UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark one)

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

For the fiscal year ended September 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 0-19528

QUALCOMM Incorporated

(Exact name of registrant as specified in its charter)

Delaware	**95-3685934**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
5775 Morehouse Dr., San Diego, California	**92121-1714**
(Address of Principal Executive Offices)	**(Zip Code)**

(858) 587-1121
(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, $0.0001 par value	QCOM	The Nasdaq Stock Market LLC

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes ☐ No ☒

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

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

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

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

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

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

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant at March 28, 2025 (the last business day of the registrant's most recently completed second fiscal quarter) was $167.9 billion, based upon the closing price of the registrant's common stock on that date as reported on the NASDAQ Global Select Market.

The number of shares outstanding of the registrant's common stock was 1,071 million at November 3, 2025.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for its 2026 Annual Meeting of Stockholders, to be filed with the Commission subsequent to the date hereof, are incorporated by reference into Part III of this Annual Report where indicated.

QUALCOMM Incorporated

Form 10-K

For the Fiscal Year Ended September 28, 2025

Index

		Page
	PART I	
Item 1.	Business	4
Item 1A.	Risk Factors	14
Item 1B.	Unresolved Staff Comments	34
Item 1C.	Cybersecurity	34
Item 2.	Properties	36
Item 3.	Legal Proceedings	36
Item 4.	Mine Safety Disclosures	36
	PART II	
Item 5.	Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	37
Item 6.	(Reserved)	38
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	38
Item 7A.	Quantitative and Qualitative Disclosures about Market Risk	47
Item 8.	Financial Statements and Supplementary Data	48
Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	48
Item 9A.	Controls and Procedures	48
Item 9B.	Other Information	48
Item 9C.	Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	48
	PART III	
Item 10.	Directors, Executive Officers and Corporate Governance	49
Item 11.	Executive Compensation	49
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	49
Item 13.	Certain Relationships and Related Transactions, and Director Independence	49
Item 14.	Principal Accounting Fees and Services	49
	PART IV	
Item 15.	Exhibits and Financial Statement Schedules	49
Item 16.	Form 10-K Summary	53

Samsung, EX1038, p. 3
Samsung v. Topwire, IPR2026-00324

In this Annual Report, the words "Qualcomm," the "Company," "we," "our," "ours" and "us" refer only to QUALCOMM Incorporated and its subsidiaries and not any other person or entity. This Annual Report (including but not limited to the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations") contains forward-looking statements. Words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "estimate," "may," "will," "would" and similar expressions or variations of such words are intended to identify forward-looking statements, but are not the exclusive means of identifying forward-looking statements in this Annual Report. Additionally, statements concerning future matters such as our future business, prospects, results of operations or financial condition; research and development or technology investments; new or enhanced products, services or technologies; emerging industries or business models; design wins or product launches; industry, market or technology trends, dynamics or transitions; our expectations regarding future demand or supply conditions; strategic investments or acquisitions, and the anticipated timing or benefits thereof; legal or regulatory matters; U.S./China trade or national security tensions; vertical integration by our customers; competition; and other statements regarding matters that are not historical are also forward-looking statements.

Although forward-looking statements in this Annual Report reflect our good faith judgment, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements are inherently subject to risks and uncertainties, and actual results and outcomes may differ materially from the results and outcomes discussed in or anticipated by the forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include without limitation those discussed under "Part I, Item 1A. Risk Factors" below, as well as those discussed elsewhere in this Annual Report. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this Annual Report. We undertake no obligation to revise or update any forward-looking statements in order to reflect any event or circumstance that may arise after the date of this Annual Report. Readers are urged to carefully review and consider the various disclosures made in this Annual Report, which attempt to advise interested parties of the risks and factors that may affect our business, financial condition, results of operations and prospects.

PART I

Item 1. Business

We incorporated in California in 1985 and reincorporated in Delaware in 1991. We operate and report using a 52-53 week fiscal year ending on the last Sunday in September. Our 52-week fiscal years consist of four equal fiscal quarters of 13 weeks each, and our 53-week fiscal years consist of three 13-week fiscal quarters and one 14-week fiscal quarter. The financial results for our 53-week fiscal years and our 14-week fiscal quarters will not be exactly comparable to our 52-week fiscal years and our 13-week fiscal quarters. Our fiscal years for 2025, 2024 and 2023 included 52 weeks, 53 weeks and 52 weeks, respectively. Our fiscal year for 2026 will include 52 weeks.

Overview

We are a global technology leader, helping to bring intelligent computing everywhere through the development and commercialization of foundational technologies, including on-device artificial intelligence (AI), high-performance and low-power computing and advanced wireless connectivity. Our platforms help power intelligent devices that people and businesses rely on every day across industries and applications from handsets to other areas, including automotive and the internet of things (IoT). In automotive, our Snapdragon® Digital Chassis™ platforms, including connectivity, digital cockpit and advanced driver assistance and automated driving (ADAS/AD), are helping to connect the car to its environment and the cloud, creating unique in-cabin experiences and enabling a comprehensive assisted and automated driving solution. In IoT, our inventions have helped power technology advancements in industries and applications such as consumer (including personal computers (PCs), extended reality (XR) and other personal computing devices), edge networking (including mobile broadband and wireless access points) and industrial (including handhelds, retail, tracking and logistics and utilities). We derive revenues principally from sales of integrated circuit products, including our Snapdragon® and Qualcomm Dragonwing™ families of highly-integrated, system-based solutions, and licensing of our intellectual property, including patents and other rights.

The foundational technologies we invent help power modern digital experiences. We share these inventions broadly through our licensing programs enabling wide ecosystem access to technologies at the core of mobile innovation, and through the sale of our integrated circuit platforms (also known as integrated circuit products, chips, chipsets or modules) and other products. We innovate and collaborate across many ecosystems, including with manufacturers, operators, developers, system integrators, infrastructure vendors, cloud providers, test tool vendors, service providers, governments and industry standards organizations, to enable next-generation digital transformation. For 40 years, we have been a leader in helping set industry standards and creating era-defining technology breakthroughs, and we continue to play a leading role in developing system-level inventions that serve as the foundation for multiple generations of advanced wireless technologies.

We own significant intellectual property, including patents, patent applications and trade secrets, applicable to products that implement cellular technologies (including 4G (fourth generation) and/or 5G (fifth generation)), which are the primary digital technologies currently used to transmit voice and data over radio waves using a public or private cellular wireless network. We also develop and commercialize numerous other key technologies used in mobile and other devices and services, and we own substantial intellectual property related to these technologies. Some of these inventions are contributed to and commercialized as industry standards, such as for certain video and audio codecs, Wi-Fi, position location, UWB

Samsung, EX1038, p. 4
Samsung v. Topwire, IPR2026-00324

(ultra-wideband), memory and component interconnect. We have also developed other technologies that are used by wireless and other devices that are not related to industry standards, such as user interfaces, graphics and image processing functionality, RF (radio frequency), RFFE (radio frequency front-end) and antenna designs, AI and machine learning techniques and application processor architectures, among other technologies.

We are organized on the basis of products and services and have three reportable segments. We conduct business primarily through our QCT (Qualcomm CDMA Technologies) semiconductor business and our QTL (Qualcomm Technology Licensing) licensing business. QCT develops and supplies integrated circuit platforms and system software with advanced connectivity and high-performance, low-power computing technologies for use in mobile devices; automotive systems for connectivity, digital cockpit and ADAS/AD; and IoT including consumer electronic devices, industrial devices and edge networking products. QTL grants licenses or otherwise provides rights to use portions of our intellectual property portfolio, which includes certain patent rights essential to and/or useful in the manufacture and sale of certain wireless products. Our QSI (Qualcomm Strategic Initiatives) reportable segment makes strategic investments. We also have nonreportable segments, including QGOV (Qualcomm Government Technologies) and our Data Center business (formerly referred to as our cloud computing processing initiative).

Industry Trends

As the largest technology platform in the world, mobile has transformed the way we connect, compute and communicate. Our breakthrough inventions and licensing programs have been integral to the demand and evolution of the mobile industry. On-device AI, high-performance, low-power computing and advanced wireless connectivity technologies are also impacting many industries beyond mobile, empowering new services, new business models and new ways to engage and interact with customers.

Artificial Intelligence. Advancements in processor technologies have enabled the distribution and coordination of complex workloads across the cloud and edge devices to provide enhanced performance and efficiency across use cases. Given the proximity to raw data, edge device computing allows for more context-aware processing, reducing response time, improving privacy and security, and enabling greater personalization. With increased processing power, smartphones and PCs are becoming pervasive AI platforms, with complex, large generative AI algorithms running on-device, enabling on-demand and contextual AI use cases at a fraction of the energy required by cloud-based applications. As wireless connectivity complements on-device generative AI, edge devices enable enhanced productivity use cases, while intelligently processing and sharing data with cloud-based applications as needed. Building on the smartphone and PC foundation, we envision AI becoming ubiquitous and evolving as the new user interface, as it continues to expand into industries and applications such as industrial IoT, XR and automotive. Industry momentum is driving the emergence of new personal AI devices, such as smart glasses, earbuds and other wearables, that allow new agentic AI and context-aware experiences. These personal AI devices are expected to evolve independently of the smartphone ecosystem. At the same time, physical and industrial AI are beginning to reshape industries and provide new opportunities from robotics to manufacturing, logistics and energy, through embedded intelligence and enabling automation, real-time insights, autonomous systems and adaptive decision-making at the edge.

Significant investment continues across many industries in the development of complex large language models (LLMs), more tailored small language models (SLMs), large vision models (LVMs), large multimodal models (LMMs) and other generative AI models, which are changing the landscape of the user experience. LLMs and SLMs (e.g., GPT-4o and Llama3) are used for text-based natural language processing applications such as answering queries, document summarization and creation; LVMs (e.g., Stable Diffusion and ControlNet) are used for image and video processing; and LMMs are used to understand and process multiple types of data inputs or modalities such as text, images, audio and video. They are disrupting traditional methods of search, content creation, recommendation systems and personalized digital assistants, offering significant enhancements in consumer utility and productivity, changing the human-computer interface and evolving agentic AI experiences. While these generative AI models are developed primarily for use in the cloud, we believe that the variety of innovative enterprise and consumer use cases that have emerged and will continue to emerge from generative AI must run on-device to maximize their utility, and bring the benefits of immediacy, privacy, security and personalization to consumers. We expect continued advancement in the generative AI capabilities of edge devices and increased adoption of generative AI capable technologies in handsets and other edge devices. We also expect companies and regulators will continue to focus on responsible AI, data privacy and security to ensure the responsible development and deployment of these technologies.

Advancing Connectivity. 3G (third generation) cellular technology introduced the world to the potential of the mobile internet, and the ability to access the internet virtually anytime and anywhere. 4G brought mobile broadband speeds that helped fuel the smartphone era, forever changing the way we work, live and connect with others, and has served as the technology foundation for many of the applications and services used today, including e-commerce, video streaming, video calling, social media and gaming.

Building on foundational innovations developed for 3G and 4G, the mobile industry continues to transition to 5G technology as 5G network deployments and device launches continue, particularly in emerging regions. 5G is designed to support multi-gigabit data rates, low latency and greater capacity than previous generations of mobile technology to enable enhanced mobile broadband experiences, including ultra-high definition (4K) video streaming and sharing, near-instantaneous access to cloud services, immersive cloud gaming and XR experiences, including augmented reality, virtual reality and mixed reality. 5G's performance and capacity improvements are also enabling operators to offer new consumer

Samsung, EX1038, p. 5
Samsung v. Topwire, IPR2026-00324

and enterprise services. 5G Advanced builds upon the initial 5G standards to enhance system capabilities and expand into new use cases. It introduces key improvements for continued 5G commercialization, supports a range of services beyond mobile broadband, and lays the groundwork for 6G (sixth generation). 5G Advanced is a transformative step, integrating AI-enabled device performance and network performance advancements, satellite communications and lower cost devices to drive innovation across the 5G ecosystem.

Consumer Demand for Smartphones. For calendar year 2025, we estimate that consumer demand for smartphones will remain approximately flat relative to calendar year 2024. This estimate includes expected mid single-digit percentage growth in 5G handsets.

AI use in smartphones is increasing, and as we look forward, we expect on-device and agentic AI use cases will continue to expand and reshape the mobile industry. Additionally, consumer demand for new experiences, combined with the needs of mobile operators and device manufacturers to provide differentiated features and services, is driving continued innovation within the smartphone across AI, connectivity, processing, multimedia, imaging, audio and more. As a result, the smartphone continues to be the go-to device for social networking, music and video streaming, photography and video capture, e-commerce, gaming, email, web browsing and more. We believe that the combination of AI and cellular technology (such as 5G) will increasingly enable these experiences to be more immersive, intuitive and interactive.

Automotive. Digitalization of the automotive cockpit, including wireless connectivity, continues to transform the in-vehicle experience, enabling greater personalization of content and settings for both drivers and passengers as automakers respond to growing interest from consumers to bring their digital lifestyles into the vehicle. Car-to-cloud platforms are designed to help automakers improve cost efficiencies, create new service opportunities throughout the lifecycle of a vehicle with over-the-air update capabilities and gather valuable vehicle and usage analytics. This is driving the development of a new architecture for the software-defined vehicle. According to analyst data, 68% of new vehicles produced in 2030 are projected to have embedded cellular connectivity, with 48% of new vehicles featuring 5G connectivity compared to 21% in 2025 (TechInsights, July 2025). Building on this foundation, AI is helping further transform the next generation of vehicles by embedding intelligence that enables vehicles to actively learn from their environments to support safety, optimize vehicle energy efficiency and provide features such as interactive in-vehicle assistance that personalize the driving and passenger experience. In addition, high-performance, low-power computing technologies, with added security and safety required for automotive products, are being used to improve vehicles with ADAS/AD features that we expect to scale across vehicle tiers and continue the progression toward higher levels of autonomy, safety and convenience. Analysts estimate that the share of new light duty vehicles sold globally with Level 2 (i.e., partial driving automation) or higher autonomy will grow from 24% in 2025 to 52% in 2030 (TechInsights, November 2024).

IoT. Industry demand for IoT devices is expected to remain strong across consumer, edge networking and industrial applications, in part due to expanded use cases enabled by 5G and AI technologies, including generative AI.

Consumer. Consumer IoT products, including PCs, XR and other personal computing devices, continue to adopt the latest mobile connectivity, processing and intelligence technologies including on-device AI capabilities. This enables new services, applications and experiences that can be run directly on the device, driving improvements in latency, cost and privacy. For example, AI-focused PCs, including those powered by our Snapdragon X Series platforms, allow for increased productivity and enhanced use cases enabled by on-device AI processing at low power. Additionally, smart glasses and wearables, such as smartwatches, earbuds and other form factors are being transformed into personal AI devices as they transition from simply extending smartphone experiences to providing new and unique personalized AI, connecting the user directly to the AI agent and model.

Edge Networking. Advances in wireless technology are helping to drive demand for edge networking products (including mobile, fiber broadband and wireless access points). Fiber and 5G technologies continue to grow, delivering not only high speed broadband and infrastructure but also providing the flexibility to support fixed, mobile and fixed wireless users with the delivery of high-performance, low-latency connections. Additionally, advancements in Wi-Fi are driving consumer and enterprise demand for the latest Wi-Fi 6, 6E and 7 access point technologies that leverage increased network speed, capacity and efficiency to support the increased number of connected devices at home and at work.

Industrial. The combination of IoT devices with connectivity, edge-computing, on-device AI and power-optimized and/or precise location tracking, along with cloud capabilities, is driving advancements in industries such as retail, transportation logistics, manufacturing, energy and utilities, smart home and video. These technologies allow companies to gain new knowledge and insights about their products and services, manufacturing and logistics processes, which can help to transform and optimize their businesses by improving safety, surveillance, efficiency and customer experiences. A key enabler of this shift is physical AI, which is reshaping industrial applications and creating new opportunities, particularly in areas like manufacturing and robotics.

Samsung, EX1038, p. 6
Samsung v. Topwire, IPR2026-00324

Technology Overview

The worldwide demand for intelligent computing everywhere requires continuous innovation to improve user experiences, support new services, expand on-device processing and AI capabilities at low power, and increase wireless connectivity capacity and performance. To meet these requirements, different foundational technologies, including wireless communications, high-performance and low-power computing, AI, multimedia and location, continue to evolve. We have a long history of investing heavily in research and development and have developed many of these foundational technologies that help drive the continued evolution in mobile, automotive and IoT. We have also developed and acquired (and continue to develop and acquire) significant related intellectual property. This intellectual property has been incorporated into the most widely accepted and deployed cellular wireless communications technology standards, and we have licensed it to hundreds of companies.

Intelligent Computing. Our processors are purpose-built to elevate computing experiences across mobile, automotive and IoT. We have developed System-on-Chip (SoC) architecture with heterogeneous computing features, which uses our central processing unit (CPU) and different types of specialized engines (graphics processing unit (GPU) and neural processing unit (NPU)) to enable high-performance and low-power computing and other optimization techniques. Our Qualcomm Oryon™ and Qualcomm® Kryo™ CPU processors deliver enhanced security and AI solutions, designed to enable the next generation of high-tech devices and apps. Qualcomm Oryon CPU core technology is custom-designed to deliver a new level of performance and efficiency and developed to be integrated across a wide portfolio of Snapdragon powered products from certain PC and smartphone products to certain automotive platforms and IoT products. We also intend to leverage our custom-designed CPU cores as we create our data center products. Our Qualcomm® Adreno™ GPUs are designed to deliver high quality graphics performance for visually rich 3D gaming and user interfaces.

The Qualcomm® AI Engine, featured in our Snapdragon platforms and many of our other products, includes dedicated hardware capable of running complex AI use cases at high performance and low power on device, while also enhancing privacy and security. Our Qualcomm® Hexagon™ NPU is a key processor in our AI Engine and is designed for sustained, high-performance AI inference, enabling leading on-device AI capabilities with very low power consumption. In addition to our leading AI technology, we are simplifying the process for developers to build applications with AI features to work on our platforms. The Qualcomm® AI Stack is a unified AI software portfolio designed to help developers optimize and deploy AI models quickly using our chipset solutions by supporting AI frameworks and runtimes, developer libraries, system software and popular operating systems. We also offer certain resources, including the Qualcomm® AI Hub, that allow developers to access resources for quickly deploying models on devices powered by our platforms, whether their own or from a growing collection of pre-optimized, ready-to-use AI models.

Cellular Wireless Technologies. The majority of cellular connections today are OFDMA (Orthogonal Frequency Division Multiple Access)-based technologies. 5G heavily leverages OFDMA-based technologies, while most of the OFDMA-based technologies deployed prior to 2020 are classified as 4G technology, including LTE (Long-Term Evolution).

5G is designed to transform the role of wireless technologies and incorporates advancements on 3G/4G features, including device-to-device capabilities. 5G has the ability to target diverse services with very different technical requirements (from enhanced mobile broadband to massive IoT to mission-critical communications), utilize diverse types of spectrum (from low bands to millimeter wave (mmWave) bands) and support diverse types of deployment scenarios. Predominant technological components of 5G include ultra-reliable, low-latency communication, very wide channel bandwidth and new channel coding schemes to efficiently support large data blocks, MIMO (multiple input, multiple output) to increase coverage and network capacity and mobile mmWave to increase the data rate offered to users. As with previous cellular generations, 5G is designed to support seamless compatibility with 3G/4G technologies through multimode devices.

Many of our inventions at the core of 3G and 4G serve as the foundational technologies for 5G. We continue to play a significant role in driving advancements in 5G, including contributing to 3GPP (3rd Generation Partnership Project, a global organization that develops technical specifications) standardization activities that are defining the continued evolution of 5G through the specification of the radio component (NR) and the core network component (5G Core or 5GC) into 5G Advanced, as well as working to establish the requirements for 6G.

We envision 6G will integrate advanced capabilities including AI, sensing, digital twinning, and a variety of new system features enabling higher levels of efficiency and performance.

Additional Significant Technologies used in Mobile and Other Industries. We continue to play a leading role in developing (and/or have acquired) many other technologies used across mobile and other industries, including:

- automotive platform features such as digital cockpit and ADAS/AD, including intelligent navigation, obstacle detection and safety-focused decision making, to enable in-cabin experiences and assisted driving solutions;
- Bluetooth technology, which is a wireless personal area network that provides wireless connectivity between devices over short distances ranging from a few centimeters to approximately one hundred meters using the 2.4GHz industrial, scientific and medical spectrum band;
- data center technologies, including high-performance AI inference acceleration for data centers and edge clouds;
- fast charging features, enabling devices to charge quickly, safely and efficiently;
- multimedia technologies including video, audio and speech compression technologies and system-level solutions enabling feature-rich, high-quality experiences in imaging, audio and vision intelligence;
- operating system and user interface features;

Samsung, EX1038, p. 7
Samsung v. Topwire, IPR2026-00324

- position location technologies such as the Assisted-Global Positioning System (A-GPS), Assisted Global Navigation Satellite System (A-GNSS) and wireless local area networks (WLAN) positioning technologies used in most cellular handsets today;
- power management systems for improved battery life and device charging;
- Qualcomm® Smart Transmit™ technology, a modem-to-antenna technology that optimizes data speeds while complying with RF transmit power limits;
- security and content protection systems for enhanced device security without compromising the user experience;
- vision intelligence platform features such as image processing and video analytics for consumer and enterprise camera solutions;
- volatile (LPDDR4, 5, 6) and non-volatile (eMMC & UFS) memory and related controllers;
- WLAN, such as Wi-Fi, which link two or more nearby devices wirelessly and usually provide connectivity through an access point; and
- XR platform features such as 6DoF (six-degrees of freedom) head tracking and controller capabilities, video pass-through and embedded cellular connectivity for new types of user experiences, and hybrid computing to distribute workloads across devices.

Acquisitions

We make strategic investments and acquisitions in order to open new opportunities for our technologies, support the design and introduction of new products and services (or enhance existing products or services), obtain resources with development and/or market expertise, grow our patent portfolio or pursue new businesses as part of our strategic plan. Additional information regarding acquisitions is provided in this Annual Report in "Notes to Consolidated Financial Statements, Note 9. Acquisitions."

Operating Segments

We have three reportable segments. We conduct business primarily through QCT and QTL, while QSI makes strategic investments. Additional information regarding our operating segments is provided in this Annual Report in "Notes to Consolidated Financial Statements, Note 8. Segment Information."

QCT Segment. QCT is a leading developer and supplier of integrated circuit products and system software with advanced connectivity and high-performance, low-power computing technologies, for use in mobile devices; automotive systems for connectivity, digital cockpit and ADAS/AD; and IoT products, including consumer electronic devices, industrial devices and edge networking products. QCT's integrated circuit products are sold and its system software is licensed to manufacturers that use our products in a broad range of devices, from low-tier, entry-level devices primarily for emerging regions to premium-tier devices, including but not limited to mobile devices, wireless networks, devices used in IoT, broadband gateway equipment, consumer electronic devices and automotive systems. Our technology roadmap delivers the latest technologies across multiple product tiers, devices and industries. This roadmap is the result of extensive collaboration with manufacturers, operators, developers, system integrators, infrastructure vendors, cloud providers, test tool vendors, service providers, governments and industry standards organizations, as well as our years of research into emerging network standards and the development of integrated circuits. Our roadmap takes advantage of new standards, while maintaining backward compatibility with existing standards. We have leveraged and expect to continue to leverage the foundational technologies, such as our processor technologies, core baseband modem and our other wireless connectivity products including Wi-Fi, Bluetooth and precise positioning technologies, across our product categories, industries and applications including mobile handsets, automotive and IoT.

The Snapdragon and Dragonwing families of highly integrated, system-based solutions include the Snapdragon mobile (powering Android devices), compute, sound and automotive platforms, and Dragonwing industrial and edge networking IoT solutions. Each platform consists of application processors and wireless connectivity capabilities, including our cellular modem that provides core baseband modem functionality for voice and data communications, non-cellular wireless connectivity (such as Wi-Fi and Bluetooth) and global positioning functions. Our Snapdragon application processor functions include AI, security, graphics, display, audio, video, camera and other compute processing. Our Qualcomm Oryon and Kryo CPUs are designed to deliver high levels of compute performance with optimized power consumption. Our Hexagon NPUs are designed to support a variety of AI processing tasks for superior performance-per-watt, thermal efficiency and battery life. Our Qualcomm® Adreno™ GPUs are designed to deliver high quality graphics performance for visually rich 3D gaming and user interfaces. In addition to the highly integrated core SoC, we also design and supply supporting components, including the RF transceiver, PM (power management), audio codecs, speaker amps and additional wireless connectivity integrated circuits. These supporting components, in addition to our cellular modems and application processors comprising our core SoC, are also sold as individual components. The combination of the SoC, system software and supporting components provides an overall platform with optimized performance and efficiency, enabling manufacturers to design and deliver powerful, slim and power-efficient devices ready for integration with complex cellular networks worldwide.

Our portfolio of RF products includes Qualcomm® RFFE components that are designed to simplify the RF front-end design for 5G, including sub-6 GHz and mmWave, as well as, for 4G LTE multimode devices, to reduce power consumption and to improve radio performance. We provide comprehensive RFFE product offerings with system level performance from the modem and transceiver to the antenna that include complex 4G/5G transmit and receive modules, power tracking, tuning systems, multimode-multiband power amplification, low noise amplifiers and mmWave antenna solutions, in addition to

Samsung, EX1038, p. 8
Samsung v. Topwire, IPR2026-00324

discrete filtering products, for devices and applications across the mobile handsets, automotive and IoT industries. We have also integrated our Snapdragon platform with our RFFE components to create our Snapdragon 5G modem-RF products, a modem-to-antenna platform integrating AI to maximize data speeds and performance, support superior call connectivity and coverage and extend battery life.

Our wireless connectivity products also consist of integrated circuits and system software for Wi-Fi, Bluetooth and frequency modulation, as well as technologies that support location data and services. Our wireless connectivity products provide additional connectivity across mobile handsets, automotive and IoT products. QCT also offers standalone Wi-Fi, Bluetooth, application processor and Ethernet products utilized within these devices and systems. Our networking products include Wi-Fi, Ethernet and passive optical network (PON) chips, network processors, wireless access points and routers, broadband gateway equipment and software. These products help enable home and business networks to support the growing number of connected devices, digital media and data services.

Other than for certain of our RFFE modules and RF filter products, QCT utilizes a fabless production model, which means that we do not own or operate foundries for the production of silicon wafers from which our integrated circuits are made. Therefore, we primarily rely on third parties to perform the manufacturing and assembly, and most of the testing, of our integrated circuits based primarily on our proprietary designs and test programs. Our suppliers also are responsible for the procurement of most of the raw materials used in the production of our integrated circuits. Integrated circuits are die cut from silicon wafers that have completed the package assembly and test manufacturing processes. The semiconductor package supports the electrical contacts that connect the integrated circuit to a circuit board. Die cut from silicon wafers are the essential components of all our integrated circuits and a significant portion of the total integrated circuit cost. We employ both turnkey and two-stage manufacturing models to purchase our integrated circuits. Under the turnkey model, our foundry suppliers are responsible for delivering fully assembled and tested integrated circuits. Under the two-stage manufacturing model, we purchase die in singular or wafer form from semiconductor manufacturing foundries and contract with separate third parties for manufacturing services such as wafer bump, probe, assembly and the majority of our final test requirements. The primary foundry suppliers for our various digital, analog/mixed-signal, RF and PM integrated circuits include Taiwan Semiconductor Manufacturing Company (TSMC), Samsung Electronics and Global Foundries. Our primary semiconductor assembly and test suppliers are Advanced Semiconductor Engineering, Amkor Technology, Siliconware Precision Industries and STATSChipPAC. The majority of our foundry and semiconductor assembly and test suppliers are located in the Asia-Pacific region.

QCT primarily uses internal fabrication facilities to manufacture certain RFFE modules and RF filter products, and our manufacturing operations consist of front-end and back-end processes. The front-end processes primarily take place at manufacturing facilities located in Germany and Singapore and involve the imprinting of substrate wafers with the structure and circuitry required for the products to function (also known as wafer fabrication). The back-end processes include the assembly, packaging and test of RFFE modules and RF filter products and their preparation for distribution. Our back-end manufacturing facilities are located in China and Singapore.

QCT's marketing strategy aims to promote Qualcomm as the leader of enabling intelligent computing everywhere, Snapdragon as the preferred platform powering premium experiences across handsets, automotive and consumer IoT, and Dragonwing as the leading-edge products for industrial and edge networking IoT. Through direct marketing efforts, partnerships and collaborations (including marketing programs with customers), products powered by Snapdragon and Dragonwing are marketed to expand the reach of these brands to drive awareness and preference.

QCT’s sales are primarily made through supply terms which implement a purchase order and order confirmation process for delivery of products. QCT generally allows customers to reschedule delivery dates within a defined time frame and to cancel orders prior to shipment with or without payment of a cancellation fee, depending on when the order is canceled.

The industries in which QCT operates are intensely competitive. QCT competes worldwide with a number of U.S. and international designers and manufacturers of semiconductors, ranging from multinational companies with integrated research and development, manufacturing, sales and marketing organizations across a broad spectrum of product lines, to companies that are focused on a single application, industry or standard product, including those that produce products for industries and applications including handsets, automotive or IoT, among others. Most of these competitors compete with us with respect to some, but not all, of our product lines. Companies that provide on-device AI, high-performance and low-power computing and wireless connectivity-based integrated circuit products and/or software are generally competitors or potential competitors. As a result of global expansion by foreign and domestic competitors, technological changes, device manufacturer concentrations, limited global supply capacity, vertical integration and the potential for further industry consolidation, we anticipate the industry to remain very competitive. We believe that the principal competitive factors for our products include performance, level of integration, quality, compliance with industry standards, price, time-to-market, system cost, design and engineering capabilities, new product innovation, growth and scaling of distribution channels, desire by certain customers to use multiple suppliers and customer support. QCT also competes in both single-mode and multimode environments against alternative communications technologies. Additional competitive factors exist for QCT product offerings that have expanded into industries and applications beyond mobile handsets, including automotive and IoT. The automotive industry is subject to long design-in time frames, long product life cycles and a high degree of regulatory and safety requirements, necessitating suppliers to the industry to comply with stringent qualification processes, very low defect rates and high reliability standards, all of which results in a significant barrier to entry and may result in increased costs.

Samsung, EX1038, p. 9
Samsung v. Topwire, IPR2026-00324

QCT also faces competition, which may intensify in the future, from products internally developed by our customers, including some of our largest customers. Our competitors devote significant amounts of their financial, technical and other resources to develop and market competitive products and, in some cases, to develop and adopt competitive technologies, and those efforts may materially and adversely affect us. Although we have attained a significant position in the semiconductor industry, many of our current and potential competitors may have advantages over us. These and other risks related to competition are more fully described in the Risk Factors entitled "*Our industry is subject to intense competition in an environment of rapid technological change. Our success depends in part on our ability to adapt to such change and compete effectively; and such change and competition could result in decreased demand for our products and technologies or declining average selling prices for our products or those of our customers or licensees"* and *"Our business, particularly our semiconductor business, may suffer as a result of our customers vertically integrating (i.e., developing their own integrated circuit products)."*

QTL Segment. QTL grants licenses or otherwise provides rights to use portions of our intellectual property portfolio, which, among other rights, includes certain patent rights essential to and/or useful in the manufacture, sale and/or use of certain wireless products, including, without limitation, products implementing LTE and/or OFDMA-based 5G standards and their derivatives. We grant licenses or otherwise provide rights to use our cellular standard-essential patents (including 3G, 4G and 5G) for cellular devices on a worldwide basis. We also offer licenses to our cellular standard-essential patents together with other Qualcomm patents that may be useful to such licensed products for licensees that desire to obtain the commercial benefits of receiving such broad patent rights from us. While we offer license rights to patents that we do not have a duty or obligation to grant, those rights may be negotiated at our discretion. A significant portion of QTL's licensing revenues is derived from licensees under Qualcomm's cellular standard-essential patents. Our licensees manufacture wireless cellular products such as mobile devices (including handsets), other consumer devices (e.g., tablets and PCs), plug-in end user data modem cards and embedded modules for incorporation into machine-to-machine devices and certain other devices, connected vehicle units and connected vehicle modules used in automobiles, wireless access points and small cells.

Since our founding in 1985, we have focused heavily on technology development and innovation. These efforts have resulted in a leading intellectual property portfolio related to foundational, system level technologies for the wireless industry. We have an extensive portfolio of United States and foreign patents, and we continue to pursue patent applications around the world. Our patents have broad coverage in many countries, including Brazil, China, India, Japan, South Korea, Taiwan, the United States and countries in Europe (including European patents with unitary effect). A substantial portion of our patents and patent applications relate to digital wireless communications technologies, including patents that are essential or may be important to the commercial implementation of LTE and/or OFDMA-based 5G products. Our patent portfolio is the most widely and extensively licensed in the industry. Additionally, we have a substantial patent portfolio related to key technologies used in communications and other devices and/or related services, some of which are contributed to and commercialized as industry standards, such as for certain video and audio codecs, Wi-Fi, position location, UWB, memory and component interconnect. Our patents cover a wide range of technologies across connectivity (including wireless devices and network infrastructure equipment), computing and AI applications in diverse end-markets, not just the portion of such patented technologies incorporated into chipsets. Over the years, a number of companies have challenged our patent position, but the mobile communications industry generally recognizes that any company seeking to develop, manufacture and/or sell certain cellular products requires a license or other rights to use our patents.

We have licensed or otherwise provided rights to use our patents to hundreds of companies on industry-accepted terms. Our strategy to make our patented technologies broadly available has been a catalyst for industry growth, helping to enable a wide range of companies offering a broad array of wireless products and features while increasing the capabilities of and/or driving down average and low-end selling prices for handsets and other wireless devices. By licensing or otherwise providing rights to use our patents to a wide range of equipment manufacturers, encouraging innovative applications, supporting equipment manufacturers with integrated chipset and software products and focusing on improving the efficiency of the airlink for wireless operators, we have helped multimode device capabilities evolve, grow demand and reduce device pricing. 5G network deployments and commercial 5G device sales began in 2019 and have continued. By licensing or otherwise providing rights to use our patents to a wide range of equipment manufacturers, we are supporting the global rollout and availability of 5G technology. We believe that 5G will continue to encourage innovative applications through enhanced mobile broadband services with lower latency and multi-gigabit user data speeds and bring more capacity and efficiency to wireless networks.

Standards bodies have been informed that we hold patents and pending patent applications that might be essential for 3GPP standards. We have committed to such standards bodies that we will offer to license our essential patents for these standards consistent with our commitments to those bodies. We have made similar commitments with respect to certain other technologies implemented in industry standards.

QTL licensing revenues consist primarily of per-unit royalties. Licensees pay quarterly royalties based on their sales of products incorporating or using our licensed intellectual property. Per-unit royalties are generally based upon a percentage of the wholesale (i.e., licensee's) selling price of complete licensed products, net of certain permissible deductions (including transportation, insurance, packing costs and other items), with certain products subject to per unit minimums and/or per unit caps. Certain products may also have a fixed royalty amount per unit.

The vast majority of QTL revenues have been generated through our licensees' sales of OFDMA-based products (including 4G-enabled and 5G-enabled multimode devices), such as smartphones and other devices. We have invested in both

Samsung, EX1038, p. 10
Samsung v. Topwire, IPR2026-00324

the acquisition and development of, and continue to invest in the development of, OFDMA technology and intellectual property and have generated the industry leading patent portfolio applicable to LTE, LTE Advanced, LTE Advanced Pro, 5G NR and 5G Advanced. Some of our inventions that serve as foundational technologies for 3G and 4G also serve as foundational technologies for 5G. We have invested and continue to invest in the development of 5G and continue to play a significant role in driving advancements of 5G. Nevertheless, we face competition in the development of intellectual property for future generations of digital wireless communications technologies and services.

Our license agreements also may provide us with rights to use certain of our licensees' technology and intellectual property to manufacture, sell and/or use certain components (e.g., application-specific integrated circuits) and related software, cellular devices and/or infrastructure equipment.

We have been in the past, currently are and may in the future be subject to various governmental investigations and/or legal proceedings, including certain governmental investigations and legal proceedings challenging our patent licensing practices. Such governmental investigations and/or legal proceedings could require us to change our patent licensing practices, as described herein in "Part I, Item 1A. Risk Factors" under the heading "*Changes in our patent licensing practices, whether due to governmental investigations, legal challenges or otherwise, could adversely impact our business and results of operations.*"

QSI Segment. QSI makes strategic investments primarily through our Qualcomm Ventures arm that are focused on expanding or opening new opportunities for our technologies as well as supporting the design and introduction of new products and services (or enhancing existing products or services). Many of these strategic investments are in early-stage companies in a variety of industries and applications, including but not limited to 5G, AI, automotive, consumer, enterprise, cloud, IoT and XR. Our QSI investments primarily include non-marketable equity securities and, to a lesser extent, marketable equity securities and convertible debt instruments. As part of our strategic investment activities, we generally intend to pursue various exit strategies for each of our QSI investments in the foreseeable future.

Other Businesses. Nonreportable segments include our QGOV business and our Data Center business. QGOV provides development and other services and sells related products to U.S. government agencies and their contractors. Our Data Center business is developing and commercializing next-generation solutions for data centers.

Seasonality. Information regarding seasonality is provided in this Annual Report in "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in the "Our Business and Operating Segments" section under the heading "Seasonality."

Corporate Structure

We operate our businesses through our parent company, QUALCOMM Incorporated, and multiple direct and indirect subsidiaries. We have developed our corporate structure in order to address various legal, regulatory, tax, contractual compliance, operational and other matters. Substantially all of our products and services businesses, including QCT, and substantially all of our engineering and research and development functions, are operated by Qualcomm Technologies, Inc. (QTI), a subsidiary of QUALCOMM Incorporated, and QTI's subsidiaries. QTL is operated by QUALCOMM Incorporated, which owns the vast majority of our patent portfolio. Snapdragon and Qualcomm branded products are products of QTI and/or its subsidiaries. Qualcomm patents are licensed by QUALCOMM Incorporated. Neither QTI nor any of its subsidiaries has any right, power or authority to grant any licenses or other rights under or to any patents owned by QUALCOMM Incorporated.

Revenue Concentrations and Significant Customers

A small number of customers/licensees historically have accounted for a significant portion of our consolidated revenues. In fiscal 2025, revenues from Apple, Samsung and Xiaomi each comprised 10% or more of our consolidated revenues. Additional information regarding revenue concentrations is provided in this Annual Report in "Notes to Consolidated Financial Statements, Note 2. Composition of Certain Financial Statement Items" and "Notes to Consolidated Financial Statements, Note 8. Segment Information."

Research and Development

We compete in industries that are characterized by rapid technological change, evolving industry standards and frequent new product introductions, requiring a continuous effort to enhance existing products and technologies and to develop new products and technologies. We have significant engineering resources, including engineers with substantial expertise in modem, radio-frequency integrated circuit, RFFE, multimedia (camera, video, display and computer vision), sensor perception and drive policy, advanced SoC (which includes specialized engines such as CPU, GPU and NPU to enable high-performance and low-power computing and other optimization techniques), AI, packaging and a broad range of other technologies. We expect to continue to invest in research and development in a variety of ways in an effort to extend the demand for our products and technologies and to utilize that research and development in industries and applications beyond mobile handsets (such as automotive and IoT), including continuing the development of new modem and multimedia technologies and other technologies (such as ADAS/AD and XR), developing alternative technologies for certain specialized applications, participating in the formulation of new voice and data communication standards and technologies and assisting in deploying digital voice and data communications networks around the world. We are focused on making it easier for

Samsung, EX1038, p. 11
Samsung v. Topwire, IPR2026-00324

developers to design and deploy their applications on our platforms across multiple device categories and industries as part of our diversification strategy. We are also investing in research and development of data center products.

We conduct broad, leading research and development across AI, including generative AI, from fundamental research to platform and applied research, with the goal of advancing AI core capabilities to run on-device, and scaling them across industries and use cases. With investments made in AI for over a decade, our research is diverse, and we are focused on making AI seamless across our everyday experiences.

We also engage in acquisitions and other transactions to meet certain technology needs, to obtain development resources or open or expand opportunities for our technologies and to support the design and introduction of new products and services (or enhance existing products and services). We make investments to provide our integrated circuit customers with chipsets designed on leading-edge technology nodes that combine multiple technologies for use in mobile devices; automotive systems for connectivity, digital cockpit and ADAS/AD; and IoT including consumer products, industrial devices and edge networking products. We support Android, Windows, Linux and other client software environments in our chipsets.

We develop innovations that are integrated into our product portfolio to expand the opportunity for wireless communications and enhance the value of our products and services. These innovations are expected to enable our customers to improve the performance or value of their existing services, offer these services more affordably and introduce revenue-generating broadband data services ahead of their competition.

We have research and development centers in various locations throughout the world that support our global development activities. We continue to use our substantial engineering resources and expertise to develop new technologies, applications and services and make them available to licensees to help grow the wireless communications industry and generate new or expanded licensing opportunities.

Human Capital

At September 28, 2025, we had approximately 52,000 full-time, part-time and temporary workers, the overwhelming majority of which were full-time employees. Our employees work in over 200 locations in 38 different countries around the world. Our global workforce is highly educated, with the substantial majority of our employees working in engineering or technical roles. During fiscal 2025, our voluntary turnover rate was approximately 6%.

In order to continue to produce innovative, breakthrough technologies, it is crucial that we continue to attract and retain top talent. To facilitate talent attraction and retention, we strive to make Qualcomm a respectful and safe workplace, with opportunities for our employees to grow and develop in their careers, supported by strong compensation, benefits, health and wellness programs and by programs that build connections between our employees and their communities. Our Human Capital initiatives include:

Health, Safety and Wellness. The success of our business is fundamentally connected to the well-being of our people. Accordingly, we are committed to the health, safety and wellness of our employees. Through our Live+Well, Work+Well programs, we provide our employees and their families with access to a variety of innovative, flexible and convenient health and wellness programs, including benefits that provide protection and security related to events that may require time away from work or that impact their financial well-being; that support their physical and mental health by providing tools and resources to help them improve or maintain their health status and encourage engagement in healthy behaviors; and that offer choice where possible so they can customize their benefits to meet their needs and the needs of their families.

Compensation and Benefits. We provide robust compensation and benefits programs to help meet the needs of our employees. In addition to base pay, these programs may include (depending on country/region) annual bonuses, stock awards, an employee stock purchase plan, retirement and savings plans, healthcare and insurance benefits, health savings and flexible spending accounts, paid time off, family leave, family care resources, flexible work schedules, adoption and surrogacy assistance, employee assistance programs, tuition assistance, and on-site services such as health and fitness centers, among others. In addition to our broad-based equity award programs, we have used targeted equity awards with vesting conditions to facilitate retention of personnel, particularly those with critical engineering skills and experience.

Talent Development. We invest significant resources to develop the talent needed to remain a world-leading innovator in wireless technologies and high-performance and low-power computing, including AI. We deliver numerous training opportunities, provide rotational assignment opportunities, focus on continuous learning and development and have implemented what we believe are industry-leading methodologies to manage performance, provide feedback and develop talent. Our talent development programs are designed to provide employees with the resources they need to help achieve their career goals, build management skills and lead their organizations.

Building Connections - With Each Other and our Communities. We believe that building connections between our employees, their families and our communities creates a more meaningful, fulfilling and enjoyable workplace. Through our engagement programs, our employees can pursue their interests and hobbies, connect to volunteering and giving opportunities and enjoy unique recreational experiences with family members.

Since our employees are passionate about many causes, our corporate giving and volunteering programs support and encourage employees by engaging with those causes. In our offices around the world, our employee-led Giving Committees select local organizations to support, often in the form of grants that are primarily funded by the Qualcomm Foundation (which was established to support charitable giving and volunteerism). We also frequently collaborate with these

Samsung, EX1038, p. 12
Samsung v. Topwire, IPR2026-00324

organizations on volunteer activities for our employees. Additionally, employees can enhance their contributions to qualified charitable organizations of their choice by utilizing our charitable match program.

Available Information

Our Internet address is www.qualcomm.com. There we make available, free of charge, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements and any amendments to those reports (among others), as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission (SEC). We also make available on our website public financial information for which a report is not required to be filed with or furnished to the SEC. Our SEC reports and such other information can be accessed through the Investor Relations section of our website (https://investor.qualcomm.com). Our Investor Relations website contains a significant amount of information about us, including financial and other information for investors, and it is possible that this information could be deemed to be material information. Accordingly, investors and others interested in Qualcomm should review the information posted on our website in addition to following our press releases, SEC filings and public conference calls and webcasts.

We also publish on our website a variety of reports and resources related to our corporate responsibility policies, programs, goals and initiatives, including our most recent Qualcomm Corporate Responsibility Report and reports on sustainability, responsible sourcing, corporate citizenship and responsible AI, among others. Investors and other stakeholders interested in these topics can access such reports and resources through the Corporate Responsibility section of our website (https://www.qualcomm.com/company/corporate-responsibility).

Nothing on our website, including the aforementioned reports and documents, or sections thereof, shall be deemed incorporated by reference into this Annual Report.

Information about our Executive Officers

Our executive officers (and their ages as of November 1, 2025) are as follows:

Cristiano R. Amon, age 55, has served as President and Chief Executive Officer and as a member of the Board of Directors since June 2021. Mr. Amon served as President and Chief Executive Officer-elect from January 2021 to June 2021 and President from January 2018 to January 2021. He served as Executive Vice President, QTI and President, QCT, from November 2015 to January 2018. He served as Executive Vice President, QTI and Co-President, QCT from October 2012 to November 2015, Senior Vice President and Co-President, QCT from June 2012 to October 2012 and as Senior Vice President, QCT Product Management from October 2007 to June 2012, with responsibility for our product roadmap, including the Snapdragon platforms. Mr. Amon joined Qualcomm in 1995 as an engineer and throughout his tenure at Qualcomm has held several other technical and leadership positions. Mr. Amon has been a member of the board of directors of Adobe Inc. since October 2023. Mr. Amon holds a B.S. in Electrical Engineering and an honorary doctorate from UNICAMP, the State University of Campinas, Brazil.

Heather Ace, age 55, has served as Chief Human Resources Officer since March 2020. Prior to joining Qualcomm, Ms. Ace was Senior Vice President, Human Resources at DexCom, Inc., a provider of continuous glucose monitoring, from July 2016 to March 2020. Prior to DexCom, she was Executive Vice President, Human Resources at Orexigen Therapeutics, Inc., a developer of treatments for obesity, from January 2016 to July 2016. Ms. Ace was Integration Leader for Royal Philips, leading the cross-functional integration of Philips Healthcare's acquisition of Volcano Corporation, from January 2015 to January 2016. She was Executive Vice President, Human Resources at Volcano Corporation from May 2012 to January 2015. Prior to May 2012, Ms. Ace served in various senior executive roles in human resources, post-acquisition/merger integration and employment law at Life Technologies Corporation. She began her career at Gray, Cary, Ware & Freidenrich (now DLA Piper) as a litigation and transactional employment attorney, specializing in mergers and acquisitions. Ms. Ace holds a B.A. in Law & Society from the University of California, Santa Barbara and a J.D. from Santa Clara School of Law.

Baaziz Achour, age 64, has served as Chief Technology Officer, QTI since February 2025. Dr. Achour served as Chief Technology Officer – Elect from December 2024 to February 2025, Deputy Chief Technology Officer from April 2023 to December 2024, and Senior Vice President, Engineering from July 2006 to April 2023. He joined Qualcomm as a Systems Engineer in 1993 and throughout his tenure at Qualcomm has held several other leadership roles within the engineering organization. Dr. Achour holds a B.S. in Physics from the University of Algiers, and master's and doctorate degrees in Electrical Engineering from Tufts University.

Ann Chaplin, age 52, has served as General Counsel and Corporate Secretary since November 2021. Prior to joining Qualcomm, Ms. Chaplin served at General Motors Company as Corporate Secretary and Deputy General Counsel, U.S., Transformation Initiatives and Corporate Securities from February 2021 to November 2021, Deputy General Counsel and Chief Compliance Officer, North America, Transformation Projects and Compliance from April 2019 to February 2021, Deputy General Counsel, Commercial, Transportation as a Service, Litigation and Regulation from January 2018 to April 2019, Deputy General Counsel, Intellectual Property, Regulation and Litigation from June 2017 to January 2018 and Deputy General Counsel, Litigation from December 2015 to June 2017. Prior to General Motors, Ms. Chaplin was an attorney at Fish & Richardson P.C. from February 2001 to December 2015, last holding the position of Litigation Practice Group Leader/ Litigation Equity Principal. She began her career as an intellectual property litigation attorney at the law firm of Robins,

Samsung, EX1038, p. 13
Samsung v. Topwire, IPR2026-00324

Kaplan, Miller & Ciresi LLP. Ms. Chaplin holds a B.A in Sociology of Law from the University of Minnesota and a J.D. from Harvard Law School.

Akash Palkhiwala, age 50, has served as Chief Financial Officer since November 2019 and as Chief Operating Officer since January 2024. Mr. Palkhiwala served as Senior Vice President and Interim Chief Financial Officer from August 2019 to November 2019. He served as Senior Vice President, QCT Finance, QTI from December 2015 to August 2019 and Senior Vice President and Treasurer from October 2014 to December 2015. Mr. Palkhiwala served in various other finance and leadership roles since joining Qualcomm in March 2001. Prior to joining Qualcomm, he was an Analyst at KeyBank. Mr. Palkhiwala holds an undergraduate degree in Mechanical Engineering from L.D. College of Engineering in India and an M.B.A from the University of Maryland.

Alexander H. Rogers, age 68, has served as President, QTL and Global Affairs since June 2021. Mr. Rogers served as President, QTL from October 2016 to June 2021, Senior Vice President and President, QTL from September 2016 to October 2016, Senior Vice President, Deputy General Counsel and General Manager, QTL from March 2016 to September 2016, Senior Vice President and Deputy General Counsel from October 2015 to March 2016 and Senior Vice President and Legal Counsel from April 2007 to October 2015. Prior to QTL, he led Qualcomm's litigation group. Mr. Rogers joined Qualcomm in January 2001 as an attorney. Prior to joining Qualcomm, he was a partner at the law firm of Gray, Cary, Ware & Freidenrich (now DLA Piper), specializing in intellectual property and commercial litigation. Mr. Rogers holds a B.A. and an M.A. in English Literature from Georgetown University and a J.D. from Georgetown University Law Center.

Item 1A. Risk Factors

You should consider each of the following factors in evaluating our business and our prospects, any of which could negatively impact our business, results of operations, cash flows and financial condition, and require significant management time and attention. Further, the risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently consider immaterial may also negatively impact our business, results of operations, cash flows and financial condition, and require significant management time and attention. In such cases, the trading price of our common stock could decline. You should also consider the other information set forth in this Annual Report in evaluating our business and our prospects, including but not limited to our financial statements and the related notes, and "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations." References to "and," "or" and "and/or" should be read to include the others, as appropriate.

Risk Factors Summary:

RISKS RELATED TO OUR OPERATING BUSINESSES

- *We derive a significant portion of our revenues from a small number of customers and licensees, and particularly from their sale of premium-tier handset devices. If revenues derived from these customers or licensees decrease or the timing of such revenues fluctuates, our business and results of operations could be negatively affected.*
- *Our business, particularly our semiconductor business, may suffer as a result of our customers vertically integrating (i.e., developing their own integrated circuit products).*
- *A significant portion of our business is concentrated in China, and the risks of such concentration are exacerbated by U.S./China trade and national security tensions.*

RISKS RELATED TO NEW INITIATIVES

- *Our growth depends in part on our ability to extend our technologies and products into new and expanded product areas, and industries and applications beyond mobile handsets. Our research, development and other investments in these new and expanded product areas, industries and applications, and related technologies and products, as well as in our existing technologies and products, and new technologies, may not generate operating income or contribute to future results of operations that meet our expectations.*
- *We may engage in acquisitions and other strategic transactions or make investments, or be unable to consummate planned strategic acquisitions, which could adversely affect our results of operations or fail to enhance stockholder value.*

RISKS RELATED TO SUPPLY AND MANUFACTURING

- *We depend on a limited number of third-party suppliers for the procurement, manufacture, assembly and testing of our products manufactured in a fabless production model. If we fail to execute supply strategies that provide supply assurance, technology leadership and reasonable margins, our business and results of operations may be harmed. We are also subject to order and shipment uncertainties that could negatively impact our results of operations.*

Samsung, EX1038, p. 14
Samsung v. Topwire, IPR2026-00324

- *There are numerous risks associated with the operation and control of our manufacturing facilities, including a higher portion of fixed costs relative to a fabless model; environmental compliance and liability; impacts related to climate change; exposure to natural disasters, health crises, geopolitical conflicts and cyber-attacks; timely supply of equipment and materials; and various manufacturing issues.*

RISKS RELATED TO CYBERSECURITY OR MISAPPROPRIATION OF OUR CRITICAL INFORMATION

- *Our business and operations could suffer in the event of security breaches of our IT systems, or other misappropriation of our technology, intellectual property or other proprietary or confidential information.*

RISKS RELATED TO HUMAN CAPITAL MANAGEMENT

- *We may not be able to attract or retain qualified employees.*

RISKS SPECIFIC TO OUR LICENSING BUSINESS

- *The continued and future success of our licensing programs requires us to continue to evolve our patent portfolio and to renew or renegotiate license agreements that are expiring.*
- *Efforts by some OEMs to avoid paying fair and reasonable royalties for the use of our intellectual property may require the investment of substantial management time and financial resources and may result in legal decisions or actions by governments, courts, regulators or agencies, Standards Development Organizations (SDOs) or other industry organizations that harm our business.*
- *Changes in our patent licensing practices, whether due to governmental investigations, legal challenges or otherwise, could adversely impact our business and results of operations.*

RISKS RELATED TO REGULATORY AND LEGAL CHALLENGES

- *Our business may suffer as a result of adverse rulings in governmental investigations or proceedings or other legal proceedings.*

RISKS RELATED TO INDUSTRY DYNAMICS AND COMPETITION

- *Our revenues depend on our customers' and licensees' sales of products and services based on cellular and other communications technologies, including 5G, and customer demand for our products based on these technologies.*
- *Our industry is subject to intense competition in an environment of rapid technological change. Our success depends in part on our ability to adapt to such change and compete effectively; and such change and competition could result in decreased demand for our products and technologies or declining average selling prices for our products or those of our customers or licensees.*

RISKS RELATED TO PRODUCT DEFECTS OR SECURITY VULNERABILITIES

- *Failures in our products, or in the products of our customers or licensees, including those resulting from security vulnerabilities, defects or errors, could harm our business.*

RISKS RELATED TO INTELLECTUAL PROPERTY

- *The enforcement and protection of our intellectual property may be expensive, could fail to prevent misappropriation or unauthorized use of our intellectual property, could result in the loss of our ability to enforce one or more patents, and could be adversely affected by changes in patent laws, by laws in certain foreign jurisdictions that may not effectively protect our intellectual property and by ineffective enforcement of laws in such jurisdictions.*
- *Claims by third parties that we infringe their intellectual property could adversely affect our business.*
- *Our use of open source software may harm our business.*

GENERAL RISK FACTORS

- *We operate in the highly cyclical semiconductor industry, which is subject to significant downturns. We are also susceptible to declines in global, regional and local economic conditions generally. Our stock price and financial results are subject to substantial quarterly and annual fluctuations due to these dynamics, among others.*
- *Geopolitical conflicts, natural disasters, pandemics and other health crises, and other factors outside of our control, could significantly disrupt our business.*

Samsung, EX1038, p. 15
Samsung v. Topwire, IPR2026-00324

- *Our business may suffer due to the impact of, or our failure to comply with, the various existing, new or amended laws, regulations, policies or standards to which we are subject.*
- *There are risks associated with our debt.*
- *Tax liabilities could adversely affect our results of operations.*

Risk Factors:

RISKS RELATED TO OUR OPERATING BUSINESSES

We derive a significant portion of our revenues from a small number of customers and licensees, and particularly from their sale of premium-tier handset devices. If revenues derived from these customers or licensees decrease or the timing of such revenues fluctuates, our business and results of operations could be negatively affected.

We derive a significant portion of our revenues from a small number of customers and licensees, and particularly from their sale of premium-tier handset devices, and we expect this trend to continue in the foreseeable future. The mobile industry is experiencing and may continue to experience concentration of device share among a few companies, particularly at the premium tier, contributing to this trend. Certain Chinese original equipment manufacturers (OEMs) have increased and may continue to increase their device share in China and in certain regions outside of China, and we derive a significant portion of our revenues from a small number of these OEMs as well. See also "Notes to Consolidated Financial Statements, Note 2. Composition of Certain Financial Statement Items - Concentrations."

In addition, a number of our largest customers have developed, are developing or may develop their own integrated circuit products, or may choose our competitors' integrated circuit products, which they have in the past utilized, currently utilize and may in the future utilize in some or all of their devices, rather than our products, which could significantly reduce the revenues we derive from these customers. See also the Risk Factor titled "*Our business, particularly our semiconductor business, may suffer as a result of our customers vertically integrating (i.e., developing their own integrated circuit products)*."

Further, political actions, including trade and/or national security protection policies (for example, tariffs and other controls on imports or exports), or other actions by governments, particularly the U.S. and Chinese governments, have in the past, currently are and could in the future limit or prevent us from transacting business with certain of our customers, limit, prevent or discourage those customers from transacting business with us, or make it more expensive to do so, any of which could also significantly reduce the revenues we derive from these customers. See also the Risk Factor titled "*A significant portion of our business is concentrated in China, and the risks of such concentration are exacerbated by U.S./China trade and national security tensions*."

The loss of any one of our significant customers, a reduction in the purchases of our products by any of these customers or the cancellation of significant purchases by any of these customers, whether due to the use of their own integrated circuit products or our competitors' integrated circuit products, government restrictions, a decline in global, regional or local economic conditions, a decline in consumer demand (or a shift in consumer demand away from new devices in favor of refurbished or secondhand devices) or otherwise, would reduce our revenues and could harm our ability to achieve or sustain expected results of operations. A delay of significant purchases, even if only temporary, would reduce our revenues in the period of the delay. Any such reduction in revenues would also impact our cash resources available for other purposes, such as research and development. In addition, the timing and size of purchases by our significant customers may be impacted by the timing of such customers' new or next generation product introductions, over which we have no control, and the timing and success of such introductions may cause our revenues and results of operations to fluctuate. We spend a significant amount of engineering and development time, funds and resources in understanding our key customers' feedback and/or specifications and attempt to incorporate such input into our product launches and technologies. These efforts may not require or result in purchase commitments from such customers or we may have lower purchases from such customers than expected, and consequently, we may not achieve the anticipated revenues from these efforts, or these efforts may result in non-recoverable costs. Further, the concentration of device share among a few companies, and the corresponding purchasing power of these companies, may result in lower prices for our products, which could have an adverse effect on our revenues and margins.

Apple purchases our MDM (or thin modem) products, which do not include our integrated application processor technology, and which have lower revenue and margin contributions than our combined modem and application processor products. Consequently, to the extent Apple devices using our MDM products take share from our customers who purchase our integrated modem and application processor products, our revenues and margins may be negatively impacted. Additionally, we expect that Apple will increasingly use its own modem products, rather than our products, in its future devices, which will have a significant negative impact on our QCT revenues, results of operations and cash flows.

The mobile industry has also from time to time experienced declines in sales or slowing growth in the premium-tier device segment. A reduction in sales of premium-tier devices, a reduction in sales of our premium-tier integrated circuit products (which have a higher revenue and margin contribution than our lower-tier integrated circuit products), a shift in share away from OEMs that utilize our premium-tier products, or a shift in consumer demand in favor of refurbished or secondhand devices, would reduce our revenues and margins and may harm our ability to achieve or sustain expected

Samsung, EX1038, p. 16
Samsung v. Topwire, IPR2026-00324

financial results. Any such reduction in revenues would also impact our cash resources available for other purposes, such as research and development.

Further, while we derive a portion of our revenues from areas outside of mobile handsets, e.g., from industries such as automotive and IoT, certain product categories within those industries may in themselves be subject to high levels of customer concentration.

Although we have many licensees, we derive a significant portion of our licensing revenues from a limited number of such licensees, which includes a number of Chinese OEMs. In the event that one or more of our significant licensees fail to meet their reporting and payment obligations, or we are unable to renew or modify one or more of their license agreements under similar terms as their existing agreements, our revenues, results of operations and cash flows would be adversely impacted. Moreover, the success of our core licensing business depends in part on the ability of our licensees to continue to develop, introduce and deliver high-volume products that achieve and sustain customer acceptance. We do not have control over the product development, sales efforts or pricing of products by our licensees, and our licensees might not be successful in these efforts. Reductions in sales of our licensees' products, or reductions in the average selling prices of such products without a sufficient increase in the volumes sold, would generally have an adverse effect on our licensing revenues.

Our business, particularly our semiconductor business, may suffer as a result of our customers vertically integrating (i.e., developing their own integrated circuit products).

Certain of our largest mobile handset customers (for example, Apple, Samsung and Xiaomi) develop their own integrated circuit products, which they have in the past utilized, and/or currently utilize, in certain of their devices. We expect such customers will in the future utilize their own integrated circuit products in some or all of their devices, rather than our products. In particular, we expect that Apple will increasingly use its own modem products, rather than our products, in its future devices, which will have a significant negative impact on our QCT revenues, results of operations and cash flows.

Similarly, we derive a significant portion of our revenues from Chinese OEMs. Certain of our customers in China have developed, and others may in the future develop, their own integrated circuit products and use such integrated circuit products in their devices rather than our products, including due to pressure from or policies of the Chinese government (which has prioritized semiconductor self-sufficiency), concerns over losing access to our products as a result of actual, threatened or potential U.S. or Chinese government actions or policies, including trade protection or national security policies, or other reasons. See also the Risk Factor titled "*A significant portion of our business is concentrated in China, and the risks of such concentration are exacerbated by U.S./China trade and national security tensions*."

In addition, periodic supply/capacity constraints within the semiconductor industry may further incentivize our customers to vertically integrate in an effort to secure additional control over their supply chains.

If our customers begin using their own integrated circuit products rather than our products in some or all of their devices, or increase their use of their own integrated circuit products from current levels, our business, results of operations, cash flows and financial condition could be materially adversely impacted. See also the Risk Factor titled "*We derive a significant portion of our revenues from a small number of customers and licensees, and particularly from their sale of premium-tier handset devices. If revenues derived from these customers or licensees decrease or the timing of such revenues fluctuates, our business and results of operations could be negatively affected*."

A significant portion of our business is concentrated in China, and the risks of such concentration are exacerbated by U.S./China trade and national security tensions.

We derive a significant portion of our revenues from Chinese OEMs, and from non-Chinese OEMs that utilize our products in devices they sell into China, which has the largest number of smartphone users in the world. We also source certain critical integrated circuit products from Chinese suppliers.

Due to various factors, including pressure, encouragement or incentives from, or policies of, the Chinese government (which has prioritized semiconductor self-sufficiency), concerns over losing access to our products as a result of actual, threatened or potential U.S. or Chinese government actions or policies, including trade protection or national security policies, or other reasons, some of our customers in China have developed, and others may in the future develop, their own integrated circuit products and use such integrated circuit products in their devices, or use our competitors' integrated circuit products in their devices, rather than our products, which could materially harm our business, results of operations, cash flows and financial condition. See also the Risk Factor titled "*Our business, particularly our semiconductor business, may suffer as a result of our customers vertically integrating (i.e., developing their own integrated circuit products).*"

Political actions, including trade protection and national security policies of the U.S. and Chinese governments, such as tariffs, bans or placing companies on restricted entity lists, have in the past, currently are and could in the future limit or prevent us from transacting business with certain of our Chinese or Chinese-affiliated customers or suppliers, limit, prevent or discourage such customers or suppliers from transacting business with us, or make it more expensive to do so. Given our revenue concentration in China, if, due to actual, threatened or potential U.S. or Chinese government actions or policies: we were further limited in, or prohibited from, selling our integrated circuit products to Chinese or Chinese-affiliated customers; our non-Chinese OEM customers were limited in, or prohibited from, selling devices that incorporate our integrated circuit products into China; Chinese OEMs develop and use their own integrated circuit products or use our competitors' integrated circuit products in some or all of their devices rather than our integrated circuit products; Chinese tariffs on our integrated

Samsung, EX1038, p. 17
Samsung v. Topwire, IPR2026-00324

circuit products or on devices which incorporate our integrated circuit products made purchasing such products or devices more expensive to our Chinese customers or Chinese consumers; or our Chinese licensees delay or cease making payments of royalties they owe us, our business, results of operations, cash flows and financial condition could be materially harmed.

For example, in May 2024, the U.S. Department of Commerce revoked the export license under which we previously sold 4G and certain other integrated circuit products to Huawei, which is one of the largest smartphone OEMs in China. Accordingly, we do not expect to receive any further product revenues from Huawei, and to the extent that Huawei's devices take share from OEMs that utilize our products (in China or elsewhere), our results of operations and cash flows could be further impacted. See also the Risk Factors titled "*We derive a significant portion of our revenues from a small number of customers and licensees, and particularly from their sale of premium-tier handset devices. If revenues derived from these customers or licensees decrease or the timing of such revenues fluctuates, our business and results of operations could be negatively affected*" and "*Our business, particularly our semiconductor business, may suffer as a result of our customers vertically integrating (i.e., developing their own integrated circuit products).*"

Similarly, if, due to U.S. or Chinese government actions or policies, we were limited in or prohibited from obtaining critical integrated circuit products or manufacturing, assembly or test services from Chinese or Chinese-affiliated suppliers, or we or our customers were limited in or prohibited from selling in the United States products containing technologies with Chinese-origin content, our business, results of operations, cash flows and financial condition could be materially harmed.

Finally, government policies in China that regulate the amount and timing of funds that may flow out of the country have impacted and may continue to impact the timing of our receipt of, and/or ability to receive, payments from our customers and licensees in China, which may negatively impact our cash flows.

RISKS RELATED TO NEW INITIATIVES

Our growth depends in part on our ability to extend our technologies and products into new and expanded product areas, and industries and applications beyond mobile handsets. Our research, development and other investments in these new and expanded product areas, industries and applications, and related technologies and products, as well as in our existing technologies and products, and new technologies, may not generate operating income or contribute to future results of operations that meet our expectations.

While we continue to invest significant resources toward advancements of foundational technologies, including wireless connectivity, high-performance and low-power computing and on-device AI, we also invest in new and expanded product areas, and industries and applications beyond mobile handsets, by utilizing our existing technical and business expertise and through acquisitions or other strategic transactions.

In particular, our future growth depends in part on our ability to succeed in new and expanded product areas, and industries and applications beyond mobile handsets, including in automotive, IoT and data center; our ability to develop leading and cost-effective technologies and products for these new and expanded product areas, industries and applications; and third parties incorporating our technologies and products into devices used in these product areas, industries and applications. Accordingly, we intend to continue to make substantial investments in these new and expanded product areas, industries and applications, and in developing related products and technologies.

However, our research, development and other investments in these new and expanded product areas, industries and applications, and corresponding technologies and products, as well as in our existing technologies and products and new technologies in mobile handsets, may not succeed because, among other reasons: we may not be issued patents on the technologies we develop; the technologies we develop may not be incorporated into relevant standards; new and expanded product areas, industries and applications beyond mobile handsets, and consumer demand therein, may not develop or grow as anticipated; we may be unable to attract or retain employees with the necessary skills in such new and expanded product areas, industries and applications; our strategies or the strategies of our customers, licensees or partners may not be successful; alternate technologies or products may be better or may reduce the advantages we anticipate from our investments; competitors' technologies or products may be more cost effective, have more capabilities or fewer limitations or be brought to market faster than our new technologies or products; we may not be able to develop, or our competitors may have more established and/or stronger customer, vendor, distributor or other channel relationships; and competitors may have longer operating histories in industries and applications that are new to us. We may also underestimate the costs of, or overestimate the future revenues or margins that could result from, these investments, and these investments may not, or may take many years to, generate material returns.

For example, the automotive industry is subject to long design-in time frames, long product life cycles and a high degree of regulatory and safety requirements, necessitating suppliers to the industry to comply with stringent qualification processes, very low defect rates and high reliability standards, all of which results in significant barriers to entry and increased costs. Additionally, certain customers have adopted, and other customers may adopt, policies that require us to achieve certain sustainability, climate or other environmental, social and governance (ESG)-related targets, such as our 2040 net-zero global GHG emissions commitment and our interim GHG emissions reduction goals. If we fail to achieve ESG-related targets that meet our customers' requirements or expectations, these customers may not purchase products or services from us.

If our products fail to perform to specifications, compete with the product quality of our competitors or meet quality or regulatory standards (including product safety and information security standards, which may differ by region, geography and industry, and which are particularly stringent in the automotive industry) or other standards (including sustainability or other

Samsung, EX1038, p. 18
Samsung v. Topwire, IPR2026-00324

ESG-related standards) of a particular industry or application, we may be unable to successfully expand our business in that industry or application, and our growth could be limited.

In addition, in order to successfully extend our technologies and products into new and expanded product areas, and industries and applications beyond mobile handsets, we may need to transition to new business models or transform aspects of our organization, and we may not be successful in doing so.

If we are not successful in extending our technologies and products into new and expanded product areas, and industries and applications beyond mobile handsets, if our new technologies and products are not successful, or if we are not successful in the time frames we anticipate, we may incur significant costs and asset impairments, our business and revenues may not grow or grow as anticipated, our revenues and margins may be negatively impacted, our stock price may decline and our reputation may be harmed.

We may engage in acquisitions and other strategic transactions or make investments, or be unable to consummate planned strategic acquisitions, which could adversely affect our results of operations or fail to enhance stockholder value.

We engage in acquisitions and other strategic transactions that we believe are important to the future of our business. We routinely acquire businesses and other assets, including patents, technology and other intangible assets, enter into joint ventures or other strategic transactions, and purchase minority equity interests in or make loans to companies, including those that may be private and early-stage. Our strategic activities are generally focused on furthering our growth and diversification strategy in industries and applications beyond mobile handsets, opening or expanding opportunities for our products and technologies, and supporting the development and introduction of new products or services. Many of our strategic activities entail a high degree of risk and require the use of significant amounts of capital, and investments may not become liquid for several years after the date of the investment, if at all. Our strategic activities may not be successful, generate financial returns or result in increased adoption or continued use of our technologies or products. We may underestimate the costs or overestimate the benefits, including product, revenue, cost and other synergies and growth opportunities that we expect to realize, and we may not achieve those benefits. In some cases, we may be required to consolidate or record our share of the earnings or losses of companies in which we have acquired ownership or variable interests. In addition, we have in the past recorded, and may in the future record, impairment or other charges related to our strategic activities. Any losses or impairment charges that we incur related to strategic activities will have a negative impact on our results of operations and financial condition, and we may continue to incur new or additional losses related to strategic assets or investments that we have not fully impaired or exited.

Achieving the anticipated benefits of business acquisitions depends in part upon our ability to integrate the businesses in an efficient and effective manner and achieve anticipated synergies, and we may not be successful in these efforts. Such integration is complex and time consuming and involves significant challenges, including, among others: retaining key employees; successfully integrating new employees, facilities, technology, products, processes, operations (including supply and manufacturing operations), sales and distribution channels, business models and business systems; retaining customers and suppliers of the businesses; consolidating research and development operations; minimizing the diversion of management's attention from ongoing business matters; consolidating corporate and administrative infrastructures; and managing the increased scale, complexity and globalization of our business, operations and employee base. We may not derive any commercial value from acquired technologies or products or from future technologies or products based on these technologies, and we may become subject to liabilities, including liabilities arising as a result of litigation, that are not covered by any indemnification protection that we may obtain. Additionally, we may not be successful in entering or expanding into new sales or distribution channels, business or operational models, geographic regions, industries and applications served by or adjacent to the associated businesses or in addressing potential new opportunities that may arise out of our strategic acquisitions.

Many of our acquisitions and other strategic investments require approval by the United States and/or foreign government agencies. Certain agencies in the past have, and may in the future, deny the transaction or fail to approve in a timely manner, resulting in us not realizing the anticipated benefits of the proposed transaction. Future acquisitions or other strategic investments may be more difficult, complex or expensive to the extent that our reputation for our ability to consummate acquisitions has been or is in the future harmed. Further, if U.S./China relations remain strained, our ability to consummate any transaction that would require approval from the relevant regulatory agency(ies) in China may be severely impacted. In addition, acquisitions that we have completed have been and may in the future be reviewed, investigated and/or challenged by government agencies following completion, which could result in fines, penalties or other liability, or requirements to divest all or a portion of an acquired business.

If we do not achieve the anticipated benefits of business acquisitions or other strategic activities, or if we are unable to consummate acquisitions or strategic investments that we consider important to the future of our business, our business and results of operations may be adversely affected, our growth and diversification strategy may not be successful, our stock price may decline and our reputation may be harmed.

Samsung, EX1038, p. 19
Samsung v. Topwire, IPR2026-00324

RISKS RELATED TO SUPPLY AND MANUFACTURING

We depend on a limited number of third-party suppliers for the procurement, manufacture, assembly and testing of our products manufactured in a fabless production model. If we fail to execute supply strategies that provide supply assurance, technology leadership and reasonable margins, our business and results of operations may be harmed. We are also subject to order and shipment uncertainties that could negatively impact our results of operations.

We primarily utilize a fabless production model, which means that we do not own or operate foundries for the production of silicon wafers from which our integrated circuit products are made. Other than the facilities we own that manufacture certain of our RFFE modules and RF (radio frequency) filter products, we rely on third-party suppliers to perform the manufacturing and assembly, and most of the testing, of our integrated circuits. Our suppliers are also responsible for the procurement of most of the raw materials used in the production of our integrated circuits. There are a limited number of such third-party suppliers, and even fewer who are capable of manufacturing at the leading process technology nodes, or who are willing to operate at older process technology nodes necessary for certain of our products. The semiconductor manufacturing foundries that supply our products are primarily located in Asia, as are the primary warehouses where we store finished goods for fulfillment of customer orders.

The following issues related to our third-party suppliers could have an adverse effect on our ability to meet customer demand and negatively impact our revenues, business operations, profitability and cash flows:

- our suppliers' failure or inability to react to shifts in product demand, including situations where demand for integrated circuits exceeds suppliers' capacity to meet that demand;
- a failure or inability by our suppliers to procure raw materials or allocate adequate raw materials for our products, or an increase in prices for raw materials or components;
- an inability to procure or utilize raw materials, components or products from our suppliers due to government prohibitions or restrictions on transactions with certain countries and/or companies, and alternative suppliers, raw material sources or raw materials are not available or not available in acceptable time frames or upon acceptable terms;
- a failure by our suppliers to allocate adequate manufacturing, assembly or test capacity for our products;
- our suppliers' failure or inability to develop or maintain, or a delay in developing or building out, manufacturing capacity for leading process technologies, including transitions to smaller geometry process technologies;
- the loss of a supplier or the failure or inability of a supplier to meet performance, quality or yield specifications or delivery schedules;
- additional expense or production delays as a result of qualifying a new supplier and commencing volume production or testing in the event of a loss of, or a decision to add or change, a supplier;
- natural disasters, the effects of climate change, acts of war or other geopolitical conflicts impacting the regions in which our suppliers and their manufacturing foundries or assembly, test or other facilities are located;
- health crises, including epidemics or pandemics, and government and business responses thereto, which impact our suppliers, including as a result of quarantines or closures;
- cyber-attacks on our suppliers' information technology (IT) systems, including those related to their manufacturing foundries or assembly, test or other facilities;
- trade or national security protection policies, particularly U.S. or Chinese government policies, that limit or prevent us from transacting business with suppliers of critical integrated circuit products or manufacturing, assembly or test services, or that limit or prevent such suppliers from transacting business with us or from procuring materials, machinery or technology necessary to manufacture goods for us; and
- any other reduction, interruption, delay or limitation in our product supply sources.

We rely on sole- or limited-source suppliers for certain products, which may exacerbate the risks identified above, and subject us to other significant risks, including poor product performance and reduced control over delivery schedules, manufacturing capability and yields, quality assurance, quantity and costs. While we have established and may in the future establish alternate suppliers for certain products, these suppliers may require significant amounts of time and levels of support to bring such products to production, both of which may increase for complex or leading process technologies. As a result, we may invest a significant amount of effort and resources and incur higher costs to support and maintain such alternate suppliers. Further, the elimination or limitation of a foundry supplier's ability to manufacture components or products for us due to trade or national security protection policies could increase our vulnerability to sole- or limited-source arrangements and limit or prevent us from procuring critical components or products from those suppliers. Future consolidation of foundry suppliers could also increase our vulnerability to sole- or limited-source arrangements and reduce our suppliers' willingness to negotiate pricing, which could negatively impact our ability to achieve cost reductions, increase our manufacturing costs and limit the amount of capacity available to us. Our arrangements with our suppliers may obligate us to incur costs to manufacture, assemble and test our products that do not decrease at the same rate as decreases in pricing to our customers. Our ability, and that of our suppliers, to develop or maintain leading process technologies, including transitions to smaller

Samsung, EX1038, p. 20
Samsung v. Topwire, IPR2026-00324

geometry process technologies (which adds risk to manufacturing yields and reliability), and to effectively compete with the manufacturing processes and performance of our competitors, could impact our ability to introduce new products and meet customer demand, could increase our costs (possibly decreasing our margins) and could subject us to the risk of excess inventories. Any of the above could negatively impact our business, results of operations and cash flows.

Although we have long-term contracts with our suppliers, some of these contracts do not provide for long-term capacity commitments. To the extent we do not have firm commitments from our suppliers over a specific time period or for any specific quantity, our suppliers may allocate, and in the past have allocated, capacity to the manufacture, assembly and testing of products for their other customers (including our competitors) while reducing or limiting capacity to manufacture, assemble or test our products, and such capacity may be limited based on our suppliers' ability and willingness to invest in the capital required to manufacture in the leading process technologies. Our suppliers or potential alternate suppliers may also manufacture their own integrated circuits that compete with our products. Such suppliers have in the past allocated and may again allocate raw materials and manufacturing capacity to their own products and reduce or limit the production of our products. To the extent we do obtain long-term capacity commitments, we may incur additional costs related to those commitments or make non-refundable payments for capacity commitments that are not used. Further, certain of our suppliers have in the past attempted, and may in the future attempt, to unilaterally reduce their capacity commitments to us. Accordingly, capacity for our products may not be available when we need it. Finally, we may not receive reasonable pricing, manufacturing or delivery terms from our suppliers, and our ability to obtain favorable terms may be diminished during times of high demand and/or limited manufacturing capacity for integrated circuit products.

We cannot guarantee that the actions of our suppliers will not cause disruptions in our operations that could harm our ability to meet our delivery obligations to our customers or increase our cost of sales. To the extent we are unable to obtain adequate supply to meet our delivery obligations, we may be obligated to make payments to our customers for such shortfalls. From time to time, the global semiconductor industry experiences demand for integrated circuits that exceeds the industry's capacity to meet that demand, whether globally, at certain suppliers or on certain process technology nodes. Our ability to meet increased demand for our products has been in the past and may in the future be limited due to the inability to obtain the additional manufacturing, assembly and test capacity necessary to fully meet such demand. If we are unable to fully meet customer demand, this could result in lost sales opportunities, reduced revenue growth and harm to our customer relationships, and could further incentivize our customers to use our competitors' integrated circuit products, or their own integrated circuit products, rather than our products. Our customers have from time to time overstated their expected demand requirements, possibly in order to procure additional supply, and may do so in the future. This exacerbates the foregoing issues and can negatively impact our ability to forecast and to allocate supply appropriately among our customers. The above issues may also be exacerbated with respect to our platform solutions, which already entail a great deal of complexity due to differing lead-times, technologies and suppliers for each integrated circuit product included in such solutions. Additionally, our suppliers have in the past and may in the future increase their prices during periods of capacity constraints, or for other reasons, thus increasing our costs. We expect leading process technology nodes to continue to drive product cost increases from certain of our key semiconductor wafer suppliers, which may negatively impact our margins.

We place orders with our suppliers using our and our customers' forecasts of demand for our products, which are based on a number of assumptions and estimates. As we move to smaller geometry process technologies, the manufacturing lead-time increases. As a result, the orders we place with our suppliers are generally only partially covered by commitments from our customers. If we, or our customers, overestimate demand, or if demand is impacted by factors outside of our or our customers' control, and such demand is not covered by a binding commitment from our customers, we may experience increased excess or obsolete inventory or reserve charges, which would negatively impact our results of operations. Further, to the extent our customers procure supply of our products beyond their current needs (i.e., build up inventory of our products), whether due to concerns over supply, overestimating demand and/or a decline in macroeconomic conditions, or otherwise, they may not purchase expected quantities of our products in subsequent quarters, which may negatively impact our results of operations and cash flows in such quarters.

See also the Risk Factor below titled *"There are numerous risks associated with the operation and control of our manufacturing facilities, including a higher portion of fixed costs relative to a fabless model; environmental compliance and liability; impacts related to climate change; exposure to natural disasters, health crises, geopolitical conflicts and cyber-attacks; timely supply of equipment and materials; and various manufacturing issues"* as similar risks may be applicable to our third-party suppliers' manufacturing facilities, which could result in disruptions to our business or additional costs to us, and negatively impact our results of operations.

There are numerous risks associated with the operation and control of our manufacturing facilities, including a higher portion of fixed costs relative to a fabless model; environmental compliance and liability; impacts related to climate change; exposure to natural disasters, health crises, geopolitical conflicts and cyber-attacks; timely supply of equipment and materials; and various manufacturing issues.

We operate various facilities that manufacture certain of our RFFE modules and RF filter products. Our manufacturing facilities are characterized by a higher portion of fixed costs relative to a fabless model. We may be faced with a decline in the utilization rates of our manufacturing facilities due to decreases in demand for our products, including in less favorable industry or macroeconomic environments, or due to our failure to win and/or retain designs with OEMs. As a result, from time to time our manufacturing facilities operate at lower capacity levels, while the fixed costs associated with such facilities continue to be incurred, resulting in lower gross profit.

Samsung, EX1038, p. 21
Samsung v. Topwire, IPR2026-00324

We are subject to many complex environmental, health and safety laws, regulations and rules in each jurisdiction in which we operate our manufacturing and other facilities. The regulatory landscape in these areas continues to evolve, and we anticipate additional laws, regulations and rules in the future. In particular, new, or changes in, environmental and climate change laws, regulations or rules, including relating to greenhouse gas emissions, could lead to new or additional investments in production processes and could increase environmental compliance expenditures. In addition, certain environmental laws impose strict, and in certain circumstances joint and several, liability on current or previous owners or operators of real property, or parties who arranged for hazardous substances to be sent to disposal or treatment facilities, for the cost of investigation, removal or remediation of hazardous substances. As a result, we may incur clean-up costs in connection with any such removal or remediation efforts, as well as other third-party claims in connection with contaminated sites. In addition, we could be held liable for consequences arising out of human exposure to hazardous substances or other environmental damage. If we, or companies or facilities we acquire or have acquired, in the past failed or in the future fail to comply with any such laws and regulations, then we could incur regulatory penalties, fines and legal liabilities; suspension of production; significant compliance requirements; alteration of our manufacturing, assembly or test processes; restriction on our ability to modify or expand our facilities; damage to our reputation; and restrictions on our operations or sales. We are also required to obtain and maintain environmental permits from governmental authorities for certain of our operations. We cannot make assurances that we will at all times be in compliance with such laws, regulations, rules and permits. See also the risk factor titled *"Our business may suffer due to the impact of, or our failure to comply with, the various existing, new or amended laws, regulations, policies or standards to which we are subject."*

Climate change concerns and the potential resulting environmental impact may result in new environmental, health and safety laws and regulations that may affect us, our suppliers and our customers. Such laws or regulations could cause us to incur additional direct costs for compliance, including costs associated with changes to manufacturing processes or the procurement of raw materials used in manufacturing processes, as well as increased indirect costs resulting from our customers, suppliers or both incurring additional compliance costs that are passed on to us. These costs may adversely impact our results of operations and financial condition. In addition, climate change could cause certain natural disasters, such as drought, wildfires, storms, flooding or rising sea levels, to occur more frequently or with greater intensity, which could pose physical risks to our manufacturing facilities or our suppliers' facilities, could disrupt the availability of water necessary for the operation of such facilities, and could increase or decrease temperatures resulting in increased operating costs and/or business disruption.

We have manufacturing facilities in Asia and Europe, and the primary warehouses where we store finished goods are located in Asia. If tsunamis, flooding, earthquakes, volcanic eruptions, drought or other natural disasters, effects of climate change, acts of war or other geopolitical conflicts were to damage, destroy or disrupt any of these facilities, it could disrupt our operations, cease or delay production and shipments of inventory and result in costly repairs, replacements or other costs and lost business. In addition, natural disasters, effects of climate change, acts of war or other geopolitical conflicts may result in disruptions in transportation, distribution channels and supply chains and significant increases in the prices of raw materials. Further, health crises, including epidemics or pandemics, and government and business responses thereto, could affect our manufacturing facilities, including by resulting in quarantines and/or closures, which could result in disruptions to and potential closures of our manufacturing operations. Our manufacturing operations could also be disrupted by cyber-attacks on our IT systems, as described in the Risk Factor below titled *"Our business and operations could suffer in the event of security breaches of our IT systems, or other misappropriation of our technology, intellectual property or other proprietary or confidential information."*

Our manufacturing operations depend on securing raw materials, equipment and other supplies in adequate quality and quantity in a timely manner from multiple suppliers, and in some cases, we rely on a limited number of suppliers, including in some cases sole suppliers, particularly in Asia. There may be cases where supplies of raw materials, equipment and other products are interrupted or limited by natural disaster, geopolitical conflict, accident or some other event affecting a supplier or source of raw materials; supply is suspended due to quality or other issues; there is a shortage of supply due to a rapid increase in demand; and/or we or our suppliers are prohibited from utilizing certain raw materials, or products or components that incorporate such raw materials, due to government restrictions related to the countries from which such raw materials originate, and acceptable alternative suppliers, raw materials or raw materials sources are not available or not available in acceptable time frames or upon acceptable terms, among others, which could impact production and prevent us from supplying our products to our customers. If the supply-demand balance is disrupted, it may considerably increase costs of manufacturing due to increased prices we pay for raw materials. From time to time, suppliers may extend lead times, limit amounts supplied to us or increase prices due to capacity constraints or other factors. Additionally, supply and costs of raw materials, equipment and other products may be negatively impacted by trade and/or national security protection policies, such as tariffs, or actions by governments that limit or prevent us from transacting business with certain countries or companies or that limit or prevent certain companies from transacting business with us, or trade tensions, particularly with countries in Asia. Further, it may be difficult or impossible to substitute one piece of equipment for another or replace one type of material with another. A failure by our suppliers to deliver our requirements could result in disruptions to our manufacturing operations.

Our manufacturing processes are highly complex, require advanced and costly equipment and must be continuously modified to improve yields and performance. Difficulties in the production process can reduce yields or interrupt production, and as a result, we may not be able to deliver our products or do so in a timely, cost-effective or competitive manner. Further, to remain competitive and meet customer demand, we may be required to improve our facilities and process technologies and

Samsung, EX1038, p. 22
Samsung v. Topwire, IPR2026-00324

carry out extensive research and development, each of which may require investment of significant amounts of capital and may have a material adverse effect on our results of operations, cash flows and financial condition.

From time to time, we purchase equipment to meet expected customer demand in advance of any purchase orders or long-term purchase commitments. Further, we typically begin manufacturing our products using our or our customers' forecasts of demand for our products, which are based on a number of assumptions and estimates and may not be covered by long-term purchase commitments. As a result, we may incur increased inventory and manufacturing costs and/or record impairment charges to the extent anticipated sales ultimately do not materialize or are lower than expected. If we or our customers overestimate demand, or if demand is impacted by factors outside of our or our customers' control, and such demand is not covered by a binding commitment from our customers, we may experience higher inventory carrying and operating costs and/or increased excess or obsolete inventory or reserve charges, which would negatively impact our results of operations.

RISKS RELATED TO CYBERSECURITY OR MISAPPROPRIATION OF OUR CRITICAL INFORMATION

Our business and operations could suffer in the event of security breaches of our IT systems, or other misappropriation of our technology, intellectual property or other proprietary or confidential information.

The successful operation of various functions within our business, as well as the protection of our intellectual property and other proprietary or confidential information, depend in part on the security and functionality of our IT systems. Third parties regularly attempt to gain unauthorized access to our IT systems, and many such attacks are increasingly more sophisticated. These attacks, which might be related to industrial, corporate or other espionage, criminal hackers or state-sponsored intrusions, include trying to covertly introduce malware to our computers and networks, including those in our manufacturing operations, exploiting vulnerabilities in hardware, software or other IT infrastructure and impersonating authorized users, among others. We are also subject to ransom-style cyber-attacks, which could expose our confidential or proprietary information, demand payment of money and/or impact our IT systems and cause widespread disruption to our business, including our manufacturing operations. Third parties that store and/or process our confidential information, or that provide products, software or services used in our IT infrastructure, are subject to similar attacks, which could also result in malware being introduced into our IT infrastructure, e.g., through the third parties' software and/or software updates. Such attacks could result in the misappropriation, theft, misuse, disclosure, loss or destruction of the technology, intellectual property, or the proprietary, confidential or personal information, of us or our employees, customers, licensees, suppliers or other third parties, as well as damage to or disruptions in our IT systems. Any damage to or disruptions in our IT systems as a result of cyber-attacks or for other reasons, such as issues related to third-party software or services used in our IT infrastructure, could significantly disrupt our business operations.

Although we maintain a cybersecurity program to manage cybersecurity risks, as described in the "Cybersecurity" section of this Annual Report, we cannot anticipate, detect, repel or guarantee the effectiveness of our preventative measures against all cybersecurity threats, particularly because the techniques used are increasingly sophisticated and constantly evolving. For example, as AI continues to evolve, cyber-attackers could also use AI to develop malicious code and increasingly sophisticated phishing attempts. Like many companies, we have encountered, and may continue to encounter, intrusions and attempts to gain unauthorized access to our IT systems or other attacks and incidents, and we have had third-party service providers who have encountered intrusions and may continue to encounter intrusions. In some cases, we might be unaware of an incident or its magnitude and effects. As part of our cybersecurity program, we seek to identify and remediate vulnerabilities in our IT systems and software (including third party software used in our IT systems) that could be exploited by hackers or other malicious actors. However, we may not be aware of all such vulnerabilities, and we may fail to identify and/or remediate such vulnerabilities before they are exploited.

In addition, employees and former employees, in particular former employees who become employees of our competitors, customers, licensees or other third parties, including state actors, have in the past and may in the future misappropriate, wrongfully use, publish or provide to our competitors, customers, licensees or other third parties, including state actors, our technology, intellectual property or other proprietary or confidential information. This risk is exacerbated as competitors for talent, particularly engineering talent, increasingly attempt to hire our employees. See also the Risk Factor titled "We may not be able to attract or retain qualified employees." Similarly, we provide access to certain of our technology, intellectual property and other proprietary or confidential information to our direct and indirect customers and licensees and certain of our consultants, who have in the past and may in the future wrongfully use such technology, intellectual property or information, or wrongfully disclose such technology, intellectual property or information to third parties, including our competitors or state actors. We have also provided and may continue to provide access to certain of our technology, intellectual property and other proprietary or confidential information to certain joint venture partners, including those affiliated with state actors in foreign jurisdictions. Such joint venture partners may wrongfully use such technology, intellectual property or information, or wrongfully disclose such technology, intellectual property or information to third parties, including our competitors or state actors. Our technology, intellectual property and other proprietary or confidential information that we have provided to customers, licensees or other business partners could also be wrongfully obtained by third parties through cyber-attacks on such customers', licensees' or other business partners' IT systems. Additionally, increasing use of AI by our employees and in our internal systems may create new attack surfaces or methods for malicious actors, and may increase the risk of unintended or inadvertent transmission of our proprietary or confidential information.

The misappropriation, theft, misuse, disclosure, loss or destruction of the technology, intellectual property, or the proprietary, confidential or personal information, of us or our employees, customers, licensees, suppliers or other third

Samsung, EX1038, p. 23
Samsung v. Topwire, IPR2026-00324