



Marvell Technology, Inc.

First Quarter of Fiscal Year 2026

May 29, 2025

Discussion of Non-GAAP Financial Measures

Non-GAAP financial measures exclude the effect of stock-based compensation expense, amortization of acquired intangible assets, acquisition and divestiture related costs, restructuring and other related charges (including, but not limited to, asset impairment charges, recognition of future contractual obligations, employee severance costs, and facility exit related charges), resolution of legal matters, and certain expenses and benefits that are driven primarily by discrete events that management does not consider to be directly related to Marvell's core business. Although Marvell excludes the amortization of all acquired intangible assets from these non-GAAP financial measures, management believes that it is important for investors to understand that such intangible assets were recorded as part of purchase price accounting arising from acquisitions, and that such amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Investors should note that the use of intangible assets contributed to Marvell's revenues earned during the periods presented and are expected to contribute to Marvell's future period revenues as well.

Marvell uses a non-GAAP tax rate to compute the non-GAAP tax provision. This non-GAAP tax rate is based on Marvell's estimated annual GAAP income tax forecast, adjusted to account for items excluded from Marvell's non-GAAP income, as well as the effects of significant non-recurring and period specific tax items which vary in size and frequency, and excludes tax deductions and benefits from acquired tax loss and credit carryforwards and changes in valuation allowance on acquired deferred tax assets. Marvell's non-GAAP tax rate is determined on an annual basis and may be adjusted during the year to take into account events that may materially affect the non-GAAP tax rate such as tax law changes; acquisitions; significant changes in Marvell's geographic mix of revenue and expenses; or changes to Marvell's corporate structure. For the first quarter of fiscal 2026, a non-GAAP tax rate of 10.0% has been applied to the non-GAAP financial results.

Marvell believes that the presentation of non-GAAP financial measures provides important supplemental information to management and investors regarding financial and business trends relating to Marvell's financial condition and results of operations. While Marvell uses non-GAAP financial measures as a tool to enhance its understanding of certain aspects of its financial performance, Marvell does not consider these measures to be a substitute for, or superior to, financial measures calculated in accordance with GAAP. Consistent with this approach, Marvell believes that disclosing non-GAAP financial measures to the readers of its financial statements provides such readers with useful supplemental data that, while not a substitute for GAAP financial measures, allows for greater transparency in the review of its financial and operational performance.

Discussion of Non-GAAP Financial Measures (continued)

Externally, management believes that investors may find Marvell's non-GAAP financial measures useful in their assessment of Marvell's operating performance and the valuation of Marvell. Internally, Marvell's non-GAAP financial measures are used in the following areas:

- Management's evaluation of Marvell's operating performance;
- Management's establishment of internal operating budgets;
- Management's performance comparisons with internal forecasts and targeted business models; and
- Management's determination of the achievement and measurement of certain types of compensation including Marvell's annual incentive plan and certain performance-based equity awards (adjustments may vary from award to award).

Non-GAAP financial measures have limitations in that they do not reflect all of the costs associated with the operations of Marvell's business as determined in accordance with GAAP. As a result, you should not consider these measures in isolation or as a substitute for analysis of Marvell's results as reported under GAAP. The exclusion of the above items from our GAAP financial metrics does not necessarily mean that these costs are unusual or infrequent.

Marvell Technology, Inc.
Unaudited Condensed Consolidated Balance Sheets
(In millions)

	July 29, 2023	October 28, 2023	February 3, 2024	May 4, 2024	August 3, 2024	November 2, 2024	February 1, 2025	May 3, 2025
Assets								
Current assets:								
Cash and cash equivalents	\$ 423.4	\$ 725.6	\$ 950.8	\$ 847.7	\$ 808.7	\$ 868.1	\$ 948.3	\$ 885.9
Accounts receivable, net	1,209.2	1,214.6	1,121.6	881.9	1,060.1	997.9	1,028.4	1,144.0
Inventories	1,015.8	941.5	864.4	826.4	817.8	859.4	1,029.7	1,071.4
Prepaid expenses and other current assets	118.8	91.5	125.9	91.7	77.3	91.4	113.9	148.1
Assets held for sale	—	—	—	—	—	—	—	588.2
Total current assets	2,767.2	2,973.2	3,062.7	2,647.7	2,763.9	2,816.8	3,120.3	3,837.6
Property and equipment, net	693.8	701.6	756.0	758.0	781.5	781.9	790.5	774.7
Goodwill	11,586.9	11,586.9	11,586.9	11,586.9	11,586.9	11,586.9	11,586.9	11,062.2
Acquired intangible assets, net	4,560.2	4,290.4	4,004.1	3,739.2	3,463.4	2,957.7	2,710.6	2,450.9
Deferred tax assets	700.9	759.5	311.9	327.0	347.5	406.5	401.2	405.9
Other non-current assets	1,441.1	1,402.8	1,506.9	1,432.2	1,350.2	1,165.8	1,595.0	1,492.4
Total assets	<u>\$ 21,750.1</u>	<u>\$ 21,714.4</u>	<u>\$ 21,228.5</u>	<u>\$ 20,491.0</u>	<u>\$ 20,293.4</u>	<u>\$ 19,715.6</u>	<u>\$ 20,204.5</u>	<u>\$ 20,023.7</u>
Liabilities and Stockholders' Equity								
Current liabilities:								
Accounts payable	\$ 412.8	\$ 419.1	\$ 411.3	\$ 320.9	\$ 453.4	\$ 538.1	\$ 622.2	\$ 562.7
Accrued liabilities	1,068.5	1,119.2	1,032.9	861.0	763.8	825.2	972.6	939.8
Accrued employee compensation	185.3	245.0	262.7	167.5	200.0	270.9	302.5	183.7
Short-term debt	1,018.6	96.3	107.3	118.3	129.3	129.4	129.5	1,255.2
Total current liabilities	2,685.2	1,879.6	1,814.2	1,467.7	1,546.5	1,763.6	2,026.8	2,941.4
Long-term debt	3,134.5	4,089.6	4,058.6	4,027.6	3,996.5	3,965.5	3,934.3	2,977.4
Other non-current liabilities	540.9	511.8	524.3	517.0	545.5	613.6	816.4	792.2
Total liabilities	6,360.6	6,481.0	6,397.1	6,012.3	6,088.5	6,342.7	6,777.5	6,711.0
Stockholders' equity:								
Common stock	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Additional paid-in capital	14,744.8	14,805.2	14,845.3	14,760.7	14,732.9	14,629.0	14,534.1	14,294.2
Accumulated other comprehensive income (loss)	(1.0)	(1.4)	1.1	0.4	(0.4)	(0.3)	0.4	(0.1)
Retained earnings (Accumulated deficit)	644.0	427.9	(16.7)	(284.1)	(529.3)	(1,257.5)	(1,109.2)	(983.1)
Total stockholders' equity	15,389.5	15,233.4	14,831.4	14,478.7	14,204.9	13,372.9	13,427.0	13,312.7
Total liabilities and stockholders' equity	<u>\$ 21,750.1</u>	<u>\$ 21,714.4</u>	<u>\$ 21,228.5</u>	<u>\$ 20,491.0</u>	<u>\$ 20,293.4</u>	<u>\$ 19,715.6</u>	<u>\$ 20,204.5</u>	<u>\$ 20,023.7</u>
GAAP inventory turns	3.2	3.7	3.5	3.1	3.4	5.4	3.5	3.5
GAAP days in inventory	114	98	106	117	107	67	104	104

Marvell Technology, Inc.
Unaudited Condensed Consolidated Statements of Operations
(In millions, except per share amounts)

	July 29, 2023	October 28, 2023	February 3, 2024	May 4, 2024	August 3, 2024	November 2, 2024	February 1, 2025	May 3, 2025
Net revenue	\$ 1,340.9	\$ 1,418.6	\$ 1,426.5	\$ 1,160.9	\$ 1,272.9	\$ 1,516.1	\$ 1,817.4	\$ 1,895.3
Cost of goods sold	819.8	867.4	762.4	633.1	685.3	1,166.7	900.0	942.9
Gross profit	521.1	551.2	664.1	527.8	587.6	349.4	917.4	952.4
Operating expenses:								
Research and development	474.8	481.1	459.6	476.1	486.7	488.6	499.0	507.7
Selling, general and administrative	210.0	213.0	212.0	199.9	197.3	205.3	195.7	186.4
Restructuring related charges (gains), net	42.0	3.4	25.8	4.1	4.0	358.3	(12.5)	(12.3)
Total operating expenses	726.8	697.5	697.4	680.1	688.0	1,052.2	682.2	681.8
Operating income (loss)	(205.7)	(146.3)	(33.3)	(152.3)	(100.4)	(702.8)	235.2	270.6
Interest expense	(53.8)	(52.6)	(52.6)	(48.8)	(48.4)	(47.2)	(45.0)	(48.7)
Interest income and other, net	7.9	11.4	(1.4)	3.3	2.6	(0.5)	9.6	(6.0)
Interest and other loss, net	(45.9)	(41.2)	(54.0)	(45.5)	(45.8)	(47.7)	(35.4)	(54.7)
Income (loss) before income taxes	(251.6)	(187.5)	(87.3)	(197.8)	(146.2)	(750.5)	199.8	215.9
Provision (benefit) for income taxes	(44.1)	(23.2)	305.4	17.8	47.1	(74.2)	(0.4)	38.0
Net income (loss)	<u>\$ (207.5)</u>	<u>\$ (164.3)</u>	<u>\$ (392.7)</u>	<u>\$ (215.6)</u>	<u>\$ (193.3)</u>	<u>\$ (676.3)</u>	<u>\$ 200.2</u>	<u>\$ 177.9</u>
Net income (loss) per share - basic	\$ (0.24)	\$ (0.19)	\$ (0.45)	\$ (0.25)	\$ (0.22)	\$ (0.78)	\$ 0.23	\$ 0.21
Net income (loss) per share - diluted	\$ (0.24)	\$ (0.19)	\$ (0.45)	\$ (0.25)	\$ (0.22)	\$ (0.78)	\$ 0.23	\$ 0.20
Weighted-average shares - basic	860.9	862.6	864.7	865.0	865.7	865.7	865.7	864.8
Weighted-average shares - diluted	860.9	862.6	864.7	865.0	865.7	865.7	879.9	875.6
The following table presents details of total stock-based compensation expense included in each functional line item in the unaudited condensed consolidated statements of operations above:								
Cost of goods sold	11.0	15.7	10.4	9.7	11.2	16.3	10.1	11.2
Research and development	104.5	103.1	104.5	93.5	103.5	101.7	96.9	101.1
Selling, general and administrative	37.3	39.7	40.4	33.3	40.2	40.4	40.6	29.8
Total stock-based compensation	<u>\$ 152.8</u>	<u>\$ 158.5</u>	<u>\$ 155.3</u>	<u>\$ 136.5</u>	<u>\$ 154.9</u>	<u>\$ 158.4</u>	<u>\$ 147.6</u>	<u>\$ 142.1</u>

Marvell Technology, Inc.
Unaudited Condensed Consolidated Statements of Cash Flows
(In millions)

	July 29, 2023	October 28, 2023	February 3, 2024	May 4, 2024	August 3, 2024	November 2, 2024	February 1, 2025	May 3, 2025
Cash flows from operating activities:								
Net income (loss)	\$ (207.5)	\$ (164.3)	\$ (392.7)	\$ (215.6)	\$ (193.3)	\$ (676.3)	\$ 200.2	\$ 177.9
Adjustments to reconcile net income (loss) to net cash provided by operating activities:								
Depreciation and amortization	75.5	72.1	73.8	72.6	76.3	76.6	78.8	84.2
Stock-based compensation	152.8	158.5	155.3	136.5	154.9	158.4	147.6	142.1
Amortization of acquired intangible assets	271.8	269.8	286.3	264.9	275.7	264.9	247.1	245.7
Restructuring related charges (gains), net	21.3	0.8	0.7	0.7	1.6	521.8	4.7	(14.0)
Deferred income taxes	(87.6)	(57.0)	434.5	(22.2)	(36.1)	(47.9)	(5.7)	(4.3)
Other expense, net	8.9	18.2	15.0	21.8	11.3	9.0	23.8	44.1
Changes in assets and liabilities, net of acquisitions:								
Accounts receivable	(208.2)	(5.5)	93.0	239.7	(178.2)	62.2	(30.5)	(115.6)
Prepaid expenses and other assets	(47.2)	53.7	(107.5)	85.8	135.9	(45.5)	(172.8)	24.1
Inventories	11.3	70.6	78.8	38.8	9.2	(108.2)	(169.8)	(69.9)
Accounts payable	18.0	(0.7)	(61.6)	(58.3)	93.1	75.0	71.7	(37.4)
Accrued employee compensation	1.1	59.7	17.6	(92.2)	33.0	71.1	31.6	(117.6)
Accrued liabilities and other non-current liabilities	102.3	27.1	(46.6)	(148.0)	(77.0)	175.2	87.3	(26.4)
Net cash provided by operating activities	112.5	503.0	546.6	324.5	306.4	536.3	514.0	332.9
Cash flows from investing activities:								
Purchases of technology licenses	(0.2)	(0.3)	(10.6)	(0.5)	(5.2)	(0.5)	(0.8)	(1.1)
Purchases of property and equipment	(111.1)	(54.4)	(71.0)	(91.5)	(48.2)	(75.0)	(69.9)	(118.8)
Proceeds from sales of property and equipment	—	—	0.2	0.1	0.3	0.1	—	25.9
Other, net	(0.2)	0.1	(0.3)	(10.0)	0.1	(0.1)	0.4	(0.1)
Net cash used in investing activities	(111.5)	(54.6)	(81.7)	(101.9)	(53.0)	(75.5)	(70.3)	(94.1)

Marvell Technology, Inc.
Unaudited Condensed Consolidated Statements of Cash Flows
(In millions)

	July 29, 2023	October 28, 2023	February 3, 2024	May 4, 2024	August 3, 2024	November 2, 2024	February 1, 2025	May 3, 2025
Cash flows from financing activities:								
Repurchases of common stock	—	(50.0)	(100.0)	(150.0)	(175.0)	(200.0)	(200.0)	(340.0)
Proceeds from employee stock plans	52.9	0.7	38.1	2.3	49.3	0.8	35.2	0.6
Tax withholding paid on behalf of employees for net share settlement	(51.2)	(44.9)	(55.0)	(74.1)	(57.6)	(58.6)	(84.6)	(50.2)
Dividend payments to stockholders	(51.7)	(51.8)	(51.9)	(51.8)	(51.9)	(51.9)	(51.9)	(51.8)
Payments on technology license obligations	(28.6)	(31.6)	(40.1)	(30.2)	(35.3)	(58.9)	(29.2)	(26.8)
Proceeds from borrowings	50.0	1,045.3	—	—	—	—	—	200.0
Principal payments of debt	(571.8)	(1,006.9)	(21.9)	(21.9)	(21.9)	(32.8)	(32.8)	(32.8)
Other, net	(5.5)	(7.0)	(8.9)	—	—	—	(0.2)	(0.2)
Net cash provided used in financing activities	(605.9)	(146.2)	(239.7)	(325.7)	(292.4)	(401.4)	(363.5)	(301.2)
Net increase (decrease) in cash and cash equivalents	(604.9)	302.2	225.2	(103.1)	(39.0)	59.4	80.2	(62.4)
Cash and cash equivalents at beginning of period	1,028.3	423.4	725.6	950.8	847.7	808.7	868.1	948.3
Cash and cash equivalents at end of period	<u>\$ 423.4</u>	<u>\$ 725.6</u>	<u>\$ 950.8</u>	<u>\$ 847.7</u>	<u>\$ 808.7</u>	<u>\$ 868.1</u>	<u>\$ 948.3</u>	<u>\$ 885.9</u>

Marvell Technology, Inc.
Unaudited Reconciliations from GAAP to Non-GAAP
(In millions)

	July 29, 2023	October 28, 2023	February 3, 2024	May 4, 2024	August 3, 2024	November 2, 2024	February 1, 2025	May 3, 2025
GAAP Operating income (loss)	\$ (205.7)	\$ (146.3)	\$ (33.3)	\$ (152.3)	\$ (100.4)	\$ (702.8)	\$ 235.2	\$ 270.6
(1) Cost of goods sold								
Stock-based compensation	11.0	15.7	10.4	9.7	11.2	16.3	10.1	11.2
Amortization of acquired intangible assets	185.8	184.3	194.3	180.5	191.3	180.4	169.5	169.4
Restructuring related charges	—	—	—	—	—	356.8	1.1	—
Other costs of goods sold	90.2	108.0	42.3	6.0	(2.6)	14.2	(6.1)	0.5
(2) Research and development								
Stock-based compensation	104.5	103.1	104.5	93.5	103.5	101.7	96.9	101.1
Other	—	12.3	0.1	3.7	0.3	0.2	0.1	0.1
(3) Selling, general and administrative								
Stock-based compensation	37.3	39.7	40.4	33.3	40.2	40.4	40.6	29.8
Amortization of acquired intangible assets	86.0	85.5	92.0	84.4	84.4	84.5	77.6	76.3
Other	9.0	16.4	6.1	7.3	(0.2)	0.2	0.1	0.6
(4) Restructuring related charges (gains), net in operating expenses	42.0	3.4	25.8	4.1	4.0	358.3	(12.5)	(12.3)
Non-GAAP Operating income	\$ 360.1	\$ 422.1	\$ 482.6	\$ 270.2	\$ 331.7	\$ 450.2	\$ 612.6	\$ 647.3

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Marvell Technology, Inc.
Unaudited Reconciliations from GAAP to Non-GAAP - (Continued)
(In millions)

	July 29, 2023	October 28, 2023	February 3, 2024	May 4, 2024	August 3, 2024	November 2, 2024	February 1, 2025	May 3, 2025
GAAP Net income (loss)	\$ (207.5)	\$ (164.3)	\$ (392.7)	\$ (215.6)	\$ (193.3)	\$ (676.3)	\$ 200.2	\$ 177.9
(1) Cost of goods sold								
Stock-based compensation	11.0	15.7	10.4	9.7	11.2	16.3	10.1	11.2
Amortization of acquired intangible assets	185.8	184.3	194.3	180.5	191.3	180.4	169.5	169.4
Restructuring related charges	—	—	—	—	—	356.8	1.1	—
Other costs of goods sold	90.2	108.0	42.3	6.0	(2.6)	14.2	(6.1)	0.5
(2) Research and development								
Stock-based compensation	104.5	103.1	104.5	93.5	103.5	101.7	96.9	101.1
Other	—	12.3	0.1	3.7	0.3	0.2	0.1	0.1
(3) Selling, general and administrative								
Stock-based compensation	37.3	39.7	40.4	33.3	40.2	40.4	40.6	29.8
Amortization of acquired intangible assets	86.0	85.5	92.0	84.4	84.4	84.5	77.6	76.3
Other	9.0	16.4	6.1	7.3	(0.2)	0.2	0.1	0.6
(4) Restructuring related charges (gains), net in operating expense	42.0	3.4	25.8	4.1	4.0	358.3	(12.5)	(12.3)
(5) Interest and other loss, net								
Other	(8.5)	(4.2)	(1.3)	(2.4)	0.3	(1.4)	(5.8)	7.4
(6) Provision (benefit) for income taxes								
Tax-related adjustments	(59.6)	(45.8)	279.7	2.2	27.1	(102.3)	(40.4)	(22.0)
Non-GAAP Net income	\$ 290.2	\$ 354.1	\$ 401.6	\$ 206.7	\$ 266.2	\$ 373.0	\$ 531.4	\$ 540.0

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Marvell Technology, Inc.
Quarterly Revenue Trend By End Market
(In millions)

	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026
	Jul 29, 2023	Oct 28, 2023	Feb 03, 2024	May 04, 2024	Aug 03, 2024	Nov 02, 2024	Feb 01, 2025	May 03, 2025
Data center	\$ 459.8	\$ 555.8	\$ 765.3	\$ 816.4	\$ 880.9	\$ 1,101.1	\$ 1,365.8	\$ 1,440.6
Enterprise networking	327.7	271.1	265.0	153.1	151.0	150.9	171.4	177.5
Carrier infrastructure	275.5	316.5	170.0	71.8	75.9	84.7	105.8	138.4
Consumer	167.7	168.7	143.9	42.0	88.9	96.5	88.7	63.1
Automotive/industrial	110.2	106.5	82.3	77.6	76.2	82.9	85.7	75.7
Total Net Revenue	\$ 1,340.9	\$ 1,418.6	\$ 1,426.5	\$ 1,160.9	\$ 1,272.9	\$ 1,516.1	\$ 1,817.4	\$ 1,895.3

[illegible]



Essential technology, done right™