

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

**FORM 8-K/A  
(Amendment No. 1)**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**  
**Date of Report (Date of earliest event reported)**  
**July 27, 2026**

**Lattice Semiconductor Corporation**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**000-18032**  
(Commission  
File Number)

**93-0835214**  
(IRS Employer  
Identification No.)

**5555 NE Moore Court**  
**Hillsboro, Oregon 97124**  
(Address of principal executive offices, including zip code)  
**(503) 268-8000**  
(Registrant's telephone number, including area code)  
**N/A**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

| Title of each class           | Trading<br>Symbol(s) | Name of each exchange<br>on which registered |
|-------------------------------|----------------------|----------------------------------------------|
| Common Stock, \$.01 par value | LSCC                 | NASDAQ Global Select Market                  |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

## EXPLANATORY NOTE

This Amendment No. 1 to the Current Report on Form 8-K (this “Amendment”) is being filed by Lattice Semiconductor Corporation (“Lattice” or the “Company”) with the U.S. Securities and Exchange Commission for the purpose of amending and supplementing Item 9.01 of that certain Current Report on Form 8-K originally filed by the Company with the U.S. Securities and Exchange Commission on July 27, 2026 (the “Original Form 8-K”), in which the Company reported, among other things, the completion of the Company’s acquisition of AMI TopCo, Inc. (“AMI”) pursuant to that certain Agreement and Plan of Merger, dated as of May 4, 2026, by and among the Company, certain of its wholly owned subsidiaries, AMI and THL AMI Aggregator, LP (solely in its capacity as the representative of the securityholders of AMI) (the “Transaction”).

This Amendment amends the Original Form 8-K to provide the historical audited and unaudited financial statements of the business acquired and the pro forma combined financial information required by Items 9.01(a) and 9.01(b) of Form 8-K that were previously omitted from the Original Form 8-K in reliance on Items 9.01(a)(3) and 9.01(b)(2) of Form 8-K. This Amendment does not amend any other item of the Original Form 8-K, and all other information previously reported in or filed with the Original Form 8-K is hereby incorporated by reference in this Amendment.

### Item 9.01 Financial Statements and Exhibits.

#### (a) Financial statements of businesses or funds acquired.

The audited consolidated financial statements of AMI as of and for the years ended December 31, 2025 and December 31, 2024, and the notes related thereto are filed as Exhibit 99.1 hereto and incorporated by reference herein.

The unaudited condensed consolidated financial statements of AMI as of June 30, 2026 and for the six months ended June 30, 2026 and June 30, 2025, and the notes related thereto are filed as Exhibit 99.2 hereto and incorporated by reference herein.

#### (b) Pro forma financial information.

The unaudited pro forma condensed combined balance sheets of the Company as of July 4, 2026, and the unaudited pro forma condensed combined statements of operations of the Company for the year ended January 3, 2026 and the six months ended July 4, 2026, in each case giving effect to the Transaction, and the notes related thereto are filed as Exhibit 99.3 hereto and incorporated by reference herein.

### (d) Exhibits

| Exhibit No. | Description                                                                                                                                                                                                                                                                                              |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 23.1        | <a href="#">Consent of KPMG LLP, independent auditors of AMI.</a>                                                                                                                                                                                                                                        |
| 99.1        | <a href="#">Audited consolidated financial statements of AMI as of and for the years ended December 31, 2025 and 2024, and the notes related thereto.</a>                                                                                                                                                |
| 99.2        | <a href="#">Unaudited condensed consolidated financial statements of AMI as of June 30, 2026 and for the six months ended June 30, 2026 and June 30, 2025, and the notes related thereto.</a>                                                                                                            |
| 99.3        | <a href="#">Unaudited pro forma condensed combined balance sheets of the Company as of July 4, 2026, and the unaudited pro forma condensed combined statements of operations of the Company for the year ended January 3, 2026 and the six months ended July 4, 2026, and the notes related thereto.</a> |
| 104         | Cover Page Interactive Data File (embedded within the Inline XBRL document).                                                                                                                                                                                                                             |

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**SIGNATURES**

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

**LATTICE SEMICONDUCTOR CORPORATION**

Dated: October 13, 2026

By: /s/ Tracy Feanny

Tracy Feanny

Senior Vice President and General Counsel



KPMG LLP  
Suite 2000  
303 Peachtree Street, N.E.  
Atlanta, GA 30308-3210

**Consent of Independent Auditors**

We consent to the incorporation by reference in the registration statements (Nos. 333-176133, 333-182047, 333-188455, 333-195888, 333-220987, 333-224933, 333-227153, 333-232337, 333-253594, 333-271732, 333-284238 and 333-297737) on Form S-8 of Lattice Semiconductor Corporation of our report dated October 13, 2026, with respect to the consolidated financial statements of AMI TopCo, Inc., which report appears in the Form 8-K/A of Lattice Semiconductor Corporation dated October 13, 2026.

/s/ KPMG LLP

Atlanta, Georgia  
October 13, 2026

KPMG LLP, a Delaware limited liability partnership, and its subsidiaries are part of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

**AMI TopCo, Inc. and Subsidiaries**

Consolidated Financial Statements  
December 31, 2025 and 2024

(With Independent Auditors' Report Thereon)

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**AMI TopCo, Inc. and Subsidiaries**

Consolidated Financial Statements

December 31, 2025 and 2024

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## Independent Auditors' Report

To Management  
AMI TopCo, Inc.:

### *Opinion*

We have audited the consolidated financial statements of AMI TopCo, Inc. and its subsidiaries (Successor) and AMI US Holdings, Inc. and its subsidiaries (Predecessor) (collectively, the Company), which comprise the consolidated balance sheets as of December 31, 2025 and 2024 (Successor), and the related consolidated statements of operations, comprehensive loss, changes in equity, and cash flows for the year ended December 31, 2025 and the period from October 18, 2024 to December 31, 2024 (Successor periods), and the period from January 1, 2024 to October 17, 2024 (Predecessor period), and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the Successor and Predecessor periods in accordance with U.S. generally accepted accounting principles.

### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Emphasis of Matter*

As discussed in Note 1 to the consolidated financial statements, effective October 17, 2024, AMI Buyer, Inc., an indirect wholly owned subsidiary of AMI TopCo, Inc., acquired AMI US Holdings, Inc. and its subsidiaries in a business combination. As a result of the acquisition, the consolidated financial information for the periods after the acquisition is presented on a different cost basis than that for the period before the acquisition and, therefore, is not comparable. Our opinion is not modified with respect to this matter.

### *Responsibilities of Management for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

 (signed) KPMG LLP

Atlanta, Georgia  
October 13, 2026

**AMI TopCo, Inc. and Subsidiaries (Successor)**  
**Consolidated Balance Sheets as of December 31, 2025 and 2024**

|                                                                                                                                                    | Notes | December 31, 2025     | December 31, 2024     |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-------|-----------------------|-----------------------|
| <b>Assets</b>                                                                                                                                      |       |                       |                       |
| <b>Current assets</b>                                                                                                                              |       |                       |                       |
| Cash and cash equivalents                                                                                                                          | 2(n)  | \$ 37,775,933         | \$ 20,842,136         |
| Current portion of restricted cash                                                                                                                 | 2(n)  | 17,628                | 544,204               |
| Accounts receivable and contract assets, net of allowance for credit losses of \$288,157 and \$385,169 at December 31, 2025 and 2024, respectively |       | 42,851,626            | 41,133,562            |
| Inventories, net of allowances for obsolete inventory of \$6,671 and \$98,736 at December 31, 2025 and 2024, respectively                          |       | 375,597               | 345,315               |
| Prepaid expenses and other current assets                                                                                                          | 4     | 2,870,401             | 2,494,695             |
| Short-term investments                                                                                                                             |       | 250,000               | —                     |
| <b>Total current assets</b>                                                                                                                        |       | <b>84,141,185</b>     | <b>65,359,912</b>     |
| Restricted cash, net of current portion                                                                                                            | 2(n)  | 19,855                | 12,894                |
| Property and equipment, net                                                                                                                        | 5     | 3,788,094             | 4,117,630             |
| Operating lease right-of-use assets                                                                                                                | 10    | 9,050,598             | 10,625,406            |
| Developed technology, net                                                                                                                          | 6     | 78,277,108            | 87,172,234            |
| Trademarks, net                                                                                                                                    | 6     | 11,404,016            | 12,230,230            |
| Customer relationships, net                                                                                                                        | 6     | 278,101,238           | 309,871,802           |
| Goodwill                                                                                                                                           | 6     | 211,887,395           | 211,887,395           |
| Deferred taxes, net                                                                                                                                | 12    | 783,314               | 956,279               |
| Other assets                                                                                                                                       |       | 852,082               | 945,812               |
| <b>Total assets</b>                                                                                                                                |       | <b>\$ 678,304,885</b> | <b>\$ 703,179,594</b> |
| <b>Liabilities and Equity</b>                                                                                                                      |       |                       |                       |
| <b>Current liabilities</b>                                                                                                                         |       |                       |                       |
| Short-term borrowings                                                                                                                              | 7     | \$ —                  | \$ 8,538,205          |
| Current portion of long-term debt, net of current unamortized deferred financing costs                                                             | 7     | 1,367,601             | 854,700               |
| Current portion of operating lease liabilities                                                                                                     | 10    | 2,071,424             | 1,925,120             |
| Current portion of contract liabilities                                                                                                            | 13    | 25,209,733            | 20,557,359            |
| Accounts payable                                                                                                                                   |       | 5,796,212             | 4,602,142             |
| Income tax payable                                                                                                                                 | 12    | 5,393,525             | 3,215,141             |
| Accrued expenses and other current liabilities                                                                                                     | 8     | 23,984,407            | 25,622,921            |
| <b>Total current liabilities</b>                                                                                                                   |       | <b>63,822,902</b>     | <b>65,315,588</b>     |
| Long-term debt, net of unamortized deferred financing costs and less current portion                                                               | 7     | 263,607,818           | 265,987,615           |
| Deferred tax liability                                                                                                                             |       | 26,450,461            | 36,429,214            |
| Operating lease liabilities, net of current portion                                                                                                | 10    | 7,363,747             | 9,045,881             |
| Contract liabilities                                                                                                                               | 13    | 4,777,140             | 2,533,377             |
| Other liabilities                                                                                                                                  | 9     | 2,154,807             | 1,886,354             |
| <b>Total liabilities</b>                                                                                                                           |       | <b>368,176,875</b>    | <b>381,198,029</b>    |
| <b>Shareholders' equity</b>                                                                                                                        |       |                       |                       |
| Preferred stock, \$.01 par value, 1,000 shares authorized, none issued and outstanding                                                             |       | \$ —                  | \$ —                  |
| Series A, Common stock, \$.01 par value, 360,000 shares authorized, 337,185.40 issued and outstanding as of December 31, 2025 and 2024             |       | 3,372                 | 3,372                 |
| Series B, Common stock, \$.01 par value, 40,000 shares authorized, 70.13 issued and outstanding as of December 31, 2025 and 2024                   |       | 1                     | 1                     |
| Additional paid in capital                                                                                                                         |       | 339,790,450           | 337,510,348           |
| Accumulated deficit                                                                                                                                |       | (29,323,471)          | (15,309,078)          |
| Accumulated other comprehensive deficit                                                                                                            |       | (342,342)             | (223,078)             |
| <b>Total equity</b>                                                                                                                                |       | <b>310,128,010</b>    | <b>321,981,565</b>    |
| Commitments and contingencies                                                                                                                      | 17    |                       |                       |
| <b>Total liabilities and equity</b>                                                                                                                |       | <b>\$ 678,304,885</b> | <b>\$ 703,179,594</b> |

See accompanying notes to consolidated financial statements.

**AMI TopCo, Inc. and Subsidiaries (Successor) and AMI US Holdings, Inc. and Subsidiaries (Predecessor)**

**Consolidated Statements of Operations**

**For the year ended December 31, 2025 (Successor period), and the period from October 18, 2024 to December 31, 2024 (Successor period), and from January 1, 2024 to October 17, 2024 (Predecessor period)**

|                                                                                               | <u>Notes</u> | <u>Successor Period<br/>For the year ended<br/>December 31, 2025</u> | <u>Successor Period<br/>from October 18, 2024<br/>to December 31, 2024</u> | <u>Predecessor Period<br/>from January 1, 2024<br/>to October 17, 2024</u> |
|-----------------------------------------------------------------------------------------------|--------------|----------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------|
| <b>Revenues</b>                                                                               | <b>13</b>    | <b>\$ 194,702,004</b>                                                | <b>\$ 36,029,101</b>                                                       | <b>\$ 137,815,312</b>                                                      |
| License                                                                                       |              | 106,467,314                                                          | 20,596,763                                                                 | 75,149,643                                                                 |
| Professional services                                                                         |              | 55,921,942                                                           | 10,992,311                                                                 | 38,857,852                                                                 |
| Hardware                                                                                      |              | 32,312,748                                                           | 4,440,027                                                                  | 23,807,817                                                                 |
| <b>Cost of revenue (exclusive of depreciation and amortization)</b>                           |              |                                                                      |                                                                            |                                                                            |
| Cost of product                                                                               |              | 24,052,672                                                           | 3,611,737                                                                  | 19,358,345                                                                 |
| Cost of services (exclusive of depreciation and amortization)                                 |              | 41,745,470                                                           | 7,781,457                                                                  | 34,561,728                                                                 |
| <b>Operating expenses</b>                                                                     |              |                                                                      |                                                                            |                                                                            |
| Research and development expenses                                                             |              | 36,465,055                                                           | 7,044,003                                                                  | 26,580,550                                                                 |
| Selling, general and administrative expenses                                                  |              | 36,768,678                                                           | 8,321,147                                                                  | 34,006,677                                                                 |
| Transaction costs                                                                             |              | —                                                                    | 9,024,309                                                                  | 2,143,823                                                                  |
| Depreciation and amortization                                                                 |              | 43,833,750                                                           | 9,108,480                                                                  | 12,322,995                                                                 |
| Interest expense, net                                                                         | 14           | 27,046,373                                                           | 5,935,806                                                                  | 17,155,212                                                                 |
| Other (income), net                                                                           | 15           | (368,838)                                                            | (272,605)                                                                  | (156,347)                                                                  |
| <b>Total costs and expenses</b>                                                               |              | <b>209,543,160</b>                                                   | <b>50,554,334</b>                                                          | <b>145,972,983</b>                                                         |
| <b>Loss before income taxes</b>                                                               |              | <b>(14,841,157)</b>                                                  | <b>(14,525,233)</b>                                                        | <b>(8,157,671)</b>                                                         |
| (Benefit) provision for income tax                                                            | 12           | (826,764)                                                            | (2,998,609)                                                                | 4,687,365                                                                  |
| <b>Net loss of AMI TopCo, Inc. and Subsidiaries and AMI US Holdings Inc. and Subsidiaries</b> |              | <b>\$ (14,014,393)</b>                                               | <b>\$ (11,526,625)</b>                                                     | <b>\$ (12,845,036)</b>                                                     |

See accompanying notes to consolidated financial statements.

**AMI TopCo, Inc. and Subsidiaries (Successor) and AMI US Holdings, Inc. and Subsidiaries (Predecessor)**

**Consolidated Statements of Comprehensive Loss**

**For the year ended December 31, 2025 (Successor period), and the period from October 18, 2024 to December 31, 2024 (Successor period), and from January 1, 2024 to October 17, 2024 (Predecessor period)**

|                                                                                                            | <u>Successor Period<br/>For the year ended<br/>December 31, 2025</u> | <u>Successor Period<br/>from October 18, 2024<br/>to December 31, 2024</u> | <u>Predecessor Period<br/>from January 1, 2024<br/>to October 17, 2024</u> |
|------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------|
| <b>Net loss attributable to AMI TopCo, Inc. and Subsidiaries and AMI US Holdings Inc. and Subsidiaries</b> | <b>\$ (14,014,393)</b>                                               | <b>\$ (11,526,625)</b>                                                     | <b>\$ (12,845,036)</b>                                                     |
| Actuarial (loss) gain including settlements on retirement benefit plans, net of taxes                      | (43,571)                                                             | 2,462                                                                      | (155,673)                                                                  |
| Foreign currency translation adjustments                                                                   | (75,693)                                                             | (225,540)                                                                  | (127,749)                                                                  |
| <b>Other comprehensive (loss)</b>                                                                          | <b>(119,264)</b>                                                     | <b>(223,078)</b>                                                           | <b>(283,422)</b>                                                           |
| <b>Total comprehensive (loss)</b>                                                                          | <b><u>\$ (14,133,657)</u></b>                                        | <b><u>\$ (11,749,703)</u></b>                                              | <b><u>\$ (13,128,458)</u></b>                                              |

See accompanying notes to consolidated financial statements.

**AMI TopCo, Inc. and Subsidiaries (Successor)**  
**Consolidated Statements of Changes in Equity**  
**For the year ended December 31, 2025**

|                                        | Series A Common Stock |                 | Series B Common Stock |             | Additional Paid-in    | Accumulated           | Accumulated Other     | Total equity         |
|----------------------------------------|-----------------------|-----------------|-----------------------|-------------|-----------------------|-----------------------|-----------------------|----------------------|
|                                        | No. of shares         | Par value       | No. of shares         | Par value   | capital               | deficit               | Comprehensive deficit |                      |
| <b>Balance as at December 31, 2024</b> | <b>337,185.40</b>     | <b>\$ 3,372</b> | <b>70.13</b>          | <b>\$ 1</b> | <b>\$ 337,510,348</b> | <b>\$(15,309,078)</b> | <b>\$ (223,078)</b>   | <b>\$321,981,565</b> |
| Share-based compensation expense       | —                     | —               | —                     | —           | 2,280,102             | —                     | —                     | 2,280,102            |
| Net (loss)                             | —                     | —               | —                     | —           | —                     | (14,014,393)          | —                     | (14,014,393)         |
| Other comprehensive (loss)             | —                     | —               | —                     | —           | —                     | —                     | (119,264)             | (119,264)            |
| <b>Balance as at December 31, 2025</b> | <b>337,185.40</b>     | <b>\$ 3,372</b> | <b>70.13</b>          | <b>\$ 1</b> | <b>\$ 339,790,450</b> | <b>\$(29,323,471)</b> | <b>\$ (342,342)</b>   | <b>\$310,128,010</b> |

See accompanying notes to consolidated financial statements.

**AMI TopCo, Inc. and Subsidiaries (Successor)**  
**Consolidated Statements of Changes in Equity**  
**For the period from October 18, 2024 to December 31, 2024**

|                                        | Series A Common Stock |                 | Series B Common Stock |             | Additional Paid-in    | Accumulated            | Accumulated Other     | Total equity         |
|----------------------------------------|-----------------------|-----------------|-----------------------|-------------|-----------------------|------------------------|-----------------------|----------------------|
|                                        | No. of shares         | Par value       | No. of shares         | Par value   | capital               | deficit                | Comprehensive deficit |                      |
| <b>Balance as at October 18, 2024</b>  | <b>337,185.40</b>     | <b>\$ 3,372</b> | <b>70.13</b>          | <b>\$ 1</b> | <b>\$ 337,252,156</b> | <b>\$ (3,782,453)</b>  | <b>\$ —</b>           | <b>\$333,473,075</b> |
| Share-based compensation expense       | —                     | —               | —                     | —           | 258,192               | —                      | —                     | 258,192              |
| Net (loss)                             | —                     | —               | —                     | —           | —                     | (11,526,625)           | —                     | (11,526,625)         |
| Other comprehensive (loss)             | —                     | —               | —                     | —           | —                     | —                      | (223,078)             | (223,078)            |
| <b>Balance as at December 31, 2024</b> | <b>337,185.40</b>     | <b>\$ 3,372</b> | <b>70.13</b>          | <b>\$ 1</b> | <b>\$ 337,510,348</b> | <b>\$ (15,309,078)</b> | <b>\$ (223,078)</b>   | <b>\$321,981,565</b> |

See accompanying notes to consolidated financial statements.

**AMI US Holdings, Inc. and Subsidiaries (Predecessor)**  
**Consolidated Statements of Changes in Equity**  
**For the period from January 1, 2024 to October 17, 2024**

|                                        | Equity shares          |                    | Additional Paid-in          | Accumulated                  | Accumulated Other              | Total equity                |
|----------------------------------------|------------------------|--------------------|-----------------------------|------------------------------|--------------------------------|-----------------------------|
|                                        | No. of shares          | Par value          | capital                     | deficit                      | Comprehensive Income/(Deficit) |                             |
| <b>Balance as at December 31, 2023</b> | <b><u>1,001</u></b>    | <b><u>\$ 1</u></b> | <b><u>\$ 88,634,216</u></b> | <b><u>\$(55,726,756)</u></b> | <b><u>\$ 420,396</u></b>       | <b><u>\$ 33,327,855</u></b> |
| Share-based compensation expense       | —                      | —                  | 515,903                     | —                            | —                              | 515,903                     |
| Net (loss)                             | —                      | —                  | —                           | (12,845,036)                 | —                              | (12,845,036)                |
| Other comprehensive (loss)             | —                      | —                  | —                           | —                            | (283,422)                      | (283,422)                   |
| <b>Balance as at October 17, 2024</b>  | <b><u>\$ 1,001</u></b> | <b><u>\$ 1</u></b> | <b><u>\$ 89,150,119</u></b> | <b><u>\$(68,571,792)</u></b> | <b><u>\$ 136,974</u></b>       | <b><u>\$ 20,715,300</u></b> |

See accompanying notes to consolidated financial statements.

**AMI TopCo, Inc. and Subsidiaries (Successor) and AMI US Holdings, Inc. and Subsidiaries (Predecessor)**  
**Consolidated Statements of Cash Flows**

**For the year ended December 31, 2025 (Successor period), and the period from October 18, 2024 to December 31, 2024 (Successor period), and from January 1, 2024 to October 17, 2024 (Predecessor period)**

|                                                                                                                | Successor Period<br>For the year ended<br>December 31, 2025 | Successor Period<br>from October 18, 2024<br>to December 31, 2024 | Predecessor Period<br>from January 1, 2024<br>to October 17, 2024 |
|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------|
| <b>Cash flows from operating activities</b>                                                                    |                                                             |                                                                   |                                                                   |
| <b>Net loss</b>                                                                                                | \$ (14,014,393)                                             | \$ (11,526,625)                                                   | \$ (12,845,036)                                                   |
| Adjustments to reconcile net loss to net cash provided by operating activities                                 |                                                             |                                                                   |                                                                   |
| Depreciation and amortization                                                                                  | 43,833,750                                                  | 9,108,480                                                         | 12,322,995                                                        |
| Deferred income taxes                                                                                          | (9,805,789)                                                 | (4,874,118)                                                       | (45,737)                                                          |
| Share based compensation expense                                                                               | 2,280,102                                                   | 258,192                                                           | 515,903                                                           |
| Allowance for credit losses                                                                                    | (83,700)                                                    | 12,604                                                            | —                                                                 |
| Amortization of debt issuance cost                                                                             | 1,382,399                                                   | 284,055                                                           | 1,974,870                                                         |
|                                                                                                                | <u>23,592,369</u>                                           | <u>(6,737,412)</u>                                                | <u>1,922,995</u>                                                  |
| <b>Changes in operating assets and liabilities</b>                                                             |                                                             |                                                                   |                                                                   |
| Accounts receivable and contract assets                                                                        | (1,634,364)                                                 | 1,254,888                                                         | (3,737,165)                                                       |
| Operating lease right-of-use assets, prepayments, other current assets and other assets                        | 1,191,177                                                   | 420,789                                                           | 395,439                                                           |
| Inventories                                                                                                    | (30,282)                                                    | 101,212                                                           | 361,355                                                           |
| Accounts payable                                                                                               | 1,194,070                                                   | (1,070,700)                                                       | 3,679,372                                                         |
| Operating lease liability, accrued expenses, other current liabilities, pension benefits and other liabilities | (2,949,464)                                                 | (12,791,672)                                                      | 24,470,610                                                        |
| Income tax payable                                                                                             | 2,178,383                                                   | 2,400,323                                                         | (851,131)                                                         |
| Contract liabilities                                                                                           | 6,896,137                                                   | (652,650)                                                         | 732,367                                                           |
| <b>Net cash provided by (used in) operating activities</b>                                                     | <u>30,438,026</u>                                           | <u>(17,075,221)</u>                                               | <u>26,973,843</u>                                                 |
| <b>Cash flows from investing activities</b>                                                                    |                                                             |                                                                   |                                                                   |
| Purchases of property and equipment                                                                            | (1,910,652)                                                 | (594,711)                                                         | (1,182,722)                                                       |
| Payment for internally developed intangible assets (including intangibles assets under development)            | —                                                           | —                                                                 | (1,347,198)                                                       |
| Repayment of short-term borrowings for acquisition                                                             | —                                                           | (167,975,000)                                                     | —                                                                 |
| Acquisition of subsidiary, net of cash acquired                                                                | —                                                           | (400,425,213)                                                     | —                                                                 |
| Purchases of short-term investments                                                                            | (250,000)                                                   | —                                                                 | —                                                                 |
| Payment of accrued interest on long-term loan for acquisition                                                  | —                                                           | (874,621)                                                         | —                                                                 |
| <b>Net cash (used in) investing activities</b>                                                                 | <u>(2,160,652)</u>                                          | <u>(569,869,545)</u>                                              | <u>(2,529,920)</u>                                                |
| <b>Cash flows from financing activities</b>                                                                    |                                                             |                                                                   |                                                                   |
| Proceeds from capital contribution                                                                             | —                                                           | 333,473,075                                                       | —                                                                 |
| Proceeds from revolver loan                                                                                    | 4,000,000                                                   | 9,725,000                                                         | —                                                                 |
| Repayments of revolver loan                                                                                    | (13,725,000)                                                | —                                                                 | —                                                                 |
| Proceeds from long-term borrowings                                                                             | —                                                           | 275,000,000                                                       | —                                                                 |
| Payment of financing cost                                                                                      | —                                                           | (9,628,535)                                                       | (1,004,875)                                                       |
| Repayment of long-term debt                                                                                    | (2,062,500)                                                 | —                                                                 | (13,000,000)                                                      |
| <b>Net cash (used in) provided by financing activities</b>                                                     | <u>(11,787,500)</u>                                         | <u>608,569,540</u>                                                | <u>(14,004,875)</u>                                               |
| Net increase in cash and cash equivalents and restricted cash                                                  | 16,489,874                                                  | 21,624,774                                                        | 10,439,047                                                        |
| Effect of exchange rate changes on cash and cash equivalents and restricted cash                               | (75,693)                                                    | (225,540)                                                         | (127,749)                                                         |
| Cash and cash equivalents and restricted cash at the beginning of period                                       | 21,399,234                                                  | —                                                                 | 25,152,427                                                        |
| <b>Cash and cash equivalents and restricted cash at the end of period</b>                                      | <u>\$ 37,813,416</u>                                        | <u>\$ 21,399,234</u>                                              | <u>\$ 35,463,725</u>                                              |
| Cash payments for income taxes                                                                                 | <u>\$ (5,402,741)</u>                                       | <u>\$ (1,325,766)</u>                                             | <u>\$ (3,671,007)</u>                                             |
| Cash payments for interest expenses                                                                            | <u>\$ (26,223,054)</u>                                      | <u>\$ —</u>                                                       | <u>\$ (15,200,171)</u>                                            |

See accompanying notes to consolidated financial statements.

**1 Organization and nature of operations**

AMI TopCo, Inc., along with its subsidiaries, is headquartered in Georgia, United States and is engaged in the design, development, sale, and support of dynamic firmware solutions for the global computer marketplace. The Company sells its products, principally to Original Design Manufacturers (“ODMs”), Original Equipment Manufacturers (“OEMs”), and Cloud Service Providers (“CSPs”) to the data center, cloud, embedded, and client markets, spanning key global markets including North America, Asia, and Europe.

AMI TopCo, Inc. (“Company”), a Delaware corporation, was incorporated on August 23, 2024 to acquire, through its subsidiary AMI Buyer, Inc., from AMI CaymanCo Ltd (“Seller”), the outstanding common stock of AMI US Holdings, Inc., which further holds a controlling stake in seven entities along with their branches in Japan, Korea, and Taiwan (“AMI”).

On August 30, 2024, AMI Buyer, Inc. (the “Acquirer”) entered into a Stock Purchase Agreement with the Seller for transfer of 100% of the outstanding common stock of AMI US Holdings, Inc., a Delaware corporation (“Acquiree” and the “Predecessor”). On the Closing Date, October 17, 2024, AMI Buyer, Inc. completed the acquisition for a final purchase price of \$604.7 million, which resulted in change of control over the Acquiree and all of its subsidiaries. Upon consummation of the Closing of the Acquisition, the Company through its ownership in AMI Buyer, Inc. became the Holding Company of (a) AMI US Holdings, Inc.; (b) AMI New US LLC; (c) AMI HK HoldCo Limited; (d) American Megatrends International GmbH; (e) American Megatrends International, LLC; (f) American Megatrends Information Technology (Kunshan) Co., Ltd.; (g) AMI India US LLC; (h) American Megatrends International India Pvt. Ltd. and their branches. The Company along with all these acquired entities and their branches is referred to as “Successor” and/or “Group” and each separate entity is individually referred to as “Group Entity”.

The Acquisition established a new accounting basis for AMI. The fair value of AMI’s assets and liabilities were recorded as of the Acquisition Date in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (ASC) Topic 805, *Business Combinations*. Those amounts differed materially from the recorded values of AMI’s assets and liabilities reflected in its historical consolidated financial statements of AMI Cayman HoldCo Ltd., the previous holding company under AMI CaymanCo Ltd. As a result of the application of the acquisition method of accounting, the Company’s consolidated balance sheets and consolidated statements of operations subsequent to October 17, 2024, will not be comparable in many respects to AMI’s consolidated balance sheets and consolidated statements of operations prior to the Acquisition.

Accordingly, the consolidated financial statements for the financial year ended December 31, 2025 represent the results of operations and the financial position of the Company whereas the comparative figures for the preceding financial year ended December 31, 2024 are shown as comprising of Predecessor period (January 1, 2024 to October 17, 2024) representing the results of operations of AMI US Holdings, Inc. and subsidiaries prior to the Acquisition and the Successor period (October 18, 2024 to December 31, 2024) representing the results of operations and the financial position of the Company subsequent to the completion of the acquisition, and have been separated by a black line within these consolidated financial statements.

The acquisition was treated as a business combination under ASC 805, *Business Combinations*, and the identifiable assets acquired, and liabilities assumed were measured at the acquisition date fair value under ASC 820, *Fair Value Measurement*. See note 3 for further details regarding the acquisition.

As used throughout the consolidated financial statements, predecessor refers to AMI US Holdings, Inc. and subsidiaries, successor refers to AMI TopCo, Inc. and subsidiaries as detailed in note 2(a) below and “we,” “our,” or “the Company” refers to both predecessor and successor entities.

**2 Summary of significant accounting policies****(a) Basis of presentation and principles of consolidation**

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”). The accompanying consolidated financial statements reflect all adjustments that management considers necessary for a fair presentation of the results of operations for these periods. The Company’s reporting currency is United States Dollar (“\$” or “USD”).

**AMI TopCo, Inc. and Subsidiaries (Successor) and AMI US Holdings, Inc. and Subsidiaries (Predecessor)**

**Notes to Consolidated Financial Statements**

For the year ended December 31, 2025 (Successor period), and the period from October 18, 2024 to December 31, 2024 (Successor period), and from January 1, 2024 to October 17, 2024 (Predecessor period)

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The accompanying consolidated financial statements have been prepared on a consolidated basis and reflect the financial statements of AMI TopCo, Inc., and its majority owned and controlled subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

The accompanying consolidated financial statements include the accounts of the following entities:

**For the year-ended December 31, 2025 and the period from October 18, 2024 to December 31, 2024 (Successor periods)**

- i. AMI TopCo Inc.
- ii. AMI Intermediate II, Inc.
- iii. AMI Intermediate, Inc.
- iv. AMI Buyer, Inc.
- v. AMI US Holdings, Inc.
- vi. AMI New US LLC
- vii. AMI HK HoldCo Limited
- viii. American Megatrends International GmbH
- ix. American Megatrends International, LLC
- x. American Megatrends Information Technology (Kunshan) Co., Ltd.
- xi. AMI India US LLC
- xii. American Megatrends International India Pvt. Ltd.

**From January 1, 2024 to October 17, 2024 (Predecessor period)**

- i. AMI US Holdings, Inc.
- ii. AMI New US LLC
- iii. AMI HK HoldCo Limited
- iv. American Megatrends International GmbH
- v. American Megatrends International, LLC
- vi. American Megatrends Information Technology (Kunshan) Co., Ltd.
- vii. AMI India US LLC
- viii. American Megatrends International India Pvt. Ltd.

**(b) Use of estimates**

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions, which affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses in the consolidated financial statements and accompanying notes. Estimates are based on historical experience, where applicable, and other assumptions which management believes are reasonable under the circumstances. On an ongoing basis, the Company evaluates its estimates, including those related to the measurement of lease liabilities and right of use assets applied in lease accounting, revenue recognition on fixed price service contracts, fair values of other financial instruments, measurement of defined benefit obligations, valuation of intangible assets and goodwill, useful lives of property and equipment, useful lives of intangible assets, inventory, allowance for expected credit losses, valuation allowance of deferred tax assets, income tax uncertainties and other contingencies and commitments. These estimates are inherently subject to judgment and actual results could differ from those estimates.

Although these estimates and assumptions are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

**(c) Functional currency and translation**

The Company’s consolidated financial statements are reported in USD. The functional currency of each entity in the Company is its respective local currency except, for AMI HK HoldCo Limited where the local currency is not representative of the functional currency and therefore USD is the functional currency. The translation of the functional currencies of the respective subsidiaries into USD is performed for balance sheet accounts using the exchange rates in effect as of the balance sheet date and for revenues and expense accounts using a monthly average exchange rate prevailing during the respective periods.

The gains or losses resulting from such translation are reported as currency translation adjustments under other comprehensive loss, net, under accumulated other comprehensive deficit as a separate component of equity.

Transactions of each subsidiary in currencies other than the subsidiary's functional currency are translated into the respective functional currencies at the average monthly exchange rate prevailing during the period of the transaction. Monetary assets and liabilities of each subsidiary denominated in currencies other than the subsidiary's functional currency are translated into their respective functional currency at the rates of exchange prevailing at the balance sheet date. The gains or losses resulting from foreign currency transactions are included in the consolidated statements of operations.

#### **(d) Allowance for credit losses**

The Company records an allowance for credit losses (ACL) under Subtopic 326-20 Financial Instruments – Credit Losses-measured at amortized cost for the current expected credit losses (CECL) inherent in its financial assets measured at amortized cost and contract assets. The ACL is a valuation account deducted from the amortized cost basis to present the net amount expected to be collected. The estimate of expected credit losses includes expected recoveries of amounts previously written off as well as amounts expected to be written off.

The estimate of expected credit losses is based on the Company's historical loss experience, adjusted for current and reasonable and supportable forecasts of economic conditions and other pertinent factors affecting the Company's customers such as known credit risk or industry trends. The allowance is estimated over the contractual term of the financial asset adjusted for expected prepayments. The Company does not have any off-balance-sheet credit exposures.

Subsequent changes (favorable and unfavorable) in expected credit losses each period are recognized immediately in net income/loss as a credit loss expense or a reversal of credit loss expense.

#### **Trade accounts receivable**

The Company uses an aging schedule to estimate the ACL for trade accounts receivable. This method categorizes trade receivables into different groups based on industry and the number of days past due. Past due status is measured based on the number of days since the payment due date. The trade receivables are evaluated individually for expected credit losses if they no longer share similar risk characteristics.

The Company maintains an allowance for credit losses for estimated losses incurred in its accounts receivable. In establishing the required allowance, management considers historical losses adjusted to take into account current market conditions and the Company's customers' financial condition, payment patterns and current receivables aging. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The Company does not have any off-balance sheet credit exposure related to its customers.

#### **Contract assets**

The Company determines the ACL for contract assets using estimates of probability of customer default and loss given default percentages applied to estimated exposure at default.

When measuring expected credit losses, the Company considers customers' historical payment patterns, customers' credit ratings as published by credit rating agencies, and current and reasonable and supportable forecasts of economic conditions in estimating customers' probability of default, exposure at default and estimated loss given default. The Company collectively evaluates contract assets with similar industry risk and credit risk characteristics. In addition, the Company evaluates the collectability of contract assets on an individual basis when they no longer have similar risk characteristics to determine if any are deemed uncollectible. Contract assets are written off against the allowance for credit losses when deemed uncollectible.

**(e) Trade accounts receivable**

Trade accounts receivable are recorded at the invoiced amount, net of an ACL, and do not bear interest. Amounts collected on trade accounts receivable are included in the net cash provided by operating activities in the consolidated statements of cash flows. The payment terms are governed by the contract signed with the clients and are in the range of 30 days to 90 days. The Company also evaluates the creditworthiness of clients as necessary, as described above.

**(f) Revenue recognition**

The Company earns revenue primarily from the licensing of BIOS or UEFI firmware products and Baseboard Management Controller (BMC) solutions and providing support services to ODMs, OEMs, and CSPs. In addition, Company generates revenue from the sale of hardware products and other professional software engineering services.

Pursuant to ASC 606, *Revenue from Contracts with Customers*, the Company recognizes revenue at the time of transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Under this standard, revenue is based on a contract with a determinable transaction price and distinct performance obligations with probable collectability. Revenues cannot be recognized until the performance obligation(s) are satisfied and control is transferred to the customer. This process involves identifying the customer contract, determining the performance obligations in the contract, determining the transaction price, allocating the transaction price to the performance obligations in the contract and recognizing revenue when the performance obligations have been satisfied. Revenue is recognized net of any taxes collected, which are subsequently remitted to governmental authorities.

**i. License revenue**

The Company generates revenue from the license of BIOS/UEFI, BMC, or other firmware product source codes embedded in a silicon vendor's chipset to OEMs, ODMs and CSPs under non-cancelable agreements provided for a finite term. These arrangements are entered into during various stages of the development phase of the chipsets that the firmware is embedded in and provide the customer with access to the Company's firmware source code for their own product development purposes. The contracts include maintenance and support services to develop and customize the source code for the customers' needs. These arrangements include the obligation to stand ready to provide frequent updates and enhancements based on changes required by the silicon vendor, the operating system provider, or the customer. The fees for license, maintenance and support services are fixed and invoiced in advance annually or per the terms of the agreement.

Certain license arrangements include sales or usage-based royalties in exchange for the right to distribute products that include the chipsets that are embedded with the Company's firmware source code. These royalties are based on a price per unit sold and are typically variable consideration in nature. In certain arrangements, a minimum volume of royalties are guaranteed over the course of the contract, which represents fixed consideration. Royalty fees are typically billed quarterly based on reporting from the customer regarding sales and usage quantities.

Determining whether products and services are considered distinct performance obligations that should be accounted for separately versus together requires significant judgment. The Company has concluded that (1) the licenses to access and distribute our source code in these contracts are not distinct from our obligation to provide unspecified updates to the source code throughout the license term, because those promises represent inputs to a single, combined performance obligation, and (2) the rights to unspecified updates and enhancements are accounted for as part of the single performance obligation that includes the licenses, updates, and technical support, because such rights are provided for the same period of time and have the same time-based pattern of transfer to the customer. In reaching this conclusion, the Company has considered the nature of the obligation to customers, which is to provide an ongoing right to use the most up-to-date version of the firmware that protects the product from security, compatibility and operability issues due to changes in the hardware and operating systems over time. The Company is required to provide on-going services to maintain the proper security, compatibility and operability of the licensed source code within those chipsets so that the products continue to function to the customer's standards.

Due to the significance and criticality of the software updates and enhancements provided during the maintenance term, the license, update and support services are not distinct in the context of the contract and are considered a single performance obligation whose fixed consideration is recognized on a straight-line basis over the term of the contract, consistent with the pattern of transfer.

To the extent the royalties are variable in nature, given that they relate to the license of intellectual property and the license of intellectual property is the predominant item to which the royalty relates, we recognize sales- or usage-based royalties at the later of when the sale or usage occurs or the performance obligation is satisfied or partially satisfied.

## **ii. Professional services revenue**

### **Time and material contracts**

Revenue generated from time-and-material based contracts is recognized as the related services are performed. The Company's right to consideration corresponds directly with the value to the customer of the entity's performance completed to date. As such, the Company recognizes revenue in the amount to which the entity has a right to invoice for those services performed, in accordance with the practical expedient in ASC 606-10-55-18.

### **Fixed price contracts**

Revenue generated from fixed price contracts where performance obligations and control are satisfied over a period of time like technology integration, system implementations and application development is recognized based on progress toward completion of the performance obligation using a percentage - of - completion (POC) method; efforts or costs expended have been used to measure progress toward completion as there is a direct relationship between input and productivity. Any revision in the estimate of costs/hours to complete would result in an increase or decrease in revenue and such changes are recorded in the period in which they are identified. Contract losses are determined to be the amount by which the estimated direct and incremental cost to complete exceeds the estimated future revenues that will be generated by the contract. These losses are included in research and development and support expenses and recorded in accrued expenses and other current liabilities.

## **iii. Hardware revenue**

The Company sells backplane controllers, MegaRAC development kits, and AST boards with BMC chips to OEM and ODM customers. The Company recognizes revenue when control of the promised goods transfers to a customer, based on the shipping terms defined in purchase orders, in an amount that reflects the consideration which the Company expects to be entitled in exchange for transferring those products. Such contracts do not include a significant financing component.

Shipping and handling costs associated with outbound freight, after control over a product has transferred to a customer, are accounted for as a fulfillment cost and are included in other operating expenses as incurred.

The Company adjusts the amounts of revenue for expected sales allowances, returns and claims based upon historical experience, however, these amounts are immaterial.

## **iv. Contracts with Multiple Performance Obligations**

When a sales arrangement contains multiple performance obligations, such as services, hardware and license of software or combinations of each of them, revenue for each element is based on a five step approach as defined above. To the extent a contract includes multiple promised deliverables, judgment is applied to determine whether promised deliverables are capable of being distinct and are distinct in the context of the contract. If these criteria are not met, the promised deliverables are accounted for as a combined performance obligation. For arrangements with multiple distinct performance obligations or series of distinct performance obligations, consideration is allocated among the performance obligations based on their relative standalone selling price. Standalone selling price is the price at which Company would sell a promised good or service separately to the customer.

The Company determines the standalone selling prices based on its overall pricing objectives, taking into consideration market conditions and other factors, including the value of its contracts, the software services sold, customer size and complexity, and the number and types of users under the contracts.

**Costs to obtain customer contracts**

The Company has adopted the practical expedient to expense costs to obtain a contract if the amortization period for the assets that the Company otherwise would have recognized is one year or less. These costs incurred are immaterial to the consolidated financial statements.

**Contract assets and liabilities**

Contract assets primarily represent revenue earnings over time for which the Company does not presently have an unconditional right to payment (generally not yet billable) based on the terms of the contracts. Contract assets are reported net of expected credit losses.

Contract liabilities consist of amounts invoiced or paid by the Company's customers for which the associated performance obligations have not been satisfied and revenue has not been recognized based on the Company's revenue recognition criteria.

Contract assets and contract liabilities are reported in a net position on an individual contract basis at the end of each reporting period. Contract assets are classified as current in the consolidated balance sheet when the Company expects to complete the related performance obligations and invoice the customers within one year of the balance sheet date, and as long-term when the Company expects to complete the related performance obligations and invoice the customers more than one year out from the balance sheet date. Contract liabilities are classified as current in the consolidated balance sheet when the revenue recognition associated with the related customer payments and invoicing is expected to occur within one year of the balance sheet date and as long-term when the revenue recognition associated with the related customer payments and invoicing is expected to occur in more than one year from the balance sheet date.

**(g) Inventories**

Inventories primarily represent items of finished goods / hardware that are procured to fulfill customer contracts. Inventory is stated at the lower of cost and net realizable value. Cost is determined by using the first-in, first-out method (FIFO) for all inventories. Inventory valuation reserves for obsolete and slow-moving inventory are estimated based on a detailed analysis of inventory aging, historical usage trends, and expected future demand.

**(h) Property and equipment**

Property and equipment represent the costs of furniture and fixtures, office equipment, computer equipment and networking equipment, and leasehold improvements. Cost also includes any costs necessarily incurred to bring the asset to the condition and location necessary for its intended use.

Property and equipment are stated at cost, less accumulated depreciation and impairment losses. Depreciation is calculated using the straight-line method over the assets' estimated useful lives as follows:

| Asset description                         | Asset life (in years)                                                                               |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------|
| Computer and networking equipment         | 3 to 5                                                                                              |
| Furniture, fixtures, and office equipment | 5                                                                                                   |
| Leasehold improvements                    | Lower of lease term or the estimated useful life of the improvement<br>(ranging from 2 to 12 years) |

Leasehold improvements related to office facilities are depreciated over the shorter of the lease term or the estimated useful life of the improvement.

Subsequent expenditure related to property and equipment which is deemed to extend the useful economic life of an asset are capitalized. Maintenance and repairs that do not improve efficiency or extend the estimated economic life of an asset are expensed as incurred. The gain or loss on disposal/write off of an item of property and equipment (calculated as the difference between the carrying amount of the item and net proceeds from disposal) is recognized in the consolidated statements of operations under the caption 'other (income), net'.

**(i) Leases**

A lease is a contract that contains right to control the use of an identified asset for a period of time in exchange for consideration. The Company is a lessee in operating leases for office space and accommodation for certain of its employees. The Company accounts for leases in accordance with Topic 842, *Leases*.

Right-of-use assets (ROU assets) represent the Company's right to control the underlying assets under lease, and the lease liability is the obligation to make the lease payments related to the underlying assets under lease. ROU assets are recognized on the lease commencement date and measured initially based on the lease liability adjusted for any initial direct costs, prepaid rent, and lease incentives. ROU assets are depreciated over the lease term or useful life of the right-of-use asset, whichever is less.

Subsequently, ROU assets are measured at cost less any accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of the lease liability.

The lease liabilities are initially measured at the present value of the unpaid lease payments discounted using the Company's local incremental borrowing rate. The lease payments included in the measurement of the lease liabilities are comprised of fixed payments less any lease incentives, variable lease payments that depends on an index or a rate, the exercise price of a purchase option if the Company is reasonably certain to exercise the option, and any payment of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or modification, if any.

The Company monitors events or changes in circumstances that require a reassessment of one of its leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment is made to the carrying amount of the corresponding ROU asset unless doing so would reduce the carrying amount of the ROU asset to an amount less than zero. In that case, the ROU asset is reduced to zero and the remainder of the adjustment is recorded in profit or loss.

Variable lease payments associated with the Company's leases are recognized when the event, activity, or circumstance in the lease agreement on which those payments are assessed occurs. Variable lease payments are presented as operating expense in the Company's consolidated statements of operations in the same line item as expense arising from fixed lease payments (operating leases).

The Company has elected to not recognize leases with a lease term of 12 months or less in the consolidated balance sheets and lease costs for those short-term leases are recognized on a straight-line basis over the lease term in the consolidated statements of operations.

For all asset classes, the Company has elected the lessee practical expedient to combine lease and non-lease components and account for the combined unit as a single lease component in case there is no separate payment defined under the contract.

Operating lease right-of-use assets are presented as operating lease right of use assets on the consolidated balance sheets. The current portion of operating lease liabilities is included in current portion of operating lease liabilities, and the long-term portion is presented separately as operating lease liabilities, net of current portion on the consolidated balance sheets.

**(j) Business Combination**

The Company accounts for its business combinations under the acquisition method of accounting. The Company records the assets acquired and liabilities assumed, including any contingent consideration, based on their estimated fair values at the date of acquisition. The excess of the purchase price for acquisitions over the fair value of the net assets acquired, including other intangible assets, is recorded as goodwill.

While the Company uses its best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date as well as contingent consideration, where applicable, the estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, the Company records adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill.

Upon the conclusion of the measurement period, any subsequent adjustments are recorded to the Company's consolidated statements of operations.

Identifiable intangible assets acquired in a business combination are recognized separately from goodwill when they meet the contractual-legal or separability criteria and are measured at acquisition-date fair value.

Transaction costs are acquisition-related expenses that the acquirer incurs to affect a business combination. These costs include finder's fees; advisory, legal, accounting, valuation, and other professional or consulting fees; general administrative expenses; and the costs of registering and issuing debt and equity securities. The Company accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received, except for equity and debt issuance costs.

During 2024, transaction costs incurred by the Acquirer that were contingent upon the consummation of the Acquisition have been recorded in the Successor Period. Acquisition-related expenses incurred by the acquiree prior to acquisition are recorded in the Predecessor Period consolidated statement of operations.

The costs of issuing debt or equity securities are recognized in accordance with other applicable standards. Debt issuance costs are reported in the consolidated balance sheet as a direct deduction from the face amount of that debt.

**(k) Goodwill**

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Our goodwill is contained within two reporting units, which are our product lines: Boot Firmware ("BFG") and Manageability and Security ("MSG"). Goodwill is not amortized but is instead tested for impairment annually during the fourth quarter and whenever events or changes in circumstances indicate the carrying value of goodwill may not be recoverable. When evaluating whether goodwill is impaired, we make a qualitative assessment to determine if it is more likely than not that a reporting unit's fair value is less than the carrying amount. If the qualitative assessment determines that it is more likely than not that the fair value of a reporting unit is less than the carrying amount, the fair value of a reporting unit is compared with its carrying value (including goodwill). If the fair value of a reporting unit is less than its carrying value, then goodwill impairment exists for that reporting unit. The impairment loss, if any, is recognized for the amount by which the carrying value exceeds the fair value. If the fair value of a reporting unit exceeds its carrying value, no further impairment analysis is needed. Based on our annual qualitative impairment test, we concluded that it is not more likely than not that the fair value of each reporting unit is less than its carrying amount.

**(l) Intangible assets**

The identifiable intangible assets acquired consist primarily of trademarks, developed technology, and customer relationships. The trademarks and developed technology have been fair valued, based on the 'relief from royalty' method. The relief-from-royalty method is a variation of an income approach that measures the fair value of an asset using a cost-savings concept. This is based on the notion that, if the entity did not own the asset, it would pay a royalty to a third party for the right to use that asset. Therefore, the value of the asset is the fair value of the cost savings of not paying a royalty to a third party.

Customer relationships were valued using the multi-period excess earnings method, which estimates fair value based on the present value of the after-tax cash flows attributable to existing customer relationships after deducting contributory asset charges associated with supporting assets.

The Company also capitalizes certain technology-related development costs incurred in connection with developing technology when the initial design phase is completed and commercial and technological feasibility has been established. Any development cost incurred before technological feasibility is established is expensed as incurred as research and development and support expenses. Technological feasibility is established upon completion of a detailed design program or, in its absence, completion of a working model. Capitalized technology costs include only (i) external direct costs of materials and services utilized in developing or obtaining software and technology and (ii) compensation and related benefits for employees who are directly associated with the project. These capitalized technology-related development costs are included in intangible assets.

**AMI TopCo, Inc. and Subsidiaries (Successor) and AMI US Holdings, Inc. and Subsidiaries (Predecessor)****Notes to Consolidated Financial Statements**

For the year ended December 31, 2025 (Successor period), and the period from October 18, 2024 to December 31, 2024 (Successor period), and from January 1, 2024 to October 17, 2024 (Predecessor period)

Intangible assets with definite lives are amortized over the estimated useful lives and are reviewed for impairment, if indicators of impairment arise. The evaluation of impairment is based upon a comparison of the carrying amount of the intangible asset with the estimated future undiscounted net cash flows expected to be generated by the asset. If estimated future undiscounted cash flows are less than the carrying amount of the asset, the asset is considered impaired. The impairment expense is determined by comparing the estimated fair value of the intangible asset to its carrying value, with any shortfall from fair value recognized as an expense in the current period. The intangible assets with definite lives are amortized over the estimated useful lives of the assets as under:

| <u>Asset description</u> | <u>Asset life (in years)</u> |
|--------------------------|------------------------------|
| Developed technology     | 10                           |
| Customer relationships   | 10                           |
| Trademarks               | 15                           |

**(m) Impairment of long-lived assets**

The Company evaluates its held-and-used long-lived assets for indicators of possible impairment when events or changes in circumstances indicate the carrying amount of an asset or asset group (collectively, the “asset group”) may not be recoverable. The Company measures the recoverability of the asset group by comparing the carrying amount of such asset group to the future undiscounted cash flows it expects the asset group to generate. If the Company considers the asset group to be impaired, the impairment to be recognized equals the amount by which the carrying value of the asset group exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary. There has been no impairment during the year ended December 31, 2025, the Successor Period ended December 31, 2024, or the Predecessor Period ended October 17, 2024.

**(n) Cash and cash equivalents**

Cash and cash equivalents primarily represent cash and money market instruments in bank accounts. The Company considers all highly liquid investments and short-term deposits with an original maturity of three months or less, when purchased, to be cash equivalents.

**Restricted cash**

Restricted cash consists of funds that are contractually restricted as to usage or withdrawal due to a contractual agreement with a lender for the repayment of borrowings.

The position of cash and cash equivalents and restricted cash as of Balance Sheet Date, is as follows:

|                               | <u>As of December 31, 2025</u> | <u>As of December 31, 2024</u> |
|-------------------------------|--------------------------------|--------------------------------|
| Cash and bank balances        | \$ 37,775,933                  | \$ 20,842,136                  |
| Restricted cash – current     | 17,628                         | 544,204                        |
| Restricted cash – non-current | 19,855                         | 12,894                         |
| <b>Total</b>                  | <b>\$ 37,813,416</b>           | <b>\$ 21,399,234</b>           |

**(o) Income taxes**

The Company accounts for income taxes using the asset and liability method. Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their tax bases and for all operating loss and tax credit carryforwards, if any. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax laws or rates is recognized in the consolidated statements of operations in the period that includes the enactment date. If it is determined that it is more likely than not that future tax benefits associated with a deferred income tax asset will not be realized, a valuation allowance is recorded.

The Company regularly reviews the deferred tax assets for recoverability based on historical taxable income, projected future taxable income, the expected timing of the reversals of existing temporary differences and tax planning strategies. The Company's judgment regarding future profitability may change due to many factors, including future market conditions and the ability to successfully execute the business plans and/or tax planning strategies. Should there be a change in the ability to recover deferred tax assets, the Company's income tax expense would increase or decrease in the period in which the assessment is changed.

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured as the largest amount that is greater than 50 percent likely of being realized upon settlement.

The Company follows the specific identification approach for releasing stranded tax effects from accumulated other comprehensive income ("AOCI") upon recognition of these AOCI items in the consolidated statements of operations.

**(p) Employee benefits**

Contributions to defined contribution plans are charged to consolidated statements of operations in the period in which services are rendered by the covered employees. Current service costs for defined benefit plans are accrued in the period to which they relate. The liability in respect of defined benefit plans is calculated annually by the Company using the projected unit credit method. Prior service cost, if any, resulting from an amendment to a plan is recognized and amortized over the remaining period of service of the covered employees.

The Company records annual amounts relating to its defined benefit plans based on calculations that incorporate various actuarial and other assumptions, including discount rates, mortality, compensation increases and turnover rates. The Company reviews its assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends when it is appropriate to do so. The effect of modifications to those assumptions is recorded in other comprehensive income (loss) and amortized to net periodic cost over future periods using the corridor method. The Company believes that the assumptions utilized in recording its obligations under its plans are reasonable based on its experience and market conditions.

**(q) Share-based payment transactions**

The Company recognizes and measures compensation expense for all share-based awards based on the grant date fair value. The Company determines fair value attributable to respective classes of shares using an option pricing model. The model allocates fair value to the respective classes of shares using a waterfall model stipulated under the equity arrangement of shareholders. During the year ended December 31, 2025 and the 2024 Successor period, the grant date fair value for option awards was determined using the Monte Carlo Option Pricing Model, whereas for the Predecessor period, the grant date fair value for option awards was determined using the Black-Scholes model.

The fair value determined at the grant date is expensed over the vesting period of the share-based awards. Share-based compensation recognized in the consolidated statements of operations is based on awards that are ultimately expected to vest. If the vesting is based on a contingent event which is considered not probable, related costs are recognized only when such event is consummated.

The Company accounts for forfeitures when they occur. Consequently, compensation cost previously recognized for an employee share option is reversed in the period in which forfeiture of the award occurs. Previously recognized compensation cost is not reversed if an employee share option for which the requisite service has been rendered expires unexercised.

With respect to modifications, the incremental impact of an increase in fair value is charged to the consolidated statements of operations on the date of modification if the vesting period is complete, and over the remaining vesting period where the vesting period is not complete.

**(r) Commitments and contingencies**

The Company records a liability for loss contingencies arising from claims, assessments, litigation, fines, penalties and other sources when it believes that it is both probable that a loss has been incurred and the amount can be reasonably estimated. If it determines that a loss is reasonably possible and the loss or range of loss can be reasonably estimated, the same is disclosed as possible loss in the accompanying notes to the consolidated financial statements.

The Company reviews the developments in contingencies that could affect the amount of the provisions that have been previously recorded, and the matters and related reasonably possible losses disclosed. Adjustments are made to provisions and changes to corresponding disclosures accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. Significant judgment is required to determine both the probability and the estimated amount of loss. These estimates are based on an assessment of the facts and circumstances at each balance sheet date and are subject to change based on new information and future events.

**(s) Financial instruments and significant customers**

Financial instruments that potentially subject the Company to concentration on credit risk are reflected principally in cash and cash equivalents, contract assets and accounts receivable. The Company evaluates the concentration of risk with respect to its receivable accounts and contracts to be low, as the Company does not foresee any significant credit risk attached to receivables from customers owing to their past payment history and stable financial conditions. Revenues from one customer represented approximately \$22.9 million, \$4.4 million and \$16.7 million, representing approximately 11%, 12% and 12% of the total revenue for the year ended December 31, 2025 (Successor period), the period from October 18, 2024 to December 31, 2024 (Successor period) and the period from January 1, 2024 to October 17, 2024 (Predecessor period), respectively and are reported within revenue.

**(t) Fair value measurements**

The Company holds financial instruments that are measured at fair value or fair value is used for disclosure purposes. Fair value is determined in accordance with a fair value hierarchy that prioritizes the inputs and assumptions used, and the valuation techniques used to measure fair value. The three levels of the fair value hierarchy are described as follows:

Level 1 inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

Level 2 inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of assets and liabilities and placement within the fair value hierarchy levels. The Company determines the fair value of its assets and liabilities using the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

The fair value of the Developed Technology and Trademarks was determined as \$89,000,000 and \$12,400,000 respectively using the relief-from-royalty method and classified in Level 3 of the fair value hierarchy. The fair value of the assets was estimated based on the present value of the royalty payments that the acquirer saves by owning the asset, based on a market participant royalty rate. This approach includes management estimating revenues expected to be generated over the expected useful life of the assets, which requires significant judgment and has significant uncertainty associated with it. In addition, the Company determines the appropriate discount rate to apply to the cash flows and calculates a tax amortization benefit. Under this approach, a royalty rate of 1% and 15% was used for Trademarks and Developed Technology, respectively and the cash flows were discounted using a rate of 11%. The fair value of customer relationships was determined to be \$316,400,000 using the multi-period excess earnings method and was classified within Level 3 of the fair value hierarchy. The valuation was based on the present value of after-tax cash flows attributable to existing customers, after deducting contributory asset charges, and incorporated an annual customer-retention factor of 95.0% and a discount rate of 11.0%. These assumptions require significant management judgment and have significant uncertainty associated with it. *(see note 3 for further discussion)*

**(u) Expenses**

Set forth below is a brief description of the components of the Company's expenses:

**i. Cost of product**

Cost of product consists primarily of the cost of computer hardware sold in fulfilling customer contracts. Such costs are recognized in the period in which the related revenue is recognized.

**ii. Cost of services (exclusive of depreciation and amortization)**

Cost of services consists primarily of personnel-related costs, and other direct costs associated with providing support services and fulfilling customer contracts. Such costs are recognized in the period in which the related revenue is recognized. Cost of services excludes depreciation of capitalized software and amortization of developed technology of \$3,843,329 for the year ended December 31, 2025 (Successor period), \$782,009 for the period from October 18, 2024 through December 31, 2024 (Successor period), and \$1,626,512 for the period from January 1, 2024 through October 17, 2024 (Predecessor period).

**iii. Research and development expenses**

Research, development expenses primarily consist of personnel and other direct costs pertaining to the operation and monitoring of software product development and providing support services which are directly related to providing services that generate revenue and support operations of the Company. All research and development costs are expensed as incurred, with the exception of certain technology-related development costs.

**iv. Selling, general and administrative expenses**

Selling, general and administrative expenses include payroll and related costs for corporate, finance, legal, business development, supply chain management and other support staff including bonus and share-based compensation expenses, professional fees, allowance for credit losses and other corporate expenses.

**(v) Recently issued accounting pronouncements**

*Recently Adopted*

In October 2021, the FASB issued ASU 2021-08, *Business Combinations* (Topic 805): *Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, which provides an exception to fair value measurement for contract assets and contract liabilities related to revenue contracts acquired in a business combination. The ASU requires an entity (acquirer) to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606. At the acquisition date, an acquirer should account for the related revenue contracts in accordance with Topic 606 as if it had originated the contracts. The ASU is effective for the Company for annual and interim periods in fiscal years beginning after December 15, 2022 and is applied to business combinations occurring on or after the effective date. The Company adopted this ASU effective January 1, 2023.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The Company adopted ASU 2023-09 prospectively for the year ended December 31, 2025. The amendments require consistent categories and greater disaggregation in the income tax rate reconciliation and disclosure of income taxes paid, net of refunds received, disaggregated by federal, state, and foreign jurisdictions. Prior periods continue to be presented under the previous disclosure requirements. The adoption affected disclosures and did not affect amounts recognized in the consolidated financial statements.

In March 2024, the FASB issued ASU 2024-01, *Compensation-Stock Compensation (Topic 718): Scope Application of Profits Interest and Similar Awards*. This ASU adds an illustrative example to demonstrate how an entity should apply the scope guidance in paragraph 718-10-15-3 to determine whether profits interest and similar awards should be accounted for in accordance with Topic 718. ASU 2024-01 is effective for the Company's annual reporting periods beginning after December 15, 2024. Adoption is either with a prospective method or a fully retrospective method of transition. Early adoption is permitted. The adoption of ASU 2024-01 did not have a material effect on its consolidated financial statements.

In March 2024, the FASB issued ASU 2024-02, *Codification Improvements – Amendments to Remove References to the Concepts Statements*. This ASU removes references to various FASB Concepts Statements to simplify the Codification and draw a distinction between authoritative and non-authoritative literature. ASU 2024-02 is effective for the Company's annual reporting periods beginning after December 15, 2024. Adoption is either with a prospective method or a fully retrospective method of transition. Early adoption is permitted. The Company adopted this ASU effective January 1, 2025 and there has been no material effect on its consolidated financial statements.

#### *Effective in Future Years*

In October 2023, the FASB issued ASU 2023-06, *Disclosure Improvements – Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*. The ASU modifies the disclosure or presentation requirements of a variety of Topics in the Codification to align with the Securities and Exchange Commission ("SEC")'s regulations. The ASU also makes those requirements applicable to entities that were not previously subject to the SEC's requirements. The ASU is effective for the Company two years after the effective date to remove the related disclosure from Regulation S-X or S-K. If the SEC has not removed the applicable disclosure requirement by June 30, 2027, the related amendment will not become effective for any entity and will be removed from the Codification. As of the date these consolidated financial statements have been made available for issuance, the SEC has not yet removed any related disclosure. The Company does not expect the adoption of ASU 2023-06 to have a material effect on its consolidated financial statements.

In November 2024, the FASB issued ASU 2024-04, *Debt – Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments*. This ASU clarifies the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as induced conversions. ASU 2024-04 is effective for the Company's annual reporting periods beginning after December 15, 2025. Adoption is either with a prospective method or a retrospective method of transition that is retrospective to the later of the beginning of earliest period presented and the date the entity adopted ASU 2020-06. Early adoption is permitted for all entities that have adopted ASU 2020-06. The Company does not expect the adoption of ASU 2024-04 to have a material effect on its consolidated financial statements.

In May 2025, the FASB issued ASU 2025-04, *Compensation—Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606): Clarifications to Share-Based Consideration Payable to a Customer*. This ASU clarifies the accounting for share-based consideration payable to a customer, including the interaction between the guidance in Topic 606 and Topic 718. The amendments clarify that the variable consideration constraint guidance in Topic 606 should not be applied to share-based consideration that is measured and classified under Topic 718 and provide additional guidance to improve consistency in accounting for such arrangements. ASU 2025-04 is effective for the Company's annual reporting periods beginning after December 15, 2026. Adoption is permitted using either a modified retrospective method or a retrospective method of transition. Early adoption is permitted. The Company does not expect the adoption of ASU 2025-04 to have a material effect on its consolidated financial statements.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The ASU provides a practical expedient that permits an entity to assume that current economic conditions as of the balance sheet date do not change for the remaining life of the asset. Further, the ASU allows an entity, other than a public business entity, that elects the practical expedient to make an accounting policy election to consider collection activity after the balance sheet date when estimating expected credit losses. ASU 2025-05 is effective for the Company for annual periods beginning after December 15, 2025. The ASU is applied prospectively and early adoption is permitted. The Company does not expect the adoption of ASU 2025-05 to have a material effect on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*. The ASU amends the criteria for when an entity is required to start capitalizing costs for internal use software. The ASU is effective for the Company for annual periods beginning after December 15, 2027. Adoption is on either a prospective, modified retrospective, or a fully retrospective basis. Early adoption is permitted. The Company is currently evaluating the effect that adoption of ASU 2025-06 will have on its consolidated financial statements.

### 3 Acquisitions

On October 17, 2024, AMI TopCo, Inc., through its subsidiary AMI Buyer, Inc., acquired 100% of the outstanding common shares of AMI US Holdings, Inc. The aggregate non-contingent portion of the purchase price was \$604,738,201 and was paid in cash. The goodwill arising from the acquisition amounts to \$211,887,395.

Under the purchase method of accounting, the total purchase price is allocated to the assets acquired and liabilities assumed based on their estimated fair values. Included in the identifiable assets acquired and liabilities assumed at the date of acquisition are inputs (tangible and intangible assets), business processes and an organized workforce. The Company has determined that the acquired inputs and processes significantly contribute to the ability to create revenue. The Company has concluded that the acquired set is a business.

AMI US Holdings, Inc. is primarily engaged in the design, development, sale, and support of dynamic firmware solutions for the global computer marketplace. The acquisition widens the potential of the acquirer to expand its business through access to AMI US Holdings' customer base, workforce, technology and brand.

The following table summarizes the consideration paid for acquisition of AMI US Holdings, Inc. and the estimated fair value of the assets acquired and liabilities assumed at the acquisition date:

#### A. Consideration transferred

| Particulars                                          | Amount               |
|------------------------------------------------------|----------------------|
| Cash                                                 | \$604,738,201        |
| <b>Fair value of total consideration transferred</b> | <b>\$604,738,201</b> |
| Acquisition-related costs ( <i>Refer C below</i> )   | \$ 9,024,309         |

#### B Recognized amounts of identifiable assets acquired and liabilities assumed as on October 17, 2024:

| Particulars                                           | Amount               |
|-------------------------------------------------------|----------------------|
| <b>Assets</b>                                         |                      |
| Cash and cash equivalents                             | \$ 35,562,287        |
| Accounts receivable                                   | 42,071,210           |
| Inventory                                             | 446,527              |
| Operating lease right-of-use assets                   | 11,163,645           |
| Prepayments and other assets                          | 3,590,541            |
| Property and equipment                                | 4,120,776            |
| Intangible assets ( <i>Refer Note 1 and 2 below</i> ) | 417,800,000          |
| <b>Liabilities</b>                                    |                      |
| Accounts payable                                      | (5,672,842)          |
| Deferred tax liability                                | (41,225,271)         |
| Operating lease liabilities                           | (11,509,899)         |
| Accrued expenses and other liabilities                | (40,171,282)         |
| Contract liabilities                                  | (23,324,886)         |
| <b>Total identifiable net assets assumed</b>          | <b>392,850,806</b>   |
| Goodwill                                              | 211,887,395          |
| <b>Total</b>                                          | <b>\$604,738,201</b> |

**Note 1:** The identifiable intangible assets acquired consist primarily of trademarks, developed technology, and customer relationships. The trademarks and developed technology have been fair valued, based on the 'relief from royalty' method. The relief-from-royalty method is a variation of an income approach that measures the fair value of an asset using a cost-savings concept. This is based on the notion that, if the entity did not own the asset, it would pay a royalty to a third party for the right to use that asset. Therefore, the value of the asset is the fair value of the cost savings of not paying a royalty to a third party. Customer relationships were valued using the multi-period excess earnings method, which estimates fair value based on the present value of the after-tax cash flows attributable to existing customer relationships after deducting contributory asset charges associated with supporting assets.

Refer note no. 2(t) "Fair value measurements" for further details on the fair valuation of intangibles.

**Note 2:** The acquired intangible assets, all of which are being amortized, have a weighted average useful life of approximately 10-15 years. The intangible assets that make up that amount include Developed technology of \$89,000,000 (10 years), Customer relationships of \$316,400,000 (10 years) and Trademarks of \$12,400,000 (15 years).

#### C. Transaction costs

During the Successor period, the Company incurred transaction costs of \$9,024,309 on legal fees, consultation and due diligence costs, including \$6,246,667 in fees due to an affiliate of Thomas H. Lee Partners, the owner of AMI TopCo, Inc. These costs have been recorded under Transaction costs in the accompanying consolidated statements of operations.

#### D. Tax

As of October 17, 2024, \$75,011,387 of the intangible assets and \$67,704,049 of the goodwill are expected to be deductible for tax purposes.

**E. Others**

During the Predecessor period, transaction bonuses to the employees amounting to \$14,099,722, and share-based compensation expense pertaining to employees in non-US entities amounting to \$3,845,063 were recorded in the consolidated statement of operations in connection with the acquisition.

**AMI TopCo, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**

**For the year ended December 31, 2025 (Successor period), and the period from October 18, 2024 to December 31, 2024 (Successor period), and from January 1, 2024 to October 17, 2024 (Predecessor period)**

**4 Prepaid expenses and other current assets**

|                                                                     | December 31,<br>2025       | December 31,<br>2024       |
|---------------------------------------------------------------------|----------------------------|----------------------------|
| Prepaid expenses and other current assets consist of the following: |                            |                            |
| Prepaid expenses                                                    | \$ 2,118,236               | \$ 1,498,717               |
| Other current assets                                                | 296,161                    | 414,789                    |
| Capital advances                                                    | —                          | —                          |
| Indirect tax receivable                                             | 456,004                    | 581,189                    |
|                                                                     | <u><u>\$ 2,870,401</u></u> | <u><u>\$ 2,494,695</u></u> |

**5 Property and equipment, net**

|                                                                | December 31,<br>2025       | December 31,<br>2024       |
|----------------------------------------------------------------|----------------------------|----------------------------|
| The components of property and equipment, net were as follows: |                            |                            |
| Computer and networking equipment                              | \$ 7,388,561               | \$ 6,030,704               |
| Furniture, fixtures and office equipment                       | 668,877                    | 597,136                    |
| Leasehold improvements                                         | 3,582,054                  | 3,276,580                  |
| Software                                                       | 1,117,613                  | 1,116,645                  |
| Less: accumulated depreciation and amortization                | (8,969,011)                | (6,903,435)                |
| <b>Property and equipment, net</b>                             | <u><u>\$ 3,788,094</u></u> | <u><u>\$ 4,117,630</u></u> |

Depreciation expense was \$2,240,190, \$777,289, and \$1,283,854 for the year ended December 31, 2025 (Successor period), the period from October 18, 2024 to December 31, 2024 (Successor period), and the period from January 1, 2024 to October 17, 2024 (Predecessor period), respectively.

**6 Intangibles, net and Goodwill**

| Intangibles, net                                    | December 31, 2025           |                             |                             |
|-----------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                                     | Gross carrying<br>amount    | Accumulated<br>amortization | Net carrying<br>amount      |
| The components of intangibles, net were as follows: |                             |                             |                             |
| Developed technology                                | \$ 89,000,000               | \$ 10,722,892               | \$ 78,277,108               |
| Trademarks                                          | 12,400,000                  | 995,984                     | 11,404,016                  |
| Customer relationships                              | 316,400,000                 | 38,298,762                  | 278,101,238                 |
| <b>Total</b>                                        | <u><u>\$417,800,000</u></u> | <u><u>\$50,017,638</u></u>  | <u><u>\$367,782,362</u></u> |

  

|                        | December 31, 2024           |                             |                             |
|------------------------|-----------------------------|-----------------------------|-----------------------------|
|                        | Gross carrying<br>amount    | Accumulated<br>amortization | Net carrying<br>amount      |
| Developed technology   | \$ 89,000,000               | \$ 1,827,766                | \$ 87,172,234               |
| Trademarks             | 12,400,000                  | 169,770                     | 12,230,230                  |
| Customer relationships | 316,400,000                 | 6,528,198                   | 309,871,802                 |
| <b>Total</b>           | <u><u>\$417,800,000</u></u> | <u><u>\$ 8,525,734</u></u>  | <u><u>\$409,274,266</u></u> |

Amortization expense was \$41,491,904, and \$8,525,734 for the year ended December 31, 2025 (Successor period), the period from October 18, 2024 to December 31, 2024 (Successor period) and \$10,569,756 for the period January 1, 2024 to October 17, 2024 (Predecessor period), respectively. The weighted average remaining amortization for the intangibles for the year ended December 31, 2025 is 8.93 years, and for December 31, 2024 was 9.92 years. There has been no impairment recorded during the year ending ended December 31, 2025, for the Successor Period ended December 31, 2024 and Predecessor Period ended October 17, 2024.

The estimated amortization expense schedule for intangible assets based on current balance is as follows:

|                               |                             |
|-------------------------------|-----------------------------|
| Year ending December 31, 2026 | \$ 41,491,904               |
| 2027                          | 41,491,904                  |
| 2028                          | 41,605,580                  |
| 2029                          | 41,491,904                  |
| 2030                          | 41,491,904                  |
| Thereafter                    | 160,209,166                 |
|                               | <u><u>\$367,782,362</u></u> |

|                              | December 31,<br>2025         | December 31,<br>2024         |
|------------------------------|------------------------------|------------------------------|
| Goodwill                     |                              |                              |
| Goodwill                     | \$211,887,395                | \$211,887,395                |
| Less: impairment on goodwill | —                            | —                            |
| <b>Goodwill</b>              | <u><u>\$ 211,887,395</u></u> | <u><u>\$ 211,887,395</u></u> |

As described in Note 2(k), Goodwill is tested for impairment annually during the fourth quarter and whenever events or changes in circumstances indicate the carrying value of goodwill may not be recoverable. There has been no impairment recorded during the year ended December 31, 2025, for the Successor Period ended December 31, 2024 and Predecessor Period ended October 17, 2024.

As of December 31, 2025, \$64,826,274 of the intangible assets and \$62,262,993 of the goodwill are deductible for tax purposes.

**AMI TopCo, Inc. and Subsidiaries**  
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**For the year ended December 31, 2025 (Successor period), and the period from October 18, 2024 to December 31, 2024 (Successor period), and from January 1, 2024 to October 17, 2024 (Predecessor period)**

**7 Borrowings**

On October 17, 2024, the Company entered into a comprehensive credit agreement ('Credit Agreement') to avail a term loan amounting to \$275,000,000 and revolver line of credit amounting to \$40,000,000 from "Bain Capital Credit, LP". Borrowings under the Credit Agreement bear interest at London Interbank Offered Rate or Secured Overnight Financing Rate (SOFR) or Alternate Base Rate (ABR) plus an applicable margin (5.07% as of December 31, 2025). The Credit Agreement is secured by substantially all assets.

The debt issuance cost for the term loan facility of \$275,000,000 was \$8,405,864 (including \$3,150,000 in fees due to an affiliate of Thomas H. Lee Partners, the owner of AMI TopCo, Inc.) which will be amortized using the effective interest method over a period of seven (7) years.

The Company had an existing credit facility from Midcap Financial Trust from the Predecessor Period with a revised maturity date of April 1, 2027 (extended from the original maturity date of April 1, 2025 via an agreement dated April 5, 2024). Borrowings under the said credit agreement included a revolver line of credit amounting to \$25,000,000 and a term loan amounting to \$190,000,000 was bearing interest at Secured Overnight Financing Rate (SOFR) or Alternate Base Rate (ABR) plus an applicable margin. The said credit agreement was secured by substantially all assets. The entire outstanding amount of \$167,975,000 against the said credit agreement was paid on October 17, 2024 and the said facility stands fully settled upon acquisition by AMI Buyer Inc. Accordingly, deferred financing cost amounting to \$1,538,986 in respect of credit facility from Midcap Financial Trust was fully amortized on October 17, 2024.

**Short-term borrowings**

There is no outstanding balance of the revolver line of credit as of December 31, 2025. The unutilized amount of the revolver facilities is \$40,000,000 as of December 31, 2025.

The debt issuance cost for the revolver line of credit of \$40,000,000 was \$1,222,671 which will be amortized over a period of seven (7) years using the straight-line method.

|                                                                       | December 31, 2025     | December 31, 2024     |
|-----------------------------------------------------------------------|-----------------------|-----------------------|
| Term loan from bank                                                   | \$ 272,937,500        | \$ 275,000,000        |
| Revolver loan                                                         | —                     | 9,725,000             |
|                                                                       | <u>272,937,500</u>    | <u>284,725,000</u>    |
| Less: current portion of long-term debt                               | (2,750,000)           | (2,062,500)           |
| Less: Total deferred financing costs (non current)                    | (6,579,682)           | (8,136,680)           |
| Less: Total deferred financing costs (current)                        | (1,382,399)           | (1,207,800)           |
| Total debt, excluding current maturities and deferred financing costs | <u>\$ 262,225,419</u> | <u>\$ 273,318,020</u> |

Maturities of long-term debt outstanding, in principal amounts, at December 31, 2025 are summarized below

| Year       | Total Principal Repayment |
|------------|---------------------------|
| 2026       | \$ 2,750,000              |
| 2027       | 2,750,000                 |
| 2028       | 2,750,000                 |
| 2029       | 2,750,000                 |
| 2030       | 2,750,000                 |
| Thereafter | 259,187,500               |
|            | <u>\$ 272,937,500</u>     |

**8 Accrued expenses and other current liabilities**

|                                                                           | December 31, 2025    | December 31, 2024    |
|---------------------------------------------------------------------------|----------------------|----------------------|
| Accrued expenses and other current liabilities consists of the following: |                      |                      |
| Sales tax and other taxes payable                                         | \$ 621,052           | \$ 919,022           |
| Accrued liabilities and expenses                                          | 3,330,999            | 5,078,738            |
| Accrued interest                                                          | 5,002,695            | 5,668,150            |
| Employee related payables                                                 | 14,869,761           | 13,741,057           |
| Current portion of liability for pension benefits                         | 159,900              | 215,954              |
|                                                                           | <u>\$ 23,984,407</u> | <u>\$ 25,622,921</u> |

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**9 Other liabilities**

|                                                     | December 31, 2025   | December 31, 2024   |
|-----------------------------------------------------|---------------------|---------------------|
| Long term employee related payables                 | \$ 416,498          | \$ 335,768          |
| Long term portion of liability for pension benefits | 1,738,309           | 1,550,586           |
|                                                     | <u>\$ 2,154,807</u> | <u>\$ 1,886,354</u> |

**10 Leases**

The Company has leased buildings, vehicles, furniture and fixtures, leased lines, computer equipment from various lessors. The components of lease are as summarized below:

|                         | Successor Period<br>For the year ended<br>December 31, 2025 | Successor Period<br>from October 18, 2024 to December 31, 2024 | Predecessor Period<br>from January 1, 2024 to October 17, 2024 |
|-------------------------|-------------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------|
| Operating lease cost    | \$ 2,808,155                                                | \$ 566,197                                                     | \$ 1,970,161                                                   |
| Short term lease cost   | 256,570                                                     | 78,507                                                         | 240,967                                                        |
| <b>Total lease cost</b> | <b>\$ 3,064,725</b>                                         | <b>\$ 644,704</b>                                              | <b>\$ 2,211,128</b>                                            |

Included in 'Cost of revenue', 'Research and Development and Support Expenses' and 'Selling, General and Administrative Expenses' in the consolidated statements of operations are amounts of \$1,298,442, \$1,133,703 and \$632,580 for the year 2025, and \$269,278, \$243,044 and \$132,382 for the period from October 18, 2024 to December 31, 2024, and \$896,998, \$841,510 and \$472,620 for the period from January 1, 2024 to October 17, 2024 respectively.

Amounts reported in the consolidated balance sheets as of December 31, 2025 and December 31, 2024 were as follows:

|                                     | December 31, 2025 | December 31, 2024 |
|-------------------------------------|-------------------|-------------------|
| Operating leases:                   |                   |                   |
| Operating lease right-of-use assets | \$ 9,050,598      | \$ 10,625,406     |
| Operating lease liabilities         | 9,435,171         | 10,971,001        |
| Current                             | 2,071,424         | 1,925,120         |
| Non-current                         | \$ 7,363,747      | \$ 9,045,881      |

|                                                                               | December 31, 2025 | December 31, 2024 |
|-------------------------------------------------------------------------------|-------------------|-------------------|
| <b>Other Information</b>                                                      |                   |                   |
| Weighted average remaining lease term - operating leases                      | 4.72 years        | 5.55 years        |
| Weighted average discount rates - operating leases                            | 7.72%             | 7.54%             |
| <b>Cash paid for amounts included in the measurement of lease liabilities</b> |                   |                   |

|                                               | For the year ended<br>December 31, 2025 | Successor Period<br>from October 18, 2024 to December 31, 2024 | Predecessor Period<br>from January 1, 2024 to October 17, 2024 |
|-----------------------------------------------|-----------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------|
| Operating cash outflows from operating leases | \$ 2,679,338                            | \$ 452,669                                                     | \$ 2,122,287                                                   |

The following table presents a maturity analysis of expected undiscounted cash flows for operating leases on an annual basis for the next five years and thereafter.

|                               |                     |
|-------------------------------|---------------------|
| Year ending December 31, 2026 | \$ 2,713,841        |
| 2027                          | 2,586,745           |
| 2028                          | 2,309,286           |
| 2029                          | 1,238,119           |
| 2030                          | 1,270,411           |
| Thereafter                    | 1,565,848           |
| <b>Total</b>                  | <b>11,684,250</b>   |
| Imputed interest              | (2,249,079)         |
| <b>Total lease liability</b>  | <b>\$ 9,435,171</b> |

## **11 Share-Based Compensation**

AMI TopCo, Inc., a Delaware corporation, established a stock incentive plan known as “2024 Equity Incentive Plan” intended to promote the long-term growth and profitability of the Company and its subsidiaries by providing those persons who are involved in the Company’s and its subsidiaries’ growth with an opportunity to acquire an ownership interest in the Company, thereby encouraging such persons to contribute to and participate in the success of the Company and its subsidiaries.

Under the Plan, the Company may make awards to present and future officers, directors, employees, consultants and other service providers of the Company or its subsidiaries as may be selected in the sole discretion of the Board of AMI TopCo, Inc.

The Board authorized and approved the “2024 Equity Incentive Plan” on December 2, 2024. The Plan authorizes grants to purchase up to 37,473 shares of Common stock with an exercise price of \$1,000 per share.

The plan comprises of the following:

- a) Service-based options
- b) Performance-based options

### **a) Service-based options**

Service-based options will be subject to time-vesting and will vest over a five (5) year period as follows:

- i. twenty percent (20%) of the Service-based options shall vest on the first anniversary of the date of grant and
- ii. an additional twenty percent (20%) will vest on each subsequent anniversary of the date of grant such that all service-based options shall be vested as of the fifth (5th) anniversary of the date of grant. To receive each year’s vesting, the employee must remain continuously employed by the Company (or its subsidiaries) from the grant date through each vesting date.

### **b) Performance-based options**

Performance-based options will be subject to the time and performance-based vesting criteria both of which must be satisfied for such options to vest and become exercisable.

a) *Time-Based Vesting.* The time-based vesting criteria for the performance-based options will be subject to the same service vesting requirements as the service-based options

b) *Performance-Based Vesting.* The vesting of performance-based options is contingent upon the achievement of specific financial performance targets by the investor, as measured on the applicable measurement date. These targets are:

- i. Investor IRR (Internal Rate of Return) must be at least 15%, and
- ii. Investor MoM (Multiple on Money) must exceed 2.0.

If both conditions are met, the performance-based options will vest on a straight-line basis between 0% and 100%, depending on the level of MoM achieved.

- If MoM is less than 2.0: No performance-based options will vest.

- If MoM is exactly 3.0 or higher: 100% of the performance-based options will vest.

- If MoM is between 2.0 and 3.0: A proportional percentage of the performance-based options will vest, increasing linearly from 0% to 100%.

In addition to meeting these performance thresholds, the employee must have been continuously employed or providing services to the Company or its subsidiaries from the grant date through the applicable vesting date.

During the year 2025, the Company granted options to purchase 17,614 shares with an exercise price of \$1,000 and a fair value of \$482.32 for the service-based options and \$418.39 for the performance-based options.

The Company uses company-specific historical data to estimate the expected term of the options, such as grantee option exercise and grantee post-vesting departure behavior. Separate groups of grantees that have similar historical exercise behaviour are considered separately for valuation purposes. Since the Company’s shares are not publicly traded and its shares are rarely traded privately, expected volatility is estimated based on the average historical volatility of similar entities with publicly traded shares. The risk-free rate for the expected term of the option is based on the U.S. Treasury yield curve at the date of grant.

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The grant date fair value of each option award is estimated on the date of grant using the Monte Carlo option pricing model. The weighted average assumptions for 2025 grants are provided in the following table

| Valuation Assumptions   | Service-based options | Performance-based options |
|-------------------------|-----------------------|---------------------------|
| Expected dividend yield | 0%                    | 0%                        |
| Expected volatility     | 100.20%               | 108.50%                   |
| Expected term (years)   | 4 years               | 4 years                   |
| Risk-free interest rate | 3.70%                 | 3.70%                     |

Stock option activity during the periods indicated is as follows:

|                                             | Service-based options |                                 |                                             | Performance-based options |                                 |                                             |
|---------------------------------------------|-----------------------|---------------------------------|---------------------------------------------|---------------------------|---------------------------------|---------------------------------------------|
|                                             | Number of Shares      | Weighted-Average Exercise Price | Weighted-Average Remaining Contractual Term | Number of Shares          | Weighted-Average Exercise Price | Weighted-Average Remaining Contractual Term |
| Balance at December 31, 2024                | 6,258                 | \$ 1,000                        |                                             | 9,387                     | \$ 1,000                        |                                             |
| Granted                                     | 7,046                 | \$ 1,000                        |                                             | 10,568                    | \$ 1,000                        |                                             |
| Exercised                                   | —                     | —                               |                                             | —                         | —                               |                                             |
| Forfeited                                   | (1,379)               | \$ 1,000                        |                                             | (2,135)                   | \$ 1,000                        |                                             |
| Expired                                     | (45)                  | \$ 1,000                        |                                             | —                         | —                               |                                             |
| Balance at December 31, 2025                | 11,880                | 1,000                           | 9.15 years                                  | 17,820                    | 1,000                           | 9.15 years                                  |
| Vested and Exercisable at December 31, 2025 | —                     |                                 |                                             | —                         |                                 |                                             |

The weighted average grant-date fair value of options granted during the year 2025 was \$482.32 for service-based options and \$418.39 for performance-based options.

A summary of the status of the Company's nonvested employee options as of December 31, 2025 and changes during the year ended December 31, 2025, is presented below:

| Non Vested Shares            | Service-based options |                                        | Performance-based options |                                        |
|------------------------------|-----------------------|----------------------------------------|---------------------------|----------------------------------------|
|                              | Number of Shares      | Weighted-Average Grant-Date Fair Value | Number of Shares          | Weighted-Average Grant-Date Fair Value |
| Balance at December 31, 2024 | 6,258                 | \$ 433.66                              | 9,387                     | \$ 387.98                              |
| Granted                      | 7,046                 | 482.32                                 | 10,568                    | 418.39                                 |
| Vested                       | (2,091)               | 453.20                                 | —                         | —                                      |
| Forfeited                    | (1,379)               | 475.97                                 | (2,135)                   | 413.59                                 |
| Expired                      | —                     | —                                      | —                         | —                                      |
| Balance at December 31, 2025 | 9,834                 | \$ 458.44                              | 17,820                    | \$ 402.95                              |

At December 31, 2025, there was \$2.91 million of total unrecognized compensation cost related to nonvested stock options granted under the Plan. That cost is expected to be recognized over a weighted-average period of 3.93 years.

Probability of achievement of conditions attached to the vesting of performance-based option is not considered probable as at the reporting date and accordingly, no cost has been recognized with respect to performance-based options.

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**Share-Based Compensation - Successor period**

The grant date fair value of each option award is estimated on the date of grant using the Monte Carlo option pricing model. The weighted average assumptions for 2024 grants are provided in the following table

| Valuation Assumptions   | Service-based options | Performance-based options |
|-------------------------|-----------------------|---------------------------|
| Expected dividend yield | 0%                    | 0%                        |
| Expected volatility     | 97.20%                | 101.80%                   |
| Expected term (years)   | 5 years               | 5 years                   |
| Risk-free interest rate | 3.90%                 | 3.90%                     |

Stock option activity during the periods indicated is as follows:

|                                             | Service-based options |                                 | Performance-based options |                                 |
|---------------------------------------------|-----------------------|---------------------------------|---------------------------|---------------------------------|
|                                             | Number of Shares      | Weighted-Average Exercise Price | Number of Shares          | Weighted-Average Exercise Price |
| Balance at October 17, 2024                 | —                     |                                 | —                         |                                 |
| Granted                                     | 6,258                 | \$ 1,000                        | 9,387                     | \$ 1,000                        |
| Exercised                                   | —                     | —                               | —                         | —                               |
| Forfeited                                   | —                     | —                               | —                         | —                               |
| Expired                                     | —                     | —                               | —                         | —                               |
| Balance at December 31, 2024                | 6,258                 | \$ 1,000                        | 9,387                     | \$ 1,000                        |
| Vested and Exercisable at December 31, 2024 | —                     |                                 | —                         |                                 |

The weighted average grant-date fair value of options granted during the year 2024 was \$433.66 for service-based options and \$387.98 for performance-based options.

A summary of the status of the Company's nonvested employee options as of December 31, 2024 and changes during the Successor period ended December 31, 2024, is presented below:

|                              | Service-based options |                                        | Performance-based options |                                        |
|------------------------------|-----------------------|----------------------------------------|---------------------------|----------------------------------------|
| Non Vested Shares            | Number of Shares      | Weighted-Average Grant-Date Fair Value | Number of Shares          | Weighted-Average Grant-Date Fair Value |
| Balance at October 17, 2024  | —                     |                                        | —                         |                                        |
| Granted                      | 6,258                 | \$ 433.66                              | 9,387                     | \$ 387.98                              |
| Vested                       | —                     | —                                      | —                         | —                                      |
| Forfeited                    | —                     | —                                      | —                         | —                                      |
| Balance at December 31, 2024 | 6,258                 | \$ 433.66                              | 9,387                     | \$ 387.98                              |

At December 31, 2024, there was \$2.46 million of total unrecognized compensation cost related to nonvested stock options granted under the Plan. That cost is expected to be recognized over a weighted-average period of 4.83 years.

Probability of achievement of conditions attached to the vesting of performance-based option is not considered probable as at the reporting date and accordingly, no cost has been recognized with respect to performance-based options.

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**Share-Based Compensation - Predecessor Period**

**Class C Units of the parent entity**

The parent entity (AMI Cayman LP) is authorized to issue up to 25,000,000 Class C units in the form of equity incentive units to the employees of the Company. Such equity incentive units will vest over a service period of up to five years. Awards to non-U.S. employees also include a performance condition related to a change in control of the Company.

The fair value attributed to Class C Units is determined using the Black-Scholes option pricing model. Expected volatility is based on the average historical volatility of similarly structured business services companies. The expected term of the units granted represents the period of time the units are expected to be outstanding. Parent entity uses the simplified method under accounting standards to estimate the expected term of the units. The risk-free rate is based on U.S. Treasury yields in effect at the time of the grant for the expected term. Parent entity accounts for forfeitures in the period they occur resulting in a reversal of all previously recognized compensation expense for awards forfeited. Assumptions for the grants made under this plan, are as follows:

|                                | <u>No. of units</u> |
|--------------------------------|---------------------|
| Outstanding, December 31, 2023 | <b>23,917,725</b>   |
| Granted                        | —                   |
| Settled during the period      | (23,755,163)        |
| Forfeited                      | (162,562)           |
| Cancelled                      | —                   |
| Outstanding, October 17, 2024  | <u>—</u>            |

A summary of the status of the Company's nonvested units as of December 31, 2023 and October 17, 2024 is presented below:

|                                        | <u>No. of units</u> | <u>Weighted average<br/>grant date fair value</u> |
|----------------------------------------|---------------------|---------------------------------------------------|
| Nonvested, December 31, 2023           | <b>8,458,588</b>    | <b>0.27</b>                                       |
| Granted                                | —                   | —                                                 |
| Forfeiture                             | (162,561)           | 0.27                                              |
| Vested (including accelerated vesting) | (8,296,027)         | 0.27                                              |
| Nonvested, October 17, 2024            | <u>—</u>            | <u>—</u>                                          |

On account of change of control during the 2024, all the grants issued by the Group were accelerated on the date of change of control (i.e. October 17, 2024), as part of the original terms of the plan. The grants issued by the US entity are accounted as equity-settled share-based payments and the share-based payment costs were accelerated based on the grant date fair value of such options. With respect to the grants issued by the non-US entities, the settlement for such grants were made by the respective issuing entities in cash, as part of the original terms of the plan and accordingly, are treated as liability settled as at the date of change of control and the difference between the settlement price and cost accrued until the date of change of control were accounted for as stock compensation expenses in the income statement. Based on the election made by the Group, these costs are entirely accounted for as expense in the Predecessor period.

Share-based compensation cost included in the consolidated statement of operations under selling, general and administrative expenses amounted to \$4,360,966 out of which \$515,903 was recorded in Additional paid-in capital and \$3,845,063 was recorded as a liability under accrued expenses and other current liabilities for the settlement of awards issued by the non-US entities.

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**12 Income Taxes**

The individual entities within the Company file individual tax returns as per the regulations existing in their respective jurisdictions.

Income (Loss) before income taxes consisted of the following:

|                                                              | For the year ended<br>December 31, 2025 | Successor Period<br>from October 18, 2024 to<br>December 31, 2024 | Predecessor Period<br>from January 1, 2024 to<br>October 17, 2024 |
|--------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------|
| Income (Loss) before income taxes from continuing operations | (14,841,157)                            | (14,525,233)                                                      | (8,157,671)                                                       |
|                                                              | <u>(14,841,157)</u>                     | <u>(14,525,233)</u>                                               | <u>(8,157,671)</u>                                                |
|                                                              |                                         |                                                                   |                                                                   |
|                                                              | For the year ended<br>December 31, 2025 | Successor Period<br>from October 18, 2024 to<br>December 31, 2024 | Predecessor Period<br>from January 1, 2024 to<br>October 17, 2024 |
| U.S. operations                                              | \$ (24,887,627)                         | \$ (15,553,663)                                                   | \$ (16,502,014)                                                   |
| Non U.S. operations                                          | 10,046,470                              | 1,028,430                                                         | 8,344,343                                                         |
|                                                              | <u>\$ (14,841,157)</u>                  | <u>\$ (14,525,233)</u>                                            | <u>\$ (8,157,671)</u>                                             |

Income tax expense/(benefit) attributable to income from operations consisted of the following:

|                                            | Current            | Deferred              | Total                |
|--------------------------------------------|--------------------|-----------------------|----------------------|
| For the year ended December 31, 2025;      |                    |                       |                      |
| U.S. federal                               | \$ —               | \$ (9,375,677)        | \$(9,375,677)        |
| State and local                            | 146,469            | (603,188)             | (456,719)            |
| Non U.S. jurisdiction                      | 9,283,184          | (277,553)             | 9,005,631            |
|                                            | <u>\$9,429,653</u> | <u>\$(10,256,417)</u> | <u>\$ (826,764)</u>  |
|                                            |                    |                       |                      |
|                                            | Current            | Deferred              | Total                |
| Successor period ended December 31, 2024;  |                    |                       |                      |
| U.S. federal                               | \$ 186,799         | \$ (4,866,375)        | \$(4,679,576)        |
| State and local                            | 20,236             | 70,317                | 90,553               |
| Non U.S. jurisdiction                      | 1,650,777          | (60,363)              | 1,590,414            |
|                                            | <u>\$1,857,812</u> | <u>\$ (4,856,421)</u> | <u>\$(2,998,609)</u> |
|                                            |                    |                       |                      |
|                                            | Current            | Deferred              | Total                |
| Predecessor period ended October 17, 2024; |                    |                       |                      |
| U.S. federal                               | \$ —               | \$ —                  | \$ —                 |
| State and local                            | 29,228             | —                     | 29,228               |
| Non U.S. jurisdiction                      | 4,668,785          | (10,648)              | 4,658,137            |
|                                            | <u>\$4,698,013</u> | <u>\$ (10,648)</u>    | <u>\$ 4,687,365</u>  |

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740) Improvements to Income Tax Disclosures*, which require greater disaggregation of income tax disclosures around the effective rate reconciliation. The guidance in this update is effective for fiscal years beginning after December 15, 2024, and the Company adopted it prospectively for the year ended December 31, 2025. Income tax expense (benefit) for the year ended December 31, 2025 differs from the amount of income tax determined by applying the applicable U.S. statutory federal income tax rate to pretax loss as a result of the following differences:

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|                                                                    | <b>December 31, 2025</b> |             |
|--------------------------------------------------------------------|--------------------------|-------------|
|                                                                    | <b>Amount</b>            | <b>%</b>    |
| U.S. Federal Statutory Tax Rate                                    | (3,116,643)              | 21.0%       |
| State and Local Income Taxes, Net of Federal Income Tax Effect (a) | (456,719)                | 3.1%        |
| Foreign Tax Effects                                                |                          |             |
| China                                                              |                          |             |
| Withholding Tax                                                    | 1,190,537                | -8.0%       |
| Other                                                              | 85,746                   | -0.6%       |
| Taiwan                                                             |                          |             |
| Branch income                                                      | 1,341,654                | -9.0%       |
| Withholding Tax                                                    | 7,208                    | 0.0%        |
| Other                                                              | (47,113)                 | 0.3%        |
| India                                                              |                          |             |
| Withholding Tax                                                    | 805,835                  | -5.4%       |
| Statutory tax rate difference between India and United States      | 411,614                  | -2.8%       |
| Other                                                              | (63,036)                 | 0.4%        |
| Korea                                                              |                          |             |
| Withholding Tax                                                    | 707,054                  | -4.8%       |
| Other                                                              | (3,869)                  | 0.0%        |
| Other foreign jurisdictions                                        | 459,355                  | -3.1%       |
| Effect of Cross-Border Tax Laws                                    |                          |             |
| Branch income                                                      | 1,728,171                | -11.6%      |
| Global Intangible low-taxed income                                 | 332,788                  | -2.2%       |
| Foreign-derived intangible income                                  | (986,972)                | 6.7%        |
| Tax Credits                                                        |                          |             |
| Foreign Tax Credits                                                | (4,117,973)              | 27.7%       |
| R&D Credits                                                        | (893,647)                | 6.0%        |
| Nontaxable or Nondeductible Items                                  | (166,199)                | 1.1%        |
| Changes in Unrecognized Tax Benefits                               | 2,196,614                | -14.8%      |
| Other Adjustments                                                  | (241,168)                | 1.6%        |
| <b>Effective Tax Rate</b>                                          | <b>(826,764)</b>         | <b>5.6%</b> |

(a) State taxes in California made up the majority (greater than 50 percent) of the tax effect in this category.

As previously disclosed, Income tax expense (benefit) for the Successor period and Predecessor period prior to the adoption of ASU 2023-09, differs from the amount of income tax determined by applying the applicable U.S. statutory federal income tax rate to pretax income as a result of the following differences:

|                                                                                                                 | <b>Successor Period<br/>from October 18, 2024 to<br/>December 31, 2024</b> | <b>Predecessor Period<br/>from January 1, 2024 to<br/>October 17, 2024</b> |
|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Computed “expected” tax expense as per US Federal Tax Rate Increase (reduction) in income taxes resulting from: | \$ (3,050,298)                                                             | \$ (1,713,104)                                                             |
| Change in valuation allowance on deferred tax assets                                                            | —                                                                          | 12,928,627                                                                 |
| Transaction Costs                                                                                               | (794,315)                                                                  | (3,278,590)                                                                |
| Non-deductible expenses                                                                                         | 140,361                                                                    | (1,753,263)                                                                |
| Foreign tax credit carryforward                                                                                 | (1,152,444)                                                                | (5,041,377)                                                                |
| Foreign tax rate differential                                                                                   | 441,743                                                                    | 451,143                                                                    |
| Withholding tax                                                                                                 | 572,727                                                                    | 2,779,839                                                                  |
| Others, net                                                                                                     | 845,340                                                                    | 314,089                                                                    |
| <b>Total expense/(benefit)</b>                                                                                  | <b>\$ (2,998,609)</b>                                                      | <b>\$ 4,687,365</b>                                                        |

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31, 2025 are presented below:

|                                           | <b>December 31, 2025</b> | <b>December 31, 2024</b> |
|-------------------------------------------|--------------------------|--------------------------|
| <b>Deferred tax assets:</b>               |                          |                          |
| Accrued expenses                          | \$ 1,883,252             | \$ 1,148,227             |
| Net operating loss carryforwards          | 1,576,547                | 1,661,322                |
| Interest limitations                      | 11,729,948               | 10,233,529               |
| Stock Based Comp                          | 432,501                  | 47,726                   |
| Credit carryforwards                      | 19,900,726               | 17,979,639               |
| Research and Developmental Costs          | 7,754,361                | 8,088,797                |
| Operating lease right-of-use assets (net) | 111,536                  | 110,119                  |
| Others                                    | 292,317                  | 53,518                   |
| <b>Gross deferred tax assets</b>          | <b>43,681,188</b>        | <b>39,322,877</b>        |
| Valuation allowance                       | (6,212,965)              | (6,182,762)              |
| <b>Total deferred tax assets</b>          | <b>37,468,222</b>        | <b>33,140,115</b>        |

|                                                   |                        |                        |
|---------------------------------------------------|------------------------|------------------------|
| <b>Deferred tax liabilities:</b>                  |                        |                        |
| Goodwill and intangible assets                    | (63,080,213)           | (68,612,688)           |
| Property and equipment                            | (55,155)               | (362)                  |
| <b>Total non-current deferred tax liabilities</b> | <b>(63,135,368)</b>    | <b>(68,613,050)</b>    |
| <b>Net deferred tax asset (liability)</b>         | <b>\$ (25,667,146)</b> | <b>\$ (35,472,935)</b> |

**AMI TopCo, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**

**For the year ended December 31, 2025 (Successor period), and the period from October 18, 2024 to December 31, 2024 (Successor period), and from January 1, 2024 to October 17, 2024 (Predecessor period)**

Based on the available evidence, management believes that it is more likely than not that the U.S. and state deferred tax assets will be realizable with the exception of unamortizable transaction costs and Georgia R&D credits for which the Company cannot forecast income of the appropriate source in order to be utilized. Accordingly, the Company has provided a valuation allowance against these items as of December 31, 2025 and 2024.

The valuation allowance for deferred tax assets as of December 31, 2025 and 2024 was \$6.2 million and \$6.2 million, respectively. The Company's valuation allowance balance increased by an immaterial amount for the year ended December 31, 2025 as a result of additional generated credit carryforwards.

The increase in the valuation allowance during calendar year 2025 was primarily due to additional immaterial increases in state R&D carryforwards that are not expected to be realized. At the end of December 31, 2025, the valuation allowance was primarily related to unamortizable transaction costs, and disallowed state R&D credit carryforwards. The Company will continue to evaluate the need for valuation allowances for its deferred tax assets.

In determining the need to establish or maintain a valuation allowance, management considered the four sources of jurisdictional taxable income: (i) future reversals of existing taxable temporary differences; (ii) future taxable income exclusive of reversing temporary differences and carryforwards; (iii) taxable income in prior carryback year(s) if carryback is permitted under the tax law; and (iv) viable and prudent tax planning strategies. Based on the available evidence and management's expectations of generating sufficient U.S. Federal and State taxable income, management believes that it is more likely than not that the U.S. and state deferred tax assets will be realizable with the exception of unamortizable transaction costs and Georgia R&D credits for which the Company cannot forecast income of the appropriate source in order to be able to utilized. Accordingly, the Company has provided a valuation allowance against these items as of December 31, 2025 and 2024.

As of December 31, 2025, the Company had state NOL carryforwards of \$24.6 million, and U.S. federal and state research and development tax credit carryforwards were \$4.1 million and \$4.0 million, respectively. The Company also had foreign tax credit carryforwards of \$11.8 million. If not utilized, certain state NOLs will begin to expire at various dates beginning in 2033, while the federal and state tax credit carryforwards will start to expire in various amounts beginning in 2028.

Utilization of net operating loss and tax credit carryforwards may be subject to a substantial annual limitation due to ownership change limitations provided by the Internal Revenue Code and similar state provisions. Annual limitations may result in expiration of net operating loss and tax credit carryforwards before some or all of such amounts have been utilized.

The Company has not provided U.S. income taxes and foreign withholding taxes on undistributed earnings of foreign subsidiaries because we intend to permanently reinvest such earnings outside the United States, with the exception of accumulated earnings in Germany. As of December 31, 2025 and 2024, the Company has recorded a deferred tax liability of \$57K and \$71K, respectively for potential withholding tax which would be recognized upon remittance of a dividend from Germany to the United States.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted into law in the U.S. The OBBBA provides for the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act and restores certain favorable corporate tax provisions, such as the current deduction for U.S.-based research expenditures. The impact of the OBBBA was not material to our consolidated financial statements and related disclosures and is not material.

The Company recognizes financial statement benefit of a tax position only after determining that the relevant tax authority would more-likely-than-not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the consolidated financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. As of December 31, 2025 and 2024, the Company had gross unrecognized tax benefits of \$2.2 million and \$0 million, respectively. If recognized, these unrecognized tax benefits would reduce income tax expense and the Company's effective tax rate.

The following table summarizes the changes to unrecognized tax benefits for the fiscal years presented:

|                                                                     |                    |
|---------------------------------------------------------------------|--------------------|
| Balance at December 31, 2023                                        | \$ —               |
| Balance at December 31, 2024                                        | \$ —               |
| Additions based on tax positions related to the current year        | \$ —               |
| Additions based on tax positions of prior years                     | \$2,196,614        |
| Reductions for tax positions of prior years                         | \$ —               |
| Reduction as a result of lapse of applicable statute of limitations | \$ —               |
| Balance at December 31, 2025                                        | <u>\$2,196,614</u> |

The Company recognizes interest and penalties related to income tax matters as a component of income tax expense. There was no accrued interest recorded as of December 31, 2025 and 2024.

The Company files income tax returns subject to varying statutes of limitations. The tax years from 2019 and forward remain open to examination by the federal and state tax authorities due to net operating loss and overall credit carryforward positions. Non-U.S. tax returns generally remain open to examination. As of December 31, 2025, the Company is currently under examination in Hong Kong. The Company believes that it has provided adequate reserves for its income tax uncertainties in all open tax years. As the outcome of the Company's tax audits are resolved in a manner inconsistent with management's expectations, the Company could adjust its provision for income taxes in the future.

#### **Cash Taxes Paid**

The Company adopted ASU 2023- 09, Income Taxes (Topic 740) prospectively for the year ended December 31, 2025 and included the following table as a result of our adoption, which presents Income taxes paid, net of refunds, as follows:

|                                   |    |                           |
|-----------------------------------|----|---------------------------|
| Federal:                          | \$ | —                         |
| State:                            | \$ | —                         |
| Foreign:                          |    |                           |
| Taiwan                            |    | \$2,123,187               |
| China                             |    | \$2,071,503               |
| India                             |    | \$1,081,332               |
| Other                             | \$ | 126,720                   |
| Total Foreign                     |    | \$5,402,741               |
| Income taxes paid, net of refunds |    | <u><b>\$5,402,741</b></u> |

**AMI TopCo, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**

**For the year ended December 31, 2025 (Successor period), and the period from October 18, 2024 to December 31, 2024 (Successor period), and from January 1, 2024 to October 17, 2024 (Predecessor period)**

**13 Revenue from contract with customers**

The following table presents the Company's revenue disaggregated based on performance obligations:

|                                                     | For the year<br>ended<br>December 31, 2025 | Successor Period<br>from October 18, 2024 to<br>December 31, 2024 | Predecessor Period<br>from January 1, 2024 to<br>October 17, 2024 |
|-----------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------|
| License (including maintenance, royalty and labels) | \$ 106,467,314                             | \$ 20,596,763                                                     | \$ 75,149,643                                                     |
| Professional services                               | 55,921,942                                 | 10,992,311                                                        | 38,857,852                                                        |
| Hardware                                            | 32,312,748                                 | 4,440,027                                                         | 23,807,817                                                        |
|                                                     | <u>\$ 194,702,004</u>                      | <u>\$ 36,029,101</u>                                              | <u>\$ 137,815,312</u>                                             |

As noted in Note 2(f), license revenue and certain professional service arrangements are recorded over time, while hardware revenues are recorded at a point in time.

The following table presents disaggregated revenue by product type for the following periods:

|                                    | For the year<br>ended<br>December 31, 2025 | Successor Period<br>from October 18, 2024 to<br>December 31, 2024 | Predecessor Period<br>from January 1, 2024 to<br>October 17, 2024 |
|------------------------------------|--------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------|
| Boot Firmware Group (BFG)          | \$ 104,301,322                             | \$ 19,951,652                                                     | \$ 71,343,821                                                     |
| Manageability Solution Group (MSG) | 81,782,107                                 | 14,191,292                                                        | 59,274,716                                                        |
| Hardware Engineering Group (HEG)   | 1,076,284                                  | 229,682                                                           | 850,120                                                           |
| Security Software Group (SSG)      | 5,970,513                                  | 1,332,945                                                         | 4,997,220                                                         |
| Cloud Service Group (CSG)          | 37,309                                     | 20,297                                                            | 50,489                                                            |
| Meridian                           | 1,534,469                                  | 303,233                                                           | 1,298,946                                                         |
|                                    | <u>\$ 194,702,004</u>                      | <u>\$ 36,029,101</u>                                              | <u>\$ 137,815,312</u>                                             |

**Contract balances**

The following table provides information about contract liabilities from contract with customers:

|                                    | December 31, 2025    | December 31, 2024    |
|------------------------------------|----------------------|----------------------|
| Contract liabilities - Current     | \$ 25,209,733        | \$ 20,557,359        |
| Contract liabilities - Non current | 4,777,140            | 2,533,377            |
|                                    | <u>\$ 29,986,873</u> | <u>\$ 23,090,736</u> |

The following table provides information about accounts receivable and contracts assets from contract with customers:

|                                   | December 31, 2025    | December 31, 2024    |
|-----------------------------------|----------------------|----------------------|
| Accounts receivable               | \$ 33,569,635        | \$ 33,743,183        |
| Contract assets                   | 9,570,148            | 7,775,548            |
| Less: allowance for credit losses | (288,157)            | (385,169)            |
|                                   | <u>\$ 42,851,626</u> | <u>\$ 41,133,562</u> |

The above table reflects the information of contract liabilities, which have been disclosed as a separate caption in the consolidated balance sheets as of December 31, 2025 and December 31, 2024. The Contract liabilities include that portion of revenue for which payment has been received in advance from customers.

Revenue of \$17,093,454 recognized during the year ended December 31, 2025 was included as part of the opening balance of contract liability.

As of December 31, 2025, the aggregate transaction price allocated to unsatisfied or partially unsatisfied performance obligations was \$40,360,480. The Company expects to recognize approximately \$21,346,943 within one year, \$15,322,305 in one to two years, and \$3,691,232 thereafter. The amount principally relates to fixed consideration under firmware license, update, maintenance and support arrangements and fixed-price professional service contracts.

The Company has elected the optional exemptions for contracts with an original expected duration of one year or less, performance obligations for which revenue is recognized in the amount the Company has a right to invoice, and sales- or usage-based royalties promised in exchange for licenses of intellectual property.

Increase in the Company's contract liabilities balance during the period is a result of normal business activity and not materially impacted by any other factors.

**AMI TopCo, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**

**For the year ended December 31, 2025 (Successor period), and the period from October 18, 2024 to December 31, 2024 (Successor period), and from January 1, 2024 to October 17, 2024 (Predecessor period)**

**14 Finance cost**

|                                         | For the year ended<br>December 31, 2025 | Successor Period<br>from October 18, 2024 to<br>December 31, 2024 | Predecessor Period<br>from January 1, 2024 to<br>October 17, 2024 |
|-----------------------------------------|-----------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------|
| Finance cost consists of the following: |                                         |                                                                   |                                                                   |
| Interest expense:                       |                                         |                                                                   |                                                                   |
| Long-term loan                          | \$ 25,210,658                           | \$ 5,464,655                                                      | \$ 15,317,237                                                     |
| Revolver loan                           | 359,479                                 | 193,250                                                           | 424,865                                                           |
| Bank charges and other                  | 1,613,691                               | 325,361                                                           | 1,553,790                                                         |
| Interest income:                        |                                         |                                                                   |                                                                   |
| Fixed deposits                          | (137,455)                               | (47,460)                                                          | (140,680)                                                         |
| <b>Interest expense, net</b>            | <b>\$ 27,046,373</b>                    | <b>\$ 5,935,807</b>                                               | <b>\$ 17,155,212</b>                                              |

**15 Other (income), net**

|                                           | For the year ended<br>December 31, 2025 | Successor Period<br>from October 18, 2024 to<br>December 31, 2024 | Predecessor Period<br>from January 1, 2024 to<br>October 17, 2024 |
|-------------------------------------------|-----------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------|
| Other (income) consists of the following: |                                         |                                                                   |                                                                   |
| Foreign exchange gain, net                | \$ (219,691)                            | \$ (254,941)                                                      | \$ (117,945)                                                      |
| Miscellaneous income                      | \$ (149,147)                            | (17,664)                                                          | (38,402)                                                          |
|                                           | <b>\$ (368,838)</b>                     | <b>\$ (272,605)</b>                                               | <b>\$ (156,348)</b>                                               |

**16 Related Party Transactions**

The Company has entered into the following transactions with related parties.

During the year 2024, the Company entered into an advisory agreement with Thomas H. Lee Partners, the new majority partner in the Parent entity of the Company. Thomas H. Lee Partners provides financial advisory and management consulting services, and the Company is obligated to reimburse all reasonable, documented, and out-of-pocket fees and expenses. For the year 2025, the Company incurred fees of \$1,343,175 recorded in Selling, general and administrative expenses and \$208,013 as reimbursement of travel expenses in the accompanying consolidated statement of operations. During the Successor period from October 18, 2024 to December 31, 2024, the Company incurred fees of \$9,487,234, of which \$3,150,000 were capitalized as deferred financing costs, \$6,246,667 were recorded as transaction costs and \$90,567 was recorded in Selling, general and administrative expenses as reimbursement of travel expenses in the accompanying consolidated statement of operations. The amortization of the deferred financing costs of \$284,055 were recorded in Interest expense, net in the accompanying consolidated statement of operations during the Successor period.

During the Predecessor period (through October 17, 2024), the Company was party to an advisory agreement with HGGC Fund III GP, L.P., the majority partner in the Parent entity of the Company during that time. Under the agreement, HGGC provided financial advisory and management consulting services. In return, the Company was obligated to reimburse HGGC for all reasonable, documented, and out-of-pocket fees and expenses. For the period ended October 17, 2024, the Company incurred expenses of \$2,732,393, which have been recorded in the accompanying consolidated statements of operations.

**17 Commitments and contingencies**

**Legal proceedings**

The Company and its subsidiaries are involved in certain claims and legal actions arising in the ordinary course of business. Although the amount of any ultimate liability with respect to such matters cannot be determined, in the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's consolidated financial position or results of operations.

**18 Equity share capital**

The authorized capital stock of the Company consists of (i) 400,000 shares of common stock, par value \$0.01 per share (the "Company Common Stock"), of which, 337,255.53 shares are issued and outstanding and (ii) 1,000 shares of undesignated preferred stock, par value \$0.01 per share (the "Company Preferred Stock") none of which are issued and outstanding. The Company Common Stock consists of 360,000 shares of series A common stock (the "Series A Common Stock"), of which, 337,185.40 shares are issued and outstanding and 40,000 shares of series B common stock (the "Series B Common Stock"), 70.13 of which are issued and outstanding. Series A and Series B Common Stock participate equally in dividends and liquidation distributions on a per-share basis; however, voting rights are held exclusively by holders of Series A Common Stock, with one vote per share. Series B Common Stock does not carry any voting rights.

**19 Subsequent events**

In accordance with accounting standards, the Company has evaluated subsequent events through \_\_\_\_\_ October 13, 2026, the date the consolidated financial statements were available for issuance. On July 27, 2026, Lattice Semiconductor Corporation ("Lattice") completed its acquisition of AMI TopCo, Inc. The acquisition was effected pursuant to the Agreement and Plan of Merger dated May 4, 2026 (the "Merger Agreement") among Lattice, certain of its wholly owned subsidiaries, AMI TopCo, Inc., and THL AMI Aggregator, LP, acting solely in its capacity as representative of AMI's security holders. Under the Merger Agreement, total consideration was approximately \$1.6 billion of which approximately \$1 billion was settled in cash and remaining in shares of Lattice common stock and restricted stock units, subject to adjustments as provided in the Merger Agreement. The entire outstanding debt including accrued interest amounting to \$272.2 million with Bain Capital Credit LP, was paid on July 27, 2026 and the said facility stands fully settled upon acquisition of AMI TopCo, Inc. by Lattice. Accordingly, deferred

financing cost amounting to \$7.2 million in the respect of the credit facility from Bain Capital Credit LP, was fully amortized on July 27, 2026. Other than this event, the Company has concluded that there are no other subsequent events requiring recognition or disclosure have been incorporated in these consolidated financial statements.

**AMI TopCo, Inc. and Subsidiaries**

Consolidated Financial Statements  
June 30, 2026 and December 31, 2025

(Unaudited)

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**AMI TopCo, Inc. and Subsidiaries**

Consolidated Financial Statements

June 30, 2026 and December 31, 2025

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**AMI TopCo, Inc. and Subsidiaries**  
**Consolidated Balance Sheets**

|                                                                                                                                                             | Notes | June 30, 2026<br>(Unaudited) | December 31, 2025<br>(Audited) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|------------------------------|--------------------------------|
| <b>Assets</b>                                                                                                                                               |       |                              |                                |
| <b>Current assets</b>                                                                                                                                       |       |                              |                                |
| Cash and cash equivalents                                                                                                                                   | 2(n)  | \$ 30,274,536                | \$ 37,775,933                  |
| Restricted cash                                                                                                                                             | 2(n)  | 2,184,514                    | 17,628                         |
| Accounts receivable and contract assets, net of allowance for credit losses of \$324,373 and \$288,157 at June 30, 2026 and December 31, 2025, respectively | 12    | 50,690,813                   | 42,851,626                     |
| Inventories, net of allowances for obsolete inventory of \$186,681 and \$6,671 at June 30, 2026 and December 31, 2025, respectively                         |       | 144,924                      | 375,597                        |
| Prepaid expenses and other current assets                                                                                                                   | 3     | 3,364,761                    | 2,870,401                      |
| Short-term investments                                                                                                                                      |       | 250,000                      | 250,000                        |
| <b>Total current assets</b>                                                                                                                                 |       | <b>86,909,548</b>            | <b>84,141,185</b>              |
| Restricted cash, net of current portion                                                                                                                     | 2(n)  | 28,133                       | 19,855                         |
| Property and equipment, net                                                                                                                                 | 4     | 5,573,083                    | 3,788,094                      |
| Operating lease right-of-use assets                                                                                                                         | 9     | 12,267,275                   | 9,050,598                      |
| Developed technology, net                                                                                                                                   | 5     | 73,866,101                   | 78,277,108                     |
| Trademarks, net                                                                                                                                             | 5     | 10,994,304                   | 11,404,016                     |
| Customer relationships, net                                                                                                                                 | 5     | 262,346,520                  | 278,101,238                    |
| Goodwill                                                                                                                                                    | 5     | 211,887,395                  | 211,887,395                    |
| Deferred taxes, net                                                                                                                                         |       | 766,594                      | 783,314                        |
| Other assets                                                                                                                                                |       | 1,164,563                    | 852,082                        |
| <b>Total assets</b>                                                                                                                                         |       | <b>\$ 665,803,516</b>        | <b>\$ 678,304,885</b>          |
| <b>Liabilities and Equity</b>                                                                                                                               |       |                              |                                |
| <b>Current liabilities</b>                                                                                                                                  |       |                              |                                |
| Current portion of long-term debt, net of current unamortized deferred financing costs                                                                      | 6     | \$ 1,367,601                 | \$ 1,367,601                   |
| Current portion of operating lease liabilities                                                                                                              | 9     | 1,908,873                    | 2,071,424                      |
| Current portion of contract liabilities                                                                                                                     | 12    | 27,810,414                   | 25,209,733                     |
| Accounts payable                                                                                                                                            |       | 5,335,934                    | 5,796,212                      |
| Income tax payable                                                                                                                                          |       | 4,116,994                    | 5,393,525                      |
| Accrued expenses and other current liabilities                                                                                                              | 7     | 17,879,966                   | 23,984,407                     |
| <b>Total current liabilities</b>                                                                                                                            |       | <b>58,419,782</b>            | <b>63,822,902</b>              |
| Long-term debt, net of unamortized deferred financing costs and less current portion                                                                        | 6     | 262,918,336                  | 263,607,818                    |
| Deferred tax liability                                                                                                                                      |       | 20,616,598                   | 26,450,461                     |
| Operating lease liabilities, net of current portion                                                                                                         | 9     | 11,040,677                   | 7,363,747                      |
| Contract liabilities                                                                                                                                        | 12    | 5,147,833                    | 4,777,140                      |
| Other liabilities                                                                                                                                           | 8     | 2,010,046                    | 2,154,807                      |
| <b>Total liabilities</b>                                                                                                                                    |       | <b>360,153,272</b>           | <b>368,176,875</b>             |
| <b>Shareholders' equity</b>                                                                                                                                 |       |                              |                                |
| Preferred stock, \$.01 par value, 1,000 shares authorized, none issued and outstanding                                                                      |       | —                            | —                              |
| Series A, Common stock, \$.01 par value, 360,000 shares authorized, 337,185.40 issued and outstanding as of June 30, 2026 and December 31, 2025             |       | 3,372                        | 3,372                          |
| Series B, Common stock, \$.01 par value, 40,000 shares authorized, 70.13 issued and outstanding as of June 30, 2026 and December 31, 2025                   |       | 1                            | 1                              |
| Additional paid in capital                                                                                                                                  |       | 340,475,732                  | 339,790,450                    |
| Accumulated deficit                                                                                                                                         |       | (34,032,414)                 | (29,323,471)                   |
| Accumulated other comprehensive deficit                                                                                                                     |       | (796,447)                    | (342,342)                      |
| <b>Total equity</b>                                                                                                                                         |       | <b>305,650,244</b>           | <b>310,128,010</b>             |
| Commitments and contingencies                                                                                                                               | 16    |                              |                                |
| <b>Total liabilities and equity</b>                                                                                                                         |       | <b>\$ 665,803,516</b>        | <b>\$ 678,304,885</b>          |

See accompanying notes to consolidated financial statements.

**AMI TopCo, Inc. and Subsidiaries**  
**Consolidated Statements of Operations**  
**(Unaudited)**

|                                                                     | <u>Notes</u> | <u>Six Months ended June 30,</u><br><u>2026</u> | <u>2025</u>           |
|---------------------------------------------------------------------|--------------|-------------------------------------------------|-----------------------|
| <b>Revenues</b>                                                     | 12           | <b>\$ 102,256,226</b>                           | <b>\$ 92,541,142</b>  |
| License                                                             |              | 66,502,548                                      | 49,785,769            |
| Professional services                                               |              | 21,670,019                                      | 27,630,327            |
| Hardware                                                            |              | 14,083,659                                      | 15,125,046            |
| <b>Cost of revenue (exclusive of depreciation and amortization)</b> |              |                                                 |                       |
| Cost of product                                                     |              | 11,174,439                                      | 11,267,050            |
| Cost of services (exclusive of depreciation and amortization)       |              | 22,193,580                                      | 20,319,637            |
| <b>Operating expenses</b>                                           |              |                                                 |                       |
| Research and development expenses                                   |              | 20,582,589                                      | 17,784,470            |
| Selling, general and administrative expenses                        |              | 22,071,394                                      | 18,327,014            |
| Depreciation and amortization                                       |              | 21,781,184                                      | 21,757,225            |
| Interest expense, net                                               | 13           | 12,762,038                                      | 14,002,178            |
| Other (income), net                                                 | 14           | (375,958)                                       | 656,161               |
| <b>Total costs and expenses</b>                                     |              | <b>110,189,266</b>                              | <b>104,113,735</b>    |
| <b>Loss before income taxes</b>                                     |              | <b>(7,933,040)</b>                              | <b>(11,572,593)</b>   |
| (Benefit) provision for income tax                                  | 11           | (3,224,097)                                     | (2,365,430)           |
| <b>Net loss of AMI TopCo, Inc. and Subsidiaries</b>                 |              | <b>\$ (4,708,943)</b>                           | <b>\$ (9,207,163)</b> |

See accompanying notes to consolidated financial statements.

**AMI TopCo, Inc. and Subsidiaries**  
**Consolidated Statements of Comprehensive Loss**  
**(Unaudited)**

|                                                                                       | For the six months ended<br>June 30, 2026 | For the six months ended<br>June 30, 2025 |
|---------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| <b>Net loss attributable to AMI TopCo, Inc. and Subsidiaries</b>                      | <b>\$ (4,708,943)</b>                     | <b>\$ (9,207,163)</b>                     |
| Actuarial (loss) gain including settlements on retirement benefit plans, net of taxes | 27,185                                    | (45,842)                                  |
| Foreign currency translation adjustments                                              | (481,290)                                 | 536,070                                   |
| <b>Other comprehensive (loss)</b>                                                     | <b>(454,105)</b>                          | <b>490,228</b>                            |
| <b>Total comprehensive (loss)</b>                                                     | <b>\$ (5,163,048)</b>                     | <b>\$ (8,716,935)</b>                     |

See accompanying notes to consolidated financial statements.

**AMI TopCo, Inc. and Subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**(Unaudited)**

|                                        | Series A Common Stock |                 | Series B Common Stock |             | Additional Paid-in    | Accumulated           | Accumulated Other     | Total equity         |
|----------------------------------------|-----------------------|-----------------|-----------------------|-------------|-----------------------|-----------------------|-----------------------|----------------------|
|                                        | No. of shares         | Par value       | No. of shares         | Par value   | capital               | deficit               | comprehensive deficit |                      |
| <b>Balance as at December 31, 2025</b> | <b>337,185.40</b>     | <b>\$ 3,372</b> | <b>70.13</b>          | <b>\$ 1</b> | <b>\$ 339,790,450</b> | <b>\$(29,323,471)</b> | <b>\$ (342,342)</b>   | <b>\$310,128,010</b> |
| Share-based compensation expense       | —                     | —               | —                     | —           | 685,282               | —                     | —                     | 685,282              |
| Net (loss)                             | —                     | —               | —                     | —           | —                     | (4,708,943)           | —                     | (4,708,943)          |
| Other comprehensive (loss)             | —                     | —               | —                     | —           | —                     | —                     | (454,105)             | (454,105)            |
| <b>Balance as at June 30, 2026</b>     | <b>337,185.40</b>     | <b>\$ 3,372</b> | <b>70.13</b>          | <b>\$ 1</b> | <b>\$ 340,475,732</b> | <b>\$(34,032,414)</b> | <b>\$ (796,447)</b>   | <b>\$305,650,244</b> |

See accompanying notes to consolidated financial statements.

**AMI TopCo, Inc. and Subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**(Unaudited)**

|                                        | Series A Common Stock |                 | Series B Common Stock |             | Additional Paid-in    | Accumulated           | Accumulated Other     | Total equity         |
|----------------------------------------|-----------------------|-----------------|-----------------------|-------------|-----------------------|-----------------------|-----------------------|----------------------|
|                                        | No. of shares         | Par value       | No. of shares         | Par value   | capital               | deficit               | Comprehensive deficit |                      |
| <b>Balance as at December 31, 2024</b> | <b>337,185.40</b>     | <b>\$ 3,372</b> | <b>70.13</b>          | <b>\$ 1</b> | <b>\$ 337,510,348</b> | <b>\$(15,309,078)</b> | <b>\$ (223,078)</b>   | <b>\$321,981,565</b> |
| Share-based compensation expense       | —                     | —               | —                     | —           | 1,340,027             | —                     | —                     | 1,340,027            |
| Net (loss)                             | —                     | —               | —                     | —           | —                     | (9,207,163)           | —                     | (9,207,163)          |
| Other comprehensive (loss)             | —                     | —               | —                     | —           | —                     | —                     | 490,228               | 490,228              |
| <b>Balance as at June 30, 2025</b>     | <b>337,185.40</b>     | <b>\$ 3,372</b> | <b>70.13</b>          | <b>\$ 1</b> | <b>\$ 338,850,375</b> | <b>\$(24,516,241)</b> | <b>\$ 267,150</b>     | <b>\$314,604,657</b> |

See accompanying notes to consolidated financial statements.

**AMI TopCo, Inc. and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
(Unaudited)

|                                                                                                                | Six Months Ended<br>June 30, 2026 | Six Months Ended<br>June 30, 2025 |
|----------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Cash flows from operating activities</b>                                                                    |                                   |                                   |
| <b>Net loss</b>                                                                                                | \$ (4,708,943)                    | \$ (9,207,163)                    |
| Adjustments to reconcile net loss to net cash provided by operating activities                                 |                                   |                                   |
| Depreciation and amortization                                                                                  | 21,781,184                        | 21,757,225                        |
| Deferred income taxes                                                                                          | (5,870,812)                       | (4,560,409)                       |
| Share-based compensation expense                                                                               | 685,282                           | 1,340,027                         |
| Allowance for credit losses                                                                                    | 45,548                            | (36)                              |
| Amortization of debt issuance cost                                                                             | 685,519                           | 685,518                           |
|                                                                                                                | <u>12,617,778</u>                 | <u>10,015,162</u>                 |
| <b>Changes in operating assets and liabilities</b>                                                             |                                   |                                   |
| Accounts receivable and contract assets                                                                        | (7,884,735)                       | (6,121,789)                       |
| Operating lease right-of-use assets, prepayments, other current assets and other assets                        | (4,020,259)                       | (1,240,623)                       |
| Inventories                                                                                                    | 230,673                           | (44,541)                          |
| Accounts payable                                                                                               | (460,278)                         | 1,252,202                         |
| Operating lease liability, accrued expenses, other current liabilities, pension benefits and other liabilities | (2,707,637)                       | (5,771,626)                       |
| Income tax payable                                                                                             | (1,276,531)                       | 279,338                           |
| Contract liabilities                                                                                           | 2,971,374                         | 3,838,299                         |
| <b>Net cash provided by (used in) operating activities</b>                                                     | <u>(529,615)</u>                  | <u>2,206,422</u>                  |
| <b>Cash flows from investing activities</b>                                                                    |                                   |                                   |
| Purchases of property and equipment                                                                            | (3,077,075)                       | (783,522)                         |
| <b>Net cash (used in) investing activities</b>                                                                 | <u>(3,077,075)</u>                | <u>(783,522)</u>                  |
| <b>Cash flows from financing activities</b>                                                                    |                                   |                                   |
| Repayments of revolver loan                                                                                    | —                                 | (9,500,000)                       |
| Repayment of long term debt                                                                                    | (1,375,000)                       | (687,500)                         |
| <b>Net cash (used in) provided by financing activities</b>                                                     | <u>(1,375,000)</u>                | <u>(10,187,500)</u>               |
| Net increase in cash and cash equivalents                                                                      | (4,981,690)                       | (8,764,600)                       |
| Effect of exchange rate changes on cash and cash equivalents                                                   | (344,543)                         | 250,078                           |
| Cash and cash equivalents and restricted cash at the beginning of period                                       | 37,813,416                        | 21,399,234                        |
| <b>Cash and cash equivalents and restricted cash at the end of period</b>                                      | <u>\$ 32,487,183</u>              | <u>\$ 12,884,711</u>              |
| Cash payments for income taxes                                                                                 | \$ (5,891,496)                    | \$ (2,153,348)                    |
| Cash payments for interest expenses                                                                            | \$ (12,124,645)                   | \$ (13,726,599)                   |

See accompanying notes to consolidated financial statements.

## **1 Organization and nature of operations**

AMI TopCo, Inc., along with its subsidiaries, is headquartered in Georgia, United States and is engaged in the design, development, sale, and support of dynamic firmware solutions for the global computer marketplace. The Company sells its products, principally to Original Design Manufacturers (“ODMs”), Original Equipment Manufacturers (“OEMs”), and Cloud Service Providers (“CSPs”) to the data center, cloud, embedded, and client markets, spanning key global markets including North America, Asia, and Europe.

AMI TopCo, Inc. (“Company”), a Delaware corporation, was incorporated on August 23, 2024 to acquire, through its subsidiary AMI Buyer, Inc., from AMI CaymanCo Ltd (“Seller”), the outstanding common stock of AMI US Holdings, Inc., which further holds a controlling stake in seven entities along with their branches in Japan, Korea, and Taiwan (“AMI”).

On August 30, 2024, AMI Buyer, Inc. (the “Acquirer”) entered into a Stock Purchase Agreement with the Seller for transfer of 100% of the outstanding common stock of AMI US Holdings, Inc., a Delaware corporation (“Acquiree” and the “Predecessor”). On the Closing Date, October 17, 2024, AMIBuyer, Inc. completed the acquisition for a final purchase price of \$604.7 million, which resulted in change of control over the Acquiree and all of its subsidiaries. Upon consummation of the Closing of the Acquisition, the Company through its ownership in AMI Buyer, Inc., became the Holding Company of (a) AMI US Holdings, Inc.; (b) AMI New US LLC; (c) AMI HK HoldCo Limited; (d) American Megatrends International GmbH; (e) American Megatrends International, LLC; (f) American Megatrends Information Technology (Kunshan) Co., Ltd.; (g) AMI India US LLC; (h) American Megatrends International India Pvt. Ltd. and their branches. The Company along with all these acquired entities and their branches is referred to as “Successor” and/or “Group” and each separate entity is individually referred to as “Group Entity”.

The Acquisition established a new accounting basis for AMI. The fair value of AMI’s assets and liabilities were recorded as of the Acquisition Date in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (ASC) Topic 805, *Business Combinations*. Those amounts differed materially from the recorded values of AMI’s assets and liabilities reflected in its historical consolidated financial statements of AMI Cayman HoldCo Ltd., the previous holding company under AMI CaymanCo Ltd. As a result of the application of the acquisition method of accounting, the Company’s consolidated balance sheets and consolidated statements of operations subsequent to October 17, 2024, will not be comparable in many respects to AMI’s consolidated balance sheets and consolidated statements of operations prior to the Acquisition.

Accordingly, the consolidated financial statements for the financial period ended June 30, 2026 and 2025 represent the results of operations and the financial position of the Company whereas the comparative figures for the preceding financial year ended December 31, 2024 are shown as comprising of Predecessor period (January 1, 2024 to October 17, 2024) representing the results of operations of AMI US Holdings, Inc. and subsidiaries prior to the Acquisition and the Successor period (October 18, 2024 to December 31, 2024) representing the results of operations and the financial position of the Company subsequent to the completion of the acquisition, and have been separated by a black line within these consolidated financial statements.

The acquisition was treated as a business combination under ASC 805, *Business Combinations*, and the identifiable assets acquired, and liabilities assumed were measured at the acquisition date fair value under ASC 820, Fair Value Measurement. See note 3 for further details regarding the acquisition.

As used throughout the consolidated financial statements, predecessor refers to AMI US Holdings, Inc. and subsidiaries, successor refers to AMI TopCo, Inc. and subsidiaries as detailed in note 2(a) below and “we,” “our,” or “the Company” refers to both predecessor and successor entities.

## **2 Summary of significant accounting policies**

### **(a) Basis of presentation and principles of consolidation**

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”). The accompanying consolidated financial statements reflect all adjustments that management considers necessary for a fair presentation of the results of operations for these periods. The Company’s reporting currency is United States Dollar (“\$” or “USD”).

**AMI TopCo, Inc. and Subsidiaries**  
Notes to the Consolidated Financial Statements  
For the period ended June 30, 2026, and the year ended December 31, 2025

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The accompanying consolidated financial statements have been prepared on a consolidated basis and reflect the financial statements of AMI TopCo, Inc., and its majority owned and controlled subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

The accompanying consolidated financial statements include the accounts of the following entities:

**For the period-ended June 30, 2026 and the year ended December 31, 2025**

- i. AMI TopCo Inc.
- ii. AMI Intermediate II, Inc.
- iii. AMI Intermediate, Inc.
- iv. AMI Buyer, Inc.
- v. AMI US Holdings, Inc.
- vi. AMI New US LLC
- vii. AMI HK HoldCo Limited
- viii. American Megatrends International GmbH
- ix. American Megatrends International, LLC
- x. American Megatrends Information Technology (Kunshan) Co., Ltd.
- xi. AMI India US LLC
- xii. American Megatrends International India Pvt. Ltd.

**(b) Use of estimates**

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions, which affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses in the consolidated financial statements and accompanying notes. Estimates are based on historical experience, where applicable, and other assumptions which management believes are reasonable under the circumstances. On an ongoing basis, the Company evaluates its estimates, including those related to the measurement of lease liabilities and right of use assets applied in lease accounting, revenue recognition on fixed price service contracts, fair values of other financial instruments, measurement of defined benefit obligations, valuation of intangible assets and goodwill, useful lives of property and equipment, useful lives of intangible assets, inventory, allowance for expected credit losses, valuation allowance of deferred tax assets, income tax uncertainties and other contingencies and commitments. These estimates are inherently subject to judgment and actual results could differ from those estimates.

Although these estimates and assumptions are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

**(c) Functional currency and translation**

The Company's consolidated financial statements are reported in USD. The functional currency of each entity in the Company is its respective local currency except, for AMI HK HoldCo Limited where the local currency is not representative of the functional currency and therefore USD is the functional currency. The translation of the functional currencies of the respective subsidiaries into USD is performed for balance sheet accounts using the exchange rates in effect as of the balance sheet date and for revenues and expense accounts using a monthly average exchange rate prevailing during the respective periods. The gains or losses resulting from such translation are reported as currency translation adjustments under other comprehensive deficit, net, under accumulated other comprehensive loss as a separate component of equity.

Transactions of each subsidiary in currencies other than the subsidiary's functional currency are translated into the respective functional currencies at the average monthly exchange rate prevailing during the period of the transaction. Monetary assets and liabilities of each subsidiary denominated in currencies other than the subsidiary's functional currency are translated into their respective functional currency at the rates of exchange prevailing at the balance sheet date. The gains or losses resulting from foreign currency transactions are included in the consolidated statements of operations.

**(d) Allowance for credit losses**

The Company records an allowance for credit losses (ACL) under *Subtopic 326-20 Financial Instruments – Credit Losses* measured at amortized cost for the current expected credit losses (CECL) inherent in its financial assets measured at amortized cost and contract assets. The ACL is a valuation account deducted from the amortized cost basis to present the net amount expected to be collected. The estimate of expected credit losses includes expected recoveries of amounts previously written off as well as amounts expected to be written off.

The estimate of expected credit losses is based on the Company's historical loss experience, adjusted for current and reasonable and supportable forecasts of economic conditions and other pertinent factors affecting the Company's customers such as known credit risk or industry trends. The allowance is estimated over the contractual term of the financial asset adjusted for expected prepayments. The Company does not have any off-balance-sheet credit exposures.

Subsequent changes (favorable and unfavorable) in expected credit losses each period are recognized immediately in net income/loss as a credit loss expense or a reversal of credit loss expense.

**Trade accounts receivable**

The Company uses an aging schedule to estimate the ACL for trade accounts receivable. This method categorizes trade receivables into different groups based on industry and the number of days past due. Past due status is measured based on the number of days since the payment due date. The trade receivables are evaluated individually for expected credit losses if they no longer share similar risk characteristics.

The Company maintains an allowance for credit losses for estimated losses incurred in its accounts receivable. In establishing the required allowance, management considers historical losses adjusted to take into account current market conditions and the Company's customers' financial condition, payment patterns and current receivables aging. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The Company does not have any off-balance sheet credit exposure related to its customers.

**Contract assets**

The Company determines the ACL for contract assets using estimates of probability of customer default and loss given default percentages applied to estimated exposure at default.

When measuring expected credit losses, the Company considers customers' historical payment patterns, customers' credit ratings as published by credit rating agencies, and current and reasonable and supportable forecasts of economic conditions in estimating customers' probability of default, exposure at default and estimated loss given default. The Company collectively evaluates contract assets with similar industry risk and credit risk characteristics. In addition, the Company evaluates the collectability of contract assets on an individual basis when they no longer have similar risk characteristics to determine if any are deemed uncollectible. Contract assets are written off against the allowance for credit losses when deemed uncollectible.

**(e) Trade accounts receivable**

Trade accounts receivable are recorded at the invoiced amount, net of an ACL, and do not bear interest. Amounts collected on trade accounts receivable are included in the net cash provided by operating activities in the consolidated statements of cash flows. The payment terms are governed by the contract signed with the clients and are in the range of 30 days to 90 days. The Company also evaluates the creditworthiness of clients as necessary, as described above.

**(f) Revenue recognition**

The Company earns revenue primarily from the licensing of BIOS or UEFI firmware products and Baseboard Management Controller (BMC) solutions and providing support services to ODMs, OEMs, and CSPs. In addition, Company generates revenue from the sale of hardware products and other professional software engineering services.

Pursuant to ASC 606, *Revenue from Contracts with Customers*, the Company recognizes revenue at the time of transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Under this standard, revenue is based on a contract with a determinable transaction price and distinct performance obligations with probable collectability. Revenues cannot be recognized until the performance obligation(s) are satisfied and control is transferred to the customer. This process involves identifying the customer contract, determining the performance obligations in the contract, determining the transaction price, allocating the transaction price to the performance obligations in the contract and recognizing revenue when the performance obligations have been satisfied. Revenue is recognized net of any taxes collected, which are subsequently remitted to governmental authorities.

#### **i. License revenue**

The Company generates revenue from the license of BIOS/UEFI, BMC, or other firmware product source codes embedded in a silicon vendor's chipset to OEMs, ODMs and CSPs under non-cancelable agreements provided for a finite term. These arrangements are entered into during various stages of the development phase of the chipsets that the firmware is embedded in and provide the customer with access to the Company's firmware source code for their own product development purposes. The contracts include maintenance and support services to develop and customize the source code for the customers' needs. These arrangements include the obligation to stand ready to provide frequent updates and enhancements based on changes required by the silicon vendor, the operating system provider, or the customer. The fees for license, maintenance and support services are fixed and invoiced in advance annually or per the terms of the agreement.

Certain license arrangements include sales or usage-based royalties in exchange for the right to distribute products that include the chipsets that are embedded with the Company's firmware source code. These royalties are based on a price per unit sold and are typically variable consideration in nature. In certain arrangements, a minimum volume of royalties are guaranteed over the course of the contract, which represents fixed consideration. Royalty fees are typically billed quarterly based on reporting from the customer regarding sales and usage quantities.

Determining whether products and services are considered distinct performance obligations that should be accounted for separately versus together requires significant judgment. The Company has concluded that (1) the licenses to access and distribute our source code in these contracts are not distinct from our obligation to provide unspecified updates to the source code throughout the license term, because those promises represent inputs to a single, combined performance obligation, and (2) the rights to unspecified updates and enhancements are accounted for as part of the single performance obligation that includes the licenses, updates, and technical support, because such rights are provided for the same period of time and have the same time-based pattern of transfer to the customer. In reaching this conclusion, the Company has considered the nature of the obligation to customers, which is to provide an ongoing right to use the most up-to-date version of the firmware that protects the product from security, compatibility and operability issues due to changes in the hardware and operating systems over time. The Company is required to provide on-going services to maintain the proper security, compatibility and operability of the licensed source code within those chipsets so that the products continue to function to the customer's standards.

Due to the significance and criticality of the software updates and enhancements provided during the maintenance term, the license, update and support services are not distinct in the context of the contract and are considered a single performance obligation whose fixed consideration is recognized on a straight-line basis over the term of the contract, consistent with the pattern of transfer.

To the extent the royalties are variable in nature, given that they relate to the license of intellectual property and the license of intellectual property is the predominant item to which the royalty relates, we recognize sales- or usage-based royalties at the later of when the sale or usage occurs or the performance obligation is satisfied or partially satisfied.

#### **ii. Professional services revenue**

##### **Time and material contracts**

Revenue generated from time-and-material based contracts is recognized as the related services are performed. The Company's right to consideration corresponds directly with the value to the customer of the entity's performance completed to date. As such, the Company recognizes revenue in the amount to which the entity has a right to invoice for those services performed, in accordance with the practical expedient in ASC 606-10-55-18.

### **Fixed price contracts**

Revenue generated from fixed price contracts where performance obligations and control are satisfied over a period of time like technology integration, system implementations and application development is recognized based on progress toward completion of the performance obligation using a percentage - of - completion (POC) method; efforts or costs expended have been used to measure progress toward completion as there is a direct relationship between input and productivity. Any revision in the estimate of costs/hours to complete would result in an increase or decrease in revenue and such changes are recorded in the period in which they are identified. Contract losses are determined to be the amount by which the estimated direct and incremental cost to complete exceeds the estimated future revenues that will be generated by the contract. These losses are included in research and development and support expenses and recorded in accrued expenses and other current liabilities.

### **iii. Hardware revenue**

The Company sells backplane controllers, MegaRAC development kits, and AST boards with BMC chips to OEM and ODM customers. The Company recognizes revenue when control of the promised goods transfers to a customer, based on the shipping terms defined in purchase orders, in an amount that reflects the consideration which the Company expects to be entitled in exchange for transferring those products. Such contracts do not include a significant financing component.

Shipping and handling costs associated with outbound freight, after control over a product has transferred to a customer, are accounted for as a fulfillment cost and are included in other operating expenses as incurred.

The Company adjusts the amounts of revenue for expected sales allowances, returns and claims based upon historical experience, however, these amounts are immaterial.

### **iv. Contracts with Multiple Performance Obligations**

When a sales arrangement contains multiple performance obligations, such as services, hardware and license of software or combinations of each of them, revenue for each element is based on a five step approach as defined above. To the extent a contract includes multiple promised deliverables, judgment is applied to determine whether promised deliverables are capable of being distinct and are distinct in the context of the contract. If these criteria are not met, the promised deliverables are accounted for as a combined performance obligation. For arrangements with multiple distinct performance obligations or series of distinct performance obligations, consideration is allocated among the performance obligations based on their relative standalone selling price. Standalone selling price is the price at which Company would sell a promised good or service separately to the customer.

The Company determines the standalone selling prices based on its overall pricing objectives, taking into consideration market conditions and other factors, including the value of its contracts, the software services sold, customer size and complexity, and the number and types of users under the contracts.

### **Costs to obtain customer contracts**

The Company has adopted the practical expedient to expense costs to obtain a contract if the amortization period for the assets that the Company otherwise would have recognized is one year or less. These costs incurred are immaterial to the consolidated financial statements.

### **Contract assets and liabilities**

Contract assets primarily represent revenue earnings over time for which the Company does not presently have an unconditional right to payment (generally not yet billable) based on the terms of the contracts. Contract assets are reported net of expected credit losses.

Contract liabilities consist of amounts invoiced or paid by the Company's customers for which the associated performance obligations have not been satisfied and revenue has not been recognized based on the Company's revenue recognition criteria.

Contract assets and contract liabilities are reported in a net position on an individual contract basis at the end of each reporting period. Contract assets are classified as current in the consolidated balance sheet when the Company expects to complete the related performance obligations and invoice the customers within one year of the balance sheet date, and as long-term when the Company expects to complete the related performance obligations and invoice the customers more than one year out from the balance sheet date. Contract liabilities are classified as current in the consolidated balance sheet when the revenue recognition associated with the related customer payments and invoicing is expected to occur within one year of the balance sheet date and as long-term when the revenue recognition associated with the related customer payments and invoicing is expected to occur in more than one year from the balance sheet date.

**(g) Inventories**

Inventories primarily represent items of finished goods / hardware that are procured to fulfill customer contracts. Inventory is stated at the lower of cost and net realizable value. Cost is determined by using the first-in, first-out method (FIFO) for all inventories. Inventory valuation reserves for obsolete and slow-moving inventory are estimated based on a detailed analysis of inventory aging, historical usage trends, and expected future demand.

**(h) Property and equipment**

Property and equipment represent the costs of furniture and fixtures, office equipment, computer equipment and networking equipment, and leasehold improvements. Cost also includes any costs necessarily incurred to bring the asset to the condition and location necessary for its intended use.

Property and equipment are stated at cost, less accumulated depreciation and impairment losses. Depreciation is calculated using the straight-line method over the assets' estimated useful lives as follows:

| Asset description                         | Asset life (in years)                                                                               |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------|
| Computer and networking equipment         | 3 to 5                                                                                              |
| Furniture, fixtures, and office equipment | 5                                                                                                   |
| Leasehold improvements                    | Lower of lease term or the estimated useful life of the improvement<br>(ranging from 2 to 12 years) |

Leasehold improvements related to office facilities are depreciated over the shorter of the lease term or the estimated useful life of the improvement.

Subsequent expenditure related to property and equipment which is deemed to extend the useful economic life of an asset are capitalized. Maintenance and repairs that do not improve efficiency or extend the estimated economic life of an asset are expensed as incurred. The gain or loss on disposal/write off of an item of property and equipment (calculated as the difference between the carrying amount of the item and net proceeds from disposal) is recognized in the consolidated statements of operations under the caption 'other (income), net'.

**(i) Leases**

A lease is a contract that contains right to control the use of an identified asset for a period of time in exchange for consideration. The Company is a lessee in operating leases for office space and accommodation for certain of its employees. The Company accounts for leases in accordance with Topic 842, *Leases*.

Right-of-use assets (ROU assets) represent the Company's right to control the underlying assets under lease, and the lease liability is the obligation to make the lease payments related to the underlying assets under lease. ROU assets are recognized on the lease commencement date and measured initially based on the lease liability adjusted for any initial direct costs, prepaid rent, and lease incentives. ROU assets are depreciated over the lease term or useful life of the right-of-use asset, whichever is less.

Subsequently, ROU assets are measured at cost less any accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of the lease liability.

The lease liabilities are initially measured at the present value of the unpaid lease payments discounted using the Company's local incremental borrowing rate. The lease payments included in the measurement of the lease liabilities are comprised of fixed payments less any lease incentives, variable lease payments that depends on an index or a rate, the exercise price of a purchase option if the Company is reasonably certain to exercise the option, and any payment of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or modification, if any.

The Company monitors events or changes in circumstances that require a reassessment of one of its leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment is made to the carrying amount of the corresponding ROU asset unless doing so would reduce the carrying amount of the ROU asset to an amount less than zero. In that case, the ROU asset is reduced to zero and the remainder of the adjustment is recorded in profit or loss.

Variable lease payments associated with the Company's leases are recognized when the event, activity, or circumstance in the lease agreement on which those payments are assessed occurs. Variable lease payments are presented as operating expense in the Company's consolidated statements of operations in the same line item as expense arising from fixed lease payments (operating leases).

The Company has elected to not recognize leases with a lease term of 12 months or less in the consolidated balance sheets and lease costs for those short-term leases are recognized on a straight-line basis over the lease term in the consolidated statements of operations.

For all asset classes, the Company has elected the lessee practical expedient to combine lease and non-lease components and account for the combined unit as a single lease component in case there is no separate payment defined under the contract.

Operating lease right-of-use assets are presented as operating lease right of use assets on the consolidated balance sheets. The current portion of operating lease liabilities is included in current portion of operating lease liabilities, and the long-term portion is presented separately as operating lease liabilities, net of current portion on the consolidated balance sheets.

#### **(j) Business Combination**

The Company accounts for its business combinations under the acquisition method of accounting. The Company records the assets acquired and liabilities assumed, including any contingent consideration, based on their estimated fair values at the date of acquisition. The excess of the purchase price for acquisitions over the fair value of the net assets acquired, including other intangible assets, is recorded as goodwill.

While the Company uses its best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date as well as contingent consideration, where applicable, the estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, the Company records adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill.

Upon the conclusion of the measurement period, any subsequent adjustments are recorded to the Company's consolidated statements of operations.

Identifiable intangible assets acquired in a business combination are recognized separately from goodwill when they meet the contractual-legal or separability criteria and are measured at acquisition-date fair value.

Transaction costs are acquisition-related expenses that the acquirer incurs to affect a business combination. These costs include finder's fees; advisory, legal, accounting, valuation, and other professional or consulting fees; general administrative expenses; and the costs of registering and issuing debt and equity securities. The Company accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received, except for equity and debt issuance costs.

During 2024, transaction costs incurred by the Acquirer that were contingent upon the consummation of the Acquisition have been recorded in the Successor Period. Acquisition-related expenses incurred by the acquiree prior to acquisition are recorded in the Predecessor Period consolidated statement of operations.

The costs of issuing debt or equity securities are recognized in accordance with other applicable standards. Debt issuance costs are reported in the consolidated balance sheet as a direct deduction from the face amount of that debt.

**(k) Goodwill**

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Our goodwill is contained within two reporting units, which are our product lines: Boot Firmware (“BFG”) and Manageability and Security (“MSG”). Goodwill is not amortized but is instead tested for impairment annually during the fourth quarter and whenever events or changes in circumstances indicate the carrying value of goodwill may not be recoverable. When evaluating whether goodwill is impaired, we make a qualitative assessment to determine if it is more likely than not that a reporting unit’s fair value is less than the carrying amount. If the qualitative assessment determines that it is more likely than not that the fair value of a reporting unit is less than the carrying amount, the fair value of a reporting unit is compared with its carrying value (including goodwill). If the fair value of a reporting unit is less than its carrying value, then goodwill impairment exists for that reporting unit. The impairment loss, if any, is recognized for the amount by which the carrying value exceeds the fair value. If the fair value of a reporting unit exceeds its carrying value, no further impairment analysis is needed. Based on our annual qualitative impairment test, we concluded that it is not more likely than not that the fair value of each reporting unit is less than its carrying amount.

**(l) Intangible assets**

The identifiable intangible assets acquired consist primarily of trademarks, developed technology, and customer relationships. The trademarks and developed technology have been fair valued, based on the ‘relief from royalty’ method. The relief-from-royalty method is a variation of an income approach that measures the fair value of an asset using a cost-savings concept. This is based on the notion that, if the entity did not own the asset, it would pay a royalty to a third party for the right to use that asset. Therefore, the value of the asset is the fair value of the cost savings of not paying a royalty to a third party.

Customer relationships were valued using the multi-period excess earnings method, which estimates fair value based on the present value of the after-tax cash flows attributable to existing customer relationships after deducting contributory asset charges associated with supporting assets.

The Company also capitalizes certain technology-related development costs incurred in connection with developing technology when the initial design phase is completed and commercial and technological feasibility has been established. Any development cost incurred before technological feasibility is established is expensed as incurred as research and development and support expenses. Technological feasibility is established upon completion of a detailed design program or, in its absence, completion of a working model. Capitalized technology costs include only (i) external direct costs of materials and services utilized in developing or obtaining software and technology and (ii) compensation and related benefits for employees who are directly associated with the project. These capitalized technology-related development costs are included in intangible assets.

Costs incurred in connection with developing or obtaining software or technology for sale to customers which are under development and not put to use are disclosed under “intangible assets under development.”

Intangible assets with definite lives are amortized over the estimated useful lives and are reviewed for impairment, if indicators of impairment arise. The evaluation of impairment is based upon a comparison of the carrying amount of the intangible asset with the estimated future undiscounted net cash flows expected to be generated by the asset. If estimated future undiscounted cash flows are less than the carrying amount of the asset, the asset is considered impaired. The impairment expense is determined by comparing the estimated fair value of the intangible asset to its carrying value, with any shortfall from fair value recognized as an expense in the current period. The intangible assets with definite lives are amortized over the estimated useful lives of the assets as under:

| <u>Asset description</u> | <u>Asset life (in years)</u> |
|--------------------------|------------------------------|
| Developed technology     | 10                           |
| Customer relationships   | 10                           |
| Trademarks               | 15                           |

**(m) Impairment of long-lived assets**

The Company evaluates its held-and-used long-lived assets for indicators of possible impairment when events or changes in circumstances indicate the carrying amount of an asset or asset group (collectively, the “asset group”) may not be recoverable. The Company measures the recoverability of the asset group by comparing the carrying amount of such asset group to the future undiscounted cash flows it expects the asset group to generate. If the Company considers the asset group to be impaired, the impairment to be recognized equals the amount by which the carrying value of the asset group exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary. There has been no impairment during the period ended June 30, 2026, and the year ended December 31, 2025.

**(n) Cash and cash equivalents**

Cash and cash equivalents primarily represent cash and money market instruments in bank accounts. The Company considers all highly liquid investments and short-term deposits with an original maturity of three months or less, when purchased, to be cash equivalents.

**Restricted cash**

Restricted cash consists of funds that are contractually restricted as to usage or withdrawal due to a contractual agreement with a lender for the repayment of borrowings.

The position of cash and cash equivalents and restricted cash as of Balance Sheet Date, is as follows:

|                               | <u>As of June 30, 2026</u>  | <u>As of December 31, 2025</u> |
|-------------------------------|-----------------------------|--------------------------------|
| Cash and bank balances        | \$ 30,274,536               | \$ 37,775,933                  |
| Restricted cash – current     | 2,184,514                   | 17,628                         |
| Restricted cash – non-current | 28,133                      | 19,855                         |
| <b>Total</b>                  | <b><u>\$ 32,487,183</u></b> | <b><u>\$ 37,813,416</u></b>    |

**(o) Income taxes**

The Company accounts for income taxes using the asset and liability method. Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their tax bases and for all operating loss and tax credit carryforwards, if any. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax laws or rates is recognized in the consolidated statements of operations in the period that includes the enactment date. If it is determined that it is more likely than not that future tax benefits associated with a deferred income tax asset will not be realized, a valuation allowance is recorded.

The Company regularly reviews the deferred tax assets for recoverability based on historical taxable income, projected future taxable income, the expected timing of the reversals of existing temporary differences and tax planning strategies. The Company’s judgment regarding future profitability may change due to many factors, including future market conditions and the ability to successfully execute the business plans and/or tax planning strategies. Should there be a change in the ability to recover deferred tax assets, the Company’s income tax expense would increase or decrease in the period in which the assessment is changed.

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured as the largest amount that is greater than 50 percent likely of being realized upon settlement.

The Company follows the specific identification approach for releasing stranded tax effects from accumulated other comprehensive income (“AOCI”) upon recognition of these AOCI items in the consolidated statements of operations.

**(p) Employee benefits**

Contributions to defined contribution plans are charged to consolidated statements of operations in the period in which services are rendered by the covered employees. Current service costs for defined benefit plans are accrued in the period to which they relate. The liability in respect of defined benefit plans is calculated annually by the Company using the projected unit credit method. Prior service cost, if any, resulting from an amendment to a plan is recognized and amortized over the remaining period of service of the covered employees.

The Company records annual amounts relating to its defined benefit plans based on calculations that incorporate various actuarial and other assumptions, including discount rates, mortality, compensation increases and turnover rates. The Company reviews its assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends when it is appropriate to do so. The effect of modifications to those assumptions is recorded in other comprehensive income (loss) and amortized to net periodic cost over future periods using the corridor method. The Company believes that the assumptions utilized in recording its obligations under its plans are reasonable based on its experience and market conditions.

**(q) Share-based payment transactions**

The Company recognizes and measures compensation expense for all share-based awards based on the grant date fair value. The Company determines fair value attributable to respective classes of shares using an option pricing model. The model allocates fair value to the respective classes of shares using a waterfall model stipulated under the equity arrangement of shareholders. During the period ended June 30, 2026 and the year ended December 31, 2025, the grant date fair value for option awards was determined using the Monte Carlo Option Pricing Model, whereas for the Predecessor period, the grant date fair value for option awards was determined using the Black-Scholes model.

The fair value determined at the grant date is expensed over the vesting period of the share-based awards. Share-based compensation recognized in the consolidated statements of operations is based on awards that are ultimately expected to vest. If the vesting is based on a contingent event which is considered not probable, related costs are recognized only when such event is consummated.

The Company accounts for forfeitures when they occur. Consequently, compensation cost previously recognized for an employee share option is reversed in the period in which forfeiture of the award occurs. Previously recognized compensation cost is not reversed if an employee share option for which the requisite service has been rendered expires unexercised.

With respect to modifications, the incremental impact of an increase in fair value is charged to the consolidated statements of operations on the date of modification if the vesting period is complete, and over the remaining vesting period where the vesting period is not complete.

**(r) Commitments and contingencies**

The Company records a liability for loss contingencies arising from claims, assessments, litigation, fines, penalties and other sources when it believes that it is both probable that a loss has been incurred and the amount can be reasonably estimated. If it determines that a loss is reasonably possible and the loss or range of loss can be reasonably estimated, the same is disclosed as possible loss in the accompanying notes to the consolidated financial statements.

The Company reviews the developments in contingencies that could affect the amount of the provisions that have been previously recorded, and the matters and related reasonably possible losses disclosed. Adjustments are made to provisions and changes to corresponding disclosures accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. Significant judgment is required to determine both the probability and the estimated amount of loss. These estimates are based on an assessment of the facts and circumstances at each balance sheet date and are subject to change based on new information and future events.

**(s) Financial instruments and significant customers**

Financial instruments that potentially subject the Company to concentration on credit risk are reflected principally in cash and cash equivalents, contract assets and accounts receivable. The Company evaluates the concentration of risk with respect to its receivable accounts and contracts to be low, as the Company does not foresee any significant credit risk attached to receivables from customers owing to their past payment history and stable financial conditions. Revenues from one customer represented approximately \$10.2 million, which is approximately 10% of the total revenue for the Period ended June 30, 2026, and approximately \$12.7 million, which is approximately 14% of the total revenue for the Period ended June 30, 2025, are reported within revenue.

**(t) Fair value measurements**

The Company holds financial instruments that are measured at fair value or fair value is used for disclosure purposes. Fair value is determined in accordance with a fair value hierarchy that prioritizes the inputs and assumptions used, and the valuation techniques used to measure fair value. The three levels of the fair value hierarchy are described as follows:

Level 1 inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

Level 2 inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of assets and liabilities and placement within the fair value hierarchy levels. The Company determines the fair value of its assets and liabilities using the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

The fair value of the Developed Technology and Trademarks was determined as \$89,000,000 and \$12,400,000 respectively using the relief-from-royalty method and classified in Level 3 of the fair value hierarchy. The fair value of the assets was estimated based on the present value of the royalty payments that the acquirer saves by owning the asset, based on a market participant royalty rate. This approach includes management estimating revenues expected to be generated over the expected useful life of the assets, which requires significant judgment and has significant uncertainty associated with it. In addition, the Company determines the appropriate discount rate to apply to the cash flows and calculates a tax amortization benefit. Under this approach, a royalty rate of 1% and 15% was used for Trademarks and Developed Technology, respectively and the cash flows were discounted using a rate of 11%. The fair value of customer relationships was determined to be \$ 316,400,000 using the multi-period excess earnings method and was classified within Level 3 of the fair value hierarchy. The valuation was based on the present value of after-tax cash flows attributable to existing customers, after deducting contributory asset charges, and incorporated an annual customer-retention factor of 95.0% and a discount rate of 11.0%. These assumptions require significant management judgment and have significant uncertainty associated with it. *(see note 3 for further discussion)*

**(u) Expenses**

Set forth below is a brief description of the components of the Company's expenses:

**i. Cost of product**

Cost of product consists primarily of the cost of computer hardware sold in fulfilling customer contracts. Such costs are recognized in the period in which the related revenue is recognized.

**ii. Cost of services (exclusive of depreciation and amortization)**

Cost of services consists primarily of personnel-related costs, and other direct costs associated with providing support services and fulfilling customer contracts. Such costs are recognized in the period in which the related revenue is recognized. Cost of services excludes depreciation of capitalized software and amortization of developed technology of \$1,817,980 for the period ended June 30, 2026, and \$1,907,439 for the period ended June 30, 2025.

**iii. Research and development expenses**

Research, development expenses primarily consist of personnel and other direct costs pertaining to the operation and monitoring of software product development and providing support services which are directly related to providing services that generate revenue and support operations of the Company. All research and development costs are expensed as incurred, with the exception of certain technology-related development costs.

**iv. Selling, general and administrative expenses**

Selling, general and administrative expenses include payroll and related costs for corporate, finance, legal, business development, supply chain management and other support staff including bonus and share-based compensation expenses, professional fees, allowance for credit losses and other corporate expenses.

**(v) Recently issued accounting pronouncements**

*Recently Adopted*

In October 2021, the FASB issued ASU 2021-08, *Business Combinations* (Topic 805): *Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, which provides an exception to fair value measurement for contract assets and contract liabilities related to revenue contracts acquired in a business combination. The ASU requires an entity (acquirer) to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606. At the acquisition date, an acquirer should account for the related revenue contracts in accordance with Topic 606 as if it had originated the contracts. The ASU is effective for the Company for annual and interim periods in fiscal years beginning after December 15, 2022 and is applied to business combinations occurring on or after the effective date. The Company adopted this ASU effective January 1, 2023.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes* (Topic 740): *Improvements to Income Tax Disclosures*. The Company adopted ASU 2023-09 prospectively for the year ended December 31, 2025. The amendments require consistent categories and greater disaggregation in the income tax rate reconciliation and disclosure of income taxes paid, net of refunds received, disaggregated by federal, state, and foreign jurisdictions. Prior periods continue to be presented under the previous disclosure requirements. The adoption affected disclosures and did not affect amounts recognized in the consolidated financial statements.

In March 2024, the FASB issued ASU 2024-01, *Compensation-Stock Compensation* (Topic 718): *Scope Application of Profits Interest and Similar Awards*. This ASU adds an illustrative example to demonstrate how an entity should apply the scope guidance in paragraph 718-10-15-3 to determine whether profits interest and similar awards should be accounted for in accordance with Topic 718. ASU 2024-01 is effective for the Company's annual reporting periods beginning after December 15, 2024. Adoption is either with a prospective method or a fully retrospective method of transition. Early adoption is permitted. The adoption of ASU 2024-01 did not have a material effect on its consolidated financial statements.

In March 2024, the FASB issued ASU 2024-02, *Codification Improvements – Amendments to Remove References to the Concepts Statements*. This ASU removes references to various FASB Concepts Statements to simplify the Codification and draw a distinction between authoritative and non-authoritative literature. ASU 2024-02 is effective for the Company's annual reporting periods beginning after December 15, 2024. Adoption is either with a prospective method or a fully retrospective method of transition. Early adoption is permitted. The Company adopted this ASU effective January 1, 2025 and there has been no material effect on its consolidated financial statements.

*Effective in Future Years*

In October 2023, the FASB issued ASU 2023-06, *Disclosure Improvements – Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*. The ASU modifies the disclosure or presentation requirements of a variety of Topics in the Codification to align with the Securities and Exchange Commission ("SEC")'s regulations. The ASU also makes those requirements applicable to entities that were not previously subject to the SEC's requirements. The ASU is effective for the Company two years after the effective date to remove the related disclosure from Regulation S-X or S-K. If the SEC has not removed the applicable disclosure requirement by June 30, 2027, the related amendment will not become effective for any entity and will be removed from the Codification. As of the date these consolidated financial statements have been made available for issuance, the SEC has not yet removed any related disclosure. The Company does not expect the adoption of ASU 2023-06 to have a material effect on its consolidated financial statements.

In November 2024, the FASB issued ASU 2024-04, *Debt – Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments*. This ASU clarifies the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as induced conversions. ASU 2024-04 is effective for the Company's annual reporting periods beginning after December 15, 2025. Adoption is either with a prospective method or a retrospective method of transition that is retrospective to the later of the beginning of earliest period presented and the date the entity adopted ASU 2020-06. Early adoption is permitted for all entities that have adopted ASU 2020-06. The Company does not expect the adoption of ASU 2024-04 to have a material effect on its consolidated financial statements.

In May 2025, the FASB issued ASU 2025-04, *Compensation—Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606): Clarifications to Share-Based Consideration Payable to a Customer*. This ASU clarifies the accounting for share-based consideration payable to a customer, including the interaction between the guidance in Topic 606 and Topic 718. The amendments clarify that the variable consideration constraint guidance in Topic 606 should not be applied to share-based consideration that is measured and classified under Topic 718 and provide additional guidance to improve consistency in accounting for such arrangements. ASU 2025-04 is effective for the Company's annual reporting periods beginning after December 15, 2026. Adoption is permitted using either a modified retrospective method or a retrospective method of transition. Early adoption is permitted. The Company does not expect the adoption of ASU 2025-04 to have a material effect on its consolidated financial statements.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The ASU provides a practical expedient that permits an entity to assume that current economic conditions as of the balance sheet date do not change for the remaining life of the asset. Further, the ASU allows an entity, other than a public business entity, that elects the practical expedient to make an accounting policy election to consider collection activity after the balance sheet date when estimating expected credit losses. ASU 2025-05 is effective for the Company for annual periods beginning after December 15, 2025. The ASU is applied prospectively and early adoption is permitted. The Company does not expect the adoption of ASU 2025-05 to have a material effect on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*. The ASU amends the criteria for when an entity is required to start capitalizing costs for internal use of software. The ASU is effective for the Company for annual periods beginning after December 15, 2027. Adoption is on either a prospective, modified retrospective, or a fully retrospective basis. Early adoption is permitted. The Company is currently evaluating the effect that adoption of ASU 2025-06 will have on its consolidated financial statements.

**AMI TopCo, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**

**3 Prepaid expenses and other current assets**

|                                                                     | <u>June 30, 2026</u><br>(Unaudited) | <u>December 31, 2025</u><br>(Audited) |
|---------------------------------------------------------------------|-------------------------------------|---------------------------------------|
| Prepaid expenses and other current assets consist of the following: |                                     |                                       |
| Prepaid expenses                                                    | \$ 2,508,417                        | \$ 2,118,236                          |
| Other current assets                                                | 228,004                             | 296,161                               |
| Indirect tax receivable                                             | 628,340                             | 456,004                               |
|                                                                     | <u><b>\$ 3,364,761</b></u>          | <u><b>\$ 2,870,401</b></u>            |

**4 Property and equipment, net**

|                                                                | <u>June 30, 2026</u><br>(Unaudited) | <u>December 31, 2025</u><br>(Audited) |
|----------------------------------------------------------------|-------------------------------------|---------------------------------------|
| The components of property and equipment, net were as follows: |                                     |                                       |
| Computer and networking equipment                              | \$ 7,795,341                        | \$ 7,388,561                          |
| Furniture, fixtures and office equipment                       | 1,089,415                           | 668,877                               |
| Leasehold improvements                                         | 5,086,426                           | 3,582,054                             |
| Software                                                       | 1,067,288                           | 1,117,613                             |
| Less: accumulated depreciation and amortization                | (9,465,387)                         | (8,969,011)                           |
| <b>Property and equipment, net</b>                             | <u><b>\$ 5,573,083</b></u>          | <u><b>\$ 3,788,094</b></u>            |

Depreciation expense was \$1,250,746 and \$1,073,218 for the six months ended June 30, 2026, and June 30, 2025, respectively.

**5 Intangibles, net and Goodwill, net**

**Intangibles, net**

|                                                     | <u>June 30, 2026</u>         |                                                | <u>Net carrying amount</u>  |
|-----------------------------------------------------|------------------------------|------------------------------------------------|-----------------------------|
|                                                     | <u>Gross carrying amount</u> | <u>Accumulated amortization</u><br>(Unaudited) |                             |
| The components of intangibles, net were as follows: |                              |                                                |                             |
| Developed technology                                | \$ 89,000,000                | \$ 15,133,899                                  | \$ 73,866,101               |
| Trademarks                                          | 12,400,000                   | 1,405,696                                      | 10,994,304                  |
| Customer relationships                              | 316,400,000                  | 54,053,480                                     | 262,346,520                 |
| <b>Total</b>                                        | <u><b>\$417,800,000</b></u>  | <u><b>\$ 70,593,075</b></u>                    | <u><b>\$347,206,925</b></u> |

  

|                        | <u>December 31, 2025</u>     |                                              | <u>Net carrying amount</u>  |
|------------------------|------------------------------|----------------------------------------------|-----------------------------|
|                        | <u>Gross carrying amount</u> | <u>Accumulated amortization</u><br>(Audited) |                             |
| Developed technology   | \$ 89,000,000                | \$ 10,722,892                                | \$ 78,277,108               |
| Trademarks             | 12,400,000                   | 995,984                                      | \$ 11,404,016               |
| Customer relationships | 316,400,000                  | 38,298,762                                   | \$278,101,238               |
| <b>Total</b>           | <u><b>\$417,800,000</b></u>  | <u><b>\$ 50,017,638</b></u>                  | <u><b>\$367,782,362</b></u> |

Amortization expense was \$20,575,437 and \$20,575,437, for the six months ended June 30, 2026 and June 30, 2025, respectively. The weighted average remaining amortization for the intangibles as of June 30, 2026 is 8.43 years, and as of December 31, 2025 was 8.93 years. There has been no impairment recorded during the six months ended June 30 2026.

The estimated amortization expense schedule for intangible assets based on current balance is as follows:

|                          |                           |
|--------------------------|---------------------------|
| Year ending December 31, |                           |
| 2026                     | 20,916,467                |
| 2027                     | 41,491,904                |
| 2028                     | 41,605,580                |
| 2029                     | 41,491,904                |
| 2030                     | 41,491,904                |
| Thereafter               | 160,209,166               |
|                          | <u><b>347,206,925</b></u> |

|                              |                                     |                                       |
|------------------------------|-------------------------------------|---------------------------------------|
| <b>Goodwill</b>              | <u>June 30, 2026</u><br>(Unaudited) | <u>December 31, 2025</u><br>(Audited) |
| Goodwill                     | \$211,887,395                       | \$ 211,887,395                        |
| Less: impairment on goodwill | —                                   | —                                     |
| <b>Goodwill</b>              | <u><b>\$211,887,395</b></u>         | <u><b>\$ 211,887,395</b></u>          |

As described in Note 2(k), Goodwill is tested for impairment annually during the fourth quarter and whenever events or changes in circumstances indicate the carrying value of goodwill may not be recoverable. There has been no impairment recorded during the year ended December 31, 2025, for the Successor Period ended December 31, 2024 and Predecessor Period ended October 17, 2024.

As of December 31, 2025, \$64,826,274 of the intangible assets and \$62,262,993 of the goodwill are deductible for tax purposes.

**6 Borrowings**

On October 17, 2024, the Company entered into a comprehensive credit agreement ('Credit Agreement') to avail a term loan amounting to \$275,000,000 and revolver line of credit amounting to \$40,000,000 from "Bain Capital Credit, LP". Borrowings under the Credit Agreement bear interest at London Interbank Offered Rate or Secured Overnight Financing Rate (SOFR) or Alternate Base Rate (ABR) plus an applicable margin (5.07% as of December 31, 2025). The Credit Agreement is secured by substantially all assets.

The debt issuance cost for the term loan facility of \$275,000,000 was \$8,405,864 (including \$3,150,000 in fees due to an affiliate of Thomas H. Lee Partners, the owner of AMI TopCo, Inc.) which will be amortized using the effective interest method over a period of seven (7) years.

**Short-term borrowings**

There is no outstanding balance of the revolver line of credit as of June 30, 2026. The unutilized amount of the revolver facilities is \$40,000,000 as of June 30, 2026.

The debt issuance cost for the revolver line of credit of \$40,000,000 was \$1,222,671 which will be amortized over a period of seven (7) years using the straight-line method.

|                                                                       | <u>June 30, 2026</u><br>(Unaudited) | <u>December 31, 2025</u><br>(Audited) |
|-----------------------------------------------------------------------|-------------------------------------|---------------------------------------|
| Term-loan from bank                                                   | \$271,562,500                       | \$ 272,937,500                        |
| Revolver loan                                                         | —                                   | —                                     |
|                                                                       | <u>271,562,500</u>                  | <u>272,937,500</u>                    |
| Less: current portion of long-term debt                               | (2,750,000)                         | (2,750,000)                           |
| Less: Total deferred financing costs (Non current)                    | (5,894,164)                         | (6,579,682)                           |
| Less: Total deferred financing costs (current)                        | (1,382,399)                         | (1,382,399)                           |
| Total debt, excluding current maturities and deferred financing costs | <u>\$261,535,937</u>                | <u>\$ 262,225,419</u>                 |

Maturities of long-term debt outstanding, in principal amounts, at June 30, 2026 are summarized below

| Year       | Total Principal Repayment |
|------------|---------------------------|
| 2026       | \$ 1,375,000              |
| 2027       | 2,750,000                 |
| 2028       | 2,750,000                 |
| 2029       | 2,750,000                 |
| 2030       | 2,750,000                 |
| Thereafter | 259,187,500               |
|            | <u>\$ 271,562,500</u>     |

**7 Accrued expenses and other current liabilities**

|                                                                           | <u>June 30, 2026</u><br>(Unaudited) | <u>December 31, 2025</u><br>(Audited) |
|---------------------------------------------------------------------------|-------------------------------------|---------------------------------------|
| Accrued expenses and other current liabilities consists of the following: |                                     |                                       |
| Sales tax and other taxes payable                                         | \$ 520,687                          | \$ 621,052                            |
| Accrued liabilities and expenses                                          | 3,670,535                           | 3,330,999                             |
| Accrued interest                                                          | 4,911,147                           | 5,002,695                             |
| Employee related payables                                                 | 8,742,818                           | 14,869,761                            |
| Current portion of liability for pension benefits                         | 34,779                              | 159,900                               |
|                                                                           | <u>\$17,879,966</u>                 | <u>\$ 23,984,407</u>                  |

**AMI TopCo, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**

**8 Other liabilities**

|                                                     | <u>June 30, 2026</u><br>(Unaudited) | <u>December 31, 2025</u><br>(Audited) |
|-----------------------------------------------------|-------------------------------------|---------------------------------------|
| Long term accrued liabilities and expenses          |                                     | —                                     |
| Long term employee related payables                 | \$ 436,036                          | \$ 416,498                            |
| Long term portion of liability for pension benefits | <u>1,574,010</u>                    | <u>1,738,309</u>                      |
|                                                     | <u>\$2,010,046</u>                  | <u>\$ 2,154,807</u>                   |

**9 Leases**

The Company has leased buildings, vehicles, furniture and fixtures, leased lines, computer equipment from various lessors. The components of lease are as summarized below:

|                         | <u>Six Months Ended<br/>June 30, 2026</u><br>(Unaudited) | <u>Six Months Ended<br/>June 30, 2025</u><br>(Unaudited) |
|-------------------------|----------------------------------------------------------|----------------------------------------------------------|
| Operating lease cost    | \$ 1,691,250                                             | \$ 1,383,494                                             |
| Short term lease cost   | 67,490                                                   | 162,484                                                  |
| <b>Total lease cost</b> | <b>\$ 1,758,740</b>                                      | <b>\$ 1,545,978</b>                                      |

Included in 'Cost of revenue', 'Research and Development and Support Expenses' and 'Selling, General and Administrative Expenses' in the consolidated statements of operations are amounts of \$723,217, \$670,625 and \$364,898 for the six months ended June 30, 2026, and \$652,463, \$570,844 and \$322,671 for the six months ended June 30, 2025, respectively.

Amounts reported in the consolidated balance sheets as of June 30, 2026 and December 31, 2025 were as follows:

|                                     | <u>June 30, 2026</u><br>(Unaudited) | <u>December 31, 2025</u><br>(Audited) |
|-------------------------------------|-------------------------------------|---------------------------------------|
| Operating leases:                   |                                     |                                       |
| Operating lease right-of-use assets | \$12,267,275                        | \$ 9,050,598                          |
| Operating lease liabilities         | <u>12,949,550</u>                   | <u>9,435,171</u>                      |
| Current                             | 1,908,873                           | 2,071,424                             |
| Non-current                         | <u>\$11,040,677</u>                 | <u>\$ 7,363,747</u>                   |

**Other Information**

|                                                          | <u>June 30, 2026</u><br>(Unaudited) | <u>December 31, 2025</u><br>(Audited) |
|----------------------------------------------------------|-------------------------------------|---------------------------------------|
| Weighted average remaining lease term - operating leases | 6.33 years                          | 4.72 years                            |
| Weighted average discount rates - operating leases       | 8.05%                               | 7.72%                                 |

**Cash paid for amounts included in the measurement of lease liabilities**

|                                               | <u>Six Months Ended<br/>June 30, 2026</u><br>(Unaudited) | <u>Six Months Ended<br/>June 30, 2025</u><br>(Unaudited) |
|-----------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| Operating cash outflows from operating leases | <u>\$ 1,368,698</u>                                      | <u>\$ 1,416,557</u>                                      |

The following table presents a maturity analysis of expected undiscounted cash flows for operating leases on an annual basis for the next five years and thereafter.

|                               |                            |
|-------------------------------|----------------------------|
| Year ending December 31, 2026 | \$ 1,394,365               |
| 2027                          | 2,904,063                  |
| 2028                          | 2,730,586                  |
| 2029                          | 2,159,339                  |
| 2030                          | 2,200,860                  |
| Thereafter                    | <u>5,780,768</u>           |
| <b>Total</b>                  | <b><u>17,169,981</u></b>   |
| Imputed interest              | <u>(4,220,431)</u>         |
| <b>Total lease liability</b>  | <b><u>\$12,949,550</u></b> |

## **10 Share-Based Compensation**

AMI TopCo, Inc., a Delaware corporation, established a stock incentive plan known as “2024 Equity Incentive Plan” intended to promote the long-term growth and profitability of the Company and its subsidiaries by providing those persons who are involved in the Company’s and its subsidiaries’ growth with an opportunity to acquire an ownership interest in the Company, thereby encouraging such persons to contribute to and participate in the success of the Company and its subsidiaries.

Under the Plan, the Company may make awards to present and future officers, directors, employees, consultants and other service providers of the Company or its subsidiaries as may be selected in the sole discretion of the Board of AMI TopCo, Inc.

The Board authorized and approved the “2024 Equity Incentive Plan” on December 2, 2024. The Plan authorizes grants to purchase up to 37,473 shares of Common stock with an exercise price of \$1,000 per share.

The plan comprises of the following:

- a) Service-based options
- b) Performance-based options

### **a) Service-based options**

Service-based options will be subject to time-vesting and will vest over a five (5) year period as follows:

- i. twenty percent (20%) of the Service-based options shall vest on the first anniversary of the date of grant and
- ii. an additional twenty percent (20%) will vest on each subsequent anniversary of the date of grant such that all service-based options shall be vested as of the fifth (5th) anniversary of the date of grant. To receive each year’s vesting, the employee must remain continuously employed by the Company (or its subsidiaries) from the grant date through each vesting date.

### **b) Performance-based options**

Performance-based options will be subject to the time and performance-based vesting criteria both of which must be satisfied for such options to vest and become exercisable.

- a) *Time-Based Vesting*. The time-based vesting criteria for the performance-based options will be subject to the same service vesting requirements as the service-based options
- b) *Performance-Based Vesting*. The vesting of performance-based options is contingent upon the achievement of specific financial performance targets by the investor, as measured on the applicable measurement date. These targets are:
  - i. Investor IRR (Internal Rate of Return) must be at least 15%, and
  - ii. Investor MoM (Multiple on Money) must exceed 2.0.

If both conditions are met, the performance-based options will vest on a straight-line basis between 0% and 100%, depending on the level of MoM achieved.

- If MoM is less than 2.0: No performance-based options will vest.
- If MoM is exactly 3.0 or higher: 100% of the performance-based options will vest.
- If MoM is between 2.0 and 3.0: A proportional percentage of the performance-based options will vest, increasing linearly from 0% to 100%.

In addition to meeting these performance thresholds, the employee must have been continuously employed or providing services to the Company or its subsidiaries from the grant date through the applicable vesting date.

During the six months ended June 30 2026, the Company granted options to purchase 749 shares with an exercise price of \$1,000 and a fair value of \$482.32 for the service-based options and \$418.39 for the performance-based options.

The Company uses company-specific historical data to estimate the expected term of the options, such as grantee option exercise and grantee post-vesting departure behavior. Separate groups of grantees that have similar historical exercise behaviour are considered separately for valuation purposes. Since the Company’s shares are not publicly traded and its shares are rarely traded privately, expected volatility is estimated based on the average historical volatility of similar entities with publicly traded shares. The risk-free rate for the expected term of the option is based on the U.S. Treasury yield curve at the date of grant.

**AMI TopCo, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**

The grant date fair value of each option award is estimated on the date of grant using the Monte Carlo option pricing model. The weighted average assumptions for the six months ended June 30, 2026 grants are provided in the following table

|                              | Service-based options | Performance-based options |
|------------------------------|-----------------------|---------------------------|
| <b>Valuation Assumptions</b> |                       |                           |
| Expected dividend yield      | 0%                    | 0%                        |
| Expected volatility          | 100.20%               | 108.50%                   |
| Expected term (years)        | 4 years               | 4 years                   |
| Risk-free interest rate      | 3.70%                 | 3.70%                     |

Stock option activity during the periods indicated is as follows:

|                                         | Service-based options |                                    |                                                   | Performance-based options |                                    |                                                   |
|-----------------------------------------|-----------------------|------------------------------------|---------------------------------------------------|---------------------------|------------------------------------|---------------------------------------------------|
|                                         | Number of<br>Shares   | Weighted-Average<br>Exercise Price | Weighted-Average<br>Remaining<br>Contractual Term | Number of<br>Shares       | Weighted-Average<br>Exercise Price | Weighted-Average<br>Remaining<br>Contractual Term |
| Balance at December 31, 2025            | 11,880                | \$ 1,000                           | 9.15 years                                        | 17,820                    | \$ 1,000                           | 9.15 years                                        |
| Granted                                 | 300                   | \$ 1,000                           |                                                   | 449                       | \$ 1,000                           |                                                   |
| Exercised                               | —                     | —                                  |                                                   | —                         | —                                  |                                                   |
| Forfeited                               | (181)                 | —                                  |                                                   | (336)                     | —                                  |                                                   |
| Expired                                 | (45)                  | —                                  |                                                   | —                         | —                                  |                                                   |
| Balance at June 30, 2026                | 11,954                | 1,000                              | 8.68 years                                        | 17,933                    | 1,000                              | 8.68 years                                        |
| Vested and Exercisable at June 30, 2026 | —                     |                                    |                                                   | —                         |                                    |                                                   |

The weighted average grant-date fair value of options granted during the six months ended 30 June 2026 was \$482.32 for service-based options and \$418.39 for performance-based options.

A summary of the status of the Company's nonvested employee options as of June 30, 2026 and changes during the six months ended June 30, 2026, is presented below:

|                              | Service-based options |                                              | Performance-based options |                                              |
|------------------------------|-----------------------|----------------------------------------------|---------------------------|----------------------------------------------|
|                              | Number of<br>Shares   | Weighted-Average<br>Grant-Date Fair<br>Value | Number of<br>Shares       | Weighted-Average<br>Grant-Date Fair<br>Value |
| <b>Non Vested Shares</b>     |                       |                                              |                           |                                              |
| Balance at December 31, 2025 | 9,834                 | \$ 458.44                                    | 17,820                    | \$ 402.95                                    |
| Granted                      | 300                   | 482.32                                       | 449                       | 418.39                                       |
| Vested                       | —                     | —                                            | —                         | —                                            |
| Forfeited                    | (181)                 | 433.66                                       | (336)                     | 387.98                                       |
| Expired                      | —                     | —                                            | —                         | —                                            |
| Balance at June 30, 2026     | 9,953                 | \$ 459.61                                    | 17,933                    | \$ 403.61                                    |

At June 30, 2026, there was \$2.3 million of total unrecognized compensation cost related to nonvested stock options granted under the Plan. That cost is expected to be recognized over a weighted-average period of 3.47 years.

Probability of achievement of conditions attached to the vesting of performance-based option is not considered probable as at the reporting date and accordingly, no cost has been recognized with respect to performance-based options.

## 11 Income Taxes

We are subject to federal and state income tax as well as income tax in the foreign jurisdictions in which we operate.

For the first six months of fiscal 2026 and 2025, we recorded an income tax benefit of \$3.2 million and \$2.4 million, respectively. The difference between the U.S. federal statutory tax rate of 21% and our effective tax rates for six months ended June 30, 2026 resulted primarily from the impact of foreign income taxes and the research and development credit. The difference between the U.S. federal statutory tax rate of 21% and our effective tax rates for six months ended June 30, 2025 resulted primarily from the impact of foreign income taxes and the research and development credit.

**12 Revenue from contract with customers**

The following table presents the Company's revenue disaggregated based on performance obligations:

|                                                     | For the six months ended<br>June 30, 2026 | For the six months ended<br>June 30, 2025 |
|-----------------------------------------------------|-------------------------------------------|-------------------------------------------|
|                                                     | (Unaudited)                               |                                           |
| License (including maintenance, royalty and labels) | \$ 66,502,548                             | \$ 49,785,769                             |
| Professional services                               | 21,670,019                                | 27,630,327                                |
| Hardware                                            | 14,083,659                                | 15,125,046                                |
|                                                     | <u>\$ 102,256,226</u>                     | <u>\$ 92,541,142</u>                      |

As noted in Note 2(f), license revenue and certain professional service arrangements are recorded over time, while hardware revenues are recorded at a point in time.

The following table presents disaggregated revenue by product type for the following periods:

|                                    | For the six months ended<br>June 30, 2026 | For the six months ended<br>June 30, 2025 |
|------------------------------------|-------------------------------------------|-------------------------------------------|
|                                    | (Unaudited)                               |                                           |
| Boot Firmware Group (BFG)          | \$ 54,327,582                             | \$ 50,262,976                             |
| Manageability Solution Group (MSG) | 42,866,800                                | 38,196,029                                |
| Hardware Engineering Group (HEG)   | 555,955                                   | 506,047                                   |
| Security Software Group (SSG)      | 2,774,474                                 | 2,669,907                                 |
| Cloud Service Group (CSG)          | 31,111                                    | 30,058                                    |
| Meridian                           | 1,700,304                                 | 876,125                                   |
|                                    | <u>\$ 102,256,226</u>                     | <u>\$ 92,541,142</u>                      |

**Contract balances**

The following table provides information about contract liabilities from contract with customers:

|                                    | June 30, 2026       | December 31,<br>2025 |
|------------------------------------|---------------------|----------------------|
|                                    | (Unaudited)         | (Audited)            |
| Contract liabilities - Current     | \$27,810,414        | \$25,209,733         |
| Contract liabilities - Non current | 5,147,833           | 4,777,140            |
|                                    | <u>\$32,958,247</u> | <u>\$29,986,873</u>  |

The following table provides information about accounts receivable and contracts assets from contract with customers:

|                                   | June 30, 2026       | December 31, 2025    |
|-----------------------------------|---------------------|----------------------|
|                                   | (Unaudited)         | (Audited)            |
| Accounts receivable               | \$47,427,099        | \$ 33,569,635        |
| Contract assets                   | 3,588,087           | 9,570,148            |
| Less: allowance for credit losses | (324,373)           | (288,157)            |
|                                   | <u>\$50,690,813</u> | <u>\$ 42,851,626</u> |

The above table reflects the information of contract liabilities, which have been disclosed as a separate caption in the consolidated balance sheets as of June 30, 2026 and as of December 31, 2025. The Contract liabilities include that portion of revenue for which payment has been received in advance from customers.

Revenue of \$17,826,301 and \$12,420,712 recognized during the period ended June 30, 2026 and period ended June 30, 2025 respectively were included as part of the opening balance of contract liability.

As of June 30, 2026, the aggregate transaction price allocated to unsatisfied or partially unsatisfied performance obligations was \$36,089,356. The Company expects to recognize approximately \$23,709,997 within one year, \$10,674,773 in one to two years, and \$1,704,586 thereafter. The amount principally relates to fixed consideration under firmware license, update, maintenance and support arrangements and fixed-price professional service contracts.

The Company has elected the optional exemptions for contracts with an original expected duration of one year or less, performance obligations for which revenue is recognized in the amount the Company has a right to invoice, and sales- or usage-based royalties promised in exchange for licenses of intellectual property.

Increase in the Company's contract liabilities balance during the period is a result of normal business activity and not materially impacted by any other factors.

**AMI TopCo, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**

**13 Finance cost**

|                                         | For the six months ended<br>June 30, 2026 | For the six months ended<br>June 30, 2025 |
|-----------------------------------------|-------------------------------------------|-------------------------------------------|
|                                         | (Unaudited)                               |                                           |
| Finance cost consists of the following: |                                           |                                           |
| Interest expense:                       |                                           |                                           |
| Long-term loan                          | \$ 12,033,096                             | \$ 12,913,429                             |
| Revolver loan                           | —                                         | 333,210                                   |
| Bank charges and other                  | 809,698                                   | 796,848                                   |
| Interest income:                        |                                           |                                           |
| Fixed deposits                          | (80,756)                                  | (41,309)                                  |
| <b>Interest expense, net</b>            | <b>\$ 12,762,038</b>                      | <b>\$ 14,002,178</b>                      |

**14 Other (income), net**

|                                           | For the six months ended<br>June 30, 2026 | For the six months ended<br>June 30, 2025 |
|-------------------------------------------|-------------------------------------------|-------------------------------------------|
|                                           | (Unaudited)                               |                                           |
| Other (income) consists of the following: |                                           |                                           |
| Foreign exchange gain, net                | \$ (342,254)                              | \$ 765,806                                |
| Miscellaneous income                      | (33,704)                                  | (109,645)                                 |
|                                           | <b>\$ (375,958)</b>                       | <b>\$ 656,161</b>                         |

**15 Related Party Transactions**

The Company has entered into the following transactions with related parties.

During the year 2024, the Company entered into an advisory agreement with Thomas H. Lee Partners, the new majority partner in the Parent entity of the Company. Thomas H. Lee Partners provides financial advisory and management consulting services, and the Company is obligated to reimburse all reasonable, documented, and out-of-pocket fees and expenses. For the period ended 30 June 2026, the Company incurred fees of \$ 765,406 recorded in Selling, general and administrative expenses and \$ 88,317 as reimbursement of travel expenses in the accompanying consolidated statement of operations. For the period ended 30 June 2025, the Company incurred fees of \$521,271 recorded in Selling, general and administrative expenses and \$160,718 as reimbursement of travel expenses in the accompanying consolidated statement of operations.

**16 Commitments and contingencies Legal proceedings**

The Company and its subsidiaries are involved in certain claims and legal actions arising in the ordinary course of business. Although the amount of any ultimate liability with respect to such matters cannot be determined, in the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's consolidated financial position or results of operations.

**17 Equity share capital**

The authorized capital stock of the Company consists of (i) 400,000 shares of common stock, par value \$0.01 per share (the "Company Common Stock"), of which, 337,255.53 shares are issued and outstanding and (ii) 1,000 shares of undesignated preferred stock, par value \$0.01 per share (the "Company Preferred Stock") none of which are issued and outstanding. The Company Common Stock consists of 360,000 shares of series A common stock (the "Series A Common Stock"), of which, 337,185.40 shares are issued and outstanding and 40,000 shares of series B common stock (the "Series B Common Stock"), 70.13 of which are issued and outstanding. Series A and Series B Common Stock participate equally in dividends and liquidation distributions on a per-share basis; however, voting rights are held exclusively by holders of Series A Common Stock, with one vote per share. Series B Common Stock does not carry any voting rights.

**18 Subsequent events**

In accordance with accounting standards, the Company has evaluated subsequent events through October 13, 2026, the date the consolidated financial statements were available for issuance. On July 27, 2026, Lattice Semiconductor Corporation ("Lattice") completed its acquisition of AMI TopCo, Inc. The acquisition was effected pursuant to the Agreement and Plan of Merger dated May 4, 2026 (the "Merger Agreement") among Lattice, certain of its wholly owned subsidiaries, AMI TopCo, Inc., and THL AMI Aggregator, LP, acting solely in its capacity as representative of AMI's security holders. Under the Merger Agreement, total consideration was approximately \$1.6 billion of which approximately \$1 billion was settled in cash and remaining in shares of Lattice common stock and restricted stock units, subject to adjustments as provided in the Merger Agreement. The entire outstanding debt including accrued interest amounting to \$272.2 million with Bain Capital Credit LP, was paid on July 27, 2026 and the said facility stands fully settled upon acquisition of AMI TopCo, Inc. by Lattice. Accordingly, deferred financing cost amounting to \$7.2 million in the respect of the credit facility from Bain Capital Credit LP, was fully amortized on July 27, 2026. Other than this event, the Company has concluded that there are no other subsequent events requiring recognition or disclosure have been incorporated in these consolidated financial statements.

## UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

### Introduction

On July 27, 2026 (the “Closing Date”), Lattice Semiconductor Corporation, a Delaware corporation (“Lattice” or the “Company”), completed the previously disclosed transactions contemplated by that certain Agreement and Plan of Merger by and among the Company, certain of its wholly owned subsidiaries, AMI TopCo, Inc. (“AMI”) and THL AMI Aggregator, LP (“THL”) (solely in its capacity as the representative of securityholders of AMI), dated as of May 4, 2026 (the “Merger Agreement”). Under the terms of the Merger Agreement, the Company acquired AMI (the “Acquisition”), for total consideration of approximately \$1 billion in cash and approximately 5.2 million shares of Lattice common stock and restricted stock units, subject to adjustments set forth in the Merger Agreement. The Company funded the cash consideration for the Acquisition (including refinancing outstanding indebtedness of AMI) from cash on hand and borrowings pursuant to the previously disclosed Second Amended and Restated Credit Agreement (“Credit Agreement”), which provides for a senior secured revolving loan facility of \$200 million dollars and a senior secured delayed draw term loan facility of \$950 million dollars. Pursuant to the Credit Agreement, the Company borrowed \$925 million in aggregate principal amount of loans under the delayed draw term loan facility at the Closing Date, and a portion of these proceeds were used to fund the cash consideration of the Acquisition.

The unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X and should be read in conjunction with the accompanying notes.

The unaudited pro forma condensed combined balance sheet as of July 4, 2026 combines the unaudited consolidated balance sheet of Lattice as of July 4, 2026 with the unaudited consolidated balance sheet of AMI as of June 30, 2026, giving effect to the Acquisition as if it had been consummated on July 4, 2026.

The unaudited pro forma condensed combined statement of operations for the six months ended July 4, 2026 combines the unaudited consolidated statement of operations of Lattice for the six months ended July 4, 2026 with the unaudited consolidated statement of operations of AMI for the six months ended June 30, 2026, giving effect to the Acquisition as if it had been consummated on December 29, 2024.

The unaudited pro forma condensed combined statement of operations for the year ended January 3, 2026 combines the audited consolidated statement of operations of Lattice for the year ended January 3, 2026 with the audited consolidated statement of operations of AMI for the year ended December 31, 2025, giving effect to the Acquisition as if it had been consummated on December 29, 2024.

The unaudited pro forma condensed combined financial information was derived from, and should be read in conjunction with, the following historical financial statements and the accompanying notes:

- The historical audited consolidated financial statements of Lattice as of and for the year ended January 3, 2026, as included in the Company’s Annual Report on Form 10-K filed with the SEC on February 23, 2026;
- The historical unaudited consolidated financial statements of Lattice as of and for the six months ended July 4, 2026, as included in the Company’s Quarterly Report on Form 10-Q filed with the SEC on August 4, 2026;
- The historical audited financial statements of AMI as of and for the year ended December 31, 2025, included as an exhibit to the Form 8-K/A to which this unaudited pro forma condensed combined financial information is attached; and
- The historical unaudited consolidated financial statements of AMI as of and for the six months ended June 30, 2026, included as an exhibit to the Form 8-K/A to which this unaudited pro forma condensed combined financial information is attached.

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## Accounting for the Acquisition

The unaudited pro forma condensed combined financial information has been prepared using the acquisition method of accounting in accordance with accounting principles generally accepted in the United States (“GAAP”). Lattice has been identified as an accounting acquirer for accounting purposes, and thus accounts for the Acquisition as a business combination in accordance with Accounting Standards Codification Topic 805, Business Combinations (“ASC 805”). Under the acquisition method of accounting, AMI’s assets and liabilities are recorded at their respective fair values. Any difference between the purchase price for AMI and the fair value of the identifiable net assets acquired (including intangibles) is recorded as goodwill. The assets and liabilities of AMI have been measured based on various preliminary estimates using assumptions that Lattice’s management believes were reasonable and based on currently available information. Accordingly, the pro forma adjustments are preliminary and have been made solely for the purpose of providing this unaudited pro forma condensed combined financial information.

Differences between these preliminary estimates and the final purchase accounting may occur, and the final purchase accounting could be materially different from the preliminary estimates used to prepare the accompanying unaudited pro forma condensed combined financial information and could have a material impact on the combined Company’s future results of operations and financial position.

## Basis of Pro Forma Presentation

The unaudited pro forma condensed combined financial information appearing below does not consider any potential effects of changes in market conditions on revenues or expense efficiencies, among other factors. In addition, as explained in more detail in the accompanying notes, the preliminary allocation of the pro forma purchase price reflected in the unaudited pro forma condensed combined financial information is subject to adjustment and may vary significantly from what will be recorded upon completion of the final purchase price allocation.

The unaudited pro forma condensed combined financial information has been prepared based on the aforementioned historical financial statements and the assumptions and adjustments as described in the notes to the unaudited pro forma condensed combined financial information. The pro forma adjustments reflect transaction accounting adjustments related to the Acquisition, which are discussed in further detail below. The unaudited pro forma condensed combined financial information is presented for illustrative purposes only and does not purport to represent the combined Company’s consolidated results of operations or the consolidated financial position that would actually have occurred had the Acquisition been consummated on the dates assumed or to project the combined Company’s consolidated results of operations or consolidated financial position for any future date or period. The unaudited pro forma condensed combined financial information is presented for illustrative purposes only and does not reflect the costs of any integration activities or cost savings or synergies that may be achieved because of the Acquisition.

The accounting policies followed in preparing the unaudited pro forma condensed combined financial information are those used by Lattice as set forth in the audited historical financial statements. Based on the Company’s initial review, the Company has made pro forma adjustments to the timing and recognition of certain revenues of AMI to align the historical revenue recognition policies of the AMI with the revenue recognition policies of the Company. Apart from this, there are no material adjustments required at this time to conform AMI’s historical financial information to Lattice’s significant accounting policies. A more comprehensive comparison and assessment will occur, which may result in additional differences being identified. Additionally, Lattice has included certain preliminary presentation adjustments for consistency in the financial statement presentation. See Notes 2 below for more information.

Lattice and AMI have not had any historical material relationship prior to the Acquisition. Accordingly, no pro forma adjustments were required to eliminate activities between the companies.

**Unaudited Pro Forma Condensed Combined Balance Sheet**  
**As of July 4, 2026**  
**(in thousands)**

|                                                       | <b>Lattice<br/>Semiconductor<br/>Historical</b> | <b>AMI<br/>Historical<br/>As Adjusted<br/>(Note 2)</b> | <b>Transaction<br/>Accounting<br/>Adjustments<br/>(Note 3)</b> | <b>Financing<br/>Adjustments<br/>(Note 3)</b> | <b>Pro Forma<br/>Combined</b> |
|-------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------|-------------------------------|
| <b>Assets</b>                                         |                                                 |                                                        |                                                                |                                               |                               |
| Current assets:                                       |                                                 |                                                        |                                                                |                                               |                               |
| Cash and cash equivalents                             | \$ 173,305                                      | \$ 30,525                                              | \$(1,005,717) (A)                                              | \$ 918,358 (D)                                | \$ 90,253                     |
|                                                       |                                                 |                                                        | (17,767) (B)                                                   |                                               |                               |
|                                                       |                                                 |                                                        | (8,451) (C)                                                    |                                               |                               |
| Restricted cash                                       |                                                 | 2,185                                                  |                                                                |                                               | 2,185                         |
| Accounts receivable, net                              | 120,024                                         | 47,103                                                 |                                                                |                                               | 167,127                       |
| Inventories, net                                      | 100,501                                         | 145                                                    |                                                                |                                               | 100,646                       |
| Prepaid expenses and other current assets             | 44,308                                          | 16,340                                                 | (106) (A)                                                      |                                               | 60,542                        |
| Total current assets                                  | 438,138                                         | 96,298                                                 | (1,032,041)                                                    | 918,358                                       | 420,753                       |
| Restricted cash, net of current portion               |                                                 | 28                                                     |                                                                |                                               | 28                            |
| Property and equipment, less accumulated depreciation | 80,550                                          | 5,573                                                  |                                                                |                                               | 86,123                        |
| Operating lease right-of-use assets                   | 36,161                                          | 12,267                                                 | 6,811 (A)                                                      |                                               | 55,239                        |
| Intangible assets, net                                | 20,082                                          | 347,207                                                | 203,794 (A)                                                    |                                               | 571,083                       |
| Goodwill                                              | 315,358                                         | 211,887                                                | 840,039 (A)                                                    |                                               | 1,367,284                     |
| Deferred income taxes                                 | 62,454                                          | 767                                                    | (59,987) (A)                                                   |                                               | 3,234                         |
| Other long-term assets                                | 23,438                                          | 1,165                                                  |                                                                |                                               | 24,603                        |
| Total assets                                          | <u>\$ 976,181</u>                               | <u>\$ 675,192</u>                                      | <u>\$ (41,384)</u>                                             | <u>\$ 918,358</u>                             | <u>\$2,528,347</u>            |
| <b>Liabilities and Stockholders' equity</b>           |                                                 |                                                        |                                                                |                                               |                               |
| Current liabilities:                                  |                                                 |                                                        |                                                                |                                               |                               |
| Accounts payable                                      | \$ 80,894                                       | \$ 5,336                                               |                                                                |                                               | \$ 86,230                     |
| Accrued liabilities                                   | 32,691                                          | 15,128                                                 | 8,283 (A)                                                      |                                               | 52,605                        |
|                                                       |                                                 |                                                        | (3,497) (B)                                                    |                                               |                               |
| Accrued payroll obligations                           | 31,281                                          | 8,778                                                  | 814 (A)                                                        |                                               | 41,019                        |

|                                                               | Lattice<br>Semiconductor<br>Historical | AMI<br>Historical<br>As Adjusted<br>(Note 2) | Transaction<br>Accounting<br>Adjustments<br>(Note 3) | Financing<br>Adjustments<br>(Note 3) | Pro Forma<br>Combined |
|---------------------------------------------------------------|----------------------------------------|----------------------------------------------|------------------------------------------------------|--------------------------------------|-----------------------|
|                                                               |                                        |                                              | 146 (C)                                              |                                      |                       |
| Current portion of long-term debt                             |                                        | 1,368                                        | (1,368) (A)                                          | 34,687 (D)                           | 34,687                |
| Current portion of contract liabilities                       |                                        | 16,126                                       |                                                      |                                      | 16,126                |
| Total current liabilities                                     | 144,866                                | 46,736                                       | 4,378                                                | 34,687                               | 230,667               |
| Long-term debt, net of unamortized deferred financing costs   |                                        | 262,918                                      | (262,918) (A)                                        | 883,671 (D)                          | 883,671               |
| Long-term operating lease liabilities, net of current portion | 32,591                                 | 11,041                                       | 5,101 (A)                                            |                                      | 48,733                |
| Contract liabilities, non-current                             |                                        | 3,801                                        |                                                      |                                      | 3,801                 |
| Other long-term liabilities                                   | 11,197                                 | 22,627                                       | (19,769) (A)                                         |                                      | 14,055                |
| Total liabilities                                             | 188,654                                | 347,123                                      | (273,208)                                            | 918,358                              | 1,180,927             |
| Contingencies                                                 |                                        |                                              |                                                      |                                      |                       |
| <b>Equity</b>                                                 |                                        |                                              |                                                      |                                      |                       |
| Common stock                                                  | 1,372                                  | 3                                            | 44 (A)                                               |                                      | 1,419                 |
| Additional paid-in capital                                    | 537,179                                | 340,476                                      | 242,237 (A)                                          |                                      | 1,119,892             |
| Retained earnings                                             | 253,358                                | (11,614)                                     | 11,614 (A)                                           |                                      | 230,491               |
|                                                               |                                        |                                              | (14,270) (B)                                         |                                      |                       |
|                                                               |                                        |                                              | (8,597) (C)                                          |                                      |                       |
| Accumulated other comprehensive loss                          | (4,382)                                | (796)                                        | 796 (A)                                              |                                      | (4,382)               |
| Total stockholders' equity                                    | 787,527                                | 328,069                                      | 231,824                                              | —                                    | 1,347,420             |
| Total liabilities and stockholders' equity                    | <u>\$ 976,181</u>                      | <u>\$ 675,192</u>                            | <u>\$ (41,384)</u>                                   | <u>\$ 918,358</u>                    | <u>\$2,528,347</u>    |

Please refer to the notes to the unaudited pro forma condensed combined financial information.

**Unaudited Pro Forma Condensed Combined Statement of Operations**  
**For the Six Months Ended July 4, 2026**  
(In thousands, except per share data)

|                                            | Lattice<br>Semiconductor<br>Historical | AMI<br>Historical<br>As Adjusted<br>(Note 2) | Transaction<br>Accounting<br>Adjustments<br>(Note 4) | Financing<br>Adjustments<br>(Note 4) | Pro Forma<br>Combined |
|--------------------------------------------|----------------------------------------|----------------------------------------------|------------------------------------------------------|--------------------------------------|-----------------------|
| Revenue                                    | \$ 371,976                             | \$ 104,209                                   |                                                      |                                      | \$476,185             |
| Cost of revenue                            | 113,012                                | 30,217                                       | (9) (AA)                                             |                                      | 146,068               |
|                                            |                                        |                                              | 2,848 (DD)                                           |                                      |                       |
| Gross margin                               | 258,964                                | 73,992                                       | (2,839)                                              | —                                    | 330,117               |
| Operating expenses:                        |                                        |                                              |                                                      |                                      |                       |
| Research and development                   | 115,067                                | 17,857                                       | (54) (AA)                                            |                                      | 143,692               |
|                                            |                                        |                                              | 10,822 (DD)                                          |                                      |                       |
| Selling, general, and administrative       | 90,383                                 | 29,154                                       | (323) (AA)                                           |                                      | 130,358               |
|                                            |                                        |                                              | 11,144 (DD)                                          |                                      |                       |
| Amortization of acquired intangible assets | 39                                     | 20,575                                       | 13,296 (AA)                                          |                                      | 33,910                |
| Restructuring and other                    | 625                                    |                                              |                                                      |                                      | 625                   |
| Acquisition related                        | 4,429                                  |                                              |                                                      |                                      | 4,429                 |
| Total operating expenses                   | 210,543                                | 67,586                                       | 34,885                                               | —                                    | 313,014               |
| Income from operations                     | 48,421                                 | 6,406                                        | (37,724)                                             | —                                    | 17,103                |
| Interest income (expense), net             | 1,181                                  | (12,762)                                     | 12,843 (EE)                                          | (25,931) (FF)                        | (24,669)              |
| Other income (expense), net                | (5,119)                                | 376                                          |                                                      |                                      | (4,743)               |
| Income (loss) before income taxes          | 44,483                                 | (5,980)                                      | (24,881)                                             | (25,931)                             | (12,309)              |
| Income tax expense                         | 3,307                                  | (2,814)                                      | (5,225) (GG)                                         | (5,446) (GG)                         | (10,178)              |
| Net income (loss)                          | \$ 41,176                              | \$ (3,166)                                   | \$ (19,656)                                          | \$ (20,485)                          | \$ (2,131)            |

|                                        | <u>Lattice<br/>Semiconductor<br/>Historical</u> | <u>AMI<br/>Historical<br/>As Adjusted<br/>(Note 2)</u> | <u>Transaction<br/>Accounting<br/>Adjustments<br/>(Note 4)</u> | <u>Financing<br/>Adjustments<br/>(Note 4)</u> | <u>Pro Forma<br/>Combined</u> |
|----------------------------------------|-------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------|-------------------------------|
| Net income (loss) per share:           |                                                 |                                                        |                                                                |                                               |                               |
| Basic                                  | <u>\$ 0.30</u>                                  |                                                        |                                                                |                                               | <u>(0.02)</u>                 |
| Diluted                                | <u>\$ 0.29</u>                                  |                                                        |                                                                |                                               | <u>(0.02)</u>                 |
| Shares used in per share calculations: |                                                 |                                                        |                                                                |                                               |                               |
| Basic                                  | <u>136,932</u>                                  |                                                        |                                                                |                                               | <u>141,673</u>                |
| Diluted                                | <u>140,024</u>                                  |                                                        |                                                                |                                               | <u>141,673</u>                |

*Please refer to the notes to the unaudited pro forma condensed combined financial information.*

**Unaudited Pro Forma Condensed Combined Statement of Operations**  
**For the Year Ended January 3, 2026**  
(In thousands, except per share data)

|                                            | <b>Lattice<br/>Semiconductor<br/>Historical</b> | <b>AMI<br/>Historical<br/>As Adjusted<br/>(Note 2)</b> | <b>Transaction<br/>Accounting<br/>Adjustments<br/>(Note 4)</b> | <b>Financing<br/>Adjustments<br/>(Note 4)</b> | <b>Pro Forma<br/>Combined</b> |
|--------------------------------------------|-------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------|-------------------------------|
| Revenue                                    | \$ 523,262                                      | \$ 202,759                                             |                                                                |                                               | \$ 726,021                    |
| Cost of revenue                            | 166,319                                         | 60,527                                                 | (11) (AA)                                                      |                                               | 232,530                       |
|                                            |                                                 |                                                        | 5,695 (DD)                                                     |                                               |                               |
| Gross margin                               | 356,943                                         | 142,232                                                | (5,684)                                                        | —                                             | 493,491                       |
| Operating expenses:                        |                                                 |                                                        |                                                                |                                               |                               |
| Research and development                   | 187,983                                         | 42,805                                                 | (27) (AA)                                                      |                                               | 252,405                       |
|                                            |                                                 |                                                        | 21,644 (DD)                                                    |                                               |                               |
| Selling, general, and administrative       | 153,632                                         | 38,042                                                 | 175 (AA)                                                       |                                               | 236,095                       |
|                                            |                                                 |                                                        | 14,270 (BB)                                                    |                                               |                               |
|                                            |                                                 |                                                        | 8,597 (CC)                                                     |                                               |                               |
|                                            |                                                 |                                                        | 21,379 (DD)                                                    |                                               |                               |
| Amortization of acquired intangible assets | 52                                              | 41,492                                                 | 26,251 (AA)                                                    |                                               | 67,795                        |
| Restructuring and other                    | 4,044                                           | —                                                      |                                                                |                                               | 4,044                         |
| Total operating expenses                   | 345,711                                         | 122,339                                                | 92,289                                                         | —                                             | 560,339                       |
| Income from operations                     | 11,232                                          | 19,893                                                 | (97,973)                                                       | —                                             | (66,848)                      |
| Interest income (expense), net             | 2,896                                           | (27,046)                                               | 27,184 (EE)                                                    | (53,348) (FF)                                 | (50,314)                      |
| Other income (expense), net                | (751)                                           | 369                                                    |                                                                |                                               | (382)                         |
| Income (loss) before income taxes          | 13,377                                          | (6,784)                                                | (70,789)                                                       | (53,348)                                      | (117,544)                     |
| Income tax expense                         | 10,293                                          | 865                                                    | (14,866) (GG)                                                  | (11,203) (GG)                                 | (14,911)                      |
| Net income (loss)                          | \$ 3,084                                        | \$ (7,649)                                             | \$ (55,923)                                                    | \$ (42,145)                                   | \$ (102,633)                  |

|                                        | <u>Lattice<br/>Semiconductor<br/>Historical</u> | <u>AMI<br/>Historical<br/>As Adjusted<br/>(Note 2)</u> | <u>Transaction<br/>Accounting<br/>Adjustments<br/>(Note 4)</u> | <u>Financing<br/>Adjustments<br/>(Note 4)</u> | <u>Pro Forma<br/>Combined</u> |
|----------------------------------------|-------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------|-------------------------------|
| Net income (loss) per share:           |                                                 |                                                        |                                                                |                                               |                               |
| Basic                                  | \$ 0.02                                         |                                                        |                                                                |                                               | \$ (0.72)                     |
| Diluted                                | \$ 0.02                                         |                                                        |                                                                |                                               | \$ (0.72)                     |
| Shares used in per share calculations: |                                                 |                                                        |                                                                |                                               |                               |
| Basic                                  | 137,091                                         |                                                        |                                                                |                                               | 141,832                       |
| Diluted                                | 138,238                                         |                                                        |                                                                |                                               | 141,832                       |

*Please refer to the notes to the unaudited pro forma condensed combined financial information.*

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## NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

### 1. Basis of Presentation

The pro forma adjustments have been prepared as if the Acquisition had been consummated on July 4, 2026, in the case of the unaudited pro forma condensed combined balance sheet, and on December 29, 2024, the beginning of the earliest period presented in the unaudited pro forma condensed combined statements of operations, in the case of the unaudited pro forma condensed combined statements of operations, as if the Acquisition had been consummated.

The unaudited pro forma condensed combined financial information has been prepared assuming the acquisition method of accounting in accordance with GAAP. Under this method, AMI's assets and liabilities are recorded at their respective fair values. Any difference between the purchase price for AMI and the fair value of the identifiable net assets acquired (including intangibles) is recorded as goodwill. The pro forma adjustments are based on preliminary accounting conclusions and are subject to potential revisions upon further analysis.

The pro forma adjustments represent management's estimates based on information available as of the date of this Form 8-K/A and are subject to change as additional information becomes available and additional analyses are performed.

One-time direct and incremental transaction costs have been expensed as incurred under ASC 805.

Lattice performed a preliminary review to identify any accounting policy differences between the accounting policies used in AMI's financial statements and those of the Company, where the impact was potentially material and could be reasonably estimated, with the Company identifying no differences apart from certain pro forma adjustments to the timing and recognition of certain revenues of AMI to align the historical revenue recognition policies of the AMI with the revenue recognition policies of the Company. A more comprehensive comparison and assessment will occur, which may result in the identification of differences that could be material.

### 2. Presentation Adjustments

The accounting policies used in the preparation of the unaudited pro forma condensed combined financial information are those set out in Lattice's unaudited condensed consolidated financial statements as of and for the six months ended July 4, 2026. Certain presentation adjustments are reflected in the unaudited pro forma condensed combined balance sheet and statement of operations to conform presentation between Lattice and AMI.

Refer to the table below for a summary of identified presentation adjustments made to present AMI's consolidated balance sheet as of June 30, 2026, to conform presentation to that of Lattice (in thousands):

| AMI Consolidated Balance Sheet Line Items                                              | Lattice Semiconductor Consolidated Balance Sheet Line Items | AMI Historical   | Presentation Adjustments | Note     | AMI Historical (As Adjusted) |
|----------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------|--------------------------|----------|------------------------------|
| <b>Assets</b>                                                                          | <b>Assets</b>                                               |                  |                          |          |                              |
| Current assets:                                                                        | Current assets:                                             |                  |                          |          |                              |
| Cash and cash equivalents                                                              | Cash and cash equivalents                                   | \$ 30,275        | \$ 250                   | (e)      | \$ 30,525                    |
| Restricted cash                                                                        | Restricted cash                                             | 2,185            |                          |          | 2,185                        |
| Accounts receivable and contract assets, net of allowance for credit losses            | Accounts receivable, net                                    | 50,691           | (3,588)                  | (a)      | 47,103                       |
| Inventories, net of allowances for obsolete inventory                                  | Inventories, net                                            | 145              |                          |          | 145                          |
| Prepaid expenses and other current assets                                              | Prepaid expenses and other current assets                   | 3,365            | 12,975                   | (a), (d) | 16,340                       |
| Short-term investments                                                                 |                                                             | 250              | (250)                    | (e)      | —                            |
|                                                                                        | Total current assets                                        | 86,911           | 9,387                    |          | 96,298                       |
| Restricted cash, net of current portion                                                | Restricted cash, net of current portion                     | 28               |                          |          | 28                           |
| Property and equipment, net                                                            | Property and equipment, less accumulated depreciation       | 5,573            |                          |          | 5,573                        |
| Operating lease right-of-use assets                                                    | Operating lease right-of-use assets                         | 12,267           |                          |          | 12,267                       |
| Developed technology, net                                                              | Intangible assets, net                                      | 73,866           | 273,341                  | (f)      | 347,207                      |
| Trademarks, net                                                                        |                                                             | 10,994           | (10,994)                 | (f)      |                              |
| Customer relationship, net                                                             |                                                             | 262,347          | (262,347)                | (f)      |                              |
| Goodwill                                                                               | Goodwill                                                    | 211,887          |                          |          | 211,887                      |
| Deferred taxes, net                                                                    | Deferred income taxes                                       | 767              |                          |          | 767                          |
| Other assets                                                                           | Other long-term assets                                      | 1,165            |                          |          | 1,165                        |
| Total assets                                                                           | Total assets                                                | <u>\$665,805</u> | <u>\$ 9,387</u>          |          | <u>\$ 675,192</u>            |
| <b>Liabilities and Equity</b>                                                          | <b>Liabilities and Stockholders' equity</b>                 |                  |                          |          |                              |
| Current liabilities:                                                                   | Current liabilities:                                        |                  |                          |          |                              |
| Current portion of long-term debt, net of current unamortized deferred financing costs | Current portion of long-term debt                           | \$ 1,368         |                          |          | \$ 1,368                     |
| Current portion of operating lease liabilities                                         |                                                             | 1,909            | (1,909)                  | (b)      | —                            |
| Current portion of contract liabilities                                                | Current portion of contract liabilities                     | 27,810           | (11,684)                 | (d)      | 16,126                       |
| Accounts payable                                                                       | Accounts payable                                            | 5,336            |                          |          | 5,336                        |

| AMI Consolidated Balance Sheet Line Items                                            | Lattice Semiconductor Consolidated Balance Sheet Line Items   | AMI Historical | Presentation Adjustments | Note          | AMI Historical (As Adjusted) |
|--------------------------------------------------------------------------------------|---------------------------------------------------------------|----------------|--------------------------|---------------|------------------------------|
| Income tax payable                                                                   |                                                               | 4,117          | (4,117)                  | (g)           | —                            |
| Accrued expenses and other current liabilities                                       | Accrued liabilities                                           | 17,880         | (2,752)                  | (b), (c), (g) | 15,128                       |
|                                                                                      | Accrued payroll obligations                                   | —              | 8,778                    | (c)           | 8,778                        |
| Total current liabilities                                                            | Total current liabilities                                     | 58,420         | (11,684)                 |               | 46,736                       |
| Long-term debt, net of unamortized deferred financing costs and less current portion | Long-term debt, net of unamortized deferred financing costs   | 262,918        |                          |               | 262,918                      |
| Deferred tax liability                                                               |                                                               | 20,617         | (20,617)                 | (h)           | —                            |
| Operating lease liabilities, net of current portion                                  | Long-term operating lease liabilities, net of current portion | 11,041         |                          |               | 11,041                       |
| Contract liabilities                                                                 | Contract liabilities, non-current                             | 5,148          | (1,347)                  | (d)           | 3,801                        |
| Other liabilities                                                                    | Other long-term liabilities                                   | 2,010          | 20,617                   | (h)           | 22,627                       |
| Total liabilities                                                                    | Total liabilities                                             | 360,154        | (13,031)                 |               | 347,123                      |
| Shareholders' equity                                                                 | Stockholders' equity                                          |                |                          |               |                              |
| Common stock                                                                         | Common stock                                                  | 3              |                          |               | 3                            |
| Additional paid-in capital                                                           | Additional paid-in capital                                    | 340,476        |                          |               | 340,476                      |
| Accumulated deficit                                                                  | Retained earnings                                             | (34,032)       | 22,418                   | (d)           | (11,614)                     |
| Accumulated other comprehensive deficit                                              | Accumulated other comprehensive loss                          | (796)          |                          |               | (796)                        |
| Total equity                                                                         | Total stockholders' equity                                    | 305,651        | 22,418                   |               | 328,069                      |
| Commitments and contingencies                                                        | Contingencies                                                 |                |                          |               |                              |
| Total liabilities and equity                                                         | Total liabilities and stockholders' equity                    | \$665,805      | \$ 9,387                 |               | \$ 675,192                   |

- (a) Reflects reclassification of the \$3.6 million of contract assets from accounts receivable, net to prepaid expenses and other current assets to conform AMI's historical balances to the financial statement presentation of Lattice.
- (b) Reflects reclassification of \$1.9 million of current portion of operating lease liabilities to accrued liabilities to conform AMI's historical balances to the financial statement presentation of Lattice.

- (c) Reflects reclassification of \$8.8 million of payroll-related accrued liabilities from accrued liabilities to accrued payroll obligations to conform AMI's historical balances to the financial statement presentation of Lattice.
- (d) Reflects adjustments to contract asset and contract liability amounts to conform AMI's balances with Lattice's accounting policy which include an increase of \$9.4 million to prepaid expenses and other current assets; decreases of \$11.7 million and \$1.3 million to current portion of contract liabilities and contract liabilities, non-current, respectively; and a net increase to retained earnings of \$22.4 million.
- (e) Reflects reclassification of \$0.3 million of short-term investments to cash and cash equivalents to conform AMI's historical balances to the financial statement presentation of Lattice.
- (f) Reflects reclassification of \$273.3 million pertaining to AMI's historical balances for Developed technology, net; Trademarks, net; and Customer relationship, net to Intangible assets, net to conform AMI's historical balances to the financial statement presentation of Lattice.
- (g) Reflects reclassification of \$4.1 million of income tax payable to accrued liabilities to conform AMI's historical balances to the financial statement presentation of Lattice.
- (h) Reflects reclassification of \$20.6 million of deferred tax liability to other long-term liabilities to conform AMI's historical balances to the financial statement presentation of Lattice.

Refer to the table below for a summary of identified presentation adjustments made to present AMI's consolidated statement of operations for the six months ended June 30, 2026, to conform presentation to that of Lattice (in thousands):

| <b>AMI Consolidated Statement of Operations Line Items</b>    | <b>Lattice Semiconductor Consolidated Statement of Operations Line Items</b> | <b>AMI Historical</b> | <b>Presentation Adjustments</b> | <b>Note</b> | <b>AMI Historical (As Adjusted)</b> |
|---------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------|---------------------------------|-------------|-------------------------------------|
| Revenues                                                      | Revenue                                                                      |                       | \$ 104,209                      | (b), (c)    | \$ 104,209                          |
| License                                                       |                                                                              | 66,503                | (66,503)                        | (c)         | —                                   |
| Professional services                                         |                                                                              | 21,670                | (21,670)                        | (c)         | —                                   |
| Hardware                                                      |                                                                              | 14,084                | (14,084)                        | (c)         | —                                   |
| Cost of revenue (exclusive of depreciation and amortization)  | Cost of revenue                                                              |                       | 30,217                          | (a), (d)    | 30,217                              |
| Cost of product                                               |                                                                              | 11,174                | (11,174)                        | (d)         | —                                   |
| Cost of services (exclusive of depreciation and amortization) |                                                                              | 22,194                | (22,194)                        | (d)         | —                                   |
| Operating expenses                                            | Operating expenses:                                                          |                       |                                 |             |                                     |
| Research and development expenses                             | Research and development                                                     | 20,583                | (2,726)                         | (a)         | 17,857                              |
| Selling, general and administrative expenses                  | Selling, general, and administrative                                         | 22,071                | 7,083                           | (a)         | 29,154                              |
| Depreciation and amortization                                 |                                                                              | 21,781                | (21,781)                        | (a)         | —                                   |
|                                                               | Amortization of acquired intangible assets                                   |                       | 20,575                          | (a)         | 20,575                              |
| Interest expense, net                                         | Interest income (expense), net                                               | 12,762                |                                 |             | 12,762                              |
| Other (income), net                                           | Other income (expense), net                                                  | (376)                 |                                 |             | (376)                               |
| Total costs and expenses                                      |                                                                              | 110,189               | —                               |             | 110,189                             |
| Loss before income taxes                                      | Income (loss) before income taxes                                            | (7,932)               | 1,952                           |             | (5,980)                             |
| (Benefit) provision for income tax                            | Income tax expense                                                           | (3,224)               | 410                             | (b)         | (2,814)                             |
| Net loss of AMI Top Co, Inc. and Subsidiaries                 | Net income (loss)                                                            | \$ (4,708)            | \$ 1,542                        |             | \$ (3,166)                          |

- (a) Reflects the reclassification of amounts between cost of revenue, research and development, selling, general, and administrative and amortization of acquired intangible assets to conform with the financial statement presentation of Lattice.
- (b) Reflects an increase to revenue of \$2.0 million to conform the amount recorded by AMI with Lattice's accounting policy and associated income tax expense impact based on the statutory rate of 21%.
- (c) Reflects the reclassification of AMI's Licensing, Professional services, and Hardware revenues to Revenues to conform with the financial statement presentation of Lattice.
- (d) Reflects the reclassification of AMI's cost of product and Cost of services (exclusive of depreciation and amortization) into a single line item of cost of revenue to conform with the financial statement presentation of Lattice.

Refer to the table below for a summary of identified presentation adjustments made to present AMI's consolidated statement of operations for the year months ended December 31, 2025, to conform presentation to that of Lattice (in thousands):

| AMI Consolidated Statement of Operations<br>Line Items        | Lattice Semiconductor Consolidated<br>Statement of Operations Line Items | AMI<br>Historical | Presentation<br>Adjustments | Note    | AMI Historical<br>(Adjusted) |
|---------------------------------------------------------------|--------------------------------------------------------------------------|-------------------|-----------------------------|---------|------------------------------|
| Revenues                                                      | Revenue                                                                  |                   | \$ 202,759                  | (b),(c) | \$ 202,759                   |
| License                                                       |                                                                          | 106,467           | (106,467)                   | (c)     | —                            |
| Professional services                                         |                                                                          | 55,922            | (55,922)                    | (c)     | —                            |
| Hardware                                                      |                                                                          | 32,313            | (32,313)                    | (c)     | —                            |
| Cost of revenue (exclusive of depreciation and amortization)  | Cost of revenue                                                          |                   | 60,527                      | (a),(d) | 60,527                       |
| Cost of product                                               |                                                                          | 24,053            | (24,053)                    | (d)     | —                            |
| Cost of services (exclusive of depreciation and amortization) |                                                                          | 41,745            | (41,745)                    | (d)     | —                            |
| Operating expenses                                            | Operating expenses:                                                      |                   |                             |         |                              |
| Research and development expenses                             | Research and development                                                 | 36,465            | 6,340                       | (a)     | 42,805                       |
| Selling, general and administrative expenses                  | Selling, general, and administrative                                     | 36,769            | 1,273                       | (a)     | 38,042                       |
| Depreciation and amortization                                 |                                                                          | 43,834            | (43,834)                    | (a)     | —                            |
|                                                               | Amortization of acquired intangible assets                               |                   | 41,492                      | (a)     | 41,492                       |
| Interest expense, net                                         | Interest income (expense), net                                           | 27,046            |                             |         | 27,046                       |
| Other (income), net                                           | Other income (expense), net                                              | (369)             |                             |         | (369)                        |
| Total costs and expenses                                      |                                                                          | 209,543           | —                           |         | 209,543                      |
| Loss before income taxes                                      | Income (loss) before income taxes                                        | (14,841)          | 8,057                       |         | (6,784)                      |
| (Benefit) provision for income tax                            | Income tax expense                                                       | (827)             | 1,692                       | (b)     | 865                          |
| Net loss of AMI Top Co, Inc. and Subsidiaries                 | Net income (loss)                                                        | (14,014)          | \$ 6,365                    |         | \$ (7,649)                   |

- (a) Reflects the reclassification of amounts between cost of revenue, research and development, selling, general, and administrative and amortization of acquired intangible assets to conform with the financial statement presentation of Lattice.
- (b) Reflects an increase to revenue of \$8.1 million to conform the amount recorded by AMI with Lattice's accounting policy and associated income tax expense impact based on the statutory rate of 21%.
- (c) Reflects the reclassification of AMI's Licensing, Professional services, and Hardware revenues to Revenues to conform with the financial statement presentation of Lattice.
- (d) Reflects the reclassification of AMI's cost of product and Cost of services (exclusive of depreciation and amortization) into a single line item of cost of revenue to conform with the financial statement presentation of Lattice.

### **3. Adjustments to the Unaudited Pro Forma Condensed Combined Balance Sheet as of July 4, 2026**

The adjustments included in the unaudited pro forma condensed combined balance sheet as of July 4, 2026 are as follows:

- (A) Reflects the purchase price allocation adjustments to record AMI's assets and liabilities at estimated fair value based on the consideration conveyed. The related income statement adjustments are reflected at adjustment (AA). Additionally, this adjustment reflects the recording of the preliminary estimate of goodwill and the elimination of the historical equity balances of AMI.

The preliminary purchase price was allocated among the identified assets to be acquired, based on a preliminary analysis. Goodwill is recognized as a result of the Acquisition, which represents the excess fair value of consideration over the fair value of the underlying net assets of AMI. The deferred income taxes represent the deferred tax impact associated with the incremental differences in book and tax basis created from the preliminary purchase price allocation. The estimates of fair value are based upon preliminary valuation assumptions, and are believed to be reasonable, but are inherently uncertain and unpredictable. As a result, actual results may differ from estimates, and the difference may be material.

The following is a preliminary estimate of the assets acquired and the liabilities assumed by Lattice in the Acquisition, reconciled to the estimated purchase consideration (in thousands):

| <b>Net Assets Acquired</b>                                    | <b>Preliminary<br/>Fair Value</b> |
|---------------------------------------------------------------|-----------------------------------|
| Cash and cash equivalents                                     | \$ 30,525                         |
| Restricted cash                                               | 2,185                             |
| Accounts receivables                                          | 47,103                            |
| Inventories                                                   | 145                               |
| Prepaid expenses and other current assets                     | 16,234                            |
| Restricted cash, net of current portion                       | 28                                |
| Property and equipment                                        | 5,573                             |
| Operating lease right-of-use assets                           | 19,078                            |
| Goodwill                                                      | 1,051,926                         |
| Intangible assets <sup>(1)</sup>                              | 551,000                           |
| Other long-term assets                                        | 1,165                             |
| Deferred income taxes                                         | (59,220)                          |
| Accounts payable                                              | (5,336)                           |
| Current portion of contract liabilities                       | (16,126)                          |
| Accrued liabilities                                           | (23,411)                          |
| Accrued payroll obligations                                   | (9,592)                           |
| Contract liabilities, non-current                             | (3,801)                           |
| Long-term operating lease liabilities, net of current portion | (16,142)                          |
| Other long-term liabilities                                   | (2,858)                           |
| <b>Total Fair Value</b>                                       | <b><u>\$1,588,476</u></b>         |
| <b>Consideration Transferred</b>                              |                                   |
| Cash consideration <sup>(2)</sup>                             | \$ 733,492                        |
| Settlement of AMI's debt <sup>(3)</sup>                       | 272,224                           |
| Common Stock consideration <sup>(4)</sup>                     | 582,760                           |
| <b>Total Purchase Consideration</b>                           | <b><u>\$1,588,476</u></b>         |

(1) Intangible assets were comprised of the following:

| <u>Asset type</u>                                 | <u>Fair value<br/>(in thousands)</u> | <u>Useful Life</u> | <u>Valuation methodology</u> |
|---------------------------------------------------|--------------------------------------|--------------------|------------------------------|
| Tradename and Trademark                           | \$ 37,000                            | 7 years            | Relief from Royalty          |
| Developed Technology – Boot Firmware              | 132,000                              | 7 years            | Relief from Royalty          |
| Developed Technology – Manageability and Security | 126,000                              | 7 years            | Relief from Royalty          |
| Customer relationships                            | 256,000                              | 10 years           | Multi-Period Excess Earnings |
| <b>Total intangible assets</b>                    | <b>\$ 551,000</b>                    |                    |                              |

- (2) This amount represents cash consideration paid to AMI's shareholders and vested option holders.
- (3) In addition to the purchase consideration provided in the form of cash, \$272.2 million of AMI's outstanding long-term debt as of the Closing Date has been repaid. AMI's debt was settled upon closing due to a change in control provision within their legacy debt agreement.
- (4) Equity consideration is provided in the form of Common Stock of Lattice and is calculated as 4,741,352 shares of Lattice Common Stock issued to AMI shareholders, multiplied by \$122.91, the closing share price of Lattice on July 27, 2026.
- (B) Reflects the impact of the cash payment made on the date of the Acquisition for \$4.2 million of Lattice's transaction costs incurred and \$13.6 million of the AMI liabilities assumed related to AMI's transaction costs, as well as the accrual of \$10.1 million of Lattice's transaction costs incurred but not paid as of the date of the Acquisition, primarily comprised of investment banking fees, legal fees, issuance costs, accounting and audit fees, and other related advisory costs. Additionally, this reflects the net \$14.3 million decrease to retained earnings and net \$3.5 million decrease to accrued liabilities as a result of these adjustments. The related income statement adjustment incurred is reflected at adjustment (BB).
- (C) Reflects the impact of nonrecurring compensation costs related to cash payments made to certain AMI employees in connection with the Acquisition, and the associated employer portion of payroll tax payable for such amounts. The related income statement adjustment is reflected at adjustment (CC).
- (D) Reflects the issuance of the term loan facility in an aggregate principal amount of \$925 million, of which \$34.7 million is current, as adjusted for debt issuance costs of \$6.6 million. The related income statement adjustment is reflected at adjustment (FF).

#### **4. Adjustments to the Unaudited Pro Forma Condensed Combined Statement of operations for the Six Months ended July 4, 2026 and for the Year ended January 3, 2026**

- (AA) Reflects the pro forma impacts related to the purchase price allocation discussed at adjustment (A). This includes the following impacts:
- Amortization expense on intangible assets* - Reflects an increase in amortization expense (net off historical amortization of intangibles already recorded) in the amount of \$13.3 million for the six months ended July 4, 2026 and \$26.3 million for the year ended January 3, 2026 pertaining to fair value adjustments and recording of new intangible assets as of Closing Date, as well as application of useful lives as per the Company's policy.

| Asset type                                        | Useful Life | Fair value | Amortization for the year ended January 3, 2026<br>(in thousands) | Amortization for the six months ended July 4, 2026 |
|---------------------------------------------------|-------------|------------|-------------------------------------------------------------------|----------------------------------------------------|
| Tradename and Trademark                           | 7 years     | \$ 37,000  | \$ 5,286                                                          | \$ 2,643                                           |
| Developed Technology – Boot Firmware              | 7 years     | 132,000    | 18,857                                                            | 9,429                                              |
| Developed Technology – Manageability and Security | 7 years     | 126,000    | 18,000                                                            | 9,000                                              |
| Customer relationships                            | 10 years    | 256,000    | 25,600                                                            | 12,800                                             |
| <b>Total amortization to be recorded</b>          |             |            | <b>\$ 67,743</b>                                                  | <b>\$ 33,872</b>                                   |
| Less: Historical amortization                     |             |            | (41,492)                                                          | (20,575)                                           |
| <b>Incremental amortization</b>                   |             |            | <b>\$ 26,251</b>                                                  | <b>\$ 13,297</b>                                   |

- *Depreciation expense on Property and equipment* - Reflects the \$0.3 million net decrease in depreciation expense resulting from the removal of the historical depreciation expense of \$1.2 million and recognition of \$0.9 million depreciation expense in applying the useful lives as per the Company's policy for the six months ended July 4, 2026, and the \$0.2 million net decrease in depreciation expense resulting from the removal of the historical depreciation expense of \$2.3 million and recognition of \$2.1 million depreciation expense in applying the useful lives as per the Company's policy for the year ended January 3, 2026.
- *Operating lease cost on lease balances* - Reflects a decrease in operating lease cost in the amount of \$0.1 million for the six months ended July 4, 2026 and an increase of \$0.4 million for the year ended January 3, 2026 recorded within selling, general and administrative expense pertaining to remeasurement of the right-of-use assets and lease liabilities on Closing Date as part of Acquisition.

- (BB) Reflects the impact of nonrecurring expenses related to transaction costs in the amount of \$14.3 million, for the year ended January 3, 2026, primarily comprised of investment banking fees, legal fees, issuance costs, accounting and audit fees, and other related advisory costs. The related balance sheet statement adjustment is reflected at adjustment (B).
- (CC) Reflects the impact of nonrecurring compensation costs related to cash payments made to certain employees and associated payroll tax payable in the amount of \$8.6 million in connection with the Acquisition. The related balance sheet adjustment is reflected at adjustment (C).
- (DD) Reflects the incremental stock-based compensation cost for new restricted stock units in the amount of \$24.8 million for the six months ended July 4, 2026 and \$48.7 million for the year ended January 3, 2026.
- (EE) Reflects an elimination of interest expense amounting to \$12.8 million for the six months ended July 4, 2026 and \$27.2 million for the year ended January 3, 2026 related to the repayment of long-term debt of AMI.
- (FF) Reflects interest expense amounting to \$25.9 million for the six months ended July 4, 2026 and \$53.3 million for the year ended January 3, 2026 related to issuance of term loan facility as presented at adjustment (D). The term loan facility has a variable interest rate based on Secured Overnight Financing Rate ("SOFR") plus 1.75%. An increase or decrease of one-eighth of a percent in the interest rate would result in an increase or decrease in interest expense of \$0.6 million and \$1.2 million for the six months ended July 4, 2026 and for the year ended January 3, 2026 respectively. This adjustment also includes the amortization of estimated debt issuance costs of \$0.6 million and \$1.2 million for the six months ended July 4, 2026 and for the year ended January 3, 2026, respectively, pertaining to the term loan facility as presented at adjustment (D).
- (GG) Reflects the tax impact of all pro forma adjustments for the six months ended July 4, 2026 and for the year ended January 3, 2026, calculated using a statutory rate of 21%.

## 5. Unaudited Pro Forma Earnings Per Share

The pro forma net income per share calculations have been performed for the six months ended July 4, 2026 and for the year ended January 3, 2026, assuming the Acquisition occurred on December 29, 2024.

|                                                                         | For the Six<br>Months Ended<br>July 4, 2026 | For the Year<br>Ended<br>January 3, 2026 |
|-------------------------------------------------------------------------|---------------------------------------------|------------------------------------------|
| <i>(in thousands, except per share data)</i>                            |                                             |                                          |
| <b>Numerator</b>                                                        |                                             |                                          |
| Pro forma net income (loss)                                             | \$ (2,131)                                  | \$ (102,633)                             |
| <b>Denominator</b>                                                      |                                             |                                          |
| Lattice weighted average number of common shares outstanding            | 136,932                                     | 137,091                                  |
| Add: Shares issued to AMI shareholders in the Acquisition               | 4,741                                       | 4,741                                    |
| <b>Pro forma shares used in basic net income per share</b>              | <b>141,673</b>                              | <b>141,832</b>                           |
| <b>Pro forma net income (loss) per share – Basic</b>                    | <b>\$ (0.02)</b>                            | <b>\$ (0.72)</b>                         |
| Pro forma shares used in basic net income per share                     | 141,673                                     | 141,832                                  |
| Add: Dilutive effect of employee equity incentive awards (*)            | —                                           | —                                        |
| <b>Pro forma shares used in diluted net income (loss) per share (*)</b> | <b>141,673</b>                              | <b>141,832</b>                           |
| <b>Pro forma net income (loss) per share – Diluted (*)</b>              | <b>\$ (0.02)</b>                            | <b>\$ (0.72)</b>                         |

(\*) Considering there is a net loss position for the six months ended July 4, 2026 and the year ended January 3, 2026, the inclusion of additional shares issuable under employee equity incentive awards would only be anti-dilutive. As such, basic EPS and diluted EPS is calculated as same for the six months ended July 4, 2026 and the year ended January 3, 2026.