69,542	61,720	216,700	195,704
Research and development	8,078	7,659	22,418	20,271
Acquisition and integration charges	7,080	—	7,080	—
Restructuring	473	1,793	2,899	7,257
Total operating expenses	85,173	71,172	249,097	223,232
Operating income	95,877	82,367	276,103	245,904
Interest income	4,200	2,572	11,319	9,641
Interest expense	(4,981)	(7,506)	(14,961)	(24,136)
Other income (expense), net	(3,686)	(2,795)	(6,370)	(652)
Interest and other, net	(4,467)	(7,729)	(10,012)	(15,147)
Income before income taxes	91,410	74,638	266,091	230,757
Provision for income taxes	18,522	19,900	51,804	60,346
Net income before noncontrolling interest	72,888	54,738	$ 214,287	$ 170,411
Less: Net income attributable to noncontrolling interest	4,272	3,136	16,460	9,256
Net income attributable to common shareholders	$ 68,616	$ 51,602	$ 197,827	$ 161,155
Net income attributable to common shareholders per share:				
Basic	$ 1.28	$ 0.93	$ 3.66	$ 2.88
Diluted	$ 1.26	$ 0.91	$ 3.58	$ 2.82

See accompanying notes to condensed consolidated financial statements.

SANMINA CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended		Nine Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
	(Unaudited) (In thousands)			
Net income before noncontrolling interest	$ 72,888	$ 54,738	$ 214,287	$ 170,411
Other comprehensive income (loss), net of tax:				
Change in foreign currency translation adjustments	6,045	(1,030)	3,548	754
Defined benefit pension plans	(217)	148	114	276
Derivative financial instruments:				
Change in net unrealized amount	2,643	972	2,702	1,075
Amount reclassified into net income before noncontrolling interest	(3,771)	(635)	(1,975)	(3,996)
Total other comprehensive income (loss), net of tax	4,700	(545)	4,389	(1,891)
Comprehensive income before noncontrolling interest	$ 77,588	$ 54,193	$ 218,676	$ 168,520
Less: Net income attributable to noncontrolling interest	4,272	3,136	16,460	9,256
Comprehensive income attributable to common shareholders	$ 73,316	$ 51,057	$ 202,216	$ 159,264

See accompanying notes to condensed consolidated financial statements.

SANMINA CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Three Months Ended		Nine Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
	(Unaudited) (In thousands)			
Common Stock and Additional Paid-in Capital				
Balance, beginning of period	$ 6,607,981	$ 6,540,860	$ 6,576,899	$ 6,513,331
Issuances under stock plans	—	666	—	959
Stock-based compensation expense	16,081	14,682	47,163	41,918
Balance, end of period	6,624,062	6,556,208	6,624,062	6,556,208
Treasury Stock				
Balance, beginning of period	(1,877,658)	(1,618,641)	(1,739,550)	(1,485,252)
Repurchases of treasury stock	(13,491)	(55,127)	(113,944)	(163,025)
Tax withholding on stock-based compensation	(892)	(168)	(38,547)	(25,659)
Balance, end of period	(1,892,041)	(1,673,936)	(1,892,041)	(1,673,936)
Accumulated Other Comprehensive Income				
Balance, beginning of period	66,430	69,533	66,741	70,879
Other comprehensive income (loss), net of tax	4,700	(545)	4,389	(1,891)
Balance, end of period	71,130	68,988	71,130	68,988
Accumulated Deficit				
Balance, beginning of period	(2,578,261)	(2,820,455)	(2,707,472)	(2,930,008)
Net income attributable to common shareholders	68,616	51,602	197,827	161,155
Balance, end of period	(2,509,645)	(2,768,853)	(2,509,645)	(2,768,853)
Noncontrolling Interest				
Balance, beginning of period	177,078	155,795	164,890	149,675
Net income attributable to noncontrolling interest	4,272	3,136	16,460	9,256
Balance, end of period	181,350	158,931	181,350	158,931
Total stockholders’ equity	$ 2,474,856	$ 2,341,338	$ 2,474,856	$ 2,341,338
Common Stock Shares Outstanding				
Number of shares, beginning of period	114,362	112,848	113,117	111,550
Issuances under stock plans	38	43	1,283	1,341

See accompanying notes to condensed consolidated financial statements.

SANMINA CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended	
	June 28, 2025	June 29, 2024
	(Unaudited)	
	(In thousands)	
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Net income before noncontrolling interest	$ 214,287	$ 170,411
Adjustments to reconcile net income before noncontrolling interest to cash provided by (used in) operating activities:		
Depreciation	89,813	90,764
Stock-based compensation expense	47,163	41,918
Deferred income taxes	6,990	14,614
Other, net	(5,242)	(5)
Changes in operating assets and liabilities:		
Accounts receivable	(43,171)	77,508
Contract assets	(27,630)	30,952
Inventories	(144,798)	93,676
Prepaid expenses and other assets	2,874	(9,074)
Accounts payable	(27,580)	(175,607)
Deferred revenue and customer advances	309,591	18,045
Accrued liabilities and other	(719)	(64,861)
Cash provided by operating activities	421,578	288,341
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(84,890)	(88,228)
Purchases of investments	(14,700)	(1,900)
Proceeds from sale of investments	49,309	—
Proceeds from sale of property, plant and equipment	4,718	1,629
Cash used in investing activities	(45,563)	(88,499)
CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES:		
Repayments of borrowings	(13,125)	(21,570)
Proceeds from revolving credit facility borrowings	512,700	1,932,400
Repayments of revolving credit facility borrowings	(512,700)	(1,932,400)

See accompanying notes to condensed consolidated financial statements.

SANMINA CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Note 1. Basis of Presentation

The accompanying condensed consolidated financial statements of Sanmina Corporation (the “Company”) have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). Certain information and note disclosures normally included in annual financial statements prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) have been omitted pursuant to those rules or regulations. The interim condensed consolidated financial statements are unaudited, but reflect all adjustments, consisting primarily of normal recurring adjustments that are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto for the year ended September 28, 2024 included in the Company’s Annual Report on Form 10-K filed with the SEC on November 27, 2024.

The condensed consolidated financial statements include all accounts of the Company, its wholly owned subsidiaries and subsidiaries in which the Company has a controlling financial interest. All intra-company accounts and transactions have been eliminated. Noncontrolling interest represents a noncontrolling investor’s interest in the results of operations of subsidiaries that the Company controls and consolidates.

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. Actual results could differ materially from these estimates.

Results of operations for the third quarter of 2025 are not necessarily indicative of the results that may be expected for other interim periods or for the full fiscal year.

The Company operates on a 52 or 53 week year ending on the Saturday nearest September 30. Fiscal 2025 and 2024 are each 52-week years. All references to years relate to fiscal years unless otherwise noted.

Reclassification

Beginning in the first quarter of 2025, the Company changed the presentation of deferred revenue and customer advances, which were previously included within accrued liabilities, to be a separate line item on the condensed consolidated balance sheets. Similarly, a separate line for the change in those amounts is presented on the condensed consolidated statements of cash flows. Certain prior period balances have been reclassified to conform to the current period presentation in the condensed consolidated financial statements and the accompanying notes.

Recently Issued Accounting Pronouncements Not Yet Adopted

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosure, which will require additional disclosure of certain costs and expenses within the notes to the financial statements. The disclosure requirements are effective for the Company for annual reporting periods beginning in fiscal 2028 and for interim periods beginning in fiscal 2029, with early adoption permitted, and will be applied prospectively, with the option to apply retrospectively. The Company is currently evaluating the impact ASU 2024-03 will have on its financial statement disclosures.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which will require the Company, on an annual basis, to provide disclosure of specific categories in its effective income tax rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for the Company for annual reporting beginning in fiscal 2026, with early adoption permitted. The Company is currently evaluating the impact ASU 2023-09 will have on its financial statement disclosures.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which will require the Company to disclose information about its reportable segment's significant expenses and other segment items on an interim and annual basis. The disclosure requirements are effective for the Company for the fiscal year ended 2025, and for interim periods within the Company's fiscal 2026, with early adoption permitted. The Company does not expect ASU 2023-07 to have a material impact on its financial statement disclosures.

Note 2. Revenue Recognition

The Company has determined that revenue for the majority of its contracts is required to be recognized on an over time basis. This is primarily due to the fact that the Company does not have an alternative use for the end products it manufactures for its customers and has an enforceable right to payment, including a reasonable profit, for work-in-progress and finished goods upon a customer’s cancellation of a contract for convenience. In certain circumstances, the Company recognizes revenue over time because its customer simultaneously receives and consumes the benefits provided by the Company’s services or the Company’s customer controls the end product as the Company performs manufacturing services (continuous transfer of control). For these contracts, revenue is recognized on an over time basis using the cost-to-cost method (ratio of costs incurred to date to total estimated costs at completion) which the Company believes best depicts the transfer of control to the customer. Revenue streams for which revenue is recognized on an over time basis include sales of integrated manufacturing solutions; components; logistics and repair services; design, development and engineering services; and defense and aerospace programs. At least 95% of the Company’s revenue is recognized on an over time basis, which is as products are manufactured or services are performed. Because of this, and the fact that there is no work-in-progress or finished goods inventory associated with contracts since revenue is recognized on an over time basis, 99% or more of the Company’s inventory at the end of a given period is in the form of raw materials. For contracts for which revenue is required to be recognized at a point in time, the Company recognizes revenue when it has transferred control of the related goods, which generally occurs upon shipment or delivery of the goods to the customer.

Contract Assets

A contract asset is recognized when the Company has recognized revenue, but has not issued an invoice to its customer for payment. Contract assets are classified separately on the condensed consolidated balance sheets and transferred to accounts receivable when rights to payment become unconditional. Because of the Company’s short manufacturing cycle times, the transfer from contract assets to accounts receivable generally occurs within the next fiscal quarter.

Application of the cost-to-cost method for government contracts in the Company's Defense and Aerospace division requires the use of significant judgments with respect to estimated materials, labor and subcontractor costs included in the total estimated costs at completion. Additionally, the Company evaluates whether contract modifications for claims have been approved and, if so, estimates the amount, if any, of variable consideration that can be included in the transaction price of the contract.

Changes in the Company's estimates of transaction price and/or costs to complete result in a favorable or unfavorable impact to revenue and operating income. The impact of changes in estimates on revenue and operating income resulting from application of the cost-to-cost method for recognizing revenue was as follows:

	Three Months Ended		Nine Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Revenue	(In thousands)			
Favorable	$ 5,694	$ 5,270	$ 17,309	$ 15,980
Unfavorable	(762)	(3,795)	(2,811)	(10,522)
Net	$ 4,932	$ 1,475	$ 14,498	$ 5,458

	Three Months Ended		Nine Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Operating income	(In thousands)			
Favorable	$ 6,071	$ 7,547	$ 17,903	$ 23,248
Unfavorable	(9,095)	(6,385)	(15,427)	(16,757)
Net	$ (3,024)	$ 1,162	$ 2,476	$ 6,491

The following table presents revenue disaggregated by segment, market sector and geography.

	Three Months Ended		Nine Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
	(In thousands)			
Segments:				
Integrated Manufacturing Solutions ("IMS")	$ 1,639,258	$ 1,468,259	$ 4,842,513	$ 4,418,009
Components, Products and Services ("CPS")	$ 402,304	$ 373,171	$ 1,189,477	$ 1,132,814
Total	$ 2,041,562	$ 1,841,430	$ 6,031,990	$ 5,550,823
End Markets:				
Industrial, Medical, Defense and Aerospace, and Automotive	$ 1,255,297	$ 1,181,489	$ 3,775,853	$ 3,663,208
Communications Networks and Cloud Infrastructure	$ 786,265	$ 659,941	$ 2,256,137	$ 1,887,615
Total	$ 2,041,562	$ 1,841,430	$ 6,031,990	$ 5,550,823
Geography:				
Americas (1)	$ 1,210,923	$ 966,321	$ 3,445,419	$ 2,885,983
APAC	$ 612,363	$ 638,991	$ 1,928,712	$ 1,843,828
EMEA	$ 218,276	$ 236,118	$ 657,859	$ 821,012
Total	$ 2,041,562	$ 1,841,430	$ 6,031,990	$ 5,550,823
Percentage of net sales represented by ten largest customers	53 %	50 %	51 %	47 %
Number of customers representing 10% or more of net sales and primarily related to IMS	—	1	—	1

(1) Mexico represents approximately 68% and 62% of Americas net sales for the three months ended June 28, 2025 and June 29, 2024, respectively, and the U.S. represents approximately 29% and 35% of Americas net sales for the three months ended June 28, 2025 and June 29, 2024, respectively.

Mexico represents approximately 67% and 62% of Americas net sales for the nine months ended June 28, 2025 and June 29, 2024, respectively, and the U.S. represents approximately 30% and 35% of Americas net sales for the nine months ended June 28, 2025 and June 29, 2024, respectively.

As an electronics manufacturing services company, the Company primarily provides manufacturing and related services for products built to its customers' unique specifications. Therefore, it is impracticable for the Company to provide revenue from external customers for each product and service it provides.

Deferred Revenue and Customer Advances

As of June 28, 2025 and September 28, 2024, customer advances for raw materials inventory of $411 million and $151 million, respectively, were recorded under deferred revenue and customer advances in the condensed consolidated balance sheets. These customer advances received by the Company as an advance on customer-specific raw materials acquired at the customer's request are not designed as a financing arrangement and do not contain any interest or repayment terms.

Note 3. Financial Instruments

Reconciliation of cash and cash equivalents to condensed consolidated statements of cash flows is as follows.

	As of	
	June 28, 2025	September 28, 2024
	(In thousands)	
Cash and cash equivalents	$ 797,878	$ 625,860
Restricted cash equivalents (1)	39,842	—
Total cash, cash equivalents and restricted cash equivalents	$ 837,720	$ 625,860

(1) Represents money market funds related to deferred compensation plan. Due to the restrictions on the distributions of these funds, the amount is considered restricted and recorded in prepaid expenses and other current assets on the condensed consolidated balance sheets.

Fair Value Measurements

Fair Value of Financial Instruments

The fair values of cash equivalents (represents 27% of cash and cash equivalents), restricted cash equivalents, accounts receivable, accounts payable and short-term debt approximate carrying values due to the short-term duration of these instruments. Additionally, the fair value of variable rate long-term debt approximates carrying value as of June 28, 2025. The Company’s cash equivalents are classified as Level 1 in the fair value hierarchy.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

Defined benefit plan assets were $18 million as of September 28, 2024 and are measured at fair value using Level 1 input in the fourth quarter of each year only. Deferred compensation plan assets and liabilities were

$50 million and $51 million, respectively, as of June 28, 2025 and are both measured using Level 1 inputs. Deferred compensation plan assets and liabilities were each $47 million as of September 28, 2024.

The Company also measures fair value of foreign exchange contracts, interest rate swaps and total return swap on a recurring basis. Interest rate swaps are valued based on a discounted cash flow analysis that incorporates observable market inputs such as interest rate yield curves and credit spreads. The total return swap contract is measured at fair value using quoted prices of the underlying investments. For currency contracts inputs include foreign currency spot and forward rates and interest rates at commonly quoted intervals.

Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

Other non-financial assets, such as goodwill and other long-lived assets, are measured at fair value as of the date such assets are acquired or in the period an impairment is recorded.

Offsetting Derivative Assets and Liabilities

The Company has entered into master netting arrangements with each of its derivative counterparties that allow net settlement of derivative assets and liabilities under certain conditions, such as multiple transactions with the same currency maturing on the same date. The Company presents its derivative assets and derivative liabilities on a gross basis on the condensed consolidated balance sheets.

The following table presents the location and fair value of derivative financial instruments included in our condensed consolidated balance sheets as of June 28, 2025.

	Fair Value Measurements Using Level 1, Level 2, or Level 3	Prepaid Expenses and Other Current Assets	Other Assets	Accrued Liabilities	Other Liabilities
		(In thousands)			
Derivatives designated as accounting hedges: foreign currency forward contracts	Level 2	$ 192	$ —	$ 35	$ —
Derivatives not designated as accounting hedges: foreign currency forward contracts	Level 2	$ 2,854	$ —	$ 568	$ —
Derivatives designated as accounting hedges: interest rate swap	Level 2	$ 1,743	$ 121	$ —	$ 606
Derivative not designated as accounting hedge: total return swap	Level 2	$ 1,520	$ —	$ —	$ —

The following table presents the location and fair value of derivative financial instruments included in our condensed consolidated balance sheets as of September 28, 2024.

	Fair Value Measurements Using Level 1, Level 2, or Level 3	Prepaid Expenses and Other Current Assets	Other Assets	Accrued Liabilities	Other Liabilities
		(In thousands)			
Derivatives designated as accounting hedges: foreign currency forward contracts	Level 2	$ 759	$ —	$ 53	$ —
Derivatives not designated as accounting hedges: foreign currency forward contracts	Level 2	$ 3,229	$ —	$ 2,265	$ —
Derivatives designated as accounting hedges: interest rate swap	Level 2	$ 1,518	$ 21	$ —	$ 1,771

Derivative Instruments

The Company had the following outstanding derivative contracts that were entered into to hedge foreign currency, interest rate and deferred compensation plan liability exposures:

	As of	
	June 28, 2025	September 28, 2024
	(In thousands, except number of contracts)	
Foreign Currency Forward Contracts:		
Derivatives Designated as Accounting Hedges:		
Notional amount	$ 126,206	$ 117,015
Number of contracts	45	47
Derivatives Not Designated as Accounting Hedges:		
Notional amount	$ 403,237	$ 366,425
Number of contracts	40	38
Interest Rate Swap:		
Derivatives Designated as Accounting Hedges:		
Notional amount	$ 300,000	$ 300,000
Number of contracts	6	6
Total Return Swap:		
Derivatives Not Designated as Accounting Hedges:		
Notional amount	$ 51,034	$ —
Number of contracts	1	—

Foreign Currency Forward Contracts

The Company is exposed to certain risks related to its ongoing business operations. The primary risk managed by using derivative instruments is foreign currency exchange risk.

Forward contracts on various foreign currencies are used to manage foreign currency risk associated with forecasted foreign currency transactions and certain monetary assets and liabilities denominated in non-functional currencies. The Company's primary foreign currency cash flows are in India, Mexico and China.

The Company utilizes foreign currency forward contracts to hedge certain operational ("cash flow") exposures resulting from changes in foreign currency exchange rates. Such exposures generally result from (1) forecasted non-functional currency sales and (2) forecasted non-functional currency materials, labor, overhead and other expenses. These contracts are designated as cash flow hedges for accounting purposes and are generally one to two months in duration but, by policy, may be up to twelve months in duration.

For derivative instruments that are designated and qualify as cash flow hedges, the Company excludes the change in the fair value of the contract related to the changes in the difference between the spot price and the forward price from its assessment of hedge effectiveness and recognizes these amounts, which are primarily related to time value, in earnings over the life of the derivative instrument. Gains or losses on the derivative not caused by changes in time value are recorded in accumulated other comprehensive income ("AOCI"), a component of equity, and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. The amount of gain or loss recognized in other comprehensive income on derivative instruments and the amount of gain or loss reclassified from AOCI into income were not material for any period presented herein and are included as components of cost of sales in the condensed consolidated statements of income.

The Company enters into short-term foreign currency forward contracts to hedge currency exposures associated with certain monetary assets and liabilities denominated in non-functional currencies. These contracts have maturities of up to two months and are not designated as accounting hedges. Accordingly, these contracts are marked-to-market at the end of each period with unrealized gains and losses recorded in other income (expense), net in the condensed consolidated statements of income. The amount of gains or losses associated with these forward contracts was not material for any period presented herein.

From an economic perspective, the objective of the Company’s hedging program is for gains and losses on forward contracts to substantially offset currency gains and losses on the underlying hedged items. In addition to the contracts disclosed in the table above, the Company has numerous contracts that have been closed from an economic and financial accounting perspective and will settle early in the first month of the following quarter. Since these offsetting contracts do not expose the Company to risk of fluctuations in exchange rates, these contracts have been excluded from the above table.

Interest Rate Swap

The Company enters into forward interest rate swap agreements with independent counterparties to partially hedge the variability in cash flows due to changes in the Secured Overnight Financing Rate benchmark interest rate (“SOFR”) associated with anticipated variable rate borrowings. These interest rate swaps have a maturity date of September 27, 2027 and effectively convert a portion of the Company’s variable interest rate obligations to fixed interest rate obligations. These swaps are accounted for as cash flow hedges under ASC Topic 815, *Derivatives and Hedging*. The aggregate effective interest rate of these swaps as of June 28, 2025 was approximately 4.7%.

Total Return Swap

Beginning the second quarter of fiscal 2025, the Company entered into a total return swap contract (“TRS”) to substantially offset changes in the deferred compensation plan liabilities resulting from changes in the value of investment elections made by participants. The Company elected not to designate the TRS as an accounting hedge and recognized the changes in fair value of the derivative instrument, as well as the offsetting change in the fair value of the hedged item, in cost of sales, and selling, general and administrative expense in the condensed consolidated statements of income.

Note 4. Debt

Long-term debt consisted of the following:

	As of			
	June 28, 2025		September 28, 2024	
	(In thousands)			
Term Loan Due 2027, net of issuance costs	$	304,683	$	317,323
Less: Current portion of Term Loan Due 2027		17,500		17,500
Long-term debt	$	287,183	$	299,823

Term Loan maturities by fiscal year are as follows:

	As of	
	June 28, 2025	
	(In thousands)	
Remainder of 2025	$	4,375
2026		21,875
2027		280,000
	$	306,250

Revolving Credit Facility

In 2022, the Company entered into a Fifth Amended and Restated Credit Agreement (the "Credit Agreement"), that provides for an $800 million revolving credit facility and drew a $350 million secured term loan ("Term Loan Due 2027"). Subject to the satisfaction of certain conditions, including obtaining additional commitments from existing and/or new lenders, the Company may increase the revolving commitment up to an additional $200 million.

Loans under the Credit Agreement bear interest, at the Company's option, at either the SOFR or a base rate, in each case plus a spread determined based on the Company's credit rating. Interest on the loans is payable quarterly in arrears with respect to base rate loans and at the end of an interest period (or at three-month intervals if the interest period exceeds three months) in the case of SOFR loans. The outstanding principal amount of all loans under the Credit Agreement, including the Term Loan Due 2027, together with accrued and unpaid interest, is due on September 27, 2027. The Company is required to repay a portion of the principal amount of the Term Loan Due 2027 equal to 1.25% of the principal in quarterly installments.

Certain of the Company's domestic subsidiaries are guarantors in respect of the Credit Agreement. The Company and the subsidiary guarantors' obligations under the Credit Agreement are secured by a lien on substantially all of their respective assets (excluding real property), including cash, accounts receivable and the shares of certain Company subsidiaries, subject to certain exceptions.

There were no borrowings outstanding under the Credit Agreement as of June 28, 2025 or September 28, 2024. Additionally, as of June 28, 2025, $9 million of letters of credit was outstanding under the Credit Agreement and $791 million was available to borrow.

On June 6, 2025, the Company amended the Credit Agreement to permit the acquisition of ZT Group Int'l, Inc. ("ZT Systems") from AMD Design, LLC, a wholly owned subsidiary of Advanced Micro Devices, Inc.

Foreign Short-term Borrowing Facilities

As of June 28, 2025, certain of the Company's foreign subsidiaries had a total of $71 million of uncommitted short-term borrowing facilities available, under which no borrowings were outstanding.

Debt Covenants

The Credit Agreement requires the Company to comply with certain financial covenants, namely a maximum consolidated leverage ratio and a minimum interest coverage ratio, in both cases measured on the basis of a trailing 12-month look-back period. In addition, the Company's debt agreements contain a number of restrictive covenants, including restrictions on incurring additional debt, making investments and other restricted payments, selling assets and paying dividends, subject to certain exceptions. Finally, the debt agreements also include covenants that require the Company to file quarterly and annual financial statements with the SEC on a timely basis. The Company was in compliance with these covenants as of June 28, 2025.

Pending Acquisition of ZT Systems

On May 18, 2025, the Company entered into an Equity Purchase Agreement (the “Equity Purchase Agreement”) to acquire ZT Systems from AMD Design, LLC, a wholly owned subsidiary of Advanced Micro Devices, Inc., pursuant to which the Company will purchase all of the outstanding equity interests of ZT Systems, a provider of AI and general purpose computer infrastructure for hyperscale computing companies. See Note 12, “Business Combination” of the notes to the Condensed Consolidated Financial Statements contained in this report for details. In connection with the Equity Purchase Agreement, the Company entered into a commitment letter with certain financial institutions that have agreed to provide the Company with, subject to satisfaction of customary conditions and covenants, a senior secured 364-day bridge loan facility in an aggregate principal amount of up to $2.5 billion to fund a portion of the consideration payable in the acquisition of ZT Systems and to pay related fees and expenses. The commitment is intended to be drawn only to the extent that permanent financing is not obtained prior to closing the acquisition. As alternative financing is secured, the commitment letter will be reduced.

Note 5. Leases

The Company’s leases consist primarily of operating leases for buildings and land and have initial lease terms of up to 44 years. Certain of these leases contain an option to extend the lease term for additional periods or to terminate the lease after an initial non-cancelable term. Renewal options are considered in the measurement of the Company’s initial lease liability and corresponding right-of-use (“ROU”) assets only if it is reasonably certain that the Company will exercise such options. Leases with lease terms of twelve months or less are not recorded on the Company’s balance sheet.

ROU assets and lease liabilities recorded in the condensed consolidated balance sheets are as follows:

	As of	
	June 28, 2025	September 28, 2024
	(In thousands)	
Other assets	$ 69,928	$ 77,612
Accrued liabilities	$ 21,587	$ 22,270
Other long-term liabilities	37,715	44,513
Total lease liabilities	$ 59,302	$ 66,783
Weighted average remaining lease term (in years)	11.81	13.93
Weighted average discount rate	4.3 %	4.2 %

Lease expense and supplemental cash flow information related to operating leases are as follows:

	Three Months Ended		Nine Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
	(In thousands)			
Operating lease expense (1)	$ 7,898	$ 7,189	$ 23,486	$ 23,434

	Nine Months Ended	
	June 28, 2025	June 29, 2024
	(In thousands)	
Cash paid for operating lease liabilities	$ 19,180	$ 19,499
Right-of-use assets obtained in exchange for lease liabilities	$ 1,493	$ 1,215

(1) Includes immaterial amounts of short-term leases, variable lease costs and sublease income.

Future lease payments under non-cancelable operating leases as of June 28, 2025, by fiscal year, are as follows:

	Operating Leases
	(In thousands)
Remainder of 2025	$ 6,468
2026	22,489
2027	18,276
2028	7,363
2029	1,626
Thereafter	8,632
Total lease payments	64,854
Less: imputed interest	5,552
Total	$ 59,302

Note 6. Accounts Receivable Sale Program

The Company is a party to a Receivables Purchase Agreement, as amended (the “RPA”) with certain third-party banking institutions for the sale of trade receivables generated from sales to certain customers, subject to acceptance by, and a funding commitment from, the banks that are party to the RPA. Trade receivables sold pursuant to the RPA are serviced by the Company.

In addition to the RPA, the Company has the option to participate in trade receivables sales programs that have been implemented by certain of the Company's customers, as in effect from time to time. The Company does not service trade receivables sold under these other programs.

Under each of the programs noted above, the Company sells its entire interest in a trade receivable for 100% of face value, less a discount. Upon sale, these receivables are removed from the condensed consolidated balance sheets and cash received is presented as cash provided by operating activities in the condensed consolidated statements of cash flows. The Company's sole risk with respect to receivables it services is with respect to commercial disputes regarding such receivables. Commercial disputes include billing errors, returns and similar matters. To date, the Company has not been required to repurchase any receivable it has sold due to a commercial dispute. Additionally, the Company is required to remit amounts collected as a servicer under the RPA on a weekly basis to the financial institutions that purchased the receivables.

Trade receivables sold and discount on trade receivables sold under these programs are as follows:

	Nine Months Ended	
	June 28, 2025	**June 29, 2024**
	(In thousands)	
Trade receivables sold	$ 237,513	$ 983,342
Discount on trade receivables (1)	$ 1,284	$ 6,826

(1) Recorded in other income (expense), net in the condensed consolidated statements of income

Trade receivables sold under the RPA and subject to servicing by the Company that remained outstanding and uncollected and collected as of June 28, 2025 are as follows:

	As of			
	June 28, 2025		September 28, 2024	
	(In thousands)			
Outstanding and uncollected	$	9,756	$	33,874
Outstanding and collected (1)	$	—	$	2,688

(1) Amount collected but not yet remitted to bank as of September 28, 2024 is classified in accrued liabilities on the condensed consolidated balance sheets.

Note 7. Commitments and Contingencies

From time to time, the Company is a party to litigation, claims and other contingencies, including environmental, regulatory and employee matters and examinations and investigations by governmental agencies, which arise in the ordinary course of business. The Company records a contingent liability when it is probable that a loss has been incurred and the amount of loss is reasonably estimable in accordance with ASC Topic 450, *Contingencies*, or other applicable accounting standards. As of June 28, 2025 and September 28, 2024, the Company had estimated liabilities of $36 million and $39 million, respectively, for environmental matters, warranty, litigation and other contingencies (excluding reserves for uncertain tax positions), which the Company believes are adequate. However, there can be no assurance that the Company’s reserves will be sufficient to settle these contingencies. Such reserves are included in accrued liabilities and other long-term liabilities on the condensed consolidated balance sheets.

Legal Proceedings

Environmental Matters

The Company is subject to various federal, state, local and foreign laws and regulations and administrative orders concerning environmental protection, including those addressing the discharge of pollutants into the environment, the management and disposal of hazardous substances, the cleanup of contaminated sites, the materials used in products, and the recycling, treatment and disposal of hazardous waste.

In June 2008, the Company was named by the Orange County Water District in a suit alleging that a predecessor company's actions at a plant the Company sold in 1998 contributed to polluted groundwater managed by the plaintiff. The complaint sought recovery of compensatory and other damages, as well as declaratory relief, for the payment of costs necessary to investigate, monitor, remediate, abate and contain contamination of groundwater. In April 2013, all claims against the Company were dismissed. The plaintiff appealed this dismissal and the Court of Appeal reversed the judgment in August 2017, remanding the case back to the Superior Court of California for trial. The trial against the Company and several other defendants commenced in April 2021 and the submission of evidence concluded in May 2022. On April 3, 2023, the court published a statement of decision finding the Company and other remaining defendants liable for certain past investigation costs incurred by the plaintiff. Subsequent proceedings to assess the Company's and other defendants' liability for the plaintiff's future remediation and other costs, including attorneys' fees, were expected. However, without admitting any liability, in August 2024, the Company and plaintiff agreed to settle this matter and all pending litigation in exchange for the Company's payment to the plaintiff of $3 million, which amount was paid during the fiscal quarter ended December 28, 2024.

Item 103 of the SEC's Regulation S-K requires disclosure of certain environmental matters when a governmental authority is a party to the proceedings and the proceedings involve potential monetary sanctions unless the Company reasonably believes the monetary sanctions, exclusive of interest and costs, will not equal or exceed a threshold which the Company determines is reasonably designed to result in disclosure of any such proceeding that is material to its business or financial condition. Item 103 states that the disclosure threshold is $300,000, or at our election, a threshold that does not exceed the lesser of $1 million or one percent of our consolidated current assets. The disclosure below is made in reference to the lower threshold contained in Item 103. Going forward, as permitted by Item 103, the Company has elected to adopt a quantitative threshold for environmental proceedings of $1 million. Given the size of its operations, the Company believes that environmental matters under this threshold are not material to its business or financial condition.

On May 4, 2023, the Company received a summon to respond to a misdemeanor criminal complaint stemming from certain alleged violations of the California Health & Safety Code at the Company's O'Toole Street plant in San Jose, California. The charging document (as amended), filed in the Superior Court for Santa Clara County, alleged: (a) improper releases of chlorine gas on four occasions, (b) improper and incomplete reporting of such releases, (c) improper treatment and storage of hazardous waste, and (d) improper assessment and record keeping regarding hazardous waste treatment system tanks. In December 2024, after fully addressing the issues raised in the action, the Company pled *nolo contendre* to three of the alleged counts (the government dismissed all other counts) and agreed to pay fines and penalty assessments totaling $0.6 million, which payment was made in March 2025.

Other Matters

In December 2019, the Company sued a former customer, Dialight plc ("Dialight"), in the United States District Court for the Southern District of New York (the "Court") to collect unpaid accounts receivable and net obsolete inventory obligations (which, by the time of the September 2024 trial referenced below, totaled $9 million, exclusive of interest and attorneys' fees). On the same day the Company filed its suit, Dialight commenced its own action in the same court. Dialight alleged that the Company fraudulently misrepresented its capabilities to induce Dialight to enter into a Manufacturing Services Agreement ("MSA") and then allegedly committed multiple, willful breaches of contract when performing under the MSA. After a trial in September 2024, a jury awarded the Company the full $9 million on its claims, rejected Dialight's claims for fraudulent inducement and willful breach of contract, and awarded Dialight $1 million for breach of contract (collectively, the "Verdict"). The parties filed post-trial motions in October 2024, including a motion by the Company for prejudgment interest and its costs and expenses of the suit, and a motion by Dialight for pre-judgment and post-judgment interest, its costs and expenses of the suit and for a new trial. Effective March 27, 2025, the parties entered into a Stipulation for Entry of Judgment and Conditional Covenant Not to Execute (the "Stipulation"), which resolves conclusively all pending claims and disputed issues through (i) a series of payments by Dialight to the Company over the next two years totaling $12 million, and (ii) Dialight's assignment to Sanmina of the $2 million (including prejudgment interest) otherwise due Dialight from Sanmina's insurer in respect of the Verdict. On April 4, 2025, the Court entered a final judgment consistent with the Stipulation, marking the end of this litigation.

In May 2023, Sanmina Corporation and its SCI Technology, Inc. subsidiary ("SCI") received Civil Investigative Demands ("CIDs") from the United States Department of Justice ("DOJ") pursuant to the civil False Claims Act ("FCA"). The stated purpose of the CIDs—a form of subpoena requiring responses to written interrogatories and the production of documents relating to certain contracts, projects, proposals and business activities of SCI going back to 2010—is to determine whether there is or has been a violation of the FCA with respect to the provision of products and services to the government. These CIDs

supplement several CIDs relating to the same subject matter served upon SCI and certain current and former SCI and Sanmina Corporation employees beginning in August 2020, pursuant to which SCI produced documents and information and certain of the current and former employees provided oral testimony. Sanmina and SCI cooperated with the DOJ investigation. On May 13, 2024, the Company learned that *United States of America ex rel. Carl R. Eckert v. SCI Technology, Inc. et al.* (the “Eckert Qui Tam Suit”) had been filed under seal in June 2020, and is now unsealed. On May 13, 2024, the Company also learned that the DOJ had filed a notice in the Eckert Qui Tam Suit stating that, while its investigation would continue, it was declining to intervene at the current time. The Eckert Qui Tam Suit, filed by a former SCI employee, alleges 16 FCA counts that relate substantially to the same contracts and issues that the DOJ previously had investigated, including making false certifications under the Truth in Negotiations Act and Cost Accounting Standards, submitting false cost and pricing data, fraudulently inducing the government to award contracts and violations of the Service Contract Act. The Eckert Qui Tam Suit alleges such claimed violations defrauded the government in an amount approximating $100 million, and seeks, on behalf of the government, treble damages, civil penalties and interest payable thereon. Sanmina and SCI intend to continue to defend vigorously against the claims made in the Eckert Qui Tam Suit, and filed a motion to dismiss on April 25, 2025. The Company is unable to predict the ultimate outcome of this suit, although a loss is currently not considered to be probable or estimable.

On November 14, 2023, former employee Gerardo Ramirez filed two lawsuits against the Company in the Alameda County Superior Court (together, the “Ramirez Cases”). The first, a putative class action, alleges violations of various California Labor Code and Wage Order requirements, including provisions governing overtime, meal and rest periods, minimum wage requirements, payment of wages during employment, wage statements, payroll records, and reimbursement of business expenses. The class action complaint seeks certification of a class of all current and former non-exempt employees who worked for the Company within the State of California at any time between March 1, 2021 and final judgment, as well as unspecified damages, penalties, restitution, attorneys’ fees, pre-judgment interest, and costs of suit. The second action, a complaint under California’s Private Attorneys General Act of 2004 (“PAGA”), alleges substantially similar violations and a violation of the provision governing payment of final wages and seeks penalties individually and on behalf of the State of California and other “aggrieved employees,” along with attorneys’ fees and costs. On May 16, 2024 and June 14, 2024, former employee Carlos Lobatos filed class and PAGA actions in the Santa Clara County Superior Court (the “Lobatos Cases”) alleging violations substantially similar to the violations in the Ramirez Cases, and, in the case of the Lobatos PAGA action, additional violations related to sick leave, suitable rest facilities, seating, failure to retain and provide employment and payroll records, reporting time pay, day of rest rules, payroll deductions, paid time off, and various unlawful employment practices. The Lobatos class action complaint seeks certification of a class of all current and former non-exempt employees who worked for the Company (directly or via a staffing agency) within the State of California at any time between May 16, 2020 and final judgment, as well as unspecified damages, penalties, restitution, attorneys' fees, pre-judgment interest, and costs of suit. On August 12, 2024, former employee Mando Gomez filed a class and PAGA action in the Alameda County Superior Court (the "Gomez Case") alleging violations substantially similar to the violations in the Ramirez Cases. The Gomez Case seeks certification of a class of all current and former non-exempt employees who worked for the Company (directly or via a staffing agency) within the State of California at any time between August 12, 2020 and final judgment, as well as unspecified damages, penalties, restitution, attorneys' fees, pre-judgment interest, and costs of suit. On September 20, 2024 and November 26, 2024, former employee Frank J. Leon Guerrero filed class and PAGA actions in the Alameda County Superior Court (the "Guerrero Cases") alleging violations substantially similar to the violations in the Ramirez Cases. The Guerrero class action seeks certification of several classes comprised of all current and former non-exempt employees who worked for the Company (directly or via a staffing agency) within the State of California at any time between September 20, 2020 and final judgment, as well as unspecified damages, penalties, restitution, attorneys' fees, pre- and post-judgment interest, and costs of suit. The Company expects the Lobatos Cases, the Gomez Case, and the Guerrero Cases to be related to or consolidated with the Ramirez Cases and intends to defend all such cases vigorously.

For each of the pending matters noted above, the Company is unable to reasonably estimate a range of possible loss at this time.

In addition, from time to time, the Company may become involved in routine legal proceedings, demands, claims, threatened litigation and regulatory inquiries and investigations that arise in the normal course of our business. The Company records liabilities for such matters when a loss becomes probable and the amount of loss can be reasonably estimated. The ultimate outcome of any litigation is uncertain and unfavorable outcomes could have a negative impact on the Company's results of operations and financial condition.

Note 8. Income Tax

The Company estimates its annual effective income tax rate at the end of each quarterly period. The estimate takes into account the geographic mix of expected pre-tax income (loss), expected total annual pre-tax income (loss), enacted changes in tax laws, implementation of tax planning strategies and possible outcomes of audits and other uncertain tax positions. To the extent there are fluctuations in any of these variables during a period, the provision for income taxes may vary.

The Company’s provision for income taxes for the three months ended June 28, 2025 and June 29, 2024 was $19 million (20% of income before taxes) and $20 million (27% of income before taxes), respectively. The effective tax rate was lower for the three months ended June 28, 2025 primarily due to change in the jurisdictional mix of earnings and favorable discrete tax events, including a $2 million benefit from the release of certain foreign tax reserves due to expiration of statute of limitations.

The Company’s provision for income taxes for the nine months ended June 28, 2025 and June 29, 2024 was $52 million (19% of income before taxes) and $60 million (26% of income before taxes), respectively. The effective tax rate was lower for the nine months ended June 28, 2025 primarily due to a change in the jurisdictional mix of earnings and favorable discrete tax events, including a $3 million benefit from a change in tax law, a $3 million benefit from the release of certain foreign tax reserves due to expiration of statute of limitations and a $4 million benefit from stock-based compensation.

As a result of an audit by the Internal Revenue Service (“IRS”) for fiscal 2008 through 2010, the Company received a Revenue Agent’s Report (“RAR”) on November 17, 2023 asserting an underpayment of tax of approximately $8 million for fiscal 2009. The asserted underpayment results from the IRS’s proposed disallowance of a $503 million worthless stock deduction in fiscal 2009. Such disallowance, if upheld, would reduce the Company’s available net operating loss carryforwards and result in additional tax and interest attributable to fiscal 2021 and later years, which could be material. The Company disagrees with the IRS’s position as asserted in the RAR and is vigorously contesting this matter through the applicable IRS administrative and judicial procedures, as appropriate. The Company does not expect resolution of this matter within twelve months and cannot predict with any certainty the timing of such resolution. Although the final resolution of this matter remains uncertain, the Company continues to believe that it is more likely than not the Company’s tax position will be sustained. However, an unfavorable resolution of this matter could have a material adverse impact on the Company’s condensed consolidated financial statements.

The Organization for Economic Co-operation and Development (“OECD”), an international association of 38 countries, including the United States, has proposed changes to numerous long-standing tax principles, namely, its Pillar Two framework, which imposes a global minimum corporate tax rate of 15%. Various countries have enacted or have announced plans to enact new tax laws to implement the global minimum tax and where enacted, the rules began to be effective for the Company in fiscal 2025. The Pillar Two rules are considered an alternative minimum tax and therefore deferred taxes would not be recognized or adjusted for the estimated effects of the future minimum tax. The adoption and effective dates of these rules may vary by country and could increase tax complexity and uncertainty and may adversely affect the Company’s provision for income taxes. These tax law changes did not have a material impact on the Company’s financial statements for the three months ended June 28, 2025 and are not expected to have a material impact on the Company’s financial statements for the remainder of fiscal 2025.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the U.S. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax frame work, and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The Company is currently assessing its impact on its financial statements.

Note 9. Stockholders’ Equity

During the second quarter of 2025, the Company’s stockholders approved an amendment of the Company’s 2019 Equity Incentive Plan and the reservation of an additional 1 million shares of common stock for future issuance under the Company’s amended 2019 Equity Incentive Plan.

Accumulated Other Comprehensive Income

Accumulated other comprehensive income, net of tax as applicable, consisted of the following:

	As of	
	June 28, 2025	**September 28, 2024**
	(In thousands)	
Foreign currency translation adjustments	$ 76,784	$ 73,236
Unrealized holding gains on derivative financial instruments	993	266
Unrecognized net actuarial losses and transition costs for benefit plans	(6,647)	(6,761)
Total	$ 71,130	$ 66,741

Stock Repurchase Programs

During the nine months ended June 28, 2025 and June 29, 2024, the Company repurchased 1.4 million and 3.0 million shares of its common stock for $114 million and $162 million, respectively, under stock repurchase programs authorized by the Company's Board of Directors. During the second quarter of 2025, the Company's Board of Directors authorized the repurchase of up to $300 million of the Company's common stock in the open market or in negotiated private transactions. These programs have no expiration dates and the timing of repurchases will depend upon capital needs to support the growth of the Company's business, market conditions and other factors. Although stock repurchases are intended to increase stockholder value, they also reduce the Company's liquidity. As of June 28, 2025, an aggregate of $239 million remained available under these programs.

In addition to the repurchases discussed above, the Company withheld 0.5 million shares of its common stock during each of the nine months ended June 28, 2025 and June 29, 2024 in settlement of employee tax withholding obligations due upon the vesting of restricted stock units. The Company paid $39 million and $26 million for the nine months ended June 28, 2025 and June 29, 2024, respectively, to applicable tax authorities in connection with these repurchases.

Noncontrolling Interest

During the first quarter of 2023, the Company entered into a joint venture transaction pursuant to which Reliance Strategic Business Ventures Limited acquired 50.1% of the outstanding shares of Sanmina SCI India Private Limited (“SIPL”), the Company’s existing Indian manufacturing entity. The remaining 49.9% of the outstanding shares of SIPL is held by the Company. The Company has, by contract, the unilateral ability to control the significant decisions made in the ordinary course of SIPL’s business. SIPL’s cash and cash equivalents balance of $212 million as of June 28, 2025 is not available for general corporate purposes and must be retained in SIPL to fund its operations.

Note 10. Business Segment

The Company’s operations are managed as two businesses: IMS and CPS. The Company’s CPS business consists of multiple operating segments which do not individually meet the quantitative thresholds for being presented as reportable segments. Therefore, financial information for these operating segments is presented in a single category entitled “CPS” and the Company has only one reportable segment - IMS.

The Company’s chief operating decision maker is the Chief Executive Officer who allocates resources and assesses performance of operating segments based on a measure of revenue and gross profit that excludes items not directly related to the Company’s ongoing business operations. These items are typically either non-recurring or non-cash in nature. Intersegment revenue consists primarily of sales of components from CPS to IMS.

The following table presents revenue and a measure of segment gross profit used by management to allocate resources and assess performance of operating segments:

	Three Months Ended		Nine Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
	(In thousands)			
Gross sales:				
IMS	$ 1,648,404	$ 1,477,499	$ 4,875,352	$ 4,444,209
CPS	422,388	388,220	1,249,141	1,180,558
Intersegment revenue	(29,230)	(24,289)	(92,503)	(73,944)
Net sales	$ 2,041,562	$ 1,841,430	$ 6,031,990	$ 5,550,823
Gross profit:				
IMS	$ 123,802	$ 112,364	$ 375,774	$ 338,114
CPS	62,204	44,686	171,649	146,951
Total	186,006	157,050	547,423	485,065
Unallocated corporate items (1)	(4,956)	(3,511)	(22,223)	(15,929)
Total	$ 181,050	$ 153,539	$ 525,200	$ 469,136

(1) For purposes of evaluating segment performance, management excludes certain items from its measures of gross profit. These items consist of stock-based compensation expense, litigation settlements and charges resulting from distressed customers.

Note 11. Earnings Per Share

Basic and diluted per share amounts are calculated by dividing net income attributable to common shareholders by the weighted average number of shares of common stock outstanding during the period, as follows:

	Three Months Ended		Nine Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
	(In thousands, except per share data)			
Numerator:				
Net income attributable to common shareholders	$ 68,616	$ 51,602	$ 197,827	$ 161,155
Denominator:				
Weighted average common shares outstanding	53,614	55,466	54,074	55,862
Effect of dilutive stock options and restricted stock units	879	1,245	1,211	1,354
Denominator for diluted earnings per share	54,493	56,711	55,285	57,216
Net income attributable to common shareholders per share:				
Basic	$ 1.28	$ 0.93	$ 3.66	$ 2.88
Diluted	$ 1.26	$ 0.91	$ 3.58	$ 2.82

Weighted-average dilutive securities that were excluded from the above calculation because their inclusion would have had an anti-dilutive effect under ASC Topic 260, *Earnings per Share*, due to application of the treasury stock method were not material for any period presented.

Note 12. Business Combination

On May 18, 2025, the Company entered into the Equity Purchase Agreement to acquire ZT Systems from AMD Design, LLC, a wholly owned subsidiary of Advanced Micro Devices, Inc., pursuant to which the Company will purchase all of the outstanding equity interests of ZT Systems, a provider of AI and general purpose computer infrastructure for hyperscale computing companies. Under the Equity Purchase Agreement, the Company will acquire ZT Systems' data center infrastructure manufacturing business, excluding certain research and development functions, for an aggregate consideration (including contingent consideration) consisting of $2.4 billion in cash, $150 million in the Company's stock and contingent consideration of up to $450 million in cash payable by the Company if certain conditions are met. The consideration is subject to certain adjustments based on ZT System's closing cash, closing net working capital relative to a target amount, closing indebtedness and closing expenses. The Equity Purchase Agreement contains customary termination rights for the Company and ZT Systems, including if the acquisition is not completed by May 18, 2026 (subject to extension, including two automatic extensions until November 18, 2026, to the extent certain specified required regulatory approvals remain outstanding) (the "Outside Date"). Under the Equity Purchase Agreement, the Company will be required to pay a termination fee to ZT Systems of $153 million subject to certain conditions if the Equity Purchase Agreement is terminated by ZT Systems in certain circumstances related to the failure to obtain certain regulatory approvals prior to the Outside Date (or $76.5 million if such failure is related to a particular regulatory approval). The acquisition is expected to close near the end of the 2025 calendar year, subject to regulatory approvals and customary closing conditions.

In connection with the execution of the Equity Purchase Agreement, the Company entered into a commitment letter with certain financial institutions that have agreed to provide the Company with, subject to satisfaction of customary conditions and covenants, a senior secured 364-day bridge loan facility in an aggregate principal amount of up to $2.5 billion to fund a portion of the consideration payable in the acquisition of ZT Systems and to pay related fees and expenses. The commitment is intended to be drawn only to the extent that permanent financing is not obtained prior to closing the acquisition. As alternative financing is secured, the commitment letter will be reduced.

During the three and nine months ended June 28, 2025, the Company incurred $7 million of acquisition and integration charges. These costs primarily consisted of advisory, legal, accounting, and other professional and consulting fees, and were expensed as incurred.

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

This quarterly report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements relate to our expectations for future events and time periods. All statements other than statements of historical fact are statements that could be deemed to be forward-looking statements, including any statements regarding trends in future revenue or results of operations, gross margin, operating margin, expenses, earnings or losses from operations, or cash flow; any statements of the plans, strategies and objectives of management for future operations and the anticipated benefits of such plans, strategies and objectives; any statements regarding future economic conditions or performance; any statements regarding litigation or pending investigations, claims or disputes; any statements regarding the timing of closing of, future cash outlays for, and benefits of acquisitions and other strategic transactions, including our Indian joint venture and the pending acquisition of ZT Group Int'l, Inc. ("ZT Systems"); any statements regarding expected restructuring costs and benefits; any statements concerning the adequacy of our current liquidity and the availability of additional sources of liquidity; any statements regarding the potential impact of any future pandemics on our business, results of operations and financial condition; any statements regarding the potential impact of supply chain shortages and inflation on our business; any statements regarding the future impact of tariffs, export controls and evolving trade policies on our business; any statements relating to future tax rates and tax policies and our expectations concerning developments in the audit by the IRS of certain tax returns filed by us, including the potential impact of the IRS revenue agent's report received by us in November 2023; any statements relating to the expected impact of accounting pronouncements not yet adopted; any statements regarding future repurchases of our common stock; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. Generally, the words "anticipate," "believe," "plan," "expect," "future," "intend," "may," "will," "should," "estimate," "predict," "potential," "continue" and similar expressions identify forward-looking statements. Our forward-looking statements are based on current expectations, forecasts and assumptions and are subject to risks and uncertainties, including those contained in Part II, Item 1A of this report. As a result, actual results could vary materially from those suggested by the forward-looking statements. We undertake no obligation to publicly disclose any revisions to these forward-looking statements to reflect events or circumstances occurring subsequent to filing this report with the Securities and Exchange Commission (the "SEC"). Investors and others should note that Sanmina announces material financial information to our investors using our investor relations website (http://ir.sanmina.com/investor-relations/overview/default.aspx), SEC filings, press releases, public conference calls and webcasts. We use these channels to communicate with our investors and the public about

Sanmina, its products and services and other issues. It is possible that the information we post on our investor relations website could be deemed to be material information. Therefore, we encourage investors, the media, and others interested in Sanmina to review the information we post on our investor relations website. The contents of our investor relations website are not incorporated by reference into this quarterly report on Form 10-Q or in any other report or document we file with the SEC.

Sanmina Corporation and its subsidiaries (“Sanmina”, the “Company”, “we” or “us”) operate on a 52 or 53 week year ending on the Saturday nearest September 30. Fiscal 2025 and 2024 are each 52-week years. All references to years relate to fiscal years unless otherwise noted.

Overview

We are a leading global provider of integrated manufacturing solutions, components, products and repair, logistics and after-market services. Our revenue is generated from sales of our products and services primarily to original equipment manufacturers (“OEMs”) that serve the industrial, medical, defense and aerospace, automotive, communications networks and cloud solutions industries.

Our operations are managed as two businesses:

1. Integrated Manufacturing Solutions (“IMS”). IMS is a single operating segment consisting of printed circuit board assembly and test, high-level assembly and test and direct-order-fulfillment.

2. Components, Products and Services (“CPS”). Components include advanced printed circuit boards, backplanes and backplane assemblies, cable assemblies, fabricated metal parts, precision machined parts, and plastic injected molded parts. Products include optical, radio frequency (“RF”) and microelectronic design and manufacturing services from our Advanced Microsystems Technologies division; multi-chip package memory solutions from our Viking Technology division; high-performance storage platforms for hyperscale and enterprise solutions from our Viking Enterprise Solutions division; defense and aerospace product, design, manufacturing, repair and refurbishment services from our SCI Technology Inc. (“SCI”) subsidiary; and cloud-based smart manufacturing execution software from our 42Q division. Services include design, engineering, and logistics and repair.

Our only reportable segment for financial reporting purposes is IMS, which represented approximately 80% of our total revenue for the nine months ended June 28, 2025. Our CPS business consists of multiple operating segments which do not individually meet the quantitative thresholds for being presented as reportable segments. Therefore, financial information for these operating segments is combined and presented in a single category entitled “CPS”.

Sales to our ten largest customers represent approximately 50% of net sales. Net sales from these customers are derived from multiple segments. No customer represented 10% or more of our net sales for the three and nine months ended June 28, 2025. One customer represented 10% or more of our net sales for the three and nine months ended June 29, 2024.

Trends and Uncertainties

We believe our end-to-end manufacturing solutions combined with our global supply chain management expertise differentiate us from our competitors and enable us to better serve the needs of OEMs. However, our business faces many challenges. For example, we compete with a number of companies in each of our key end markets. This includes companies that are much larger than we are and smaller companies that focus on a particular niche product, service or end market. Although we believe we are well-positioned in each of our key end markets and offer many advantages compared to our competitors, competition remains intense and profitably growing our revenues has been challenging. Additionally, we are impacted by macroeconomic challenges, such as inflation, supply chain constraints, foreign currency fluctuations, high interest rates, market volatility, recession concerns, that have been and could be in the future exacerbated by geopolitical environment such as tensions between the U.S. and China, conflict in the Middle East and war in Ukraine.

Further, uncertainties around U.S. tariffs, retaliatory tariffs from other countries, and import/export restrictions may impact customer decisions to use our services in certain manufacturing locations and increase the complexity and cost of our supply chain. Although our customers are generally liable for tariffs we pay for components and finished products, our gross margins could be significantly reduced if we are unable to fully recover these costs. The timing of tariff recovery from customers could adversely affect our operating cash flow in a given period.

Despite these challenges, we remain focused on improving our operations, building flexibility and efficiencies in our processes and adjusting our business models to changing circumstances. We intend to continue diversifying into mission critical markets and creating a portfolio of more complex, higher technology products with longer product life cycles. As our end markets evolve and grow, our ability to optimize our product and portfolio mix towards higher value opportunities will continue to be an important driver for our business going forward.

Pending Acquisition of ZT Systems

In line with our strategic intent to expand our presence in the Cloud and Artificial Intelligence ecosystem, we entered into an agreement to acquire ZT Systems' data center infrastructure manufacturing business from AMD Design, LLC, with the acquisition expected to close near the end of 2025 calendar year, subject to regulatory approvals and customary closing conditions. Please see Note 12, "Business Combination" of the notes to the Condensed Consolidated Financial Statements contained in this report for more information.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). We review the accounting policies used in reporting our financial results on a regular basis. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, net sales and expenses and related disclosure of contingent liabilities. On an ongoing basis, we evaluate the process used to develop estimates related to accounts receivable, inventories, income taxes, environmental matters, litigation and other contingencies, as well as estimates related to costs expected to be incurred to satisfy performance obligations under long-term contracts and variable consideration related to such contracts. We base our estimates on historical experience and on various other assumptions that we believe are reasonable for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Our actual results may differ materially from these estimates.

A complete description of our critical accounting policies and estimates is contained in our Annual Report on Form 10-K for the fiscal year ended September 28, 2024 filed with the SEC on November 27, 2024.

Results of Operations

Key Operating Results

	Three Months Ended		Nine Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
	(In thousands)			
Net sales	$ 2,041,562	$ 1,841,430	$ 6,031,990	$ 5,550,823
Gross profit	$ 181,050	$ 153,539	$ 525,200	$ 469,136
Operating income	$ 95,877	$ 82,367	$ 276,103	$ 245,904
Net income attributable to common shareholders	$ 68,616	$ 51,602	$ 197,827	$ 161,155

Net Sales

Sales by end market were as follows:

	Three Months Ended				Nine Months Ended			
	June 28, 2025	June 29, 2024	Increase/(Decrease)		June 28, 2025	June 29, 2024	Increase/(Decrease)	
	(Dollars in thousands)							
Industrial, Medical, Defense and Aerospace, and Automotive	$ 1,255,297	$ 1,181,489	$ 73,808	6.2 %	$ 3,775,853	$ 3,663,208	$ 112,645	3.1 %
Communications Networks and Cloud Infrastructure	786,265	659,941	126,324	19.1 %	2,256,137	1,887,615	368,522	19.5 %
Total	$ 2,041,562	$ 1,841,430	$ 200,132	10.9 %	$ 6,031,990	$ 5,550,823	$ 481,167	8.7 %

Net sales increased 10.9% in the three months ended June 28, 2025 compared to the three months ended June 29, 2024 and 8.7% in the nine months ended June 28, 2025 compared to the nine months ended June 29, 2024, primarily driven by new program wins and program ramp-ups in our communications networks and cloud infrastructure, as well as our medical end market.

Gross Margin

Gross margin increased to 8.9% for the three months ended June 28, 2025 from 8.3% for the three months ended June 29, 2024. IMS gross margin remained relatively stable, at 7.5% for the three months ended June 28, 2025 compared to 7.6% for the three months ended June 29, 2024. CPS gross margin increased to 14.7% for the three months ended June 28, 2025 from 11.5% for the three months ended June 29, 2024, primarily due to improved operating efficiencies.

Gross margin increased to 8.7% for the nine months ended June 28, 2025 from 8.5% for the nine months ended June 29, 2024. IMS gross margin remained relatively stable at 7.7% for the nine months ended June 28, 2025 compared to 7.6% for the nine months ended June 29, 2024. CPS gross margin increased to 13.7% for the nine months ended June 28, 2025 from 12.4% for the nine months ended June 29, 2024, primarily due to improved operating efficiencies.

We have experienced fluctuations in gross margin in the past and may continue to do so in the future. Fluctuations in our gross margins may also be caused by a number of other factors, including:

- the impact of supply chain constraints on our operations, the operations of our suppliers and on our customers’ businesses;
- capacity utilization, which, if lower, results in lower margins due to fixed costs being absorbed by lower volumes;
- changes in the mix of high and low margin products demanded by our customers;
- competition and pricing pressures from OEMs due to greater focus on cost reduction;
- the amount of our provisions for excess and obsolete inventory, including those associated with distressed customers;
- levels of operational efficiency and production yields;
- our performance on long-term contracts, including our ability to recover claims for cost overruns; and

- our ability to transition the location of and ramp manufacturing and assembly operations when requested by a customer in a timely and cost-effective manner.

Selling, General and Administrative

Selling, general and administrative expenses for the three months ended June 28, 2025 and June 29, 2024 were $70 million and $62 million, respectively. As a percentage of net sales, selling, general and administrative expenses were 3.4% for each of the three months ended June 28, 2025 and June 29, 2024. The increase in absolute dollars was primarily due to higher variable compensation.

Selling, general and administrative expenses for the nine months ended June 28, 2025 and June 29, 2024 were $217 million and $196 million, respectively. As a percentage of net sales, selling, general and administrative expenses were 3.6% and 3.5% for the nine months ended June 28, 2025 and June 29, 2024, respectively. The increase in absolute dollars was primarily due to higher variable compensation, professional fees and stock-based compensation expense from new equity grants.

Provision for Income Taxes

Provision for income taxes for the three months ended June 28, 2025 and June 29, 2024 was $19 million (20% of income before taxes) and $20 million (27% of income before taxes), respectively. The effective tax rate was lower for the three months ended June 28, 2025 primarily due to change in the jurisdictional mix of earnings and favorable discrete tax events, including a $2 million benefit from the release of certain foreign tax reserves due to expiration of statute of limitations.

Provision for income taxes for the nine months ended June 28, 2025 and June 29, 2024 was $52 million (19% of income before taxes) and $60 million (26% of income before taxes), respectively. The effective tax rate was lower for the nine months ended June 28, 2025 primarily due to a change in the jurisdictional mix of earnings and favorable discrete tax events, including a $3 million benefit from a change in tax law, a $3 million benefit from the release of certain foreign tax reserves due to expiration of statute of limitations and a $4 million benefit from stock-based compensation.

Liquidity and Capital Resources

	Nine Months Ended	
	June 28, 2025	June 29, 2024
	(In thousands)	
Net cash provided by (used in):		
Operating activities	$ 421,578	$ 288,341
Investing activities	(45,563)	(88,499)
Financing activities	(165,616)	(209,295)
Effect of exchange rate changes	1,461	(408)
Increase (decrease) in cash, cash equivalents and restricted cash equivalents	$ 211,860	$ (9,861)

Key Working Capital Management Measures

Management regularly reviews financial and non-financial performance indicators to assess our operating results. Our working capital requirements are dependent on the effective management of our sales cycle, as well as timing of payments. We believe the metrics set forth below are useful to investors in measuring our liquidity, as future liquidity needs will depend on fluctuations in levels of inventory, contract assets, customer inventory advances, accounts receivable and accounts payable.

In the second quarter of fiscal 2025, we changed the methodology for calculating key working capital management measures to standardize the number of days utilized in calculating the metrics, add a new metric for customer inventory advances days, and update the calculation of inventory turns to present inventory turns net of customer working capital advances, which is consistent with how we manage working capital. Prior period amounts have been conformed to the current period presentation.

	As of	
	June 28, 2025	September 28, 2024
Days in accounts receivable (1)	61	60
Contract asset days (2)	18	17
Days in inventory (3)	77	70
Days in accounts payable (4)	69	70
Customer inventory advances days (5)	20	7
Cash cycle days (6)	67	70
Net inventory turns (7)	6	6

(1) Days in accounts receivable (a measure of how quickly we collect our accounts receivable), or "DSO", is calculated as accounts receivable, net, at the end of the current quarter divided by net sales for the quarter multiplied by 90 days.

(2) Contract asset days (a measure of how quickly we transfer contract assets to accounts receivable) is calculated as contract assets at the end of the current quarter divided by net sales for the quarter multiplied by 90 days.

(3) Days in inventory (a measure of how quickly we turn inventory into sales) is calculated as inventory at the end of the current quarter divided by cost of sales for the quarter multiplied by 90 days.

(4) Accounts payable days (a measure of how quickly we pay our suppliers), or "DPO", is calculated as accounts payable at the end of the current quarter divided by cost of sales for the quarter multiplied by 90 days.

(5) Customer inventory advances days (a measure of how long customer deposits for inventory are held) is calculated as customer inventory advances at the end of the current quarter divided by cost of sales for the quarter multiplied by 90 days.

(6) Cash cycle days is calculated as the sum of days in accounts receivable, contract asset days and days in inventory, minus the sum of accounts payable days and customer inventory advances days.

(7) Net inventory turns (annualized) is calculated as 360 days divided by the days in inventory minus customer inventory advances days.

Cash and cash equivalents were $798 million as of June 28, 2025 and $626 million as of September 28, 2024. Restricted cash equivalents as of June 28, 2025 were $40 million. Our cash levels vary during any given quarter depending on the timing of collections from customers and payments to suppliers, borrowings under our credit facilities, sales of accounts receivable under numerous programs we utilize, repurchases of common stock and other factors. Our working capital was $2.1 billion and $1.9 billion as of June 28, 2025 and September 28, 2024, respectively.

Net cash provided by operating activities was $422 million for the nine months ended June 28, 2025. Our working capital metrics tend to fluctuate from quarter to quarter based on factors such as the linearity of our shipments to customers and purchases from suppliers, customer and supplier mix, the extent to which we factor customer receivables and the negotiation of payment terms with customers and suppliers. These fluctuations can significantly affect our cash flows from operating activities.

During the nine months ended June 28, 2025, we generated $353 million of cash from earnings, excluding non-cash items, and $69 million of cash due primarily to increase in deferred revenue and customer advances, partially offset by increases in inventories, contract assets, accounts receivables and decrease in accounts payable. The increases in inventories, contract assets and accounts receivables were consistent with the growth in business volume. The change in deferred revenue and customer advances is driven by increased customer deposits against raw material inventory purchases. The decrease in accounts payable is primarily due to timing of payments.

Net cash used in investing activities was $46 million for the nine months ended June 28, 2025. During the nine months ended June 28, 2025, we received $49 million from liquidation of investments held in a former rabbi trust for our deferred compensation plan assets, received $5 million proceeds primarily from the sale of certain property, purchased $15 million of long-term investments and used $85 million of cash for capital expenditures.

Net cash used in financing activities was $166 million for the nine months ended June 28, 2025. During the nine months ended June 28, 2025, we used $114 million of cash to repurchase common stock, withheld $39 million payments to tax authorities for stock-based compensation activity and repaid $13 million of borrowings.

Other Liquidity Matters

We repurchased 1.4 million shares of our common stock for $114 million under stock repurchase programs authorized by our Board of Directors for the nine months ended June 28, 2025. During the second quarter of 2025, our Board of Directors authorized the repurchase of up to $300 million of our common stock in the open market or in negotiated private transactions. These programs have no expiration dates and the timing of repurchases will depend upon capital needs to support the growth of our business, market conditions and other factors. Although stock repurchases are intended to increase stockholder value, they also reduce our liquidity. As of June 28, 2025, an aggregate of $239 million remained available under these programs.

We are party to a Receivables Purchase Agreement, as amended (the “RPA”), with certain third-party banking institutions for the sale of trade receivables generated from sales to certain customers. The amount available under the RPA is uncommitted and, as such, is available at the discretion of our third-party banking institutions. Under the Fifth Amended and Restated Credit Agreement (the “Credit Agreement”), the percentage of our total trade receivables that can be sold and outstanding at any time is 50%. Therefore, as of June 28, 2025, a maximum of $490 million of sold receivables could be outstanding at any point in time under this program, as amended, as required by our Credit Agreement. Trade receivables sold pursuant to the RPA are serviced by us.

In addition to the RPA, we participate in trade receivables sales programs that have been implemented by certain of our customers, as in effect from time to time. We do not service trade receivables sold under these other programs. The sale of receivables under all of these programs is subject to the approval of the banks or customers involved and there can be no assurance that we will be able to sell the maximum amount of receivables permitted by these programs when desired. See Note 6, “Accounts Receivable Sale Program” of the notes to the Condensed Consolidated Financial Statements contained in this report for details.

We enter into forward interest rate swap agreements with independent counterparties to partially hedge the variability in cash flows due to changes in the Secured Overnight Financing Rate benchmark interest rate associated with anticipated variable rate borrowings. In addition, beginning the second quarter of 2025, we entered into a total return swap contract to manage the equity market risks associated with our deferred compensation plan liabilities. See Note 3, "Financial Instruments" of the notes to the Condensed Consolidated Financial Statements contained in this report for details.

In the ordinary course of business, we are or may become party to legal proceedings, claims and other contingencies, including environmental, regulatory, warranty and employee matters and examinations by government agencies. As of June 28, 2025, we had accrued liabilities of $36 million related to such matters. We cannot accurately predict the outcome of these matters or the amount or timing of cash flows that may be required to defend ourselves or to settle such matters or that these reserves will be sufficient to fully satisfy our contingent liabilities.

As of June 28, 2025, we had a liability of $51 million for uncertain tax positions. Our estimate of liabilities for uncertain tax positions is based on a number of subjective assessments, including the likelihood of a tax obligation being assessed, the amount of taxes (including interest and penalties) that would ultimately be payable, and our ability to settle any such obligations on favorable terms. Therefore, the amount of future cash flows associated with uncertain tax positions may be significantly higher or lower than our recorded liability and we are unable to reliably estimate when cash settlement may occur.

Our liquidity is largely dependent on changes in our working capital, including sales of accounts receivable under our receivables sales programs and the extension of trade credit by our suppliers, investments in manufacturing inventory, facilities and equipment, repayments of obligations under outstanding indebtedness and repurchases of common stock.

We generated $422 million of cash from operations for the nine months ended June 28, 2025. Our primary sources of liquidity as of June 28, 2025 consisted of (1) cash and cash equivalents of $798 million (an aggregate of $212 million of our cash is held by Sanmina SCI India Private Limited ("SIPL"), our existing Indian manufacturing entity, that may not be used for general corporate purposes and must be retained in SIPL to fund its operations); (2) our Credit Agreement, under which $791 million, net of outstanding borrowings and letters of credit, was available; (3) our foreign short-term borrowing facilities of $71 million, all of which was available; (4) proceeds from the sale of accounts receivable under our receivables sales programs and (5) cash generated from operations. Subject to satisfaction of certain conditions, including obtaining additional commitments from existing and/or new lenders, we may increase the revolving commitments under the Credit Agreement up to an additional $200 million.

We believe our existing cash resources and other sources of liquidity, together with cash generated from operations, will be sufficient to meet our working capital requirements through at least the next twelve months. However, should demand for our services decrease significantly over the next twelve months, should we be unable to recover on inventory obligations owed to us by our customers or should we experience significant increases in delinquent or uncollectible accounts receivable for any reason, our cash provided by operations could decrease significantly and we could be required to seek additional sources of liquidity to continue our operations at their current level.

We invest our cash among a number of financial institutions that we believe to be of high quality. However, there can be no assurance that one or more of such institutions will not become insolvent in the future, in which case all or a portion of our uninsured funds on deposit with such institutions could be lost.

As of June 28, 2025, 40% of our cash balance was held in the United States. Should we choose or need to remit cash to the United States from our foreign locations, we may incur tax obligations, which would reduce the amount of cash ultimately available to the United States. We believe that cash held in the United States, together with liquidity available under our Credit Agreement and cash from foreign subsidiaries that could be remitted to the United States without tax consequences, will be sufficient to meet our United States liquidity needs for at least the next twelve months.

In connection with the pending acquisition of ZT Systems, we entered into a commitment letter with certain financial institutions that have agreed to provide us with committed financing, subject to satisfaction of customary conditions and covenants, a senior secured 364-day bridge loan facility in an aggregate principal amount of up to $2.5 billion to fund a portion of the purchase consideration and to pay related fees and expenses. The commitment is intended to be drawn only to the extent that permanent financing is not obtained prior to closing the acquisition. As alternative financing is secured, the commitment letter will be reduced. See Note 12, “Business Combination” of the notes to the Condensed Consolidated Financial Statements contained in this report for details.

Information regarding our contractual obligations was provided in Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contained in our Annual Report on Form 10-K for the fiscal year ended September 28, 2024. There were no material changes in our contractual obligations as of June 28, 2025.

Off-Balance Sheet Arrangements

As of June 28, 2025, we did not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in our financial condition, revenues, or expenses, results of operations, liquidity, capital expenditures, or capital resources that is material to investors.

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

There were no material changes in our primary risk exposures or management of market risks from those disclosed in our Annual Report on Form 10-K for the fiscal year ended September 28, 2024.

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

(a) Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Our management does not expect that our disclosure controls and procedures will prevent all errors and all fraud. Disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that their objectives are met. Further, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and the benefits of disclosure controls and procedures must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of disclosure controls and procedures can provide absolute assurance that all disclosure control issues and instances of fraud, if any, have been detected. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of June 28, 2025.

Based on their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of June 28, 2025 because of the material weaknesses in our internal control over financial reporting discussed below.

(b) Material Weaknesses in Internal Control Over Financial Reporting and Remediation Plan

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected in a timely basis.

Status of the Remediation of Material Weaknesses Identified in Fiscal 2023

As previously reported, we identified material weaknesses in the control environment at one of our divisions due to this division maintaining an inappropriate tone at the top. Specifically, division management did not sufficiently promote, monitor or enforce appropriate accounting policies and procedures, thereby resulting in inappropriate and unsupported adjustments to the quarterly contract cost estimate process. Additionally, we did not maintain a sufficient complement of finance personnel at the division with an appropriate level of expertise, knowledge and training in internal control over financial reporting commensurate with our financial reporting requirements. These material weaknesses contributed to an additional material weakness that the division did not design and maintain effective controls over the quarterly contract estimate review process, which led to the failure to timely and appropriately record adjustments to quarterly estimates.

These material weaknesses resulted in the restatement of our consolidated financial statements for the fiscal years ended October 3, 2020, October 2, 2021 and October 1, 2022 and for the quarterly fiscal periods included in such fiscal years and for the first fiscal quarter ended December 31, 2022. These material weaknesses also resulted in immaterial misstatements of our consolidated financial statements for the quarterly fiscal periods as of and for the periods ended April 1, 2023, July 1, 2023, September 30, 2023, June 29, 2024, and September 28, 2024. Additionally, each of these material weaknesses could result in misstatements of the accounts and disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected.

Management plans to remediate the material weaknesses described above primarily by ensuring that relevant program management and finance personnel possess sufficient knowledge and experience and are sufficiently engaged to identify, escalate and drive closure of matters that could impact estimated long-term customer program costs and/or require the recording of additional expenses in the Company’s financial statements.

To date, management undertook the following remedial actions in conjunction with the above plan:

- Removed internal control over financial reporting responsibilities and representation from designated individuals and added new individuals for these responsibilities and representations.
- Conducted training sessions for all employees involved in the estimate at completion (“EAC”) process on ethics, reporting and fraud, as well as the importance of EACs to financial reporting.

- Implemented a certification process whereby a select group of employees with key roles in the EAC and financial reporting processes are required to make certain representations about the completeness and accuracy of EACs, as well as a representation that they are not aware of any improprieties in the accounting or control functions.
- Realigned reporting lines whereby program financial analysts report directly to the finance organization.
- Hired a President to lead the division and added several new employees to the finance department of the division.
- Engaged third-party consultants with extensive Aerospace and Defense experience and expertise to perform a comprehensive review of the division’s accounting and reporting functions, including performing an evaluation of the division’s policies and procedures.

As of the third quarter of fiscal 2025, the division has designed and implemented processes and procedures over quarterly contract estimates and resulting adjustments to the estimates. The material weaknesses will not be considered formally remediated until the controls have operated effectively for a sufficient period of time and management has concluded, through testing, that the controls are operating effectively.

Plan and Status of Remediation of Material Weakness Identified in Fiscal 2024

In connection with our financial reporting process for the fiscal year ended September 28, 2024, we identified a material weakness as the Company did not design and maintain effective controls to properly support and account for the transfer of control to its customers for certain raw materials inventory. This material weakness resulted in adjustments and immaterial misstatements to inventory, accounts payable and accrued liabilities as of September 28, 2024 and September 30, 2023, respectively. Additionally, this material weakness could result in misstatements of the aforementioned accounts or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected.

Management plans to remediate the material weakness described above primarily by ensuring the relevant procedures are prescriptive and better understood regarding whether the transfer of controls of inventories has occurred or advances received from customers should be reported as a liability. This will be accomplished through detailed trainings and guidance to the sales, operations and finance personnel. Further, the review controls and procedures will be enhanced to validate transfer of control and customer level inventory reconciliations.

To date, management undertook the following remedial actions in conjunction with the above plan:

- Provided detailed training sessions to sales, operations and finance personnel to ensure they have sufficient expertise and knowledge on evaluating transfer of control of inventories and applying the appropriate accounting.
- Enhanced the review controls and procedures to ensure validation of transfer of control and customer level inventory reconciliations are substantiated by appropriate documentation.

We believe these measures will remediate the material weakness in internal control over financial reporting described above. The material weaknesses will not be considered formally remediated until the controls have operated effectively for a sufficient period of time and management has concluded, through testing, that the controls are operating effectively.

(c) Changes in Internal Control over Financial Reporting

The remediation efforts described above were changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended June 28, 2025 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. *Legal Proceedings*

For a description of our material legal proceedings, see Note 7, “Commitments and Contingencies” of the notes to the Condensed Consolidated Financial Statements.

Item 1A. ***Risk Factors***

<u>End Market and Operational Risks</u>

Adverse changes in the key end markets we target could harm our business by reducing our sales.

We provide products and services to companies that serve the industrial, medical, defense and aerospace, automotive, communications networks and cloud infrastructure industries. Adverse changes in any of these end markets could reduce demand for our customers' products or make these customers more sensitive to the cost of our products and services, either of which could reduce our sales, gross margins and net income. A number of factors could affect these industries in general and our customers in particular, leading to reductions in net sales. These factors include:

- intense competition among our customers and their competitors, leading to reductions in prices for their products and increases in pricing pressure placed on us;
- failure of our customers' products to gain widespread commercial acceptance, which could decrease the volume of orders our customers place with us;
- changes in regulatory requirements affecting the products we build for our customers, leading to product redesigns or obsolescence and potentially causing us to lose business; and
- the negative effects of inflation, high interest rates and any potential resultant recession on customers' end markets and their demand for our products and services.

We realize a substantial portion of our revenue from communications equipment customers. This market is highly competitive, particularly in the area of price. Should any of our larger customers in this market fail to effectively compete with their competitors, they could reduce their orders to us or experience liquidity difficulties, either of which could have the effect of substantially reducing our revenue and net income. There can be no assurance when this adjustment will be complete or that we will not experience declines in demand in this or in other end markets in the future.

Our operating results are subject to significant uncertainties, which can cause our future sales, net income and cash generated from operations to be variable.

Our operating results can vary due to a number of significant uncertainties, including:

- our ability to replace declining sales from end-of-life programs and customer disengagements with new business wins;
- conditions in the global economy as a whole and in the industries we serve, which have been significantly impacted by supply chain disruptions, inflationary pressures, higher interest rates and, more recently, significant changes in U.S. and international trade policies;
- fluctuations in component prices, component shortages and extended component lead times caused by high demand and supply chain constraints and disruptions caused by geopolitical conditions and events, such as the war in Ukraine, conflict in the Middle East, tensions between the U.S. and China, natural disasters or otherwise;
- timing and success of new product developments and ramps by our customers, which create demand for our services, but which can also require us to incur start-up costs relating to new tooling and processes;
- levels of demand in the end markets served by our customers and the amount of inventory held by them;
- timing of orders from customers, the accuracy of their forecasts which drive the amount of components we order and the extent to which customers reschedule or cancel their orders;
- the extent to which our customers may choose to in-source the manufacturing of their products;
- our inventory levels, which in the past have been driven higher as a result of supply chain disruptions, with higher levels of inventory reducing our operating cash flow;
- our customers’ inventory levels, which, if high, decrease demand for new orders for products;
- customer payment terms and the extent to which we factor customer receivables during the quarter;
- increasing labor costs in the regions in which we operate;
- mix of products ordered by and shipped to major customers, as high volume and low complexity manufacturing services typically have lower gross margins than more complex and lower volume services;
- our ability to pass tariffs and price increases of components through to our customers;

- quality or other claims made by our customers;
- the degree to which we are able to fully utilize our available manufacturing capacity or expand, when necessary to satisfy customer demand;
- customer insolvencies resulting in bad debt or inventory exposures that are in excess of our reserves;
- our ability to efficiently move manufacturing operations to lower cost regions when requested by our customers;
- changes in our tax provision due to changes in our estimates of pre-tax income in the jurisdictions in which we operate, uncertain tax positions and our continued ability to utilize our deferred tax assets;
- political and economic developments in countries in which we or our customers or our suppliers have operations, which could restrict our operations or those of our suppliers and/or customers or increase our costs; and
- accuracy of management’s estimates of materials, labor and subcontractor costs relating to long-term contracts, particularly for new products, as any impact due to changes in estimates must be recognized in the period of change.

Variability in our operating results may also lead to variability in cash generated by operations, which can adversely affect our ability to make capital expenditures, repurchase stock and engage in strategic transactions.

We are subject to risks arising from our international operations.

The substantial majority of our net sales are generated through our non-U.S. operations. As a result, we are or can be negatively impacted by economic, political and other conditions in the foreign countries in which we do business, including:

- changes in trade and tax laws that may result in us or our customers being subject to increased taxes, duties and tariffs (such as those announced by the U.S. since April 2025) and import and export restrictions, which could increase our costs and/or reduce our customers’ willingness to use our services in countries in which we are currently manufacturing their products;
- compliance with foreign laws, including labor laws that generally provide for increased notice, severance and consultation requirements compared to U.S. labor laws;
- labor unrest, including strikes;

- difficulties in staffing due to immigration or travel restrictions imposed by national governments, including the U.S.;
- security concerns;
- political instability and/or regional military tension or hostilities, such as the war in Ukraine and conflict in the Middle East, the possibility of such conflicts broadening to areas outside the area of immediate hostilities and the actions taken by national governments in response to such hostilities;
- fluctuations in currency exchange rates, which may either increase or decrease our operating costs and for which we have significant exposure;
- the imposition of currency controls, which would have the effect of preventing us from repatriating profits from our foreign subsidiaries;
- exposure to heightened corruption risks;
- aggressive, selective or lax enforcement of laws and regulations by national governmental authorities; and
- potentially increased risk of misappropriation of intellectual property.

We operate in countries that have experienced labor unrest, political instability or conflict and strife in the past, including China, India, Israel, Malaysia, Mexico and Thailand, and we have experienced work stoppages and similar disruptions at our plants in these countries. To the extent these factors prevent us from adequately staffing our plants and manufacturing and shipping products in those jurisdictions, our margins and net income could be reduced and our reputation as a reliable supplier could be negatively impacted.

We rely on a relatively small number of customers for a substantial portion of our sales and declines in sales to these customers could significantly reduce our net sales and net income.

Sales to our ten largest customers have historically represented approximately half of our net sales. We expect to continue to depend upon a relatively small number of customers for a significant percentage of our sales for the foreseeable future. The loss of, a significant reduction in sales or pricing to, or an inability to recover components liabilities from our largest customers could therefore substantially reduce our revenue and margins.

Customer order cancellations, push-outs and reduced forecasts could reduce our sales, net income and liquidity.

We generally do not obtain firm, long-term purchase commitments from our customers and our bookings may generally be canceled prior to the scheduled shipment date. Although customers are generally liable for components we procure on their behalf, finished goods and work in progress at the time of cancellation, customers may fail to honor this commitment or we may be unable to, or, for other business reasons, choose not to, enforce our contractual rights. Cancellations, reductions or push-outs of orders by customers and reduced customer forecasts, whether due to changes in individual customer circumstances, such as customer inventory levels, or end market changes or recessionary conditions in general, could cause our inventory levels to increase, consume working capital, lead to write-offs of inventory that customers fail to purchase for any reason, which could reduce our sales, net income and liquidity.

Our strategy to pursue higher margin business depends in part on the success of our CPS businesses, which, if not successful, could cause our future gross margins and operating results to be lower.

A key part of our strategy of providing end-to-end manufacturing solutions is to grow our CPS businesses, which supplies printed circuit boards, backplane and backplane assemblies, cable assemblies, fabricated metal parts, precision machined parts, and plastic injected molded parts, memory, RF, optical and microelectronic solutions, and data storage solutions and design, engineering, logistics and repair services and our SCI defense and aerospace products. A decrease in orders for these components, products and services can have a disproportionately adverse impact on our profitability since these components, products and services generally yield higher margins than our core IMS business. In addition, in order to grow this portion of our business profitably, we must continue to make substantial investments in the development of our product development capabilities, research and development activities, test and tooling equipment and skilled personnel, all of which reduce our operating results in the short term. The success of our CPS businesses also depends on our ability to increase sales of our proprietary products, convince our customers to purchase our components rather than those of third parties for use in the manufacture of their products, and expand the number of our customers who contract for our design, engineering, logistics and repair services. We may face challenges in achieving commercially viable yields and difficulties in manufacturing components in the quantities and to the specifications and quality standards required by our customers, as well as in qualifying our components for use in our customers' designs. Our proprietary products and design, engineering, logistics and repair services must compete with products and services offered by established vendors which focus solely on development of similar technologies or the provision of similar services. Any of these factors could reduce the revenue and margins of our CPS businesses, which in turn would have an adverse and potentially disproportionate effect on our overall revenue and profitability.

Current U.S. trade policy could increase the cost of using both our onshore and offshore manufacturing services for our customers, leading them to reduce their orders to us; unrecovered tariffs would reduce our gross margins.

The U.S. has recently announced or enacted a broad increase in tariffs on all imported components, as well as on aluminum, steel, copper and derivatives thereof, subject to limited exceptions. As a result, we are exposed to increased tariffs with respect to components, products and certain raw materials we import into the U.S. from China, Mexico and other countries. Although our customers are generally liable for tariffs we pay on their behalf on importation of components used in the manufacture of their products and the importation of the products themselves, our gross margins would be reduced, potentially significantly, in the event we are for any reason unable to fully recover tariffs or duties from our customers. Any decision by a large number of our customers to cease using our non-U.S. manufacturing locations due to the application of increased tariffs would materially reduce our revenue and net income. Further, although we are required to pay tariffs upon importation of the components, we may not be able to recover these amounts from our customers until sometime later, if at all, which could materially adversely impact our operating cash flow in a given period, especially if the recently announced higher tariffs actually take effect.

Worldwide supply chain shortages caused by the COVID-19 pandemic, the resumption of strong worldwide demand for electronic products and components, and geopolitical events have collectively limited our ability to manufacture and ship all of the products for which we have demand; our profitability will be reduced if we are unable to continue to pass on increasing component costs.

Over the past five years, our supply chain has been significantly impacted by interruptions in supplier and port operations resulting from the COVID-19 pandemic, the resumption of strong worldwide demand for electronic products and components following the easing of COVID-19 restrictions, and geopolitical events, such as the war in Ukraine and conflict in the Middle East. As a result, we have experienced and continue to experience delays in delivery and shortages of certain components, particularly certain types of capacitors, resistors and discrete semiconductors needed for many of the products we manufacture. These conditions have limited and may continue to limit our ability to manufacture and ship all of the products for which we have demand and that require these components and have resulted and may continue to result in an increase in our inventories of other components that cannot be assembled into finished products without these components. These factors are exacerbated by the fact that we are dependent on a limited number of sole source suppliers to provide key components that we incorporate into our products. In the case of semiconductors, most third-party manufacturing is concentrated among a small number of suppliers located in the same geographic area. Although conditions have generally improved, we expect some level of delays and shortages to continue to persist in some form in the short to medium term. Any such delays or shortages, including due to natural disasters or geopolitical issues or conflicts, could result in delays in shipments to our customers, which would reduce our revenue, margins and operating cash flow for the periods affected.

In addition, inflationary pressures resulting from supply chain constraints and strong economic conditions generally have led to sustained increases in the prices we pay for components and materials used in production and in our labor and transportation costs. While we seek to pass on to our customers the increased prices for components and shipping, plus a margin, our gross margins and profitability could decrease, perhaps significantly, over a sustained period of time if we are unable to do so.

Transfers of business or operations may increase our costs and cause disruptions in our ability to service our customers.

Our customers sometimes require that we transfer the manufacturing of their products from one of our facilities to another to achieve cost reductions, tariff reductions and other objectives. These transfers have resulted in increased costs to us due to facility downtime, less than optimal utilization of our manufacturing capacity and delays and complications related to the transition of manufacturing programs to new locations. These transfers, and any decision by a significant customer to terminate manufacturing services in a particular facility, could require us to close or reduce operations at certain facilities and, as a result, we may incur in the future significant costs for the closure of facilities, employee severance and related matters. We may be required to relocate or close additional manufacturing operations in the future and, accordingly, we may incur additional costs that decrease our net income.

In addition, certain of our foreign manufacturing facilities are leased from third parties. To the extent we are unable to renew the leases covering such facilities as they expire on reasonable terms, or are forced to move our operations at those facilities to other locations as a result of a failure to agree upon renewal terms, production for our customers may be interrupted, we may breach our customer agreements, we could incur significant start-up costs at new facilities and our lease expense may increase, potentially significantly.

Regulatory, Compliance and Litigation Risks

We are subject to a number of U.S. export control and regulatory requirements relating to our defense business, with which the failure to comply could result in fines and reduction of future revenue.

We are subject to a number of laws and regulations relating to the export of U.S. technology, anti-corruption and the award, administration and performance of U.S. government contracts and subcontracts. In particular, our activities must comply with the restrictions relating to the export of controlled technology and sales to denied or sanctioned parties contained in the International Traffic in Arms Regulations, the U.S. Export Administration Regulations and sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department. The U.S. Commerce Department has released rules that in some cases significantly restrict the export of U.S. technology to or from China. These laws could negatively impact our operations in China by making it more difficult to import components containing U.S. technology into China and to export finished products containing such components out of China. Any failure to comply with export control laws could result in significant fines or penalties. We must also comply with regulations relating to the award, administration and performance of U.S. government contracts and subcontracts with respect to our defense business, including regulations that govern price negotiations, cost accounting standards, procurement practices, termination at the election of the government and many other aspects of performance under government contracts and subcontracts. These laws and regulations are complex, require extensive compliance efforts and expenditures in the form of additional systems and personnel, and, in some cases, require us to ensure that our suppliers adhere to such regulations. Furthermore, our compliance with such regulations is subject to audit or investigation by governmental authorities. From time to time, we receive formal and informal inquiries from government agencies and regulators regarding our compliance. For example, we responded to several Civil Investigative Demands from the U.S. Department of Justice relating to certain contracts, projects, proposals, and business activities of our SCI subsidiary and a qui tam lawsuit filed by a former SCI employee was unsealed relating to these matters. Should we be found to have violated one or more government contracting laws or regulations, we could become subject to civil damages (which in some cases could be trebled) or criminal penalties and administrative sanctions, including appointment of government monitors, termination of our government contracts and, ultimately, debarment from doing further business with the U.S. government. Any of such results would increase our expenses, reduce our revenue and damage our reputation as both a commercial and government supplier.

If we manufacture or design defective products, if there are manufacturing defects in the components we incorporate into customer products or if our manufacturing processes do not comply with applicable statutory and regulatory requirements and standards, we could be subject to claims, damages and fines and lose customers.

We manufacture products to our customers' specifications, and in some cases our manufacturing processes and facilities need to comply with various statutory and regulatory requirements and standards. For example, many of the medical products that we manufacture, as well as the facilities and manufacturing processes that we use to produce them, must comply with standards established by the U.S. Food and Drug Administration and products we manufacture for the automotive end market are generally subject to the IATF 16949:2016 standard. In addition, our customers' products and the manufacturing processes that we use to produce them often are highly complex. As a result, products that we design or manufacture may at times contain design or manufacturing defects, and our manufacturing processes may be subject to errors or may not be in compliance with applicable statutory and regulatory requirements and standards. Finally, customer products can experience quality problems or failures as a result of defects in the components customers specify to be included in the products we manufacture for them. Defects in the products we design or manufacture, even if caused by components specified by the customer, may result in product recalls, warranty claims by customers, including liability for repair costs, delayed shipments to customers or reduced or canceled customer orders. The failure of the products that we design or manufacture or of our manufacturing processes and facilities to comply with applicable statutory and regulatory requirements and standards may subject us to legal fines or penalties, cause us to lose business and, in some cases, require us to shut down or incur considerable expense to correct a manufacturing program or facility. In addition, these defects may result in product liability claims against us by third parties. The risk and magnitude of such claims may increase as we continue to expand our presence in the medical and automotive end markets since defects in these types of products can result in death or significant injury to end users of these products. Even when our customers or suppliers are contractually responsible for defects in the design of a product and defects in components used in the manufacture of such products, there is no guarantee that any indemnities provided by such parties will be adequate to cover all damages to which we may become subject or that these parties will have the financial resources to indemnify us for such liabilities, in which case we could be required to expend significant resources to defend ourselves if named in a product liability suit over such defects.

If we are unable to protect our intellectual property or if we infringe, or are alleged to infringe, upon the intellectual property of others, we could be required to pay significant amounts in costs or damages.

We rely on a combination of copyright, patent, trademark and trade secret laws and contractual restrictions to protect our intellectual property rights. However, a number of our patents covering certain aspects of our manufacturing processes or products have expired and will continue to expire in the future. Such expirations reduce our ability to assert claims against competitors or others who use or sell similar technology. Any inability to protect our intellectual property rights could diminish or eliminate the competitive advantages that we derive from our proprietary technology. In addition, should a current or former employee use or disclose any of our or our customers' proprietary information, we could become subject to legal action by our customers or others, our key technologies could become compromised and our ability to compete could be adversely impacted.

In addition, we may become involved in administrative proceedings, lawsuits or other proceedings if others allege that the products we manufacture for our customers or our own manufacturing processes and products infringe on their intellectual property rights. If successful, such claims could force our customers and us to stop importing or producing products or components of products that use the challenged intellectual property, to pay up to treble damages and to obtain a license to the relevant technology or to redesign those products or services so as not to use the infringed technology. The costs of defense and potential damages and/or impact on production of patent litigation could be significant and have a materially adverse impact on our financial results. In addition, although our customers typically indemnify us against claims that the products we manufacture for them infringe others' intellectual property rights, there is no guaranty that these customers will have the financial resources to stand behind such indemnities should the need arise, nor is there any guarantee that any such indemnity could be fully enforced. We sometimes design products on a contract basis or jointly with our customers. In such situations, we may become subject to claims that products we design infringe third party intellectual property rights and may also be required to indemnify our customer against liability caused by such claims.

Any of these events could reduce our revenue, increase our costs and damage our reputation with our customers.

Allegations of failures to comply with domestic or international employment and related laws could result in the payment of significant damages, which would reduce our net income.

We are subject to a variety of domestic and foreign employment laws, including those related to safety, wages and overtime, meal and rest periods, discrimination, harassment, collective bargaining, whistleblowing, classification of employees, privacy and severance payments. We may be required to defend against allegations that we have violated such laws. Allegations that we have violated labor laws could lead to damages being awarded to employees or fines from or settlements with plaintiffs or federal, state or foreign regulatory authorities, the amounts of which could be substantial, and which would reduce our net income. For example, in the first quarter of fiscal 2022, we paid approximately $4 million in a judicially approved settlement in connection with a lawsuit against us alleging violations of California Labor Code provisions governing overtime, meal and rest periods, wages, wage statements and reimbursements of business expenses, and in fiscal 2024, four putative class actions were filed in California alleging similar violations.

Cyberattacks and other disruptions of our information technology network and systems could interrupt our operations, lead to loss of our customer and employee data and subject us to damages.

We rely on internal and cloud-based networks and systems furnished by third parties for worldwide financial reporting, inventory management, procurement, invoicing, employee payroll and benefits administration and email communications, among other functions. In addition, our 42Q manufacturing execution solutions software used by us and certain of our customers operates in the cloud. Despite our business continuity planning, including maintaining redundant data sites and network availability, both our internal and cloud-based infrastructure may be susceptible to outages due to fire, floods, power loss, telecommunications failures, terrorist attacks, performance failures by our IT vendors and similar events. For example, in July 2024, a misconfigured system update initiated by one of our network security vendors caused our worldwide manufacturing operations to be temporarily disrupted. In addition, our systems, like those of other large companies, are regularly subject to third-party hacking attempts. Despite the implementation of numerous network security measures, both our internal and our cloud-based infrastructure may also be vulnerable to such hacking attempts, the installation of computer viruses, malware or similar disruptions either by third parties or employees with access to key IT infrastructure. Cybersecurity attacks can come in many forms, including distributed denial of service attacks, advanced persistent threat, phishing, business email compromise efforts and ransomware attacks. There can be no assurance that a future malware attack or hacking attempt will not be successful in breaching our systems. Hacking, malware and other cybersecurity attacks, if not prevented, could lead to the collection and disclosure of sensitive personal or confidential information relating to our business, customers, employees or others, exposing us to legal liability and causing us to suffer reputational damage. In addition, our SCI defense and aerospace business is subject to U.S. government regulations requiring the safeguarding of certain unclassified government information and to report to the U.S. government certain cyber incidents that affect such information. The increasing sophistication of cyberattacks requires us to continually evaluate new technologies and processes intended to detect and prevent these attacks. Our insurance coverage for cyberattacks is limited. There can be no assurance that our cybersecurity measures will be sufficient to protect the data we manage. If we and our cloud infrastructure vendors are not successful in preventing such outages and cyberattacks, our operations could be disrupted, we could incur losses, including losses relating to claims by our customers, employees or privacy regulators relating to loss of personal or confidential business information, the willingness of customers to do business with us may be damaged and, in the case of our defense business, we could be barred from future participation in U.S. government programs.

Any failure to comply with applicable environmental laws could adversely affect our business by causing us to pay significant amounts for cleanup of hazardous materials or for damages or fines.

We are subject to various federal, state, local and foreign environmental laws and regulations, including those governing the use, generation, storage, discharge and disposal of hazardous substances and waste in the ordinary course of our manufacturing operations. If we violate environmental laws or if we own or operate, or owned or operated in the past, a site at which we or a predecessor company caused contamination, we may be held liable for damages and the costs of remedial actions. For example, in April 2023, a court issued a ruling finding us and other defendants liable for certain investigation and remediation costs relating to a site owned by a predecessor company in Southern California at which a disposal was alleged to have occurred, which claim has since been settled. Although we estimate and regularly reassess our potential liability with respect to violations or alleged violations and accrue for such liability, our accruals may not be sufficient. Any increase in existing reserves or establishment of new reserves for environmental liability would reduce our net income. Our failure or inability to comply with applicable environmental laws and regulations could also limit our ability to expand facilities or could require us to acquire costly equipment or to incur other significant expenses to comply with these laws and regulations.

Partly as a result of certain of our acquisitions, we have incurred liabilities associated with environmental contamination. These liabilities include ongoing investigation and remediation activities at a number of current and former

sites. The time required to perform environmental remediation can be lengthy and there can be no assurance that the scope, and therefore cost, of these activities will not increase as a result of the discovery of new contamination or contamination on adjoining landowners' properties or the adoption of more stringent regulatory standards covering sites at which we are currently performing remediation activities.

We cannot assure that past disposal activities will not result in liability that will materially affect us in the future, nor can we provide assurance that we do not have environmental exposures of which we are unaware and which could adversely affect our future operating results. Changes in or restrictions on discharge limits, emissions levels, permitting requirements and material storage or handling could require a higher than anticipated level of remediation activities, operating expenses and capital investment or, depending on the severity of the impact of the foregoing factors, costly plant relocation, any of which would reduce our net income.

Changes in financial accounting standards or policies have affected, and in the future may affect, our reported financial condition or results of operations; there are inherent limitations to our system of internal controls; changes in corporate governance requirements, policies and practices may impact our business.

We prepare our consolidated financial statements in conformity with GAAP. The preparation of our financial statements in accordance with GAAP requires that we make estimates and assumptions that affect the recorded amounts of assets, liabilities and net income during the reporting period. A change in the facts and circumstances surrounding those estimates could result in a change to our estimates and could impact our future operating results. GAAP is subject to interpretation by the Financial Accounting Standards Board ("FASB"), the SEC and various bodies formed to interpret and create accounting policies. A change in those policies can have a significant effect on our reported results and may affect our reporting of transactions which are completed before a change is announced. For example, in fiscal 2019, we implemented the new revenue recognition standard, which is complex and requires significant management judgment. Although we believe the judgments we applied in implementation of the new revenue recognition standard are appropriate, there can be no assurance that we will not be required to change our judgments relating to implementation of such standard in the future, whether as a result of new guidance or otherwise. A significant change in our accounting judgments could have a significant impact on our reported revenue, gross profit, assets and liabilities. In general, changes to accounting rules or challenges to our interpretation or application of the rules by regulators may have a material adverse effect on our reported financial results or on the way we conduct business.

Our system of internal and disclosure controls and procedures was designed to provide reasonable assurance of achieving its objectives. However, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been or will be detected. As a result, there can be no assurance that our system of internal and disclosure controls and procedures will be successful in preventing all errors, theft and fraud, or in informing management of all material information in a timely manner. For example, as disclosed in Item 9A of our Annual Report on Form 10-K for the fiscal year ended September 28, 2024, and Item 4 of this report, we have identified several material weaknesses in the control environment at one of our divisions and a material weakness in our internal controls over accounting for certain payments received for inventory.

Finally, corporate governance, public disclosure and compliance practices continue to evolve based upon continuing legislative action, SEC rulemaking and policy positions taken by large institutional stockholders and proxy advisors. As a result, the number of rules, regulations and standards applicable to us may become more burdensome to comply with, could increase scrutiny of our practices and policies by these or other groups and increase our legal and financial compliance costs and the amount of time management must devote to governance and compliance activities. For example, the SEC has recently adopted rules requiring that issuers provide significantly increased disclosures concerning cybersecurity risk management, strategy, governance and incident reporting and adopt more stringent executive compensation clawback policies and several agencies and governments, including the SEC, the EU and California have enacted legislation or adopted rules that will require large companies to provide significant disclosures concerning their greenhouse gas emissions and financial risks relating to climate change. Increasing regulatory burdens and corporate governance requirements impose both internal and external costs on us, require significant management attention and oversight and could make it more difficult for us to attract and retain qualified members of our Board of Directors and qualified executive officers.

Global, national and corporate initiatives addressing climate change could increase our costs.

Concern over climate change may lead to state, federal and international legislative and regulatory initiatives aimed at reducing carbon dioxide and other greenhouse gas emissions through incentives, taxes or mandates and there is increased interest generally in voluntary corporate commitments to reduce the generation of greenhouse gases. Collectively, such initiatives and commitments could lead to an increase in both the price of energy and our operating costs. A sustained increase in energy prices for any reason could increase our raw material, components, operations and transportation costs, which we may not be able to pass on to our customers and which would therefore reduce our profitability, as would any increase in operating costs and investments due to our adoption, whether voluntary or mandatory, of measures to reduce our carbon footprint. We could also suffer reputational damage if our sustainability practices are perceived to be inadequate.

Liquidity and Credit Risks

Our customers could experience credit problems, which could reduce our future revenue and net income.

Certain of our customers have experienced significant financial difficulties in the past, with a few filing for bankruptcy. Financial difficulties experienced by one or more of our customers, could negatively affect our business by decreasing demand from such customers and through the potential inability of these companies to make full payment on amounts owed to us. Customer bankruptcies also entail the risk of potential recovery by the bankruptcy estate of amounts previously paid to us that are deemed a preference under bankruptcy laws. There can be no assurance that additional customers will not declare bankruptcy or suffer financial distress, in which case our future revenue, net income and cash flow could be reduced.

We may be unable to generate sufficient liquidity to maintain or expand our operations, which would reduce the amount of business our customers and vendors are able to do with us and impact our ability to continue operations at current levels without seeking additional funding; high interest rates reduce our net income and operating cash flow; we could experience losses if one or more financial institutions holding our cash or other financial counterparties were to fail; repatriation of foreign cash could increase our taxes.

Our liquidity is dependent on a number of factors, including profitability, business volume, inventory levels, the extension of trade credit by our suppliers, the degree of alignment of payment terms from our suppliers with payment terms granted to our customers, the amount we invest in our facilities and equipment, the timing of acquisitions and divestitures, the schedule for repayment of our outstanding indebtedness, the timing of stock repurchases, the amount available to borrow under the Credit Agreement, and the amount of accounts receivable eligible and accepted for sale under our factoring programs. In the event we need or desire additional liquidity beyond the sources described above to maintain or expand our business levels, make acquisitions or repurchase stock, there can be no assurance that such additional liquidity will be available on acceptable terms or at all. The sale of receivables under our factoring programs is subject to the approval of the banks or customers involved and there can be no assurance that we will be able to sell the maximum amount of receivables permitted by these programs when desired. In addition, because the interest rate we pay for borrowings under the Credit Agreement and the interest rate used to calculate the purchase price for receivables under our factoring programs are variable, the currently high interest rates resulting from actions taken by the Federal Reserve to reduce inflation both increases the amount of interest expense we pay, which reduces net income, and also reduces the amount of proceeds we receive from purchasers under our receivables factoring program, which reduces operating cash flow.

Any failure to maintain adequate liquidity would prevent us from maintaining operations at current or desired levels, which in turn would reduce both our revenue and profitability.

Although we believe our existing cash resources and sources of liquidity, together with cash generated from operations, will be sufficient to meet our working capital requirements for at least the next 12 months, should demand for our services increase significantly over the next 12 months or should we experience significant increases in delinquent or uncollectible accounts receivable for any reason, including recessionary economic conditions, our cash provided by operations could decrease significantly and we could be required to seek additional sources of liquidity to continue our operations at their current level. In such a case, there can be no assurance that such additional sources of financing would be available.

A principal source of our liquidity is our cash and cash equivalents, which are held with various financial institutions. Although we distribute such funds among a number of financial institutions that we believe to be of high quality, there can be no assurance that one or more of such institutions will not become insolvent in the future. For example, in the spring of 2023, three mid-sized regional banks failed and were placed under the temporary control of federal regulators. Although none of our cash and cash equivalents were deposited with any of such banks, should the financial institutions in which our cash and cash equivalents are deposited fail in the future and not be backstopped by the federal government or otherwise guaranteed, all or a portion of our uninsured funds on deposit with such institutions could be lost. Similarly, should the financial institutions holding the cash and cash equivalents of our customers fail and not be backstopped or otherwise guaranteed, our customers may become unable to satisfy their obligations to us. Finally, if one or more counterparties to our interest rate or foreign currency hedging instruments were to fail, we could suffer losses and our hedging of risk could become less effective.

As of June 28, 2025, approximately 60% of our cash was held in foreign jurisdictions. Some of these jurisdictions restrict the amount of cash that can be transferred to the U.S. or impose taxes and penalties on such transfers of cash. To the extent we have excess cash in foreign locations that could be used in, or is needed by, our U.S. operations, we may incur significant foreign taxes to repatriate these funds which would reduce the net amount ultimately available for such purposes.

Our Credit Agreement contains covenants that may adversely impact our business; the failure to comply with such covenants or the occurrence of an event of default could cause us to be unable to borrow additional funds and cause our outstanding debt to become immediately payable.

Our Credit Agreement contains a maximum leverage and minimum interest coverage ratio and a number of restrictive covenants, including restrictions on incurring additional debt, making investments and other restricted payments, selling assets and paying dividends, subject to certain exceptions, with which we must comply. Collectively, these covenants could constrain our ability to grow our business through acquisition or engage in other strategic transactions. Such facility also contains customary events of default. Finally, such facility includes covenants requiring, among other things, that we timely file quarterly and annual financial statements with the SEC, comply with all laws, pay all taxes and maintain casualty insurance. If we are not able to comply with these covenants or if an event of default were to occur and not be cured or waived by our lenders, all of our outstanding debt would become immediately due and payable and the incurrence of additional debt under our Credit Agreement would not be allowed, either of which would have a material adverse effect on our liquidity and ability to continue to conduct our business.

Strategic Transaction Risks

We may not be successful in implementing and integrating strategic transactions, including the pending ZT Systems acquisition, or in divesting assets or businesses, which could harm our operating results; we could become required to book a charge to earnings should we determine that goodwill and other acquired assets are impaired.

From time to time, we may undertake strategic transactions that give us the opportunity to access new customers and new end markets, increase our proprietary product offerings, obtain new manufacturing and service capabilities and technologies, enter new geographic manufacturing locations, lower our manufacturing costs, increase our margins or further develop existing customer relationships. For example, in May 2025, we entered into an agreement with Advanced Micro Devices, Inc. to acquire the data center infrastructure manufacturing business of ZT Systems, and in October 2022, we entered into a joint venture with a wholly owned subsidiary of Reliance Strategic Business Ventures Limited ("RSBVL") that is intended to create a world-class electronic manufacturing hub in India. Our acquisition of ZT Systems is currently expected to close near the end of the 2025 calendar year, subject to regulatory approvals and customary closing conditions.

Our ability to realize any of the anticipated benefits from the pending acquisition of ZT Systems depends on us completing the acquisition and successfully integrating ZT Systems into our business. If we cannot successfully integrate or are delayed in integrating newly acquired businesses, it could negatively impact our ability to develop or sell new products and impair our ability to grow our business, which could materially adversely affect our financial condition, results of operations or cash flows. Even if ZT Systems is successfully integrated, the benefits of such acquisition may not be realized within the anticipated time frame or at all. The success of our India joint venture is also subject to a number of risks and uncertainties, including the joint venture obtaining "Trusted Source" designation under the India government's "Make in India" initiative, adverse changes in the key markets the joint venture targets and the risks described above under the caption "We are subject to risks arising from our international operations".

Strategic transactions, including the pending acquisition of ZT Systems, involve a number of risks, uncertainties and costs, including: difficulty in integrating acquired operations and workforce, businesses and products; resolving quality issues involving acquired products; incurring severance and other restructuring costs; diverting management attention from their normal operational duties; maintaining customer, supplier or other favorable business relationships of acquired operations; terminating unfavorable commercial arrangements; losing key employees; integrating the systems of acquired operations into our management information systems; satisfying the liabilities of acquired businesses, including liability for past violations of law and material environmental liabilities; significant transaction and integration costs, or unknown or inestimable liabilities associated with the transaction, such as increased interest expense and compliance with debt covenants or other obligations; and the possibility that we may not realize the expected benefits, cost savings, accretion, synergies, or growth from the transaction, or that such benefits may be delayed. Any of these risks could cause our strategic transactions, including the ZT Systems acquisition and our India joint venture, not to be as profitable as expected or planned.

Separately, we may also choose to divest plants, businesses or products lines in the future. Divestitures reduce revenue and, potentially, margins and can involve the risk of retained liabilities from the operations divested, including environmental liabilities.

Finally, we have in the past recorded, and, upon closing of the ZT Systems acquisition, will be required to record substantial goodwill and other intangible assets on our balance sheet. We evaluate, at least on an annual basis, whether events or circumstances have occurred that indicate all, or a portion, of the carrying amount of our goodwill and other intangible assets may no longer be recoverable. Should we determine in the future that our goodwill or other intangible assets have become impaired, an impairment charge to earnings would become necessary, which could be significant.

There can be no assurance that we will be able to secure the funds necessary to pay the cash portion of the consideration payable in our acquisition of ZT Systems' manufacturing business, in a timely manner or at all.

We intend to finance the cash portion of the consideration payable in our pending acquisition of ZT Systems' manufacturing business with the proceeds of debt financing. To this end, we have entered into a bridge commitment letter (the "Bridge Commitment Letter") containing commitments for a senior secured 364-day bridge loan facility in an aggregate principal amount of up to $2.5 billion (the "Bridge Facility"). The Bridge Commitment Letter also contemplates that we will seek to obtain permanent financing in the form of senior secured term loans and/or senior secured or unsecured notes prior to the closing of the acquisition of ZT Systems, and that the commitments under the Bridge Facility will be reduced by the amount of any such permanent financing (or permanent financing commitments) obtained. As of the date of this filing, we have not entered into any definitive agreement for this debt financing or other financing arrangements in lieu thereof, and the obligation of the lender to provide the Bridge Facility under the Bridge Commitment Letter is subject to a number of customary conditions. There is a risk that these conditions will not be satisfied and that the Bridge Facility or alternative debt financing may not be available on acceptable terms, in a timely manner or at all. Should alternative financing not be available prior to closing and we utilize the Bridge Facility to pay the cash purchase price payable at closing, we will be required to obtain alternative financing within one year of closing due to the short maturity of the Bridge Facility. Our obligation to consummate our acquisition of ZT Systems is not conditioned upon our ability to obtain financing. If we are unable to complete the Bridge Facility or obtain sufficient alternative debt financing, the completion of our acquisition of ZT Systems may be delayed or not completed, in which case we would be in breach of our obligations under the Equity Purchase Agreement.

The agreements that will govern indebtedness to be incurred in connection with our acquisition of ZT Systems' manufacturing business are expected to contain various covenants that will impose restrictions that may affect our ability to operate our businesses.

The agreements that will govern indebtedness to be incurred in connection with our acquisition of ZT Systems' manufacturing business, including pursuant to the related debt financing contemplated by the Bridge Commitment Letter, are expected to contain various affirmative and negative covenants that will, subject to certain significant exceptions, restrict our ability to, among other things, have liens on our property, incur additional indebtedness, enter into sale and lease-back transactions, make loans, advances or other investments, enter into transactions with affiliates, enter into burdensome agreements, make fundamental changes, make non-ordinary course asset sales, declare or pay dividends or make other distributions with respect to equity interests, and/or merge or consolidate with any other person or sell or convey certain of our assets to any one person, among other things. In addition, certain definitive documentation governing such indebtedness is expected to contain financial maintenance covenants that will require us to maintain a certain leverage ratio and an interest coverage ratio at the end of each fiscal quarter. Our ability to comply with these provisions may be affected by events beyond our control. Failure to comply with these covenants could result in an event of default, which, if not cured or waived, could accelerate our repayment obligations under the applicable definitive documentation or under other debt agreements.

Our ability to complete the acquisition of ZT Systems' manufacturing business is subject to closing conditions, including the receipt of consents and approvals from government authorities, which may impose conditions that could adversely affect us or cause the acquisition to not be completed.

Our pending acquisition of ZT Systems, which is currently expected to close near the end of the 2025 calendar year, is subject to the satisfaction or waiver of a number of customary conditions as specified in the Equity Purchase Agreement, including receipt of certain specified required regulatory approvals and the absence of laws or orders restraining the consummation of the transaction. We cannot assure you that we will receive the necessary regulatory approvals at all or in a timely manner or that closing conditions will be satisfied. Any delay in completing the acquisition could cause us to not realize, or to be delayed in realizing, some or all of the benefits we expect to achieve from the acquisition.

Additionally, if the acquisition is not completed, we may incur significant costs that we may be unable to recover, which could negatively affect our business and results of operations. We would be required to pay ZT Systems a termination fee of up to $153 million if the Equity Purchase Agreement is terminated in certain circumstances related to the failure to obtain required regulatory approvals**.**

<u>General Risk Factors</u>

We are subject to intense competition in the electronics manufacturing services ("EMS") industry, which could cause us to lose sales and, therefore, harm our financial performance.

The EMS industry is highly competitive and the industry has experienced a surplus of manufacturing capacity. Our competitors include major global EMS providers, including Benchmark Electronics, Inc., Celestica, Inc., Flex Ltd., Hon Hai Precision Industry Co., Ltd. (Foxconn), Jabil Inc. and Plexus Corp., as well as other companies that have a regional, product, service or industry-specific focus. We also face competition from current and potential OEM customers who may elect to manufacture their own products internally rather than outsource to EMS providers.

Competition is based on a number of factors, including end markets served, price and quality. We may not be able to offer prices as low as some of our competitors for any number of reasons, including the willingness of competitors to provide EMS services at prices we are unable or unwilling to offer. There can be no assurance that we will win new business or maintain existing business due to competitive factors, which could decrease our sales and net income. In addition, due to the extremely price sensitive nature of our industry, business that we do win or maintain may have lower margins than our historical or target margins. As a result, competition may cause our gross and operating margins to fall.

Consolidation in the electronics industry may adversely affect our business by increasing customer buying power and increasing prices we pay for components.

Consolidation in the electronics industry among our customers, our suppliers and/or our competitors may increase, which could result in a small number of very large electronics companies offering products in multiple sectors of the electronics industry. If one of our customers is acquired by another company that does not rely on us to provide EMS services, we may lose that customer's business. Similarly, consolidation among our suppliers could result in a sole or limited source for certain components used in our customers' products. Any such consolidation could cause us to be required to pay increased prices for such components, which could reduce our gross margin and profitability if we are unable to pass on the corresponding cost to our customers.

Changes in our income tax rates or exposure to additional tax liabilities or expiration of our net operating loss carryforwards could increase our taxes and decrease our net income; developments in pending audits could result in an increase in our tax expenses which would decrease our net income.

We are or may become subject to income, sales, value-added, goods and services, withholding and other taxes in the United States and various foreign jurisdictions. Significant judgment is required in determining our worldwide provision for taxes and, in the ordinary course of business, there are many transactions and calculations for which the ultimate tax determination is uncertain. Our effective income tax rates and liability for other taxes could increase as a result of changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, changes in enacted tax laws, the effectiveness of our cash and tax management strategies, our ability to negotiate advance pricing agreements with foreign tax authorities, compliance with local trade laws and other factors. International initiatives require multinational enterprises, like ours, to report profitability on a country-by-country basis, which could increase scrutiny by foreign tax authorities. In addition, our tax determinations are regularly subject to audit by tax authorities. For example, we are currently undergoing audits of our tax returns for certain recent tax years in a number of jurisdictions, including the United States. In connection with one such audit, on November 17, 2023, we received a Revenue Agent's Report ("RAR") from the Internal Revenue Service (the "IRS"), which asserted an underpayment of tax of approximately $8 million for fiscal 2009. The proposed underpayment results from the IRS's proposed disallowance of a $503 million worthless stock deduction previously taken by us. We disagree with the IRS's position as asserted in the RAR and are vigorously contesting this matter through the applicable IRS administrative and judicial procedures, as appropriate. However, an adverse result in this matter or additional developments in these or future audits would adversely affect our tax provisions, including through the disallowance or reduction of deferred tax assets or the assessment of back taxes, interest and penalties, any of which could result in a material increase to our income tax expense and therefore a material decrease in our net income and could have a material adverse impact on our condensed consolidated financial statements. Further, as of

September 28, 2024, we have cumulative net operating loss carryforwards ("NOLs") for state and foreign tax purposes of $255 million and $446 million, respectively, and none for federal. The state NOLs began expiring in fiscal 2025, and expire at various dates through September 26, 2043. Certain foreign NOLs began expiring in fiscal 2025. As our NOLs expire, our state income tax rates will increase, which will reduce our net income.

We can experience losses due to foreign exchange rate fluctuations and currency controls, which could reduce our net income and impact our ability to repatriate funds.

Because we manufacture the majority of our products abroad, our operating results can be negatively impacted due to fluctuations in foreign currency exchange rates. We use financial instruments, primarily short-term foreign currency forward contracts, to hedge our exposure to exchange rate fluctuations. However, the success of our foreign currency hedging activities in preventing foreign exchange losses depends largely upon the accuracy of our forecasts of future sales, expenses, capital expenditures and assets and liabilities. As such, our foreign currency hedging program may not fully cover all of our exposure to exchange rate fluctuations. If our hedging activities are not successful, our net income may be reduced. In addition, certain countries in which we operate have adopted currency controls requiring that local transactions be settled only in local currency rather than in our functional currency, which is generally different than the local currency. Such controls could require us to hedge larger amounts of local currency than we otherwise would and/or prevent us from repatriating cash generated by our operations in such countries.

We may not have sufficient insurance coverage for potential claims and losses, which could leave us responsible for certain costs and damages.

We carry various forms of business and liability insurance in types and amounts we believe are reasonable and customary for similarly situated companies in our industry. However, our insurance program does not generally cover losses due to failure to comply with typical customer warranties for workmanship, product and medical device liability, intellectual property infringement, product recall claims, or environmental contamination. In particular, our insurance coverage with respect to damages to or closure of our facilities, or damages to our customers' products caused by cyberattacks, outages and certain natural disasters, such as earthquakes, epidemics and pandemics (such as the COVID-19 pandemic), is limited and is subject to policy deductibles, coverage limits, and exclusions, and as a result, may not be sufficient to cover all of our losses. For example, our policies have very limited coverage for damages due to earthquakes or losses caused by business disruptions. In addition, such coverage may not continue to be available at commercially reasonable rates and terms. Our policies generally have deductibles and/or limits or may be limited to certain lines or business or customer engagements that reduce the amount of our potential recoveries from insurance. As a result, not all of our potential business losses are covered under our insurance policies. Should we sustain a significant uncovered loss, our net income will be reduced. Additionally, if one or more counterparties to our insurance coverage were to fail, we would bear the entire amount of an otherwise insured loss.

Recruiting and retaining our key personnel is critical to the continued growth of our business.

Our success depends upon the continued service of our key personnel, particularly our highly skilled sales and operations executives, managers and engineers with many years of experience in the EMS industry. Such individuals can be difficult to identify, recruit and retain and are heavily recruited by our competitors. As our key employees choose to retire or terminate their employment with us, we will be required to replace them with new employees with the required experience, which has become challenging in the U.S. due to the strong employment market. Should we be unable to recruit new employees to fill key positions with us, our operations and growth prospects could be negatively impacted.

We are subject to risks associated with natural disasters and global events.

Our activities, including manufacturing, administration and information technology management, can be adversely affected by natural disasters such as major earthquakes, hurricanes, floods, tsunamis, tornadoes, fires and epidemics or pandemics, such as the COVID-19 pandemic. Climate change may cause certain of these events to become more severe and therefore more damaging. In the event of a major natural disaster affecting one or more of our facilities, our operations and management information systems, which control our worldwide procurement, inventory management, shipping and billing activities, could be significantly disrupted. Such events could delay or prevent product manufacturing for an extended period of time. Any extended inability to continue our operations at affected facilities following such an event could reduce our revenue. Further, geopolitical conditions and events like the war in Ukraine, conflict in the Middle East and tensions between the U.S. and China may also impact our operations by affecting our supply chain or impacting our plants located in the region of instability.

Risks of Investing in Our Stock

The market price of our common stock is volatile and is impacted by factors other than our financial performance.

The stock market in recent years has experienced significant price and volume fluctuations that have affected our stock price. These fluctuations have often been unrelated to our operating performance. Factors that can cause such fluctuations include announcements by our customers, suppliers, competitors or other events affecting companies in the electronics industry, such as component shortages, changes in trade and tax policies, currency fluctuations, the impact of natural disasters and global events, geopolitical conditions and events, and general market fluctuations and macroeconomic conditions, including inflation, recession and slowing global economic growth, any of which may cause the market price of our common stock to fluctuate widely.

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

The table below sets forth information regarding our repurchases of our common stock during the third quarter of 2025:

Period (1)	TOTAL NUMBER OF SHARES PURCHASED	AVERAGE PRICE PAID PER SHARE (2)	TOTAL NUMBER OF SHARES PURCHASED AS PART OF PUBLICLY ANNOUNCED PROGRAMS (3)	MAXIMUM DOLLAR VALUE OF SHARES THAT MAY YET BE PURCHASED UNDER THE PROGRAMS (2)
Month #1				
March 30, 2025 through April 26, 2025	197,018	$ 67.89	197,018	$ 239,220,554
Month #2				
April 27, 2025 through May 24, 2025	—	$ —	—	$ 239,220,554
Month #3				
May 25, 2025 through June 28, 2025	—	$ —	—	$ 239,220,554
Total	197,018	$ 67.89	197,018	

(1) All months shown are our fiscal months.

(2) Amounts do not include commission or excise tax payable on shares repurchased. The total average price paid per share is a weighted average based on the total number of shares repurchased during the period.

(3) During the third quarter of fiscal 2023 and second quarter of fiscal 2025, our Board of Directors authorized us to repurchase up to $200 million and $300 million, respectively, of our common stock in the open market or in negotiated private transactions. These programs have no expiration date.

Item 5. ***Other Information***

During the quarter ended June 28, 2025, no director or officer, as defined in Rule 16a-1(f), adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," each as defined in Regulation S-K Item 408.

During the quarter ended March 29, 2025, the following officer adopted a "Rule 10b5-1 trading arrangement" as defined in Regulation S-K Item 408 as follows:

On February 5, 2025, Vishnu Venkatesh, Senior Vice President, Finance and Controller of the Company, adopted a Rule 10b5-1 trading arrangement (the "Plan") with respect to the sale of up to 6,500 shares of common stock, prior to withholding for taxes, issuable upon vesting of certain restricted stock units previously issued to Mr. Venkatesh. The Plan terminates on February 4, 2026 or at such time all shares under the Plan are sold and is intended to satisfy the affirmative defense conditions of Rule 10b5–1(c) under the Exchange Act.

Item 6. *Exhibits*

Exhibit Number	Description
2.1(1)*	Equity Purchase Agreement dated as of May 18, 2025, by and among Sanmina Corporation, Advanced Micro Devices, Inc., AMD Design, LLC, and ZT Group Int'l, Inc.
3.5(2)	Sanmina Corporation Amended and Restated Bylaws, as amended June 19, 2025.
10.46(3)**	Bridge Commitment Letter, dated as of May 18, 2025 by and among Sanmina Corporation, Bank of America, N.A., and BofA Securities, Inc.
10.47**	Amendment No. 1 to Fifth Amended and Restated Credit Agreement dated as of June 6, 2025 by and among Sanmina Corporation, the guarantors party thereto, Bank of America, N.A. and each of the other lenders party thereto (filed herewith).
31.1	Certification of the Principal Executive Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
31.2	Certification of the Principal Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
32.1(4)	Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
32.2(4)	Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
101.INS	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
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. Sanmina hereby undertakes to furnish supplemental copies of any of the omitted annexes, schedules and exhibits upon request by the SEC.

** Portions of this exhibit have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K under the Securities Act of 1933.

(1) Incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed with the SEC on May 19, 2025.

(2) Incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on June 23, 2025.

(3) Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on May 19, 2025.

(4) This exhibit shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filings under the Securities Act of 1933 or the Securities Exchange Act of 1934, whether made before or after the date hereof and irrespective of any general incorporation language in any filings.

SIGNATURES

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

SANMINA CORPORATION

(Registrant)

By: /s/ JURE SOLA

Jure Sola

Chief Executive Officer (Principal Executive Officer)

Date: July 28, 2025

By: /s/ JONATHAN FAUST

Jonathan Faust

Executive Vice President and

Chief Financial Officer (Principal Financial Officer)

Date: July 28, 2025