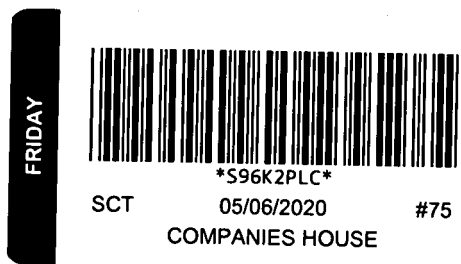


Cirrus Logic International Semiconductor Ltd
Registered number: SC495735

Financial Statements
for the 52 week period ended
28 March 2020



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Company Information
For the 52 week period ended 28 March 2020

Directors Thurman K. Case
Pedro Andrade
Allan W. Hughes

Secretary: Gregory Scott Thomas

Registered Office: Cirrus Logic International Semiconductor Ltd
7B Nightingale Way
Quartermile
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EH3 9EG
United Kingdom

Registered Number: SC495735

Independent Auditor: Ernst & Young LLP
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Edinburgh
EH3 8EB
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Principal Bankers: Wells Fargo Bank, N.A.
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One Plantation Place
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London
EC3M 3BD
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Legal Advisors: Baker McKenzie LLP
100 New Bridge Street
London
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Strategic Report

For the 52 week period ended 28 March 2020

The directors present their Strategic Report for Cirrus Logic International Semiconductor Ltd (the 'Company') for the 52 week period ended 28 March 2020.

Principal Activities and Products

The Company designs low power, low-latency, high-precision analogue and mixed-signal components that are used in a variety of portable applications including smartphones, tablets, wearables, and digital headsets. The Company has an extensive portfolio of products, including “codecs” – chips that integrate analogue-to-digital converters (“ADCs”) and digital-to-analogue converters (“DACs”) into a single integrated circuit (“IC”), “smart codecs” – codecs with digital signal processing integrated, boosted amplifiers, haptic and sensing solutions, as well as standalone digital signal processors (“DSPs”). Additionally, the Company's SoundClear® technology consists of a broad portfolio of tools, software and algorithms that help to differentiate our customers' products by improving the user experience with features such as enhanced voice quality, voice capture, speech recognition and audio playback. The Company receives a royalty on intellectual property licensing arrangements with another Group company.

Research and Development

The Company concentrates its research and development efforts on the design and development of new products, including related software, technology and intellectual property. Research and development expenditure before exceptional items for the 52 week period ended 28 March 2020 was \$406.0 million (52 week period ended 30 March 2019: \$427.6 million).

Financial Performance

Key Performance Indicators

	52 weeks ended 28 March 2020	52 weeks ended 30 March 2019
Revenue	\$517.8 million	\$448.0 million
Gross profit* (as a % of revenue)	100.0%	100.0%
Research and development expenses* (as a % of revenue)	78.4%	95.5%
Administrative expenses* (as a % of revenue)	1.4%	1.9%
Operating profit* (as a % of revenue)	20.2%	2.7%
Gross profit** (as a % of revenue)	100.0%	100.0%
Research and development expenses** (as a % of revenue)	80.9%	95.5%
Administrative expenses** (as a % of revenue)	1.4%	1.9%
Operating profit** (as a % of revenue)	17.7%	2.7%

*before exceptional charges

**after exceptional charges

Strategic Report (continued)

For the 52 week period ended 28 March 2020

Financial Performance (continued)

Revenue

The Company earned royalty income in respect of an intellectual property license from another Group company, Cirrus Logic International (UK) Ltd of \$517.8 million during the 52 week ended 28 March 2020 (*52 week period ended 30 March 2019: \$448.0 million*).

Exceptional items

In the 52 week period ended 28 March 2020, there was one exceptional item as set out below. There were no exceptional items in the 52 week period ended 30 March 2019.

Restructuring costs

During the fourth quarter of fiscal year 2020, the Cirrus Logic, Inc. Group (the 'Group') approved a restructuring plan (the "MEMS Restructuring"), including discontinuing efforts relating to the microelectromechanical systems ("MEMS") microphone product line. The MEMS Restructuring allows the Company to concentrate our resources on projects that we anticipate will have a larger return on investment. The Company recorded pre-tax charges of \$12.7 million as part of the MEMS Restructuring which is expected to be substantially complete by the first quarter of fiscal year 2021.

Operating Expenses

The amount of expenditure on research and development ('R&D') before and after exceptional items for the 52 week period ended 28 March 2020 was \$406.0 million and \$418.7 million respectively (*52 week period ended 30 March 2019: \$427.6 million and \$427.6 million respectively*).

Administrative expenses were \$7.2 million in the 52 week period ended 28 March 2020, compared to \$8.3 million in the 52 week period ended 30 March 2019.

Operating Profit

The operating profit before exceptional items for the 52 week period ended 28 March 2020 and the 52 week period ended 30 March 2019 was \$104.6 million and \$12.0 million respectively. The operating profit after exceptional items for the 52 week period ended 28 March 2020 and the 52 week period ended 30 March 2019 was \$91.9 million and \$12.0 million respectively.

Taxation

The total effective tax rate for the 52 week period ended 28 March 2020 was 16.5% primarily due to the UK patent box claim (*52 week period ended 30 March 2019: 42.1% primarily due to the non-deductible intellectual property amortisation*). A reconciliation of the effective tax rate is presented in note 7 to the financial statements.

Financial Position

Cash and cash equivalents totalled \$70.3 million at 28 March 2020 (*30 March 2019: \$57.2 million*).

Strategic Report (continued) For the 52 week period ended 28 March 2020

Principal Risks and Uncertainties

Risk Factors

The Company's business faces significant risks. The risk factors set forth below may not be the only risks that we face and there is a risk that we may have failed to identify all possible risk factors. Additional risks that we are not aware of yet or that currently are not significant may adversely affect our business operations. You should read the following cautionary statements in conjunction with the factors discussed elsewhere in this document. These cautionary statements are intended to highlight certain factors that may affect the financial condition and results of operations of the Company, and are not meant to be an exhaustive discussion of risks that apply to similar companies.

We face risks related to global health epidemics that could impact our sales, supply chain and operations, resulting in significantly reduced revenue and operating results

On March 11, 2020, the World Health Organization declared a pandemic related to a novel coronavirus (now termed COVID-19). While we expect the impacts of COVID-19 to have an adverse effect on our business, financial condition and results of operations, we are unable to predict the extent or nature of these impacts at this time. The COVID-19 pandemic will likely heighten or exacerbate many of the other risks described in the risk factors listed in this document.

Any increase in the severity of the outbreak or additional government measures restricting movement or business operations, could cause a disruption to our supply of products to our customers – particularly with respect to the manufacture of semiconductor wafers that would have to go through extensive qualification to relocate manufacturing to a different fabrication facility. Even if our suppliers and service providers are operational, other third-party suppliers may be closed or not fully operational, resulting in a shortage of some components needed for our products or our customers' end products. Any disruption of our suppliers or customers and their contract manufacturers would likely impact our inventory, backlog, sales and operating results, as customers may cancel or reschedule orders on short notice. In addition, we have seen some reductions in commercial airline and cargo flights, and disruption to ports and other shipping infrastructure that resulted in increased transport times, which if those disruptions were to intensify, could affect our ability to timely deliver our products.

During the COVID-19 pandemic, we have also experienced, and expect to continue to experience, disruptions to our business operations resulting from government stay-at-home directives, quarantines, self-isolations, travel restrictions, or other restrictions on the ability of our employees to perform their jobs that may impact our ability to develop and design our products in a timely manner, meet required milestones, or win new business. Any increased or additional disruptions to our business operations due to these restrictions would likely impact our ability to continue to maintain current levels of productivity.

In the longer term, the COVID-19 pandemic is likely to continue to adversely affect the economies and financial markets of many countries, leading to a global economic downturn and potentially a recession. This would also likely continue to adversely affect the demand environment for our products and those of our customers, particularly consumer products such as smartphones, which may, in turn negatively affect our revenue and operating results. Certain directors worked with the Health and Safety Committee of the Company to determine appropriate policy and actions, including work from home mandates and travel restrictions, in response to the Public Health Emergency of International Concern declared by the World Health Organization in the fourth quarter of the fiscal year. The directors continue to monitor potential impacts of COVID-19.

Strategic Report (continued)

For the 52 week period ended 28 March 2020

Principal Risks and Uncertainties (continued)

The Company may be unable to protect its intellectual property rights

Our success depends in part on our ability to obtain patents and to preserve our other intellectual property rights covering our products. We seek patent protection for those inventions and technologies for which we believe such protection is suitable and is likely to provide a competitive advantage to us. We also rely on trade secrets, proprietary technology, non-disclosure and other contractual terms, and technical measures to protect our technology and manufacturing knowledge. We actively work to foster continuing technological innovation to maintain and protect our competitive position. We cannot provide assurances that steps taken by us to protect our intellectual property will be adequate, that our competitors will not independently develop or design around our patents, or that our intellectual property will not be misappropriated.

Any of these events could materially and adversely affect our business, operating results, or financial condition. Policing infringement of our technology is difficult, and litigation may be necessary in the future to enforce our intellectual property rights. Any such litigation could be expensive, take significant time, and divert management's attention.

Failure to develop and ramp new products and technology in a timely manner could harm our operating results

Our success depends upon our ability to develop new products for new and existing customers, and to introduce these products in a timely and cost-effective manner. New product introductions involve significant investment of resources and potential risks. Delays in new product introductions or less-than-anticipated market acceptance of our new products are possible and would have an adverse effect on our sales and earnings. The development of new products is highly complex and, from time-to-time, we have experienced delays in developing and introducing these new products. Successful product development and introduction depend on a number of factors. Our failure to develop and introduce new products successfully could harm our business and operating results.

Failure to attract, hire and retain qualified personnel may impact our ability to develop, market or sell our products or successfully manage our business

Competition for highly qualified personnel in our industry is intense. The number of technology companies in the geographic areas in which we operate is greater than it has been historically and we expect competition for qualified personnel to intensify. There are only a limited number of individuals in the job market with the requisite skills. Furthermore, changes in immigration laws and regulations, or the administration or enforcement of such laws or regulations, can also impair our ability to attract and retain qualified personnel. Anticipated changes to the immigration system in the U.K. brought about by Brexit will make it harder to employ E.U. nationals to work in the U.K.. Our Human Resources organisation focuses significant efforts on attracting and retaining individuals in key technology positions. The loss of the services of key personnel or our inability to hire new personnel with the requisite skills or to assimilate talent could restrict our ability to develop new products or enhance existing products in a timely manner, sell products to our customers, or manage our business effectively.

Strategic Report (continued)

For the 52 week period ended 28 March 2020

Principal Risks and Uncertainties (continued)

Our international operations subject our business to additional political and economic risks that could have an adverse impact on our business

On June 23, 2016, the United Kingdom (U.K.) held a referendum in which voters approved an exit from the European Union (the “E.U.”), commonly referred to as “Brexit.” Following the referendum result, the British government invoked Article 50 of the Lisbon Treaty on March 29, 2017, and the U.K. formally left the E.U. on 31 January 2020. The E.U. and the U.K. have until 31 December 2020, the end of a “transition period,” to negotiate an agreement on the terms of the U.K.’s withdrawal, i.e., the U.K.’s future relationship with the E.U. It is still unknown what those terms will be, however, it is recognized that there will be greater restrictions on immigration between the U.K. and E.U. countries that make it more difficult to staff our U.K. operations, changes in tax laws that negatively impact our effective tax rate, restrictions on imports and exports between the U.K. and E.U. member states, and increased regulatory complexities. It remains possible that there could still be a “no deal” outcome, whereby the U.K. exits the transition period without an agreement related to the withdrawal from the E.U., or that the transition period is extended beyond 31 December 2020. These changes may adversely affect our operations and financial results.

Section 172 Statement

Introduction

The directors, in line with their duties under section 172 (“s172”) of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long-term. Key decisions and matters that are of strategic importance to the Company are appropriately informed by s172 factors.

Board training and support on s172 duties

Directors are supported in the discharge of their duties by the office of the Company Secretary. All directors receive guidance on their statutory duties including s172 and were briefed on the governance and reporting requirements introduced by the Companies (Miscellaneous Reporting) Regulations 2018.

Stakeholders

The Company Board’s responsibility to promote the long-term success of the Company, relies on inputs from, and positive relationships with, a wide range of stakeholders.

Employees

The Company directors are actively involved in promoting employee engagement. The Company and the Group believe our employees are at the centre of why our Company continues to be recognized as one of the top companies to work for on a national level. By fostering a family-focused culture based on regular employee feedback used to direct new employee programs and services, we continue to build strong core values based on communication, integrity, innovation, continuous improvement and job satisfaction.

During the year we have engaged with our employees in the following ways:

- Leadership assessment survey: allowing employees the chance to assess their line managers and the overall leadership of the Company and the Group.
- Great Place to Work survey: allowing employees to rate the work environment at the Company and the Group.
- Quarterly “all hands” meetings: the CEO and President of the Group communicate the quarterly results to all employees and provide an update on the business, with time for Q&A from employees.
- New hire lunches: allowing new hires the opportunity to feedback on their initial experiences with the Company.

Strategic Report (continued) For the 52 week period ended 28 March 2020

Section 172 Statement (continued)

Employees (continued)

- Health and Safety Committee: the Health and Safety Committee provides a forum for employees and management to work together to address matters relating to employee health and safety.

Other Stakeholders


As the Company performs or funds the majority of Group R&D activities which drive Group revenues, the key strategic decisions and stakeholder engagement is addressed at the Group Board level. The Group Board takes account of all stakeholders, including the stakeholders of the Company. This includes directing employees of the Company and other Group companies to work alongside customers to help support their future products. To the extent matters are raised relating to the Company, these are brought to the attention of the Company Board. The Chief Financial Officer and Treasurer of the Group both sit on the Company's Board and discuss the decisions made at the Group Board with the other Company director. Additional details on the Group Board approach to stakeholder engagement, which applies to the Company and all Group companies, can be found within the Group annual report and on the Corporate Social Responsibility and Corporate Governance sections of our public website.

Principal Decisions

When making decisions, the directors have regard to the longer-term impact of such decisions and any possible impact on all stakeholders. Examples of principal decisions made by the Company board during the fiscal year include:

- Capital Structure: the directors evaluated and approved a capital reduction to transfer share capital to retained earnings.
- Dividend Policy: in the current year, the directors approved a dividend having concluded that the future forecasts of the Company supported positive cash generation and the payment of the dividend to the parent company would not adversely impact on any of our stakeholders.
- Coronavirus response: certain directors worked with the Health and Safety Committee to determine appropriate policy and actions, including work from home mandates and travel restrictions, in response to the Public Health Emergency of International Concern declared by the World Health Organization in the fourth quarter of the fiscal year.

For and on behalf of the Board of Directors

DocuSigned by:

AC01073028854CC...
Pedro Andrade
Director
29 May 2020

Directors' Report For the 52 week period ended 28 March 2020

The directors hereby submit their report and financial statements for the 52 week period ended 28 March 2020 (referred to as '2020'). The previous financial period was the 52 week period ended 30 March 2019 (referred to as '2019').

The financial statements and related notes comprise those of Cirrus Logic International Semiconductor Ltd (the 'Company') and its overseas branch based in the United States of America.

Financial

Results

The Company's profit after taxation for the 52 week period ended 28 March 2020 was \$78.1 million (*52 week period ended 30 March 2019: \$8.1 million*). The profit is stated after recognising \$10.3 million of exceptional charges after tax (*52 week period ended 30 March 2019: \$0.0 million*) which are explained in note 3 to the financial statements

Financial Risk Management

The financial risk management objectives and policies are discussed below.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The management of market risk involves the control of market risk exposures within acceptable parameters.

Currency Risk

The Company operates internationally and is exposed to currency risk on operating expenses that are denominated in a currency other than United States dollars. The currency giving rise to this risk is primarily Pounds Sterling. Foreign exchange risk arises from transactions, recognised assets and liabilities and net investments in foreign operations.

Interest Rate Risk

The Company's primary financial instruments include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. The Company earns interest from bank deposits held with highly rated financial institutions.

The Company's cash and cash equivalents are subject to floating interest rates.

Credit Risk

Counterparties for cash and cash equivalents are limited to financial institutions that have a high credit rating.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company regularly reviews its cash flow requirements.

As at 28 March 2020, the Company had cash and cash equivalents of \$70.3 million (*as at 30 March 2019: \$57.2 million*).

Directors' Report (continued)

For the 52 week period ended 28 March 2020

Going Concern

The directors have reviewed the latest forecast results and cash flow projections covering a period of at least 12 months from the date of signing these financial statements, and have considered the risk factors set out in the strategic report and the financial performance of the Company. The directors have considered downside scenarios and concluded that revenue would have to fall substantially, and for an extended duration exceeding 12 months, for there to be a going concern risk. The directors have concluded that this level of downside revenue risk is not a plausible scenario based on current forecasts and recent trading results. After making enquiries, including considering the potential impacts of COVID-19, and in view of the recent trading results and liquidity position of the Company in the period since 28 March 2020 until the date of approval of these financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for 12 months from the date of signing these financial statements. The financial statements for the 52 week period ended 28 March 2020 have therefore been prepared on a going concern basis.

Dividends

A dividend of \$150.0 million was declared and paid to Cirrus Logic UK International Holding Co. Ltd in the period ended 28 March 2020.

No dividends were declared or paid in the period ended 30 March 2019.

Strategic Report

The report of the directors should be read in conjunction with the Strategic Report on pages 2 to 7, which contains details of the principal activities of the Company during the period and an indication of main trends and factors likely to affect the future development, performance and position of the Company's business.

All of the information detailed in those sections, which is required for the Strategic Report or otherwise for this Directors' Report, is incorporated by reference in (and shall be deemed to form part of) this report.

Directors

The directors who served during the period and those holding office at 28 March 2020 and at the date of approval of these financial statements were:

Allan W. Hughes
Thurman K. Case
Pedro Andrade

None of these directors hold an interest in the shares of the Company for the period ended 28 March 2020 or 30 March 2019. No director had, during or at the end of the financial period, any material interest in any contract of significance in relation to the Company's business.

The emoluments for the directors were paid by other Group members and were deemed to be wholly attributable to their services for those entities.

Directors' Report (continued) **For the 52 week period ended 28 March 2020**

Directors (continued)

Each of the directors confirm that, to the best of each person's knowledge and belief:

- the financial statements, prepared in accordance with UK Accounting Standards, give a true and fair view of the assets, liabilities and financial position of the Company; and
- the Directors' Report contained in these financial statements includes a fair review of the business and position of the Company, together with a description of the principal risks and uncertainties that they face.

Employees

Employee involvement

The Company is committed to employee involvement throughout the business.

Discretionary employee share schemes are an established and effective part of reward packages for employees, encouraging and supporting employee share ownership. A summary of the employee share schemes, which have operated at any time during the period, is included in note 15 to the financial statements.

Employees with disabilities

The Company policy is to give full and fair consideration to suitable applications for employment from people with disabilities. If existing employees become disabled they will continue to be employed, wherever practicable, in the same job or, if this is not practicable, every effort will be made to find suitable alternative employment and to provide appropriate training.

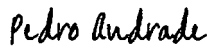
Disclosure of Information to the Auditor

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor for the fiscal year ended 28 March 2020 was Ernst & Young LLP. An Auditor for the fiscal year ended 27 March 2021 will be proposed in accordance with Section 487 of the Companies Act 2006.

For and on behalf of the Board of Directors

DocuSigned by:

AC01073028854CC...
Pedro Andrade
Director
29 May 2020

Statement of Directors' Responsibilities For the 52 week period ended 28 March 2020

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the members of Cirrus Logic International Semiconductor Ltd

Opinion

We have audited the financial statements of Cirrus Logic International Semiconductor Ltd for the period ended 28 March 2020 which comprise the Income Statement, the Statement of Changes in Equity and the Balance Sheet and the related notes 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the Company's affairs as at 28 March 2020 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note 1 in the financial statements, which references to details of the economic, operational and social disruption the Company is facing as a result of COVID-19, which is impacting supply chains, consumer demand and personnel available for work. Our opinion is not modified in respect of this matter.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditor's Report to the members of Cirrus Logic International Semiconductor Ltd (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

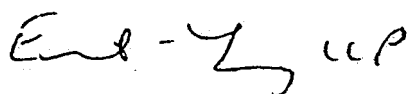
In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the members of Cirrus Logic International Semiconductor Ltd (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Handwritten signature of Nick Gomer in black ink.

Nick Gomer (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Edinburgh
29 May 2020

Income Statement
For the 52 week period ended 28 March 2020

	Notes	52 weeks ended 28 March 2020			52 weeks ended 30 March 2019		
		Before exceptional items \$000	Exceptional items (note 3) \$000	Total \$000	Before exceptional items \$000	Exceptional items (note 3) \$000	Total \$000
Revenue		517,769	-	517,769	447,959	-	447,959
Cost of sales		-	-	-	-	-	-
Gross profit		517,769	-	517,769	447,959	-	447,959
Research and development expenses	3	(405,983)	(12,731)	(418,714)	(427,581)	-	(427,581)
Administrative expenses		(7,193)	-	(7,193)	(8,334)	-	(8,334)
Operating profit	4	104,593	(12,731)	91,862	12,044	-	12,044
Finance income	6	1,900	-	1,900	1,890	-	1,890
Finance costs	6	(200)	-	(200)	-	-	-
Net finance income		1,700	-	1,700	1,890	-	1,890
Profit before tax		106,293	(12,731)	93,562	13,934	-	13,934
Income tax expense	7,3	(17,841)	2,419	(15,422)	(5,868)	-	(5,868)
Profit for the period attributable to equity holders of the Company		88,452	(10,312)	78,140	8,066	-	8,066

The notes are an integral part of these financial statements.

Other Comprehensive Income

The Company has no Other Comprehensive Income for the current or prior period.

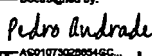
Balance Sheet

As at 28 March 2020

	<i>Notes</i>	As at 28 March 2020 \$000	As at 30 March 2019 \$000
Assets			
Property, plant and equipment	8	45,002	37,843
Leases ROU Assets	9	2,771	-
Intangible assets	10	30,676	68,714
Other Assets	12	5,323	650
Income tax receivable	7	17,094	-
Total non-current assets		100,866	107,207
Inventories		6	-
Trade and other receivables	12	106,929	147,193
Income tax receivable	7	5,552	9,648
Cash and cash equivalents	13	70,314	57,183
Total current assets		182,801	214,024
Total assets		283,667	321,231
Equity			
Issued share capital	14	-	4,700
Share premium	14	-	-
Capital contribution	14	12,010	12,010
Retained earnings	14	197,683	264,108
Total equity attributable to equity holders of the parent		209,693	280,818
Liabilities			
Other payables	16	2,801	333
Deferred tax liabilities	11	3,447	3,198
Lease liability – non-current	9	2,373	-
Total non-current liabilities		8,621	3,531
Trade and other payables	16	65,086	36,882
Lease liability – current	9	267	-
Total current liabilities		65,353	36,882
Total liabilities		73,974	40,413
Total equity and liabilities		283,667	321,231

The notes are an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 29 May 2020 and were signed on its behalf by:

DocuSigned by:

 Pedro Andrade
 Director

Statement of Changes in Equity As at 28 March 2020

	Share capital \$000	Capital contribution \$000	Retained earnings \$000	Total equity \$000
Balance at 31 March 2018	4,700	12,010	256,227	272,937
Profit for the period	-	-	8,066	8,066
Total comprehensive income for the period ended 30 March 2019	-	-	8,066	8,066
<i>Transactions with owners of the Company recognised directly in equity:</i>				
Current tax on equity settled share-based payment transactions recognised in equity	-	-	102	102
Deferred tax on equity settled share-based payment transactions recognised in equity	-	-	(287)	(287)
Total contributions by and distributions to the owners of the Company	-	-	(185)	(185)
Balance at 30 March 2019	4,700	12,010	264,108	280,818
Effect of adoption of IFRS 16 Leases net of tax (note 1(f))	-	-	(6)	(6)
Balance at 31 March 2019 (restated)	4,700	12,010	264,102	280,812
Profit for the period	-	-	78,140	78,140
Total comprehensive income for the period ended 28 March 2020	-	-	78,140	78,140
<i>Transactions with owners of the Company recognised directly in equity:</i>				
Reduction of capital (note 14)	(4,700)	-	4,700	-
Current tax on equity settled share-based payment transactions recognised in equity	-	-	202	202
Deferred tax on equity settled share-based payment transactions recognised in equity	-	-	539	539
Dividends paid	-	-	(150,000)	(150,000)
Total contributions by and distributions to the owners of the Company	(4,700)	-	(144,559)	(149,259)
Balance at 28 March 2020	-	12,010	197,683	209,693

The notes are an integral part of these financial statements.

Notes to the Financial Statements For the 52 week period ended 28 March 2020

1. Basis of Preparation

Cirrus Logic International Semiconductor Ltd (the 'Company') is a company domiciled and incorporated in Scotland. The comparative period presented for these financial statements is the 52 weeks ended 30 March 2019, referred to as '2019' for the purposes of these notes to the financial statements.

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 2 to 7. The financial position of the Company and liquidity positions are described within the Financial Performance section of the Strategic Report on pages 2 and 3. In addition, the Directors' Report and note 17 to the financial statements include the Company's financial risk management objectives; details of its financial instruments and hedging activities; its exposures to credit and liquidity risk; and its objectives, policies and processes for managing its capital.

(a) Impact of COVID-19

The Strategic Report on page 4 sets out details of the risks relating to the global COVID-19 pandemic. The potential impact of COVID-19 has been considered in the preparation of the financial statements including our evaluation of going concern and critical accounting estimates and judgements, which are detailed in notes 1 (b) and 1(g) respectively. There have been no material adjustments to any items in these financial statements resulting from COVID-19.

(b) Going concern

The Company has, as at 28 March 2020, net assets of \$209.7 million (2019: \$280.8 million) cash and cash equivalent balances of \$70.3 million (2019: \$57.2 million). The Company has no external loans or borrowings or complex financial instruments as at 28 March 2020 (2019: none). The Company generated a profit after tax and exceptional items of \$78.1 million in the 52 week period ended 28 March 2020 (52 week period ended 30 March 2019: \$8.1 million).

The directors have reviewed the latest forecast results and cash flow projections covering a period of at least 12 months from the date of signing these financial statements, have considered the risk factors set out in the strategic report and the financial performance of the Company. The directors have considered downside scenarios and concluded that revenue would have to fall substantially, and for an extended duration exceeding 12 months, for there to be a going concern risk. The directors have concluded that this level of downside revenue risk is not a plausible scenario based on current forecasts and recent trading results. After making enquiries, including considering the potential impacts of COVID-19, and in view of the trading results and liquidity position of the Company in the period since 28 March 2020 until the date of the approval of these financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for 12 months from the date of signing these financial statements. The financial statements for the 52 week period ended 28 March 2020 have therefore been prepared on a going concern basis.

(c) Statement of Compliance

The financial statements of the Company for the 52 week period ended 28 March 2020 were authorised for issue by the directors on 29 May 2020. The financial statements of the Company were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') and in accordance with applicable accounting standards. The principal accounting policies adopted by the Company are set out in note 2.

Notes to the Financial Statements (continued) For the 52 week period ended 28 March 2020

1. Basis of Preparation (continued)

(c) Statement of Compliance (continued)

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 'Share-based Payment' because the share-based payment arrangements concern the instruments of another Group company;
- the requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors';
- the requirements of IAS 7 'Statement of Cash Flows';
- the requirements of IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of paragraph 17 of IAS 24 'Related Party Disclosures';
- the requirements of paragraphs 6 and 21 of IFRS 1 'First-time Adoption of International Financial Reporting Standards'; and
- the requirements of paragraphs 110 (second sentence), 113 (a), 114, 115, 118, 119 (a) to (c), 120 to 127 and 129 of IFRS 15 'Revenue from Contracts with Customers'.

(d) Basis of Measurement

The financial statements have been prepared on the historical cost basis.

(e) Functional and presentation currency

The financial statements are presented in United States Dollars ('US dollars'), the Company's functional currency, rounded to the nearest thousand.

(f) New standards, amendments and IFRIC interpretations

IFRS 16 'Leases' ("IFRS 16") is a new standard effective for the period ended 28 March 2020 and had a material impact on the Company as set out below. No other amendments to accounting standards, or IFRIC interpretations that were first effective for the period ended 28 March 2020 had a material impact on the Company.

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 31 March 2019. The new standard provides a number of optional practical expedients in transition. We elected the use-of-hindsight practical expedient and the 'package of practical expedients' which permit us not to reassess our prior conclusions about lease identification, lease classification and initial direct costs. The new standard also provides practical expedients for an entity's ongoing accounting. We elected the short-term lease recognition exemption for all leases that qualify. This means, for qualifying leases, which are those with terms of less than twelve months, we will not recognize right-of-use ("ROU") assets or lease liabilities. We also do not separate lease and non-lease components for all classes of assets. Most of our operating lease commitments were subject to the new standard and recognized as ROU assets and operating lease liabilities upon adoption, which materially increased the total assets and total liabilities that we reported relative to such amounts prior to adoption.

In applying the use-of-hindsight practical expedient, we re-assessed whether we were reasonably certain to exercise extension options within our lease agreements. This resulted in the lease term being extended on a number of leases. The previously capitalized initial direct costs and accrued lease payments were recalculated assuming these extended lease terms had always applied, resulting in an immaterial adjustment, to opening retained earnings on transition.

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

1. Basis of Preparation (continued)

(f) New standards, amendments and IFRIC interpretations (continued)

On adoption, we recognized additional operating liabilities, with corresponding ROU assets based on the present value of the lease payments over the lease term under current leasing contracts for existing operating leases. In addition, existing capitalized initial direct costs and accrued lease payments were reclassified from prepayments and accruals to the ROU asset. There was no income statement or cash flow statement impact on adoption, nor were prior periods adjusted.

The effects of changes made to our balance sheet at adoption were as follows:

<i>Financial statement line item</i>	Balance at 30 March 2019	Impact from IFRS 16 Adoption	Balance at 31 March 2019
	\$000	\$000	\$000
Leases ROU Assets	0	3,019	3,019
Other Assets	650	(28)	622
Trade and Other Receivables	147,193	(4)	147,189
Other Payables	(333)	174	(159)
Deferred Tax Liabilities	(3,198)	2	(3,196)
Lease Liability – non current	0	(2,872)	(2,872)
Lease Liability - current	0	(297)	(297)
Retained earnings	(264,108)	6	(264,102)

The lease liabilities as at 31 March 2019 can be reconciled to the operating lease commitments as of 30 March 2019 as follows:

Operating lease commitments as at 30 March 2019	\$000 1,950
Weighted average incremental borrowing rate as at 31 March 2019	2.21%
Discounted operating lease commitments as at 31 March 2019	<hr/> 1,878
Add: Lease payments relating to renewal periods not included in operating lease commitments as at 30 March 2019	1,291
Lease liabilities as at 31 March 2019	<hr/> 3,169 <hr/>

(g) Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the Financial Statements (continued) For the 52 week period ended 28 March 2020

1. Basis of Preparation (continued)

(g) Use of estimates and judgements (continued)

Key Sources of Estimation Uncertainty

Impairment testing for intangible assets

The Company tests whether intangible assets have suffered any impairment at least annually. If management concludes that it is more likely than not that impairment exists, the recoverable amounts of the intangible assets would be determined based on value-in-use calculations. These calculations require the use of estimates of asset useful lives and the timing and amount of projected cash flows.

Exceptional items

As permitted by IAS 1: 'Presentation of financial statements', the Company has disclosed additional information in respect of exceptional items on the face of the income statement in order to aid understanding of the Company's financial performance. An item is treated as exceptional if it is considered that by virtue of its nature, scale or incidence and being of such significance that separate disclosure is required for the financial statements to be properly understood.

Leases – estimating the incremental borrowing rate

The interest rate implicit in the lease cannot be readily determined, therefore the incremental borrowing rate ('IBR') is used to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar value to the ROU asset in a similar economic environment. The Company estimates the IBR using observable inputs, such as market interest rates, when available and is required to make certain entity-specific estimates, such as the Company's credit rating.

Judgements

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company's lease for its lab facility includes a termination option. The Company applies judgement in evaluating whether it is reasonably certain or not to exercise the option to terminate the lease. In doing so, all relevant factors are considered that create an economic incentive for the Company to exercise the renewal or the termination. After the commencement date, the lease term is reassessed if there is a significant event or change in circumstances that is within the Company's control and affects its ability to exercise or not to exercise the option to renew or to terminate, for example, construction of significant leasehold improvements.

The Company has included the period covered by the termination option, as part of the lease term for the lab facility lease as this is considered reasonably certain not to be exercised. The lab facility is a key part to our business, and we have invested significant amounts of money in leasehold improvements to make it fit for the Company's purpose.

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

2. Significant Accounting Policies

The accounting policies set out below, unless otherwise stated in note 1 above, have been applied consistently to all periods presented in these financial statements.

(a) Foreign Currency

Transactions in currencies other than US dollars, are remeasured at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in currencies other than US dollars at the balance sheet date are remeasured to US dollars at the exchange rate ruling at that date. Exchange differences arising on remeasurement are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a currency other than US dollars are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in currencies other than US dollars that are measured at fair value are retranslated to US dollars at the date that fair value was determined.

(b) Property, Plant and Equipment

(i) Owned assets

Items of property, plant and equipment are measured at cost less accumulated depreciation (see accounting policy (b) (ii)) and accumulated impairment losses (see accounting policy (f)).

Cost includes the expenditure that is directly attributable to the acquisition of the asset.

Where parts of an item of property, plant and equipment have different estimated useful lives, they are accounted for and depreciated as separate items of property, plant and equipment.

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance expenditure is expensed as incurred.

(ii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset less its residual value. Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of property, plant and equipment. Freehold land is not depreciated.

The estimated useful lives are as follows:

Leasehold improvements	shorter of term of lease or 10 years
Plant and machinery	3 to 10 years
Computer hardware	3 years
Furniture and fittings	3 to 10 years

The residual values and estimated useful lives of items of property, plant and equipment are reviewed annually and adjusted if appropriate.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the net disposal proceeds with the carrying amount and are included in the income statement.

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

2. Significant Accounting Policies (continued)

(c) Intangible Assets

(i) Research and development

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised as an expense in the income statement as incurred.

(ii) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring into use the specific software. These costs are amortised using the straight-line method over their estimated useful lives (three years).

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Computer software development costs recognised as assets are amortised using the straight-line method over their estimated useful lives (three years).

(iii) Other intangible assets

Other intangible assets are stated at cost net of amortisation and any provision for impairment. The directors are primarily responsible for determining the fair value of intangible assets acquired as part of a business combination although the Company may choose to obtain independent valuations for those intangible assets which are significant.

Amortisation is provided at rates so as to write off the cost or fair value, less estimated residual value, of each asset on a straight-line basis over its expected useful economic life.

The principal economic lives used for this purpose are:

Intellectual property rights	1 to 6 years
Technology licences	3 years
Computer software	3 years

Amortisation methods, useful lives and the estimated residual values are reviewed and adjusted, if appropriate, at each balance sheet date.

(d) Trade and Other Receivables

Trade and other receivables are initially stated at their fair value plus any directly attributable transactions costs. Subsequent to initial recognition, such assets are measured at amortised cost using an effective interest rate less any impairment losses (see accounting policy (f)). A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the estimated future cash flows, discounted if material. The amount of the provision is recognised in the income statement.

Notes to the Financial Statements (continued) For the 52 week period ended 28 March 2020

2. Significant Accounting Policies (continued)

(e) Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances held with banks and money market funds.

(f) Impairment

The carrying amounts of the Company's actual assets, other than financial assets and deferred tax assets (see accounting policy (n)), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Assets, including goodwill, that have an indefinite useful life or are not yet available for use are not subject to amortisation and are tested annually for impairment.

An impairment loss is recognised for the amount by which the carrying amount of an asset or its cash-generating unit ('CGU') exceeds its estimated recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGUs and then to reduce the carrying amount of the other assets in the CGU on a pro rata basis.

(g) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

(h) Interest-bearing Borrowings

Interest-bearing borrowings are recognised initially at fair value, net of attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost, with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest rate basis.

(i) Leases

Accounting policy as at 28 March 2020 in accordance with IFRS 16

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A single recognition and measurement approach is applied for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and ROU assets representing the right to use the underlying assets.

(i) ROU Assets

ROU assets are recognised at the commencement date of the lease, being the date the underlying asset is available for use. ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before commencement date less any lease incentives received. ROU assets are depreciated on a straight-line basis over the lease term. The ROU assets are also subject to impairment (see accounting policy (f)).

Notes to the Financial Statements (continued) For the 52 week period ended 28 March 2020

2. Significant Accounting Policies (continued)

(i) Leases (continued)

(ii) Lease Liabilities

At the commencement date of the lease, lease liabilities are measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised, and payments of penalties for terminating the lease if the lease term reflects a termination option being exercised. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the incremental borrowing rate at the lease commencement date is applied, as the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Lease liabilities are presented separately on the balance sheet, split between those that are due within one year and those due after one year.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its leases that have a lease term of 12 months or less from commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Accounting policy as at 30 March 2019 in accordance with IAS 17

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the lease property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit or loss.

A leased asset is depreciated over the useful life of the asset.

Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term.

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

2. Significant Accounting Policies (continued)

(j) Employee Benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense in the income statement when services are rendered by employees.

(ii) Share-based payment transactions

The fair value of share options granted to employees is recognised as an employee expense and spread over the period during which the employee becomes unconditionally entitled to the options. The Black-Scholes model is used in the measurement of the fair value of the options granted.

The grant date fair value of contingent restricted stock units awarded to employees is recognised as an employee expense over the period that the employees become unconditionally entitled to the shares. The amount recognised as an expense, for awards with service and non-market performance conditions, is adjusted to reflect the actual number of shares that vest.

The fair value of performance shares awarded to employees is recognised as an employee expense over the period that the employees become unconditionally entitled to the shares. The Monte Carlo simulation is used in the measurement of the fair value of the awards granted. The amount recognised as an expense is determined at the time of grant, regardless of the actual number of shares that vest.

(k) Trade and Other Payables

Trade and other payables are stated at amortised cost using the effective interest rate method.

(l) Revenue

Revenue comprises royalty income earned from other Group companies during the period and is recognised as the underlying product sale is made by the other Group companies.

(m) Net financing costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method, interest receivable on funds invested and interest on lease liabilities.

Interest income is recognised in the income statement as it accrues, using the effective rate of interest method.

Notes to the Financial Statements (continued) For the 52 week period ended 28 March 2020

2. Significant Accounting Policies (continued)

(n) Income Tax

Income tax on the profit or loss for the period comprises current and deferred tax.

Current tax is provided on taxable profits at the current rate of tax.

Deferred tax is calculated using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are offset where there is a legally enforceable right of offset within the same taxation authority and where the Company intends to either settle them on a net basis or to realise the asset and settle the liability simultaneously.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

(o) Determination of Fair Values

Some of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information regarding the assumptions made in determining the fair values is disclosed in the notes to the financial statements which are specific to that asset or liability.

(i) Intangible assets

The fair value of developed technology acquired as a result of a business combination is based on the discounted royalty payments that have been avoided as a result of the developed technology being owned. For in-process research and development acquired as a result of a business combination, the fair value is estimated based either on the income method taking into account the cash flows post technological feasibility or on the cost method, taking into account the estimated current cost to recreate or duplicate the technology. The fair values of licence agreements and of customer relationships acquired as a result of a business combination are estimated based on the risk adjusted present value of the marginal cash flows derived from the agreements and relationships respectively.

(ii) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal cash flows, discounted at the market rate of interest at the reporting date.

(p) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. Items that are material either because of their size or their nature, or that are nonrecurring, are considered exceptional items and are presented within the line items to which they best relate.

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

3. Exceptional Items

	52 weeks ended 28 March 2020	52 weeks ended 30 March 2019
	\$000	\$000
<i>Analysis of exceptional items:</i>		
Restructuring costs	(12,731)	-
Total exceptional charges recognised in the period before tax	<u>(12,731)</u>	<u>-</u>
Tax effect of exceptional items	2,419	-
Total exceptional charges recognised in the period	<u>(10,312)</u>	<u>-</u>

Exceptional loss recognised in the 52 week period ended 28 March 2020:

Restructuring costs

During the fourth quarter of fiscal year 2020, the Group approved a restructuring plan (the "MEMS Restructuring"), including discontinuing efforts relating to the microelectromechanical systems ("MEMS") microphone product line. The MEMS Restructuring allows the Company to concentrate our resources on projects that we anticipate will have a larger return on investment. The Company recorded pre-tax charges of \$12.7 million as part of the MEMS Restructuring which is expected to be substantially complete by the first quarter of fiscal year 2021.

The restructuring costs included the following items:

	52 weeks ended 28 March 2020
	\$000
Impairment and write-off of intangible assets	(9,288)
Disposal of equipment, net of recovery from sales	(1,978)
Other exit costs	(1,594)
Employee-related charges, net of equity cancellations	129
	<u>(12,731)</u>

4. Operating Profit

	52 weeks ended 28 March 2020	52 weeks ended 30 March 2019
	\$000	\$000
<i>Operating profit is stated after charging:</i>		
Depreciation (notes 8 and 9)	15,647	8,453
Amortisation of intangible assets (note 10)	36,287	50,888
Variable lease payments	98	-
Loss on disposal of property, plant and equipment and intangible assets	-	270

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

4. Operating Profit (continued)

	52 weeks ended 28 March 2020	52 weeks ended 30 March 2019
<i>Amounts receivable by auditors and their associates in respect of:</i>		
Audit of these financial statements	\$000	\$000
	99	95

The audit fee for the consolidated Group audit was \$1.4 million (2019: \$1.4 million) and was charged to the parent company, Cirrus Logic, Inc. There is no material allocation done for both audit and non-audit fees of the Company. The above fee reflects the fee for the audit of these financial statements.

5. Personnel Expenses

	52 weeks ended 28 March 2020	52 weeks ended 30 March 2019
	Number	Number
Average number of employees, including executive directors, by activity:		
Research and development	995	420
General and administration	10	12
	1,005	432
	\$000	\$000
Wages and salaries	143,024	37,952
Social security costs	13,125	4,971
Contributions to defined contribution pension plans	5,646	2,762
Equity settled share-based payment transactions	35,838	8,446
	197,633	54,131

Information regarding the remuneration of the directors is included in note 19.

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

6. Net Finance Income

	52 weeks ended 28 March 2020	52 weeks ended 30 March 2019
	\$000	\$000
Bank interest receivable	1,900	1,545
Foreign exchange gain	-	345
Finance income	1,900	1,890
Interest on lease liabilities	(65)	-
Foreign exchange loss	(135)	-
Finance costs	(200)	-
Net finance income	1,700	1,890

7. Income Tax

Current Tax

Current tax for the current and prior periods is classified as a current liability to the extent that it is unpaid. Amounts recoverable in excess of amounts owed may be classified as a non-current asset or a current asset, depending when the Company expect to realise those assets. The Company has a net non-current tax asset and current tax asset of \$17.1 million and \$5.6 million respectively at 28 March 2020 (2019: \$0.0 million and \$9.6 million respectively).

Recognised in the Income Statement:

	52 weeks ended 28 March 2020	52 weeks ended 30 March 2019
	\$000	\$000
Current Tax Expense		
<i>UK Taxes</i>		
Current year tax charge	15,691	5,827
Adjustments for prior years	(1,059)	(93)
	14,632	5,734
Deferred Tax Expense		
Origination and reversal of temporary differences	143	(48)
Adjustments for prior years	312	232
Impact of changes in tax rates	335	(50)
	790	134
Total income tax charge in the income statement	15,422	5,868

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

7. Income Tax (continued)

Recognised Directly in Other Comprehensive Income and Equity:	52 weeks ended 28 March 2020	52 weeks ended 30 March 2019
	\$000	\$000
Recognised in Equity:		
Relating to transition to IFRS 16	(2)	-
Relating to equity settled transactions – current tax	(202)	(102)
Relating to equity settled transactions – deferred tax	(539)	287
	<hr/>	<hr/>
(Increase)/Decrease in equity	(743)	185
	<hr/>	<hr/>

The standard rate of UK corporation tax was 19% for the period ended 28 March 2020. A further reduction to the standard rate to 17% from 1 April 2020 had been enacted as part of the Finance Act 2016, however the Finance Act 2020, substantively enacted on 17 March 2020, cancelled this reduction. The deferred tax balances at 28 March 2020 are consequently recorded in these financial statements at 19%, being the tax rate at which they are expected to unwind in the future.

	52 weeks ended 28 March 2020		52 weeks ended 30 March 2019	
	%	\$000	%	\$000
Profit before tax		93,562		13,934
		<hr/>		<hr/>
Income tax charge using the UK corporation tax rate	19.0%	17,777	19.0%	2,647
Non-deductible expenses	7.1%	6,604	45.3%	6,307
UK patent box claim	(9.1%)	(8,546)	(22.8%)	(3,174)
Adjustments relating to prior years	(0.8%)	(747)	1.0%	138
Impact of changes in tax rates	0.3%	334	(0.4%)	(50)
		<hr/>		<hr/>
Total Tax Charge	16.5%	15,422	42.1%	5,868
		<hr/>		<hr/>

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

8. Property, Plant and Equipment

	Leasehold Improvements \$000	Plant and Machinery \$000	Computer Hardware \$000	Furniture and Fittings \$000	Total \$000
<i>Cost</i>					
At 31 March 2018	21,017	18,011	3,582	6,207	48,817
Additions	3,044	5,212	316	230	8,802
Disposals	-	(638)	(112)	-	(750)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 March 2019	24,061	22,585	3,786	6,437	56,869
Additions	2,906	15,476	5,972	183	24,537
Disposals	-	(354)	(668)	-	(1,022)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 28 March 2020	26,967	37,707	9,090	6,620	80,384
<i>Depreciation</i>					
At 31 March 2018	2,055	6,585	1,804	522	10,966
Charge for the period	2,696	4,025	1,098	634	8,453
Disposals	-	(316)	(77)	-	(393)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 March 2019	4,751	10,294	2,825	1,156	19,026
Charge for the period	2,538	9,354	2,851	656	15,399
MEMS Restructuring charge	-	1,942	-	-	1,942
Disposals	-	(317)	(668)	-	(985)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 28 March 2020	7,289	21,273	5,008	1,812	35,382
<i>Net Book Value</i>					
At 30 March 2019	19,310	12,291	961	5,281	37,843
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 28 March 2020	19,678	16,434	4,082	4,808	45,002

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

9. Leases

Company as Lessee

The Company has a lease contract for a lab facility. The remaining lease term is 11 years. The lease includes a termination option which is included in the lease term, and variable lease payments, which are recognised as an expense in the income statement when incurred.

Set out below are the carrying amounts of the ROU assets recognised and the movements during the period.

	Facilities \$000	Total \$000
As at 31 March 2019 (restated)	3,019	3,019
Additions	-	-
Depreciation – ROU asset	(248)	(248)
As at 28 March 2020	2,771	2,771

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2020 \$000	2019 \$000
As at 31 March 2019 (restated)	3,169	-
Additions	-	-
Accretion of interest (note 6)	65	-
Payments	(293)	-
Foreign currency on GBP denominated lease liabilities	(301)	-
As at 28 March 2020	2,640	-
<i>Split:</i>		
Current lease liabilities	267	-
Non-current lease liabilities	2,373	-
	2,640	-

The maturity analysis of lease payments is set out below:

	2020 \$000	2019 \$000
Less than one year	271	296
Between one and five years	1,082	1,185
More than five years	1,624	469
Total future minimum lease payments	2,977	1,950
Less imputed interest	(337)	-
Total lease liabilities	2,640	-

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

10. Intangible Assets

	Intellectual property rights \$000	Technology licences \$000	Computer software \$000	Total \$000
<i>Cost</i>				
At 31 March 2018	244,528	5,929	2,596	253,053
Additions	-	963	169	1,132
Disposals	-	(319)	(351)	(670)
At 30 March 2019	244,528	6,573	2,414	253,515
Additions	-	6,388	902	7,290
Disposals	(26,808)	(4,648)	(830)	(32,286)
At 28 March 2020	217,720	8,313	2,486	228,519
<i>Amortisation</i>				
At 31 March 2018	130,004	3,009	1,309	134,322
Amortisation for the period	48,207	1,974	707	50,888
Disposals	-	(167)	(242)	(409)
At 30 March 2019	178,211	4,816	1,774	184,801
Amortisation for the period	32,747	2,789	751	36,287
MEMS Restructuring charge	169	181	8	358
Disposals	(21,223)	(1,721)	(659)	(23,603)
At 28 March 2020	189,904	6,065	1,874	197,843
<i>Net Book Value</i>				
At 30 March 2019	66,317	1,757	640	68,714
At 28 March 2020	27,816	2,248	612	30,676

Amortisation Charge

The amortisation charge is recognised in the following line items in the income statement:

	52 weeks ended 28 March 2020 \$000	52 weeks ended 30 March 2019 \$000
Research and development expenses	36,287	50,888
	36,287	50,888

Impairment Loss

The Company reviews any indefinite useful life assets annually for impairment or more frequently if there are indications that any such assets might be impaired. No indicators were identified in relation to any intangible assets in the period ended 28 March 2020 or 30 March 2019, and therefore no impairment charge was recognised in accordance with IAS 36 'Impairment of Assets'.

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

11. Deferred Tax Assets and Liabilities

Recognised deferred tax assets and liabilities (see note 7)

	Assets		Liabilities		Net	
	2020 \$000	2019 \$000	2020 \$000	2019 \$000	2020 \$000	2019 \$000
Property, plant and equipment	-	-	6,905	4,993	6,905	4,993
Employee benefits – share-based payments	(3,401)	(1,772)	-	-	(3,401)	(1,772)
Other items	(57)	(23)	-	-	(57)	(23)
Deferred tax (assets) / liabilities	(3,458)	(1,795)	6,905	4,993	3,447	3,198
Set off tax	3,458	1,795	(3,458)	(1,795)	-	-
Net deferred tax liabilities	-	-	3,447	3,198	3,447	3,198

Movement in deferred tax balances during the period (see note 7)

	Balance at 31 March 2018 \$000	Recognised in profit or loss \$000	Recognised in equity \$000	Balance at 30 March 2019 \$000
Property, plant and equipment	5,070	(77)	-	4,993
Intangible assets	12	(12)	-	-
Employee benefits – share-based payments	(2,248)	189	287	(1,772)
Other items	(57)	34	-	(23)
	<u>2,777</u>	<u>134</u>	<u>287</u>	<u>3,198</u>
	Balance at 30 March 2019 \$000	Recognised in profit or loss \$000	Recognised in equity \$000	Balance at 28 March 2020 \$000
Property, plant and equipment	4,993	1,912	-	6,905
Intangible assets	-	-	-	-
Employee benefits – share-based payments	(1,772)	(1,090)	(539)	(3,401)
Other items	(23)	(32)	(2)	(57)
	<u>3,198</u>	<u>790</u>	<u>(541)</u>	<u>3,447</u>

The Company has no unrecognised deferred tax assets at 28 March 2020 and 30 March 2019.

Notes to the Financial Statements (continued)
For the 52 week period ended 28 March 2020

12. Trade and Other Receivables

	2020	2019
	\$000	\$000
Non-current assets		
Other assets	5,323	650
Current assets		
Other receivables	362	560
Amounts due from other Group companies	90,194	145,034
Prepayments and accrued income	16,373	1,599
	<u>106,929</u>	<u>147,193</u>

Amounts due from Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

The Company's exposure to credit and currency risks and impairment losses related to trade and other receivables are disclosed in the Directors' Report on page 8.

13. Cash and Cash Equivalents

	2020	2019
	\$000	\$000
Bank balances	70,314	57,183
	<u>70,314</u>	<u>57,183</u>

The Company's exposure to interest rate risk for financial assets and liabilities are disclosed in the Directors' Report on page 8.

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

14. Capital and Reserves

Share capital and share premium

	2020 Number	2020 \$000	2019 Number	2019 \$000
In issue at start of period	470,000,000	4,700	470,000,000	4,700
Capital reduction	(469,999,999)	(4,700)	-	-
In issue at end of period	<u>1</u>	<u>-</u>	<u>470,000,000</u>	<u>4,700</u>

The Company's share capital during the current and prior period comprises ordinary shares which have a nominal value of \$0.01 per share. All issued shares are fully paid.

The holders of the ordinary shares are entitled to one vote per share at meetings of the Company and are entitled to receive dividends as recommended by the directors. The holders of ordinary shares also have an unlimited right to share in the surplus remaining on a winding up after all creditors are satisfied.

The Company did not issue or purchase any of its own ordinary shares of \$0.01 each in the current or prior financial period.

In the period ended 28 March 2020, the Company completed a capital reduction, reducing the issued share capital down to 1 share of \$0.01 per share.

Retained earnings reserve

The movements in this reserve for the Company, in the 52 week period ended 28 March 2020 and the 52 week period ended 30 March 2019 are shown in the statement of changes in equity on page 17.

The Company declared and paid a dividend of \$150.0 million in the period ended 28 March 2020 (*period ended 30 March 2019: \$0.0 million*).

Capital contributions from parent

The capital contribution of \$12.0 million comprises a cash contribution of \$10.0 million received from the Company's ultimate parent company, and the contribution of Cirrus Logic Korea and Cirrus Logic Japan of \$0.6 million and \$1.4 million respectively. There were no capital contributions in the current or prior period.

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

15. Share-based Payments

Employees of the Company have been granted contingent restricted stock units ('RSUs'), stock options and performance shares by Cirrus Logic, Inc. under the Cirrus Logic, Inc. 2006 Stock Incentive Plan and 2018 Long Term Incentive Plan.

The ordinary shares of Cirrus Logic, Inc. are traded on NASDAQ in the United States of America.

The Cirrus Logic, Inc. 2006 Stock Incentive Plan and 2018 Long Term Incentive Plan

RSUs

The fair value of the RSU awards granted from these Plans to the Company's employees is the market value of the Cirrus Logic, Inc. shares on the date of the award. Vesting of these awards is dependent on the individual remaining an employee within the Cirrus Logic, Inc. Group of companies throughout the specified vesting period, which is typically 3 years. In accordance with the terms of these share scheme awards, no amounts are payable by the employees in respect of the grant of these RSUs.

Performance shares

The fair value of the performance shares granted from these Plans to the Company's employees is determined using the Monte Carlo simulation. Vesting of these shares is dependent on the individual remaining an employee within the Cirrus Logic, Inc. Group of companies throughout the specified vesting period, which is 3 years, as well as the relative total shareholder return of the Company as compared to that of the Philadelphia Semiconductor Index. In accordance with the terms of these share scheme awards, no amount is payable by the employees in respect of the grant of these performance shares.

Options

The fair value of the options granted from these Plans to the Company's employees is determined using the Black-Scholes model. Vesting of these options is dependent on the individual remaining an employee within the Cirrus Logic, Inc. Group of companies throughout the specified vesting period, which is generally up to 4 years. In accordance with the terms of the share option scheme, options are exercisable over 10 years at the market price of the shares at the date of grant.

The exercise price on options granted in the period was \$68.56 per share. The range of exercise prices of options outstanding at the end of the period and the weighted average contractual life of options outstanding at 28 March 2020 is shown in the table below.

Exercise Price/Range	As at 28 March 2020		As at 30 March 2019	
	Number outstanding	Weighted average remaining contractual term (years)	Number outstanding	Weighted average remaining contractual term (years)
\$14.58 - \$31.25	5,053	1.88	*	*
\$38.34	50,000	8.10	*	*
\$41.49	25,000	8.61	42,448*	5.55*
\$54.65	10,939	7.24	25,000	4.23
\$55.72	-	-	25,000	4.73
\$68.56	32,400	9.61	-	-
	<u>123,392</u>	<u>8.27</u>	<u>92,448</u>	<u>4.97</u>

*As at 30 March 2019, this represents the range of exercise prices of \$31.25 and \$41.49, as these were previously combined in one range. This has now been split into different ranges as at 28 March 2020.

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

16. Trade and Other Payables

	2020	2019
	\$000	\$000
Non-current liabilities		
Other payables	2,801	333
Current liabilities		
Trade payables	7,304	5,217
Amounts due to ultimate parent company	19,592	23,607
Amounts due to other Group companies	79	1,004
Accruals	27,732	6,497
Other payables	10,379	557
	<u>65,086</u>	<u>36,882</u>

Amounts due to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

The Company's exposure to currency and liquidity risk related to trade and other payables is disclosed in the Directors' Report on page 8.

17. Financial Instruments and Financial Risk Management

The Company's principal financial instruments as at 28 March 2020 and 30 March 2019 comprise cash and cash equivalents. The main purpose of these financial instruments is to finance the Company's operations. The Company has other financial instruments which mainly comprise trade receivables and trade payables which arise directly from its operations.

The Company does not hold or issue derivative financial instruments for trading purposes.

Exposure to market risk (which includes currency and interest rate risk) and credit risk arises in the normal course of the Company's business.

Notes to the Financial Statements (continued)

For the 52 week period ended 28 March 2020

17. Financial Instruments and Financial Risk Management (continued)

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value approximation for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Loans and receivables	Other financial liabilities	Total
As at 28 March 2020	\$000	\$000	\$000
Financial assets not measured at fair value			
Other receivables	106,929	-	106,929
Cash and cash equivalents	70,314	-	70,314
	<u>177,243</u>	<u>-</u>	<u>177,243</u>
Financial liabilities not measured at fair value			
Trade and other payables	-	67,887	67,887
	<u>-</u>	<u>67,887</u>	<u>67,887</u>
	<u>-</u>	<u>-</u>	<u>-</u>
	Loans and receivables	Other financial liabilities	Total
As at 30 March 2019	\$000	\$000	\$000
Financial assets not measured at fair value			
Trade and other receivables	147,193	-	147,193
Cash and cash equivalents	57,183	-	57,183
	<u>204,376</u>	<u>-</u>	<u>204,376</u>
Financial liabilities not measured at fair value			
Trade and other payables	-	37,215	37,215
	<u>-</u>	<u>37,215</u>	<u>37,215</u>
	<u>-</u>	<u>-</u>	<u>-</u>

Capital Management

The Board's policy is to maintain a strong balance sheet so as to maintain customer and creditor confidence and to sustain the future development of the business. The Company is part of a larger Group of companies whose ultimate parent company, Cirrus Logic, Inc. has its ordinary shares traded on NASDAQ in the United States of America.

Management of cash and cash equivalents balances

The total cash and cash equivalents balance increased by \$13.1 million to \$70.3 million as at 28 March 2020.

Notes to the Financial Statements (continued) For the 52 week period ended 28 March 2020

18. Capital Commitments

As at 28 March 2020, the Company had entered into contracts to purchase property, plant and equipment and computer software for \$21.6 million (*as at 30 March 2019: \$2.5 million*) of which \$18.5 million (*as at 30 March 2019: \$2.3 million*) is expected to be settled in the next financial year and \$3.1 million (*as at 30 March 2019: \$0.2 million*) in later financial years.

19. Related Parties

Identity of related parties

The Company has a related party relationship with its ultimate parent company, fellow Group companies and with its directors. The names of the directors who have served during the period are included in the Directors' Report on page 9.

Transactions with key management personnel

Key management personnel compensation

None of the directors received compensation from the Company in respect of their directorships of the Company (*2019: none*).

Key management personnel and director transactions

Directors of the Company as at 28 March 2020 do not own, or otherwise have an interest in, the shares of the Company.

20. Ultimate Parent Company

The Company is a wholly owned subsidiary undertaking of Cirrus Logic UK International Holding Co. Ltd, a company incorporated in England, which is the Company's immediate parent undertaking. Cirrus Logic, Inc. is the parent undertaking of the Group of undertakings for which Group financial statements are drawn up and of which the Company is a member. Copies of Cirrus Logic, Inc.'s financial statements can be obtained from 800 West Sixth Street, Austin, TX 78701, United States of America. The Company's ultimate parent undertaking and controlling party is Cirrus Logic, Inc. The common shares of Cirrus Logic, Inc. are listed and traded on NASDAQ. The financial results of the Company are included in the consolidated financial statements of the Cirrus Logic, Inc. Group of companies. The consolidated financial statements of the Cirrus Logic, Inc. Group of companies are available on the website www.cirrus.com.