

06-Aug-2024

# Cirrus Logic, Inc. (CRUS)

Q1 2025 Earnings Call

## CORPORATE PARTICIPANTS

**Chelsea Heffernan**

*Vice President-Investor Relations, Cirrus Logic, Inc.*

**John Forsyth**

*President, Chief Executive Officer & Director, Cirrus Logic, Inc.*

**Ulf Habermann**

*Interim Chief Financial Officer & Chief Accounting Officer, Cirrus Logic, Inc.*

---

## OTHER PARTICIPANTS

**Thomas O'Malley**

*Analyst, Barclays Capital, Inc.*

**Matt Ramsay**

*Analyst, TD Cowen*

**David Williams**

*Analyst, The Benchmark Co. LLC*

---

## MANAGEMENT DISCUSSION SECTION

**Operator:** Ladies and gentlemen, thank you for standing by. Welcome to the Cirrus Logic First Quarter Fiscal Year 2025 Financial Results Q&A session. At this time, all participants are in listen-only mode. After a brief statement, we will open up the call for questions from analysts. Instructions for queuing up will be provided at that time. As a reminder, this conference call is being recorded for replay purposes.

I would now like to turn the call over to Ms. Chelsea Heffernan, Vice President of Investor Relations. Ms. Heffernan, you may now begin.

---

**Chelsea Heffernan**

*Vice President-Investor Relations, Cirrus Logic, Inc.*

Thank you and good afternoon. Joining me on today's call is John Forsyth, Cirrus Logic's Chief Executive Officer; and Ulf Habermann, our Interim Chief Financial Officer. Today at approximately 4 PM Eastern Time, we announced our financial results for the first quarter fiscal year 2025. The shareholder letter discussing our financial results, the earnings press release, and the webcast of this Q&A session are all available at the company's Investor Relations website.

This call will feature questions from analysts covering our company. Additionally, the results and guidance we will discuss on this call will include non-GAAP financial measures that exclude certain items. Reconciliations of these non-GAAP measures to their most directly comparable GAAP measures are included in our earnings release and are all available on the company's investor relations website. Please note that during this session we may make projections and other forward-looking statements that are subject to risks and uncertainties that may cause actual results to differ materially from projections.

By providing this information, the company expressly disclaims any obligation to update or revise any projections or forward-looking statements, whether as a result of new developments or otherwise. Please refer to the press

release and the shareholder letter issued today, which are available on the Cirrus Logic website and the latest form 10-K, as well as other corporate filings registered with the Securities and Exchange Commission for additional discussion of risk factors that could cause actual results to differ materially from current expectations.

Now, I'd like to turn the call over to John.

---

## John Forsyth

*President, Chief Executive Officer & Director, Cirrus Logic, Inc.*

Thank you, Chelsea, and welcome to everyone joining today's call. As you've seen in the press release, in the June quarter, Cirrus Logic delivered revenue of \$374 million, above the top-end of our guidance range due to stronger than expected shipments into smartphones. In a moment, I'm going to hand over the call to Ulf to discuss our financial results for the June quarter in greater detail, as well as our outlook for the September quarter. But before we get to that, I'd like to make a few remarks regarding our recent progress.

Our long-term strategy is based around three broad principles. Number one, maintaining leadership in our core flagship smartphone audio business. Number two, continuing our expansion in areas of high-performance mixed-signal functionality in smartphones. And number three, leveraging those audio and high-performance mixed-signal capabilities to penetrate and grow in new markets. In our flagship smartphone audio business, this past quarter marked a very significant milestone, as we began ramping production of our next-generation custom boosted amplifier and our first 22-nanometer smart codec ahead of new product launches expected later this year.

At Cirrus, we do not innovate in a vacuum, but believe in focusing closely on our customers' needs and aspirations. And both of these products represent significant multi-year development efforts undertaken in close collaboration with our customer. We are excited about the performance, efficiency, and system cost improvements that the new components will deliver. We anticipate that both the boosted amplifier and the new smart codec will ship for multiple generations of customer devices following their introduction. As a reference point, over the past six years, the preceding smart codec years and boosted amplifier have shipped over 1 billion units and 3.5 billion units respectively.

It takes an extraordinary level of dedication to excellence in both engineering and execution to deliver that kind of accomplishment. And we believe that same dedication can help our new next generation components have similar success. Looking beyond audio, our goal is to continue to broaden our high-performance mixed signal content in smartphones, where we see a meaningful opportunity to not only expand our addressable market, but also to grow and diversify our revenue. With new customer introductions that we expect to see later this year, we believe we will benefit from more favorable content in smartphones on the market that include our third generation camera controller.

We also believe there is significant potential to continue to grow value in this area in the future, and we are today investing in a road map of further products and features in pursuit of that goal. Beyond camera controllers, we have also previously indicated that we believe advanced power and battery-related technologies represent great opportunities for the company. And today, we have a number of R&D programs underway related to high-efficiency charging, battery management, and system-side power delivery. We believe that the investments we are making in this space today can continue to drive our product diversification in the future. The third element of our strategy is our focus on expanding into new applications and markets outside of smartphones. In this area, we continue to be excited about the opportunities we see in the laptop business.

Today, we have design wins with each of the top six laptop OEMs worldwide and are actively pursuing many future design opportunities across multiple generations of customer products. We see significant customer demand and engagement around our audio codec, boosted amplifier, haptics driver, and power converter products, supporting our belief that this is a market where Cirrus Logic can enhance the end user experience, improve the performance of our customers' products, and increase both content per device and market share over time.

Additionally, following the launch of our latest generation of analog to digital converters last year, during Q1, we also added a series of new digital to analog converters and an ultra-high performance audio codec to this product family. These components offer sustained differentiation with improved performance, lower power consumption, and new feature enhancements. And we have received outstanding customer feedback across professional and prosumer audio segments. We believe they can be valuable contributors to our profitability in the years to come.

And with that, let me now turn the call over to Ulf to provide an overview of our financial results as well as the outlook.

---

## Ulf Habermann

*Interim Chief Financial Officer & Chief Accounting Officer, Cirrus Logic, Inc.*

Thank you, John. And good afternoon, everyone. I will start with a summary of our financial results for our fiscal first quarter, 2025, and then provide guidance for Q2 FY 2025. Revenue in Q1 FY 2025 was above the high end of our guidance range at \$374 million due to stronger than anticipated shipments into smartphones. On a sequential basis, revenue was relatively flat. On a year-over-year basis, sales were up 18% due to an increase in smartphone unit volumes and HPMS content gains. This was partially offset by lower general market sales.

Turning to gross profit and gross margin, non-GAAP gross profit in the quarter was \$189.2 million and non-GAAP gross margin was 50.6%. On a sequential basis, gross margin decreased by 130 basis points mostly driven by higher supply chain costs related to new product ramps. Gross margin increased slightly on a year-over-year basis.

Now, I'll turn to operating expenses. Non-GAAP operating expense for the first quarter was \$118 million. On a sequential basis, OpEx was up \$1.5 million primarily due to an increase in employee-related expenses. This was offset by lower product development costs. On a year-over-year basis, operating expense was up \$4.2 million largely due to higher variable compensation. Non-GAAP operating income for the quarter was \$71.2 million or 19% of revenue.

Turning now to taxes, for the June quarter, our non-GAAP tax rate was 23% in line with our previous guidance. And lastly, on the P&L, non-GAAP net income in the first quarter was \$62.4 million or \$1.12 per share as the higher revenue and profitability flowed through to the bottom line. We now turn to the balance sheet. Our balance sheet continues to remain strong, and we ended the June quarter with \$744.6 million in cash and investments. Our ending cash balance was up \$744 million from the prior quarter, primarily due to strong cash flow from operations, which was partially offset by stock repurchases.

We continue to have no debt outstanding and have \$300 million undrawn on our revolver. Inventory balance at the end of the first quarter was \$232.6 million, up from \$227.2 million in Q4 and FY 2024. Days of inventory were down slightly sequentially, and we ended the quarter with approximately 115 days of inventory. Looking ahead, in Q2 FY 2025, we expect inventory to increase from the prior quarter in support of new smartphone launches expected later this fall. Turning to cash flow, cash flow from operations was \$87.2 million in the June quarter, and

CapEx was roughly \$10.1 million, resulting in non-GAAP free cash flow margin for the quarter of roughly 21%. For the 12-month period, cash flow from operations was \$548.6 million, and CapEx was roughly \$36.2 million.

This resulted in non-GAAP free cash flow margin of roughly 28%, which is up from 10% for the same 12-month period a year ago. In the share buyback front in Q1, we utilized \$41 million to repurchase approximately 361,000 shares of our common stock at an average price of \$113.48. At the end of Q1, FY 2025, the company had \$274.1 million remaining in its share repurchase authorization. We expect to continue to return capital in the form of stock repurchases, which we believe will provide a long-term benefit to shareholders going forward.

Now onto the guidance. For Q2 of FY 2025, we expect revenue in the range of \$490 million to \$550 million. I would like to take a moment to note that when comparing our September quarter outlook to the equivalent quarter last year, our September quarter this fiscal year begins and ends one week later. Thus, it encompasses one week more of the higher volume production associated typical seasonal product ramps. GAAP gross margin is expected to range from 50% to 52%.

Non-GAAP operating expense is expected to range from \$125 million to \$131 million, up sequentially due to higher variable compensation expense and increased product development costs. We will continue to control discretionary spending while investing strategically in product development to drive long-term growth. We expect our FY 2025 non-GAAP tax rate to be approximately 22% to 24%, unchanged from our previous guidance. This range is slightly higher than our FY 2024 tax rate, which was impacted by a favorable catch-up benefit related to updated IRS guidance on the R&D capitalization rules.

In closing, we delivered outstanding results for the June quarter. We are pleased with the progress we have made this year and remain focused on executing on our strategy that we believe will enable the company to grow both revenue and profitability over the long term. Before we begin the Q&A, I would like to note that while we understand there's intense interest related to our largest customer, in accordance with Cirrus Logic company policy, we will not discuss specifics about our business relationship. With that, let me now turn the call over to Chelsea for the Q&A session.

---

## Chelsea Heffernan

*Vice President-Investor Relations, Cirrus Logic, Inc.*

Thank you, Ulf. We will now start the Q&A portion of the earnings call. Please limit yourself to a single question and one follow-up. Operator, we are now ready to take questions.

## QUESTION AND ANSWER SECTION

**Operator:** Thank you. We are now opening the call for question and answer session. [Operator Instructions] Our first question comes from Thomas O'Malley from Barclays. Your line is now open.

**Thomas O'Malley**

*Analyst, Barclays Capital, Inc.*

Q

Hey, guys, thanks for taking my question, and congrats on the really nice results. So, obviously, sensitivity around the largest customer, but some big numbers changes here to the positive side. Could you just talk about three months ago going into this cycle, there was an expectation kind of for the next several quarters, and clearly things have come in a bit better. On the guidance side, can you talk about where that strength is coming from in your business? That's part one.

And then part two, I kind of wanted to ask on the PC side, you mentioned it again in the script, but could you talk about the opportunities around AI PC and potential incremental content for you guys? You had previously kind of given some targets for the full year about where you thought AI – PC in general could go, but maybe any update to that, just given what we're hearing on the AI PC front. Thank you.

**John Forsyth**

*President, Chief Executive Officer & Director, Cirrus Logic, Inc.*

A

Absolutely. Thank you, Tom. On the guidance side, well, on the results and the guidance, I think, as you know, our goal when we guide is to provide as accurate a view as we can of what we expect. And we talk to our field teams, we talk to our supply chain, we talk to our customers, and we look at historical patterns and we take all that together and use that as inputs to the guidance model. As you've seen in the June quarter, which was also the case in the quarter before, we saw demand which was simply more sustained than it typically has been. And I think that speaks to the strength of demand out there in the real world for our customers' products. So, we're obviously delighted by that and I'm very pleased with the results.

When we look out to the guidance for the September quarter, it obviously embraces, again, all the information we have from the supply chain and our customers what we're anticipating shipping – building and shipping over the current quarter. The one additional data point that I'd give, though, when we look to the year-on-year comps for the September quarter guidance is that this year, our September quarter, our quarters are slightly offset as a consequence of the 53-week year we had last year.

So, December was a 14-week quarter. And that means we have this slight offset so that our September quarter ends on September 28 versus September 23 last year, which a week may not sound like a lot, but that's right in a peak period of building and shipping for us. It's one of the kind of peak periods during the year. So, that means the September quarter guidance kind of encompasses one week of more intense ramps than it did last year. So, I'd keep that in mind when drawing the year-on-year comparisons there. You also asked about the PC market and the outlook there. I think we're really delighted with the progress that we're seeing. I think the AI PC kind of upgrade cycle is certainly something that excites us, but the content we have really delivers a lot of benefits across a full kind of spread of PCs across the portfolio, whether or not they're fully focused on AI features.

So, I guess in terms of the progress, I've talked in the past about the SAM, what we see as the overall opportunity in the PC space. I've said that's somewhere around \$1 billion or more, we still believe that. And then I've talked about the outlook that we have for FY 2025, being in the low tens of millions revenue wise. We still believe that's

appropriate. And then thirdly, I guess I talk about the momentum that we're seeing. So, we're delighted with the design momentum that we're seeing across customers now and across our range of products. So, we have audio products in the form of boosted amplifier and codec. We also have haptics drivers and power converter products. And if you take those together across the top five PC laptop OEMs, we believe there's somewhere north of 100 designs in progress right now, which are targeted at shipping in calendar 2025.

So, we're excited still about the opportunity there. We believe we're tracking really well versus the goals that we set out previously.

**Thomas O'Malley**

*Analyst, Barclays Capital, Inc.*

Thank you very much.

Q

**Operator:** Our next question is Tore Svanberg from Stifel. Your line is now open.

Q

Yes, good afternoon. This is [ph] Jeremy (18:34) calling for Tore. Just a question on the data converter product. Obviously, you have significant experience in the audio and consumer markets, but what is your strategy in terms of going after industrial applications for this segment? Are there partnerships that you can talk about, maybe relationships with customers, anything that can give us a little bit more color would be great. Thanks.

**John Forsyth**

*President, Chief Executive Officer & Director, Cirrus Logic, Inc.*

Yeah, thanks for asking about this, [ph] Jeremy (19:06). We really like this part of our business and believe that the return on investment over the long run is a good one. It's not, by comparison, it's not a big units driven business in any one year, but products tend to run for a long time and at very, very healthy gross margins and so on. So, one of the things that we've been doing as we've gotten through some major R&D lifts we've had over the past few years, like the 22-nanometer smart codec and so on, is deploying some of our mixed-signal resources on kind of rejuvenating and re-energizing some of those kind of broad-based analog catalog products and especially, not exclusively in the audio space, but especially in the audio space. And that's really key for us. I think audio leadership is part of our heritage. It's also something that gives us a halo that extends to all of our audio products. And these products that we've launched over the past quarter and last year now comprise a suite of digital-to-analog converters, so DACs, ADCs, and a codec, all of which have absolutely uncompromised performance in audio capture and reproduction. So, the customer feedback on those has been stellar. And that's across both the prosumer space and the pro audio space, where we have a great network of relationships. And then in some other industrial segments and automotive – parts of the automotive market. So, we've seen amazing customer feedback and we anticipate the end user feedback is going to be equally positive in due course.

Q

Great, and maybe just in terms of what timing for revenue, any indication there and maybe which segment you might see first for data converters. Thank you.

**John Forsyth**

*President, Chief Executive Officer & Director, Cirrus Logic, Inc.*

A



Yeah, we don't break out this part of our business by revenue. It's really a kind of long – it's part of our kind of long tail business. So, if you look at any given quarter, our customer – our business outside of our largest customer will be maybe 12%, 15%, 20%, depending on the particular quarter. That general market business then splits into kind of three categories. So, there is Android, there's the PC business, which I was talking about. And then there's this kind of broader based catalog business. So, these products will contribute to that, as I said, in a very healthy gross margin. And yeah, we'll be sure and give an update on progress as we move forward with those.

**Operator:** Our next question comes Matt Ramsey from TD Cowen. Your line is now open.

**Matt Ramsay***Analyst, TD Cowen*

Q

Hey, everybody. Good afternoon. Thank you for taking the questions. John, I think, this is not new commentary necessarily, but a little bit of different emphasis, I think, in your script and in the shareholder letter about maybe different power domains for HPMS around battery, and that emphasis has continued to go up. So, maybe I'd appreciate if you'd spend a little bit of time there. I know there's a lot of new AI features potentially coming down the pike in phones and in other devices that will, no doubt, strain battery life, making, I don't know, the usage of the battery and the draining of it and also the charging of it more critical. So, if you could maybe spend a little bit of time to the extent you can talking about some of those opportunities, investments, and then I got a follow-up. Thanks.

**John Forsyth***President, Chief Executive Officer & Director, Cirrus Logic, Inc.*

A

Yeah, thank you, Matt. It's certainly true that those are areas where we're making considerable investments and we believe that there are meaningful opportunities for us. If you think about how we think of our strengths, we believe that leading-edge analog, mixed signal combined with digital signal processing is a kind of sweet spot for us.

So, in the power space, we're not really that interested in kind of traditional power management stuff. But we're very interested in areas where we can deliver meaningfully improved performance through the integration of more logic, more digital. And that will tend to mean that you will benefit from being on an advanced node for analog mixed-signal, which we typically are. So that's how we think about it. And what that lends itself to is certainly stuff around the battery, where a lot of sensing and monitoring and then kind of processing of the information you're getting from the battery can be extremely valuable, both for extending battery life and the impact of battery consumption and peak power consumption on the rest of the system performance. So, we have a bunch of investments around that area, probably either side of the battery would be a good way of thinking about it. There are multiple ways in which those investments could manifest in terms of products. And we'll certainly kind of give more clarity as those come into focus in due course.

**Matt Ramsay***Analyst, TD Cowen*

Q

Got it. Thanks, John. I guess as my follow-up, I wanted to say, hello, Ulf. Welcome to the call. I got a couple of questions for you. I guess the first one, and you guys went through it fairly quickly there, and I got a couple of questions on it tonight. I just want to make sure that I'm crystal clear on – so the 14-week quarter was December last year, so, everything that we're looking at for this year, whether it's the September guide or into December as we push through is all 13-week quarters. It's just shifted a little bit in timing relative to smartphone ramps. So, I just wanted to confirm that.



And second, everything seems to be playing out as you guys had sort of described it with new versions of the codec and amplifiers coming later this year. As you're getting closer to those ramping, anything that we should think about just collectively about how that might move the gross margin mix? You don't often have all new product on that much content coming in one generation. So, I was just, I don't know, calibrating my model, make sure nothing really moved there with the gross margin mix. Thank you.

---

**John Forsyth**

*President, Chief Executive Officer & Director, Cirrus Logic, Inc.*

A

Yeah, thanks, Matt. I am going to jump in and comment on this, though, especially given I gave the comments at the top of the call regarding the offset and the consequences of that 14-week quarter last year. So, you got it absolutely right. We had a 14-week quarter in December of last year and that means a couple of things when we get around to comps this year. Firstly, yes, everything is just shifted kind of to the right by a week. So, the September quarter begins and ends a week later, but that means it embraces a kind of larger proportion of that peak ramp. So that's worth keeping in mind when comparing year-over-year.

And then, of course, when it gets to the December comps, there is also the fact that that's a 13-week comp compared to a 14-week last year, in addition to which we obviously had some stuff which we commented on previously about the December quarter last year, which was that we had an unusual case of an Android flagship launching then when it normally hits later in our fiscal year. So yeah, that's the picture. I think you have that absolutely right on what we meant by that comment.

On gross margin, I guess, just coming out of a quarter where we're – our gross margin declined by 130 basis points quarter-on-quarter for reasons that we discussed previously. And we're obviously still quite meaningfully below where we were pre-pandemic as we went into the pandemic. But as we get into the September quarter, per our guidance, we do expect a slight improvement relative to what we just reported.

Nothing that makes us think differently about our long-term model, to be clear, but there is a slight improvement there, which is reflective of a number of things. Obviously, partly that's product mix, which you alluded to. It's also partly a great deal of work we've been doing on the supply chain side with our foundry partners, with OSAT and others in order to optimize costs. And that's really been a kind of key feature of our activity as we've seen the pricing environment and the supply environment normalizing that we've been working really hard on driving a more competitive environment in those parts of the supply chain so that we and our customers see some benefit.

---

**Operator:** Thank you. [Operator Instructions] Our next question comes from David Williams from The Benchmark Company. Your line is now open.

---

**David Williams**

*Analyst, The Benchmark Co. LLC*

Q

Hey, good afternoon. Thanks for taking the question and let me give you my congrats as well for the solid results here. Maybe first, just kind of thinking about the success that you've had moving beyond the handset and into the laptops, just kind of curious how you think about some of the other edge type devices as we move kind of push for further out, automotive, and what other areas are we maybe not thinking about where there could be some really nice content opportunity for Cirrus as we expand closer to the edge here?

---

**John Forsyth**

*President, Chief Executive Officer & Director, Cirrus Logic, Inc.*

A

Yeah, thank you, David. We certainly think a lot about that. I'm also conscious that if we talk about that, we'll get into a cycle of giving 13 week updates on stuff that can take quite a while to build. But to your direct question, I think anywhere where audio, power efficiency, haptics, can really deliver a benefit to the user experience, that would be – those would be areas that we're seriously evaluating or in the case of wearables and AR and VR already present in. So, we certainly believe that our opportunity to leverage our audio and HPMS technologies to drive SAM expansion for us goes well beyond the laptop market.

It so happens that the laptop market was or has been a place where there were a number of architectural transitions there which created great entry points for us and a significant step up in what OEMs wanted to provide to their users in terms of the haptic and the audio visual experience. So, that kind of synchronized incredibly well with our product offering. We're very happy with the momentum there, but we're not going to call it quits there. We certainly do have a great deal of interest in expanding into other markets as well.

---

**David Williams**

*Analyst, The Benchmark Co. LLC*

Q

Great. Good color. Thank you. And then maybe just on the PC side, obviously you have some really great success, but just, do you think you're seeing maybe an acceleration from the AI PC, just given the additional content and kind of the price points there, but it feels like those are certainly at the upper end more luxury or at the top end of the market. It seems like that could draw in more content. Are you seeing that? And maybe any urgency from those OEMs. Thank you.

---

**John Forsyth**

*President, Chief Executive Officer & Director, Cirrus Logic, Inc.*

A

We certainly see a lot of excitement, a lot of urgency, a lot of energy. I alluded to the fact that we believe there's over 100 designs in progress using at least one Cirrus product, in many cases more than one, that are targeted at calendar 2025 launches. And obviously, we're building for the period beyond that as well. And we think we're still gathering momentum. So, I think, honestly, a few months ago, I would say that number is ahead of where we would have expected to be. And there does seem to be some degree of kind of re-energization of the PC market in anticipation of the kind of AI-driven cycle. Whether that hits – exactly when that hits, I don't think anybody is quite sure and not maybe 100% sure on what the kind of ultimately compelling user features are going to be. But there's certainly a lot of excitement about the potential for differentiation.

---

**Chelsea Heffernan**

*Vice President-Investor Relations, Cirrus Logic, Inc.*

A

This will be our last question.

---

**Operator:** Thank you. Our last question comes from Ananda Baruah from Loop Capital. Your line is now open.

Q

Hey, guys. It's actually [ph] Alec (32:47) on for Ananda. I have one question. So, my question is, of the content dollar growth that you guys see over the next few years within smartphones, what's a good way of thinking about the contribution from new or enhanced content relative to smartphone unit growth being the driver of the content growth?

**John Forsyth**

*President, Chief Executive Officer & Director, Cirrus Logic, Inc.*

A

So, just if I understand the question correctly, we don't make any particularly aggressive assumptions on smartphone units when we're looking at it at our own growth model internally. Obviously, we also don't guide beyond the current quarter. So, I'm not going to get into what our expectations are over the next year plus. But what I would say is that our plan is really always to make sure we've got means of growing in a world where units aren't the primary catalyst for that and we're not dependent on that. So, that's certainly how we think about the business and how we seek to manage it.

Q

Got it. Thank you, guys.

**Chelsea Heffernan**

*Vice President-Investor Relations, Cirrus Logic, Inc.*

A

And with that, we'll end the Q&A session. I will now turn the call back to John for his final remarks.

**John Forsyth**

*President, Chief Executive Officer & Director, Cirrus Logic, Inc.*

Thank you, Chelsea. In summary, Cirrus Logic delivered revenue above the top end of our guidance range for the first quarter and made solid progress across each of the three key areas of our strategy. We remain very excited about the opportunities in front of us, and we thank you for your continued interest in our progress. I'd also like to thank all of our employees worldwide for their incredible dedication and commitment.

Before we close, I'd also like to note that we will be participating in Oppenheimer's virtual conference on August 14. Please check our investor website for the details. Finally, I'd like to thank everyone for participating in our call today. Goodbye.

**Operator:** Thank you for attending today's call. You may now disconnect. Have a wonderful day.

Disclaimer

The information herein is based on sources we believe to be reliable but is not guaranteed by us and does not purport to be a complete or error-free statement or summary of the available data. As such, we do not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information. You must evaluate, and bear all risks associated with, the use of any information provided hereunder, including any reliance on the accuracy, completeness, safety or usefulness of such information. This information is not intended to be used as the primary basis of investment decisions. It should not be construed as advice designed to meet the particular investment needs of any investor. This report is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any state where such an offer or solicitation would be illegal. Any information expressed herein on this date is subject to change without notice. Any opinions or assertions contained in this information do not represent the opinions or beliefs of FactSet CallStreet, LLC. FactSet CallStreet, LLC, or one or more of its employees, including the writer of this report, may have a position in any of the securities discussed herein.

THE INFORMATION PROVIDED TO YOU HEREUNDER IS PROVIDED "AS IS," AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, FactSet CallStreet, LLC AND ITS LICENSORS, BUSINESS ASSOCIATES AND SUPPLIERS DISCLAIM ALL WARRANTIES WITH RESPECT TO THE SAME, EXPRESS, IMPLIED AND STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER FACTSET CALLSTREET, LLC NOR ITS OFFICERS, MEMBERS, DIRECTORS, PARTNERS, AFFILIATES, BUSINESS ASSOCIATES, LICENSORS OR SUPPLIERS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR REVENUES, GOODWILL, WORK STOPPAGE, SECURITY BREACHES, VIRUSES, COMPUTER FAILURE OR MALFUNCTION, USE, DATA OR OTHER INTANGIBLE LOSSES OR COMMERCIAL DAMAGES, EVEN IF ANY OF SUCH PARTIES IS ADVISED OF THE POSSIBILITY OF SUCH LOSSES, ARISING UNDER OR IN CONNECTION WITH THE INFORMATION PROVIDED HEREIN OR ANY OTHER SUBJECT MATTER HEREOF.

The contents and appearance of this report are Copyrighted FactSet CallStreet, LLC 2024 CallStreet and FactSet CallStreet, LLC are trademarks and service marks of FactSet CallStreet, LLC. All other trademarks mentioned are trademarks of their respective companies. All rights reserved.