

Supplemental Listing Document

If you are in any doubt as to any aspect of this document, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, accountant or other professional adviser.

Application has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in and for quotation of the Certificates (as defined below). The SGX-ST assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of SG Issuer, Societe Generale, the Certificates, or the Company (as defined below).

**3,000,000 European Style Cash Settled Long Certificates relating to
the Common Stock of Applied Materials, Inc.
with a Daily Leverage of 3x**

issued by

SG Issuer

(Incorporated in Luxembourg with limited liability)

unconditionally and irrevocably guaranteed by

Societe Generale

Issue Price: S\$5.00 per Certificate

This document is published for the purpose of obtaining a listing of all the above certificates (the “**Certificates**”) to be issued by SG Issuer (the “**Issuer**”) unconditionally and irrevocably guaranteed by Societe Generale (the “**Guarantor**”), and is supplemental to and should be read in conjunction with a base listing document dated 12 June 2026 including such further base listing documents as may be issued from time to time (the “**Base Listing Document**”) for the purpose of giving information with regard to the Issuer, the Guarantor and the Certificates. Information relating to the Company (as defined below) is contained in this document.

This document does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase, Certificates or other securities of the Issuer, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration the Certificates or other securities of the Issuer.

Restrictions have been imposed on offers and sales of the Certificates and on distributions of documents relating thereto in Singapore, Hong Kong, the European Economic Area, the United Kingdom and the United States (see “Placing and Sale” contained herein).

The Certificates are complex products. You should exercise caution in relation to them. Investors are warned that the price of the Certificates may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. The price of the Certificates also depends on the supply and demand for the Certificates in the market and the price at which the Certificates is trading at any time may differ from the underlying valuation of the Certificates because of market inefficiencies. It is not possible to predict the secondary market for the Certificates. Although the Issuer, the Guarantor and/or any of their affiliates may from time to time purchase the Certificates or sell additional Certificates on the market, the Issuer, the Guarantor and/or any of their affiliates are not obliged to do so. Investors should also note that there are leveraged risks because the Certificates integrate a leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock (as defined below) and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock.

The Certificates are classified as capital markets products other than prescribed capital markets products¹ and Specified Investment Products (SIPs)², and may only be sold to retail investors with enhanced safeguards, including an assessment of such investors' investment knowledge or experience.

The Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the guarantee dated 12 June 2026 (the "**Guarantee**") and entered into by the Guarantor constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person, and if you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person.

Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. It is expected that dealings in the Certificates will commence on or about 27 August 2026.

As of the date hereof, the Guarantor's long term credit rating by S&P Global Ratings is A, and by Moody's Investors Service, Inc. is A1.

The Issuer is regulated by the Luxembourg Commission de Surveillance du Secteur Financier on a consolidated basis and the Guarantor is regulated by, *inter alia*, the Autorité des Marchés Financiers, the Autorité de Contrôle Prudentiel et de Résolution and the European Central Bank.

26 August 2026

¹ As defined in the Securities and Futures (Capital Markets Products) Regulations 2018.

² As defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.

Subject as set out below, the Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this document and the Base Listing Document in relation to themselves and the Certificates. To the best of the knowledge and belief of the Issuer and the Guarantor (each of which has taken all reasonable care to ensure that such is the case), the information contained in this document and the Base Listing Document for which they accept responsibility (subject as set out below in respect of the information contained herein with regard to the Company) is in accordance with the facts and does not omit anything likely to affect the import of such information. The information with regard to the Company as set out herein is extracted from publicly available information. The Issuer and the Guarantor accept responsibility only for the accurate reproduction of such information. No further or other responsibility or liability in respect of such information is accepted by the Issuer and the Guarantor.

No person has been authorised to give any information or to make any representation other than those contained in this document in connection with the offering of the Certificates, and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer or the Guarantor. Neither the delivery of this document nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer, the Guarantor or their respective subsidiaries and associates since the date hereof.

This document does not constitute an offer or invitation by or on behalf of the Issuer or the Guarantor to purchase or subscribe for any of the Certificates. The distribution of this document and the offering of the Certificates may, in certain jurisdictions, be restricted by law. The Issuer and the Guarantor require persons into whose possession this document comes to inform themselves of and observe all such restrictions. In particular, the Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the “**CFTC**”) under the United States Commodity Exchange Act of 1936, as amended and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. A further description of certain restrictions on offering and sale of the Certificates and distribution of this document is given in the section headed “Placing and Sale” contained herein.

The SGX-ST has made no assessment of, nor taken any responsibility for, the financial soundness of the Issuer or the Guarantor or the merits of investing in the Certificates, nor have they verified the accuracy or the truthfulness of statements made or opinions expressed in this document.

The Issuer, the Guarantor and/or any of their affiliates may repurchase Certificates at any time on or after the date of issue and any Certificates so repurchased may be offered from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer, the Guarantor and/or any of their affiliates. Investors should not therefore make any assumption as to the number of Certificates in issue at any time.

References in this document to the “**Conditions**” shall mean references to the Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities contained in the Base Listing Document. Terms not defined herein shall have the meanings ascribed thereto in the Conditions.

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RISK FACTORS

The following are risk factors relating to the Certificates:

- (a) in respect of certain corporate adjustment events on the Underlying Stock, trading in the Certificates may be suspended on the relevant ex-date of the Underlying Stock and trading in the Certificates will resume on the next immediate trading day on the SGX-ST. Please note that trading in the Certificates on the SGX-ST may be suspended for more than one trading day in certain circumstances;
- (b) circuit breakers are automatic mechanisms adopted in the U.S. stock market. Circuit breakers are invoked if the stock markets experience extreme broad-based declines or extreme volatility within a single stock, which are designed to slow the effects of extreme price movement through coordinated trading halts across securities markets in the U.S. stock market when severe price declines reach levels that may exhaust market liquidity.

Circuit breakers implemented by the Relevant Stock Exchange for the Underlying Stock may result in a temporary trading halt of the Underlying Stock on the Relevant Stock Exchange for the Underlying Stock, or under extreme circumstances, closure of the U.S. stock market (including all trading on the Relevant Stock Exchange for the Underlying Stock) before normal close of the trading session in the U.S. stock market.

Investors should be aware of the risk of potential high volatility in the trading prices of the Certificates upon commencement and throughout the trading hours of the SGX-ST on a trading day in Singapore in response to any overnight trigger of circuit breakers resulting in temporary trading halt of the Underlying Stock during the trading day of the Relevant Stock Exchange for the Underlying Stock immediately prior to such Singapore trading day;

- (c) investment in Certificates involves substantial risks including market risk, liquidity risk, and the risk that the Issuer and/or the Guarantor will be unable to satisfy its/their obligations under the Certificates. Investors should ensure that they understand the nature of all these risks before making a decision to invest in the Certificates. You should consider carefully whether Certificates are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. Certificates are not suitable for inexperienced investors;
- (d) the Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the Guarantee constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person. In particular, it should be noted that the Issuer issues a large number of financial instruments, including Certificates, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person;
- (e) since the Certificates relate to the price of the Underlying Stock, certain events relating to the Underlying Stock may cause adverse movements in the value and the price of the Underlying Stock, as a result of which, the Certificate Holders (as defined in the Conditions of the Certificates) may, in extreme circumstances, sustain a significant loss of their investment if the price of the Underlying Stock has fallen sharply;
- (f) in the event that the Company is subject to any sanction by governmental authorities, (i) such sanction may impact general investor interest in the Underlying Stock, which may in turn affect

the liquidity and market price of the Underlying Stock, and (ii) investors should consult their own legal advisers to check whether and to what extent investing in the Certificates will be in violation of applicable laws and regulations;

- (g) in the event that the Company is controlled through weighted voting rights, certain individuals who own shares of a class which is being given more votes per share may have the ability to determine the outcome of most matters, and depending on the action taken by the Company, the market price of the Certificates could be adversely affected;
- (h) due to their nature, the Certificates can be volatile instruments and may be subject to considerable fluctuations in value. The price of the Certificates may fall in value as rapidly as it may rise due to, including but not limited to, variations in the frequency and magnitude of the changes in the price of the Underlying Stock, the time remaining to expiry, the currency exchange rates and the creditworthiness of the Issuer and the Guarantor;
- (i) if, whilst any of the Certificates remain unexercised, trading in the Underlying Stock is suspended or halted on the relevant stock exchange, trading in the Certificates may be suspended for a similar period.

The suspension may be lifted and trading in the Underlying Stock may resume outside or during the trading hours of the SGX-ST. If trading in the Underlying Stock resumes, trading in the Certificates will resume either in accordance with the scheduled trading resumption timing (if any) as specified in the announcement(s) to be published in respect of the resumption of trading in the Underlying Stock. Please note that the price of the Certificates may be highly volatile following the resumption of trading in the Certificates;

- (j) as indicated in the Conditions of the Certificates and herein, a Certificate Holder must tender a specified number of Certificates at any one time in order to exercise. Thus, Certificate Holders with fewer than the specified minimum number of Certificates in a particular series will either have to sell their Certificates or purchase additional Certificates, incurring transactions costs in each case, in order to realise their investment;
- (k) investors should note that in the event of there being a Market Disruption Event (as defined in the Conditions) determination or payment of the Cash Settlement Amount (as defined in the Conditions) may be delayed, all as more fully described in the Conditions;
- (l) certain events relating to the Underlying Stock require or, as the case may be, permit the Issuer to make certain adjustments or amendments to the Conditions. Investors may refer to the Conditions 4 and 6 on pages 32 to 37 and the examples and illustrations of adjustments set out in the “Information relating to the European Style Cash Settled Long Certificates on Single Equities” section of this document for more information;
- (m) the Certificates are only exercisable on the Expiry Date and may not be exercised by Certificate Holders prior to such Expiry Date. Accordingly, if on the Expiry Date the Cash Settlement Amount is zero, a Certificate Holder will lose the value of his investment;
- (n) the total return on an investment in any Certificate may be affected by the Hedging Fee Factor (as defined below), Management Fee (as defined below) and Gap Premium (as defined below);
- (o) investors holding their position beyond market close of the SGX-ST should note that they would be required to bear the annualised cost which consists of the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well as certain costs embedded within the Leverage Strategy (as described below) including the Funding Cost (as defined below) and Rebalancing Cost (as defined below). Due to the difference in trading hours of the SGX-ST and the Relevant Stock Exchange for the Underlying

Stock, unless investors exit their position within the same SGX-ST trading day, they would bear the annualised costs;

- (p) investors should note that there may be an exchange rate risk relating to the Certificates where the Cash Settlement Amount is converted from a foreign currency into Singapore dollars.

Exchange rates between currencies are determined by forces of supply and demand in the foreign exchange markets. These forces are, in turn, affected by factors such as international balances of payments and other economic and financial conditions, government intervention in currency markets and currency trading speculation. Fluctuations in foreign exchange rates, foreign political and economic developments, and the imposition of exchange controls or other foreign governmental laws or restrictions applicable to such investments may affect the foreign currency market price and the exchange rate-adjusted equivalent price of the Certificates. Fluctuations in the exchange rate of any one currency may be offset by fluctuations in the exchange rate of other relevant currencies;

- (q) investors should note that there are leveraged risks because the Certificates integrate a leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock;
- (r) when held for longer than a day, the performance of the Certificates could be more or less than the leverage factor that is embedded within the Certificates. The performance of the Certificates each day is locked in, and any subsequent returns are based on what was achieved the previous trading day. This process, referred to as compounding, may lead to a performance difference from 3 times the performance of the Underlying Stock over a period longer than one day. This difference may be amplified in a volatile market with a sideways trend, where market movements are not clear in direction, whereby investors may sustain substantial losses;
- (s) the Underlying Stock to which the Certificates relate are only quoted during US trading hours. This means that the Air Bag Mechanism (as defined below) can only be triggered when the SGX-ST is not open for trading. There is therefore a specific risk that overnight, investors in the Certificates incur a significant or even entire loss of the amounts invested in the Certificates, without being able to exit their investments in the Certificates;
- (t) investors should note that the Air Bag Mechanism reduces the impact on the Leverage Strategy if the Underlying Stock falls further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses;
- (u) there is no assurance that the Air Bag Mechanism will prevent investors from losing the entire value of their investment, in the event of (i) an overnight fall in the Underlying Stock, where there is an approximately 33% or greater gap between the previous trading day closing price and the opening price of the Underlying Stock the following trading day, as the Air Bag Mechanism will only be triggered when market opens the following trading day or (ii) a sharp intraday fall in the price of the Underlying Stock of approximately 33% or greater within the 15 minutes Observation Period compared to the reference price, being: (1) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (2) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. Investors should note that the Air Bag Mechanism may only be triggered during the trading of the Relevant Stock Exchange for the Underlying Stock. Investors may refer to pages 53 to 54 of this document for more information;

- (v) investors should note that the Certificates are issued over an Underlying Stock which is listed on an exchange with different trading hours from the SGX-ST. There may be a risk arising from the time difference between the trading hours of the Relevant Stock Exchange for the Underlying Stock (based on New York time) and the trading hours of the SGX-ST. As such, (i) the price of the Underlying Stock may not be available during the trading hours of the Certificates on SGX-ST; (ii) Air Bag Mechanism may be triggered during the trading hours of the Relevant Stock Exchange for the Underlying Stock, which would not be during SGX-ST trading hours; (iii) the trigger of an Air Bag Mechanism, when the Certificates are not open for trading, will lead to a different Leverage Strategy Closing Level, i.e. the value of the Certificates subsequently during the SGX-ST trading hours will be based on a different Leverage Strategy Closing Level reference for the purpose of the Leveraged Return calculation compared to a case where no Air Bag Mechanism would have been triggered; and (iv) given the Relevant Stock Exchange for the Underlying Stock is not open for trading during the SGX-ST trading hours, the market price of the Certificates may be affected by the derived spot price of the Underlying Stock on the Related Exchange during SGX-ST trading hours (which may deviate from the published price of the Underlying Stock), consequentially the market price of the Certificates during SGX-ST trading hours may deviate from the published price of the Underlying Stock during the US trading hours on the same day. There is therefore a specific risk that investors in the Certificates may incur a significant or even entire loss of the amounts invested in the Certificates, without being able to exit their investments in the Certificates.

In particular, please note that the trading price of the Underlying Stock may be volatile during a time in which the SGX-ST is not open for trading of the Certificates. Outside the trading hours of the SGX-ST, investors will not be able to sell or trade in the Certificates even if the trading price of the Underlying Stock is highly volatile.

Market news and/or corporate announcements relating to the Underlying Stock (including corporate event announcements or other price sensitive information) may be released outside the trading hours of the Relevant Stock Exchange for the Underlying Stock (based on New York time), but during the trading hours of the SGX-ST (based on Singapore time). The trading price of the Certificates may become highly volatile during the relevant trading hours of the SGX-ST in response to such market/corporate news pending opening of the Underlying Stock. The market and investors may not have sufficient time to digest fully, and/or assess the potential impact of, such corporate news on the Underlying Stock and hence the Certificates.

Investors may refer to pages 53 to 54 of this document for more information;

- (w) certain events may, pursuant to the terms and conditions of the Certificates, trigger (i) the implementation of methods of adjustment or (ii) the early termination of the Certificates. The Certificates may be terminated prior to its Expiry Date for the following reasons which are not exhaustive: Illegality and force majeure, occurrence of a Holding Limit Event (as defined in the Conditions of the Certificates) or Hedging Disruption (as defined in the Conditions of the Certificates). For more detailed examples of when early termination may occur, please refer to the FAQ section under the "Education" tab on the website at dlc.socgen.com.

The Issuer will give the investors reasonable notice of any early termination. If the Issuer terminates the Certificates early, the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of the Certificate less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. The performance of this commitment shall depend on (i) general market conditions and (ii) the liquidity conditions of the underlying instrument(s) and, as the case may

be, of any other hedging transactions. Investors should note that the amount repaid by the Issuer may be substantially less than the amount initially invested, and at the worst case, be zero. Investors may refer to the Condition 13 on pages 39 to 42 of this document for more information;

- (x) there is no assurance that an active trading market for the Certificates will sustain throughout the life of the Certificates, or if it does sustain, it may be due to market making on the part of the Designated Market Maker. The Issuer acting through its Designated Market Maker may be the only market participant buying and selling the Certificates. Therefore, the secondary market for the Certificates may be limited and you may not be able to realise the value of the Certificates. Do note that the bid-ask spread increases with illiquidity;
- (y) in the ordinary course of their business, including without limitation, in connection with the Issuer or its appointed designated market maker's market making activities, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may effect transactions for their own account or for the account of their customers and hold long or short positions in the Underlying Stock. In addition, in connection with the offering of any Certificates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into one or more hedging transactions with respect to the Underlying Stock. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer, the Guarantor and any of their respective subsidiaries and affiliates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into transactions in the Underlying Stock which may affect the market price, liquidity or value of the Certificates and which may affect the interests of Certificate Holders;
- (z) various potential and actual conflicts of interest may arise from the overall activities of the Issuer, the Guarantor and/or any of their subsidiaries and affiliates.

The Issuer, the Guarantor and any of their subsidiaries and affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and investment and other activities for their own account or the account of others. In addition, the Issuer, the Guarantor and any of their subsidiaries and affiliates, in connection with their other business activities, may possess or acquire material information about the Underlying Stock. Such activities and information may involve or otherwise affect issuers of the Underlying Stock in a manner that may cause consequences adverse to the Certificate Holders or otherwise create conflicts of interests in connection with the issue of Certificates by the Issuer. Such actions and conflicts may include, without limitation, the exercise of voting power, the purchase and sale of securities, financial advisory relationships and exercise of creditor rights. The Issuer, the Guarantor and any of their subsidiaries and affiliates have no obligation to disclose such information about the Underlying Stock or such activities. The Issuer, the Guarantor and any of their subsidiaries and affiliates and their officers and directors may engage in any such activities without regard to the issue of Certificates by the Issuer or the effect that such activities may directly or indirectly have on any Certificate;

- (aa) legal considerations which may restrict the possibility of certain investments:

Some investors' investment activities are subject to specific laws and regulations or laws and regulations currently being considered by various authorities. All potential investors must consult their own legal advisers to check whether and to what extent (i) they can legally purchase the Certificates (ii) the Certificates can be used as collateral security for various forms of borrowing (iii) if other restrictions apply to the purchase of Certificates or their use as collateral security. Financial institutions must consult their legal advisers or regulators to

determine the appropriate treatment of the Certificates under any applicable risk-based capital or similar rules;

- (bb) the credit rating of the Guarantor is an assessment of its ability to pay obligations, including those on the Certificates. Consequently, actual or anticipated declines in the credit rating of the Guarantor may affect the market value of the Certificates;
- (cc) the Certificates are linked to the Underlying Stock and subject to the risk that the price of the Underlying Stock may decline. The following is a list of some of the significant risks associated with the Underlying Stock:
 - Historical performance of the Underlying Stock does not give an indication of future performance of the Underlying Stock. It is impossible to predict whether the price of the Underlying Stock will fall or rise over the term of the Certificates; and
 - The price of the Underlying Stock may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which the Underlying Stock may be traded;
- (dd) the value of the Certificates depends on the Leverage Strategy performance built in the Certificate. The Calculation Agent will make the Leverage Strategy last closing level and a calculation tool available to the investors on a website;
- (ee) two or more risk factors may simultaneously have an effect on the value of a Certificate such that the effect of any individual risk factor may not be predicted. No assurance can be given as to the effect any combination of risk factors may have on the value of a Certificate;
- (ff) as the Certificates are represented by a global warrant certificate which will be deposited with The Central Depository (Pte) Limited (“**CDP**”):
 - (i) investors should note that no definitive certificate will be issued in relation to the Certificates;
 - (ii) there will be no register of Certificate Holders and each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates by way of interest (to the extent of such number) in the global warrant certificate in respect of those Certificates represented thereby shall be treated as the holder of such number of Certificates;
 - (iii) investors will need to rely on any statements received from their brokers/custodians as evidence of their interest in the Certificates; and
 - (iv) notices to such Certificate Holders will be published on the web-site of the SGX-ST. Investors will need to check the web-site of the SGX-ST regularly and/or rely on their brokers/custodians to obtain such notices;
- (gg) U.S. withholding tax

The Issuer has determined that these Certificates substantially replicates the economic performance of one or more U.S. Underlying Equities (and as such, for the purposes of IRS Notice 2024-44, such Certificates are deemed to be “delta-one” Certificates and are therefore Specified Warrants for purposes of the Section 871(m) Regulations as discussed in the accompanying Base Listing Document under “TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Section 871(m) of the U.S. Internal Revenue Code of 1986”.

Investors are advised that the Issuer’s determination is binding on all Non-U.S. Holders of the Certificates, but it is not binding on the United States Internal Revenue Service (the “IRS”) and

the IRS may therefore disagree with the Issuer's determination. Because the Certificates are treated as Specified Warrants for purposes of the Section 871(m) Regulations, U.S. withholding tax under the Section 871(m) Regulations generally should apply to any dividend equivalents paid or deemed paid under the Certificates. In withholding this tax, the Issuer will apply the general tax rate of 30% to the payments subject to withholding under the Section 871(m) Regulations without regard to any applicable treaty rate. Therefore, in such cases, an investor's individual tax situation will not be taken into account.

Potential investors are advised to consider the discussion in the accompanying Base Listing Document under "TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Section 871(m) of the U.S. Internal Revenue Code of 1986" and "TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Foreign Account Tax Compliance Act Withholding" and to consult their own tax adviser on the tax impacts of the acquisition, holding, disposal and redemption of the Certificates. The requirement to pay such taxes may reduce the effective yield on the Certificates and may also have an adverse impact on their value;

(hh) risks arising from the taxation of securities

Tax law and practice are subject to change, possibly with retroactive effect. This may have a negative impact on the value of the Certificates and/or the market price of the Certificates. For example, the specific tax assessment of the Certificates may change compared to its assessment at the time of purchase of the Certificates. This is especially true with regard to derivative Certificates and their tax treatment. Holders of Certificates therefore bear the risk that they may misjudge the taxation of the income from the purchase of the Certificates. However, there is also the possibility that the taxation of the income from the purchase of the Certificates will change to the detriment of the holders.

Holders of the Certificates bear the risk that the specific tax assessment of the Certificates will change. This can have a negative impact on the value of the Certificates and the investor may incur a corresponding loss. The stronger this negative effect, the greater the loss may be; and

(ii) risk factors relating to the BRRD

French and Luxembourg law and European legislation regarding the resolution of financial institutions may require the write-down or conversion to equity of the Certificates or other resolution measures if the Issuer or the Guarantor is deemed to meet the conditions for resolution.

Directive 2014/59/EU of the European Parliament and of the Council of the European Union dated 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**") entered into force on 2 July 2014. The BRRD, as amended, has been implemented into Luxembourg law by, among others, the Luxembourg act dated 18 December 2015 on the failure of credit institutions and certain investment firms, as amended (the "**BRR Act 2015**"). Under the BRR Act 2015, the competent authority is the Luxembourg financial sector supervisory authority (*Commission de surveillance du secteur financier*, the CSSF) and the resolution authority is the CSSF acting as resolution council (*conseil de résolution*).

In April 2023, the EU Commission released a proposal to amend, in particular, the BRRD according to which senior preferred debt instruments would no longer rank *pari passu* with any non covered non preferred deposits of the Issuer; instead, senior preferred debt instruments would rank junior in right of payment to the claims of all depositors.

This proposal is still subject to further discussions and as a result its precise legal application date is unknown. As such, there may be an increased risk of an investor in senior preferred debt instruments losing all or some of their investment in the context of the exercise of the Bail-in Power.

Moreover, Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism (“SRM”) and a Single Resolution Framework (the “SRM Regulation”) has established a centralised power of resolution entrusted to a Single Resolution Board (the “SRB”) in cooperation with the national resolution authorities.

Since November 2014, the European Central Bank (“ECB”) has taken over the prudential supervision of significant credit institutions in the member states of the Eurozone under the Single Supervisory Mechanism (“SSM”). In addition, the SRM has been put in place to ensure that the resolution of credit institutions and certain investment firms across the Eurozone is harmonised. As mentioned above, the SRM is managed by the SRB. Under Article 5(1) of the SRM Regulation, the SRM has been granted those responsibilities and powers granted to the EU Member States’ resolution authorities under the BRRD for those credit institutions and certain investment firms subject to direct supervision by the ECB. The ability of the SRB to exercise these powers came into force at the beginning of 2016.

Societe Generale has been, and continues to be, designated as a significant supervised entity for the purposes of Article 49(1) of Regulation (EU) No 468/2014 of the ECB of 16 April 2014 establishing the framework for cooperation within the SSM between the ECB and national competent authorities and with national designated authorities (the “SSM Regulation”) and is consequently subject to the direct supervision of the ECB in the context of the SSM. This means that Societe Generale and SG Issuer (being covered by the consolidated prudential supervision of Societe Generale) are also subject to the SRM which came into force in 2015. The SRM Regulation mirrors the BRRD and, to a large part, refers to the BRRD so that the SRB is able to apply the same powers that would otherwise be available to the relevant national resolution authority.

The stated aim of the BRRD and the SRM Regulation is to provide for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and certain investment firms. The regime provided for by the BRRD is, among other things, stated to be needed to provide the resolution authority designated by each EU Member State (the “**Resolution Authority**”) with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution’s critical financial and economic functions while minimising the impact of an institution’s failure on the economy and financial system (including taxpayers’ exposure to losses).

In accordance with the provisions of the SRM Regulation, when applicable, the SRB, has replaced the national resolution authorities designated under the BRRD with respect to all aspects relating to the decision-making process and the national resolution authorities designated under the BRRD continue to carry out activities relating to the implementation of resolution schemes adopted by the SRB. The provisions relating to the cooperation between the SRB and the national resolution authorities for the preparation of the institutions’ resolution plans have applied since 1 January 2015 and the SRM has been fully operational since 1 January 2016.

The SRB is the Resolution Authority for the Issuer and the Guarantor.

The powers provided to the Resolution Authority in the BRRD and the SRM Regulation include write-down/conversion powers to ensure that capital instruments (including subordinated debt instruments) and eligible liabilities (including senior debt instruments if junior instruments prove insufficient to absorb all losses) absorb losses of the issuing institution that is subject to resolution in accordance with a set order of priority (the “**Bail-in Power**”). The conditions for resolution under the SRM Regulation are deemed to be met when: (i) the Resolution Authority determines that the institution is failing or is likely to fail, (ii) there is no reasonable prospect that any measure other than a resolution measure would prevent the failure within a reasonable timeframe, and (iii) a resolution measure is necessary for the achievement of the resolution objectives (in particular, ensuring the continuity of critical functions, avoiding a significant adverse effect on the financial system, protecting public funds by minimizing reliance on extraordinary public financial support, and protecting client funds and assets) and winding up of the institution under normal insolvency proceedings would not meet those resolution objectives to the same extent.

The Resolution Authority could also, independently of a resolution measure or in combination with a resolution measure, fully or partially write-down or convert capital instruments (including subordinated debt instruments) into equity when it determines that the institution or its group will no longer be viable unless such write-down or conversion power is exercised or when the institution requires extraordinary public financial support (except when extraordinary public financial support is provided in Article 10 of the SRM Regulation). The terms and conditions of the Certificates contain provisions giving effect to the Bail-in Power in the context of resolution and write-down or conversion of capital instruments at the point of non-viability.

The Bail-in Power could result in the full (i.e., to zero) or partial write-down or conversion of the Certificates into ordinary shares or other instruments of ownership, or the variation of the terms of the Certificates (for example, the maturity and/or interest payable may be altered and/or a temporary suspension of payments may be ordered). Extraordinary public financial support should only be used as a last resort after having assessed and applied, to the maximum extent practicable, the resolution measures. No support will be available until a minimum amount of contribution to loss absorption and recapitalization of 8% of total liabilities including own funds has been made by shareholders, holders of capital instruments and other eligible liabilities through write-down, conversion or otherwise.

In addition to the Bail-in Power, the BRRD and the SRM Regulation provide the Resolution Authority with broader powers to implement other resolution measures with respect to institutions that meet the conditions for resolution, which may include (without limitation) the sale of the institution's business, the creation of a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), removing management, appointing an interim administrator, and discontinuing the listing and admission to trading of financial instruments.

Before taking a resolution measure, including implementing the Bail-in Power, or exercising the power to write down or convert relevant capital instruments, the Resolution Authority must ensure that a fair, prudent and realistic valuation of the assets and liabilities of the institution is carried out by a person independent from any public authority.

The BRRD, the BRR Act 2015 and the SRM Regulation however also state that, under exceptional circumstances, if the bail-in instrument is applied, the SRB, in cooperation with the CSSF, may completely or partially exclude certain liabilities from the application of the impairment or conversion powers under certain conditions.

Since 1 January 2016, EU credit institutions (such as Societe Generale) and certain investment firms have to meet, at all times, a minimum requirement for own funds and eligible liabilities ("**MREL**") pursuant to Article 12 of the SRM Regulation. The MREL, which is expressed as a percentage of the total liabilities and own funds of the institution, aims at preventing institutions from structuring their liabilities in a manner that impedes the effectiveness of the Bail-in Power in order to facilitate resolution.

The regime has evolved as a result of the changes adopted by the EU legislators. On 7 June 2019, as part of the contemplated amendments to the so-called "EU Banking Package", the following legislative texts were published in the Official Journal of the EU 14 May 2019:

- Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms ("**BRRD II**"); and
- Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending the SRM Regulation as regards the loss-absorbing and recapitalisation capacity ("**TLAC**") of credit institutions and investment firms (the "**SRM II Regulation**" and, together with the BRRD II, the "**EU Banking Package Reforms**").

The EU Banking Package Reforms introduced, among other things, the TLAC standard as implemented by the Financial Stability Board's TLAC Term Sheet ("**FSB TLAC Term Sheet**"), by adapting, among other things, the existing regime relating to the specific MREL with the aim of reducing risks in the banking sector and further reinforcing institutions' ability to withstand potential shocks will strengthen the banking union and reduce risks in the financial system.

The TLAC has been implemented in accordance with the FSB TLAC Term Sheet, which imposes a level of "Minimum TLAC" that will be determined individually for each global systemically important bank ("**G-SIB**"), such as Societe Generale, in an amount at least equal to (i) 16%, plus applicable buffers, of risk weight assets since January 1, 2022 and 18%, plus applicable buffers, thereafter and (ii) 6% of the Basel III leverage ratio denominator since January 1, 2022 and 6.75% thereafter (each of which could be extended by additional firm-specific requirements).

Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the "**CRR**"), as amended notably by Regulation (EU) 2019/876 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements (the "**CRR II**") and Regulation (EU) 2022/2036 of the European Parliament and of the Council of 19 October 2022 amending Regulation (EU) No 575/2013 and Directive 2014/59/EU as regards the prudential treatment of global systemically important institutions with a multiple-point-of-entry resolution strategy and methods for the indirect subscription of instruments eligible for meeting the minimum requirement for own funds and eligible liabilities, EU G-SIBs, such as Societe Generale, have to comply with TLAC requirements, on top of the MREL requirements, since the entry into force of the CRR II. As such, G-SIBs, such as Societe Generale have to comply with both the TLAC and MREL requirements.

Consequently, the criteria for MREL-eligible liabilities have been closely aligned with the criteria for TLAC-eligible liabilities under CRR II, but subject to the complementary adjustments and requirements introduced in the BRRD II. In particular, certain debt instruments with an embedded derivative component, such as certain structured notes, will be eligible, subject to certain conditions, to meet MREL requirements to the extent that they have a fixed or increasing principal amount repayable at maturity that is known in advance with only an additional return permitted to be linked to that derivative component and dependent on the performance of a reference asset.

The level of capital and eligible liabilities required under MREL is set by the SRB for Societe Generale on an individual and/or consolidated basis based on certain criteria including systemic importance and may also be set for SG Issuer. Eligible liabilities may be senior or subordinated, provided, among other requirements, that they have a remaining term of at least one year and, they recognise contractually the Resolution Authority's power to write down or convert the liabilities governed by non-EU law.

The scope of liabilities used to meet MREL includes, in principle, all liabilities resulting from claims arising from ordinary unsecured creditors (non-subordinated liabilities) unless they do not meet specific eligibility criteria set out in BRRD, as amended notably by BRRD II. To enhance the resolvability of institutions and entities through an effective use of the bail-in tool, the SRB should be able to require that MREL be met with own funds and other subordinated liabilities, in particular where there are clear indications that bailed-in creditors are likely to bear losses in resolution that would exceed the losses that they would incur under normal insolvency proceedings. Moreover the SRB should assess the need to require institutions and entities to meet the MREL with own funds and other subordinated liabilities where the amount of liabilities excluded from the application of the bail-in tool reaches a certain threshold within a class of liabilities that includes MREL-eligible liabilities. Any subordination of debt instruments requested by the SRB for the MREL shall be without prejudice to the possibility to partly meet the TLAC requirements with non-subordinated debt instruments in accordance with the CRR, as amended by the CRR II, as permitted by the TLAC standard. Specific requirements apply to resolution groups with assets above EUR 100 billion (top-tier banks, including Societe Generale).

TERMS AND CONDITIONS OF THE CERTIFICATES

The following are the terms and conditions of the Certificates and should be read in conjunction with, and are qualified by reference to, the other information set out in this document and the Base Listing Document.

The Conditions are set out in the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” in the Base Listing Document. For the purposes of the Conditions, the following terms shall have the following meanings:

Certificates:	3,000,000 European Style Cash Settled Long Certificates relating to the Common Stock of Applied Materials, Inc. (the “ Underlying Stock ”)
ISIN:	LU2088916858
Company:	Applied Materials, Inc. (RIC: AMAT.OQ)
Underlying Price and Source:	The closing price of the Underlying Stock on 26 August 2026 (Reuters)
Calculation Agent:	Societe Generale
Strike Level:	Zero
Daily Leverage:	3x (within the Leverage Strategy as described below)
Notional Amount per Certificate:	SGD 5.00
Management Fee (p.a.) ³ :	0.40%
Gap Premium (p.a.) ⁴ :	24.00%, is a hedging cost against extreme market movements beyond US market close on the same trading day.
Funding Cost ⁵ :	The annualised costs of funding, referencing a publicly published base rate plus spread.
Rebalancing Cost ⁵ :	The transaction costs (if applicable), computed as a function of leverage and daily performance of the Underlying Stock.
Launch Date:	21 August 2026
Closing Date:	26 August 2026
Expected Listing Date:	27 August 2026

³ Please note that the Management Fee is calculated on a 360-day basis and may be increased up to a maximum of 3% p.a. on giving one month's notice to investors. Any increase in the Management Fee will be announced on the SGXNET. Please refer to “Fees and Charges” below for further details of the fees and charges payable and the maximum of such fees as well as other ongoing expenses that may be borne by the Certificates.

⁴ Please note that the Gap Premium is calculated on a 360-day basis.

⁵ These costs are embedded within the Leverage Strategy.

Last Trading Date:	The date falling 5 Business Days immediately preceding the Expiry Date, currently being 19 July 2028
Expiry Date:	The Business Day immediately following the Valuation Date, currently being 26 July 2028
Board Lot:	100 Certificates
Valuation Date:	25 July 2028 or if such day is not an Underlying Stock Business Day, the immediately following Underlying Stock Business Day and subject to the Market Disruption Event provisions.
Settlement Date:	No later than five Settlement Business Days following the Expiry Date, currently being 2 August 2028.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Cash Settlement Amount:	In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to: Closing Level multiplied by the Notional Amount per Certificate Please refer to the “Information relating to the European Style Cash Settled Long Certificates on Single Equities” section on pages 45 to 59 of this document for examples and illustrations of the calculation of the Cash Settlement Amount.
Hedging Fee Factor:	In respect of each Certificate, shall be an amount calculated as: Product (for t from 2 to Valuation Date) of $(1 - \text{Management Fee} \times (\text{ACT}(t-1;t) \div 360)) \times (1 - \text{Gap Premium}(t-1) \times (\text{ACT}(t-1;t) \div 360))$ Where:

“t” refers to “**Observation Date**” which means each Underlying Stock Business Day (subject to Market Disruption Event) from (and including) the Underlying Stock Business Day immediately preceding the Expected Listing Date to the Valuation Date; and

ACT (t-1;t) means the number of calendar days between the Underlying Stock Business Day immediately preceding the Observation Date (such Underlying Stock Business Day being noted “t-1”) (included) and the Observation Date “t” (excluded).

If the Issuer determines, in its sole discretion, that on any Observation Date a Market Disruption Event has occurred, then that Observation Date shall be postponed until the first succeeding Underlying Stock Business Day on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Underlying Stock Business Days immediately following the original date that, but for the Market Disruption Event, would have been an Observation Date. In that case, that fifth Underlying Stock Business Day shall be deemed to be the Observation Date notwithstanding the Market Disruption Event and the Issuer shall determine, its good faith estimate of the level of the Leverage Strategy and the value of the Certificate on that fifth Underlying Stock Business Day in accordance with the formula for and method of calculation last in effect prior to the occurrence of the first Market Disruption Event taking into account, inter alia, the exchange traded or quoted price of the Underlying Stock and the potential increased cost of hedging by the Issuer as a result of the occurrence of the Market Disruption Event.

Please refer to the “Information relating to the European Style Cash Settled Long Certificates on Single Equities” section on pages 45 to 59 of this document for examples and illustrations of the calculation of the Hedging Fee Factor.

Closing Level: In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:

$$\left(\frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level} \right) \times \text{Hedging Fee Factor}$$

Initial Reference Level: 1,000

Final Reference Level: The closing level of the Leverage Strategy (as described below) on the Valuation Date

The calculation of the closing level of the Leverage Strategy is set out in the “Specific Definitions relating to the Leverage Strategy” section on pages 22 to 26 below.

Initial Exchange Rate: 1.2701

Final Exchange Rate:	The rate for the conversion of United States Dollar to Singapore Dollar as at 5:00pm (Singapore Time) on the Valuation Date as shown on Reuters, provided that if the Reuters service ceases to display such information, as determined by the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate at such a time.
Air Bag Mechanism:	The “Air Bag Mechanism” refers to the mechanism built in the Leverage Strategy and which is designed to reduce the Leverage Strategy exposure to the Underlying Stock during extreme market conditions. If the Underlying Stock falls by 20% or more (“Air Bag Trigger Price”) during the trading day of the Relevant Stock Exchange for the Underlying Stock (which represents an approximately 60% loss after a 3 times leverage), the Air Bag Mechanism is triggered and the Leverage Strategy is adjusted intra-day during the trading hours of the Relevant Stock Exchange for the Underlying Stock. The Air Bag Mechanism reduces the impact on the Leverage Strategy if the Underlying Stock falls further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses. The Leverage Strategy is floored at 0 and the Certificates cannot be valued below zero. Please refer to the “Extraordinary Strategy Adjustment for Performance Reasons (“Air Bag Mechanism”)” section on pages 25 to 26 below and the “Description of Air Bag Mechanism” section on pages 51 to 52 of this document for further information of the Air Bag Mechanism.
Adjustments and Extraordinary Events:	The Issuer has the right to make adjustments to the terms of the Certificates if certain events, including any capitalisation issue, rights issue, extraordinary distributions, merger, delisting, insolvency (as more specifically set out in the terms and conditions of the Certificates) occur in respect of the Underlying Stock. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.
Underlying Stock Currency:	United States Dollar (“ USD ”)
Settlement Currency:	Singapore Dollar (“ SGD ”)
Exercise Expenses:	Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates.
Relevant Stock Exchange for the Certificates:	The Singapore Exchange Securities Trading Limited (“ SGX-ST ”)
Relevant Stock Exchange for the Underlying Stock:	NASDAQ

Related Exchange:	Each exchange or quotation system, or alternative trading system, where trading has a material effect (as determined by the Calculation Agent) on the overall market for the Underlying Stock when the Relevant Stock Exchange for the Underlying Stock is not open for trading
Underlying Stock Business Day, Business Day or Settlement Business Day:	An “Underlying Stock Business Day” means a day on which NASDAQ is open for dealings in the United States during its normal trading hours and banks are open for business in the United States. A “Business Day” or a “Settlement Business Day” is a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.
Warrant Agent:	The Central Depository (Pte) Limited (“ CDP ”)
Clearing System:	CDP
Fees and Charges:	Normal transaction and brokerage fees shall apply to the trading of the Certificates on the SGX-ST. Investors should note that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred. Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time. Investors holding position beyond market close of the SGX-ST would also be required to bear the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well as certain costs embedded within the Leverage Strategy including the Funding Cost and Rebalancing Cost. The Management Fee may be increased up to a maximum of 3% p.a. on giving one month’s notice to investors in accordance with the terms and conditions of the Certificates. Any increase in the Management Fee will be announced on the SGXNET. Due to the difference in trading hours of the SGX-ST and the Relevant Stock Exchange for the Underlying Stock, unless investors exit their position within the same SGX-ST trading day, they would bear such annualised costs.
Further Information:	Please refer to the website at dlc.socgen.com for more information on the theoretical closing price of the Certificates on the previous trading day, the closing price of the Underlying Stock on the previous trading day, the Air Bag Trigger Price for each trading day and the Management Fee and Gap Premium.

Specific Definitions relating to the Leverage Strategy

Description of the Leverage Strategy

The Leverage Strategy is designed to track a 3 times daily leveraged exposure to the Underlying Stock.

At the end of each trading day of the Underlying Stock, the exposure of the Leverage Strategy to the Underlying Stock is reset within the Leverage Strategy in order to retain a daily leverage of 3 times the performance of the Underlying Stock (excluding costs) regardless of the performance of the Underlying Stock on the preceding day. This mechanism is referred to as the Daily Reset.

The Leverage Strategy incorporates an air bag mechanism which is designed to reduce exposure to the Underlying Stock during extreme market conditions, as further described below.

Leverage Strategy Formula

LSL_t	means, for any Observation Date(t), the Leverage Strategy Closing Level as of such day (t). Subject to the occurrence of an Intraday Restrike Event, the Leverage Strategy Closing Level as of such Observation Date(t) is calculated in accordance with the following formulae: On Observation Date(1): $LSL_1 = 1000$ On each subsequent Observation Date(t): $LSL_t = \text{Max}[LSL_{t-1} \times (1 + LR_{t-1,t} - FC_{t-1,t} - RC_{t-1,t}), 0]$
LR_{t-1,t}	means the Leveraged Return of the Underlying Stock between Observation Date(t-1) and Observation Date(t) closing prices, calculated as follows: $LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right)$
FC_{t-1,t}	means, the Funding Cost between Observation Date(t-1) (included) and Observation Date(t) (excluded) calculated as follows: $FC_{t-1,t} = (\text{Leverage} - 1) \times \frac{\text{Rate}_{t-1} \times \text{ACT}(t-1, t)}{\text{DayCountBasisRate}}$
RC_{t-1,t}	means the Rebalancing Cost of the Leverage Strategy on Observation Date (t), calculated as follows: $RC_{t-1,t} = \text{Leverage} \times (\text{Leverage} - 1) \times \left(\left \frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right \right) \times TC$
TC	means the Transaction Costs applicable (including brokerage fees and any other applicable taxes, levies and costs which may be levied on the stock transactions on the Relevant Stock Exchange for the Underlying Stock by the applicable regulatory authorities from time to time) that are currently equal to: 0.20%
Leverage	3

S_t	means, in respect of each Observation Date(t), the Closing Price of the Underlying Stock as of such Observation Date(t), subject to the adjustments and provisions of the Conditions.
$Rate_t$	means, in respect of each Observation Date(t), a rate calculated as of such day in accordance with the following formula: $Rate_t = CashRate_t + \%SpreadLevel_t$
$Rfactor_t$	means, in the event Observation Date (t) is an ex-dividend date of the Underlying Stock, an amount determined by the Calculation Agent, subject to the adjustments and provisions of the Conditions, according to the following formula: $Rfactor_t = 1 - \frac{Div_t}{S_{t-1}}$ where Div_t is the dividend to be paid out in respect of the Underlying Stock and the relevant ex-dividend date which shall be considered net of any applicable withholding taxes.
$CashRate_t$	means, in respect of each Observation Date(t), the US SOFR Secured Overnight Financing Rate, as published on Bloomberg Screen SOFRRATE Index page or any successor page, being the rate as of such Observation Date (t), provided that if any of such rates is not available, then that rate shall be determined by reference to the latest available rate that was published on the relevant Bloomberg page.
$\%SpreadLevel_t$	1%, subject to change by the Issuer on giving 10 Business Days' notice to investors via SGXNet.
$ACT(t-1,t)$	$ACT(t-1;t)$ means the number of calendar days between the Underlying Stock Business Day immediately preceding the Observation Date (such Underlying Stock Business Day being noted "t-1") (included) and the Observation Date "t" (excluded).
DayCountBasisRate	365
Benchmark Fallback	upon the occurrence or likely occurrence, as determined by the Calculation Agent, of a Reference Rate Event, the Calculation Agent may make adjustments as it may determine appropriate to account for the relevant event or circumstance, including but not limited to using any alternative rates from such date, with or without retroactive effect as the Calculation Agent may in its sole and absolute discretion determine.
Reference Rate Event	means, in respect of the Reference Rate any of the following has occurred or will occur: (i) a Reference Rate Cessation; (ii) an Administrator/Benchmark Event; or

	(iii) a Reference Rate is, with respect to over-the-counter derivatives transactions which reference such Reference Rate, the subject of any market-wide development formally agreed upon by the International Swaps and Derivative Association (ISDA) or the Asia Securities Industry & Financial Markets Association (ASIFMA), pursuant to which such Reference Rate is, on a specified date, replaced with a risk-free rate (or near risk-free rate) established in order to comply with the recommendations in the Financial Stability Board's paper titled "Reforming Major Interest Rate Benchmarks" dated 22 July 2014.
Reference Rate Cessation	means, for a Reference Rate, the occurrence of one or more of the following events: (i) a public statement or publication of information by or on behalf of the administrator of the Reference Rate announcing that it has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate; (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate, the central bank for the currency of the Reference Rate, an insolvency official with jurisdiction over the administrator for the Reference Rate, a resolution authority with jurisdiction over the administrator for the Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, which states that the administrator of the Reference Rate has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate; or (iii) in respect of a Reference Rate, a public statement or publication of information by the regulatory supervisor for the administrator of such Reference Rate announcing that (a) the regulatory supervisor has determined that such Reference Rate is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Reference Rate is intended to measure and that representativeness will not be restored and (b) it is being made in the awareness that the statement or publication will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts;
Administrator/ Benchmark Event	means, for a Reference Rate, any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Reference Rate or the administrator or sponsor of the Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that either the Issuer, the Calculation Agent or any other entity is not, or will not be, permitted under any applicable law or regulation to use the Reference Rate to perform its or their respective obligations under the Certificates.
Reference Rate(s)	means the rate(s) used in the Leverage Strategy Formula, for example SORA, SOFR and US Federal Funds Effective Rate.

Extraordinary Strategy Adjustment for Performance Reasons (“Air Bag Mechanism”)

Extraordinary Strategy Adjustment for Performance Reasons	If the Calculation Agent determines that an Intraday Restrike Event has occurred during an Observation Date(t) (the Intraday Restrike Date, noted hereafter IRD), an adjustment (an Extraordinary Strategy Adjustment for Performance Reasons) shall take place during such Observation Date(t) in accordance with the following provisions. (1) Provided the last Intraday Restrike Observation Period as of such Intraday Restrike Date does not end on the TimeReferenceClosing, the Leverage Strategy Closing Level on the Intraday Restrike Date (LSL_{IRD}) should be computed as follows: $LSL_{IRD} = \text{Max}[ILSL_{IR(n)} \times (1 + ILR_{IR(n),IR(C)} - IRC_{IR(n),IR(C)}), 0]$ (2) If the last Intraday Restrike Event Observation Period on the relevant Intraday Restrike Date ends on the TimeReferenceClosing: $LSL_{IRD} = \text{Max}[ILSL_{IR(n)}, 0]$
$ILSL_{IR(k)}$	means, in respect of $IR(k)$, the Intraday Leverage Strategy Level in accordance with the following provisions: (1) for $k = 1$: $ILSL_{IR(1)} = \text{Max}[LSL_{IRD-1} \times (1 + ILR_{IR(0),IR(1)} - FC_{IRD-1,IRD} - IRC_{IR(0),IR(1)}), 0]$ (2) for $k > 1$: $ILSL_{IR(k)} = \text{Max}[ILSL_{IR(k-1)} \times (1 + ILR_{IR(k-1),IR(k)} - IRC_{IR(k-1),IR(k)}), 0]$
$ILR_{IR(k-1),IR(k)}$	means the Intraday Leveraged Return between $IR(k-1)$ and $IR(k)$, calculated as follows: $ILR_{IR(k-1),IR(k)} = \text{Leverage} \times \left(\frac{IS_{IR(k)}}{IS_{IR(k-1)}} - 1 \right)$
$IRC_{IR(k-1),IR(k)}$	means the Intraday Rebalancing Cost of the Leverage Strategy in respect of $IR(k)$ on a given Intraday Restrike Date, calculated as follows: $IRC_{IR(k-1),IR(k)} = \text{Leverage} \times (\text{Leverage} - 1) \times \left(\left \frac{IS_{IR(k)}}{IS_{IR(k-1)}} - 1 \right \right) \times TC$
$IS_{IR(k)}$	means the Underlying Stock Price in respect of $IR(k)$ computed as follows: (1) for $k=0$ $IS_{IR(0)} = S_{IRD-1} \times R_{\text{factor}_{IRD}}$ (2) for $k=1$ to n means in respect of $IR(k)$, the lowest price of the Underlying Stock during the respective Intraday Restrike Observation Period (3) with respect to $IR(C)$ $IS_{IR(C)} = S_{IRD}$ In each case, subject to the adjustments and provisions of the Conditions.

IR(k)	For k=0, means the scheduled close for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto) on the Observation Date immediately preceding the relevant Intraday Restrike Date; For k=1 to n, means the kth Intraday Restrike Event on the relevant Intraday Restrike Date.
IR(C)	means the scheduled close for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto) on the relevant Intraday Restrike Date.
n	means the number of Intraday Restrike Events that occurred on the relevant Intraday Restrike Date.
Intraday Restrike Event	means in respect of an Observation Date(t): (1) provided no Intraday Restrike Event has previously occurred on such Observation Date (t), the decrease at any Calculation Time of the Underlying Stock price by 20% or more compared with the relevant Underlying Stock Price $IS_{IR(0)}$ as of such Calculation Time. (2) if k Intraday Restrike Events have occurred on the relevant Intraday Restrike Date, the decrease at any Calculation Time of the Underlying Stock price by 20% or more compared with the relevant Underlying Stock Price $IS_{IR(k)}$ as of such Calculation Time.
Calculation Time	means any time between the TimeReferenceOpening and the TimeReferenceClosing, provided that the relevant data is available to enable the Calculation Agent to determine the Leverage Strategy Level.
TimeReferenceOpening	means the scheduled opening time for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).
TimeReferenceClosing	means the scheduled closing time for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).
Intraday Restrike Event Observation Period	means in respect of an Intraday Restrike Event, the period starting on and excluding the Intraday Restrike Event Time and finishing on and including the sooner between (1) the time falling 15 minutes of continuous trading after the Intraday Restrike Event Time and (2) the TimeReferenceClosing. Where, during such period, the Calculation Agent determines that (1) the trading in the Underlying Stock is disrupted or subject to suspension or limitation or (2) the Relevant Stock Exchange for the Underlying Stock is not open for continuous trading, the Intraday Restrike Event Observation Period will be extended to the extent necessary until (1) the trading in the Underlying Stock is no longer disrupted, suspended or limited and (2) the Relevant Stock Exchange for the Underlying Stock is open for continuous trading.
Intraday Restrike Event Time	means in respect of an Intraday Restrike Event, the Calculation Time on which such event occurs.

The Conditions set out in the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” in the Base Listing Document are set out below. This section is qualified in its entirety by reference to the detailed information appearing elsewhere in this document which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions set out below, replace or modify the relevant Conditions for the purpose of the Certificates.

TERMS AND CONDITIONS OF

THE EUROPEAN STYLE CASH SETTLED LONG/SHORT CERTIFICATES ON SINGLE EQUITIES

1. Form, Status and Guarantee, Transfer and Title

- (a) *Form.* The Certificates (which expression shall, unless the context otherwise requires, include any further certificates issued pursuant to Condition 11) are issued subject to and with the benefit of: -
- (i) a master instrument by way of deed poll (the “**Master Instrument**”) dated 12 June 2026, made by SG Issuer (the “**Issuer**”) and Societe Generale (the “**Guarantor**”); and
 - (ii) a warrant agent agreement (the “**Master Warrant Agent Agreement**” or “**Warrant Agent Agreement**”) dated any time before or on the Closing Date, made between the Issuer and the Warrant Agent for the Certificates.

Copies of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement are available for inspection at the specified office of the Warrant Agent.

The holders of the Certificates (the “**Certificate Holders**”) are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement.

- (b) *Status and Guarantee.* The Certificates constitute direct, general and unsecured obligations of the Issuer and rank, and will rank, equally among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (save for statutorily preferred exceptions). The Certificates provide for cash settlement on exercise. The Certificates do not entitle Certificate Holders to the delivery of any Underlying Stock, are not secured by the Underlying Stock and do not entitle Certificate Holders to any interest in any Underlying Stock.

The due and punctual payment of any amounts due by the Issuer in respect of the Certificates issued by the Issuer is unconditionally and irrevocably guaranteed by the Guarantor as provided in the Guarantee (each such amount payable under the Guarantee, a “**Guarantee Obligation**”).

The Guarantee Obligations will constitute direct, unconditional, unsecured and unsubordinated obligations of the Guarantor ranking as senior preferred obligations as provided for in Article L. 613-30-3 I 3° of the French Code *Monétaire et Financier* (the “**Code**”).

Such Guarantee Obligations rank and will rank equally and rateably without any preference or priority among themselves and:

- (i) *pari passu* with all other direct, unconditional, unsecured and unsubordinated obligations of the Guarantor outstanding as of the date of the entry into force of the law no. 2016-1691 (the “**Law**”) on 11 December 2016;
- (ii) *pari passu* with all other present or future direct, unconditional, unsecured and senior preferred obligations (as provided for in Article L. 613-30-3 I 3° of the Code) of the Guarantor issued after the date of the entry into force of the Law on 11 December 2016;
- (iii) junior to all present or future claims of the Guarantor benefiting from the statutorily preferred exceptions; and
- (iv) senior to all present and future senior non-preferred obligations (as provided for in Article L.613-30-3 I 4° of the Code) of the Guarantor.

In the event of the failure of the Issuer to promptly perform its obligations to any Certificate Holder under the terms of the Certificates, such Certificate Holder may, but is not obliged to, give written notice to the Guarantor at Societe Generale, Tour Societe Generale, 75886 Paris Cedex 18, France marked for the attention of SEGL/JUR/OMF - Market Transactions & Financing.

- (c) **Transfer.** The Certificates are represented by a global warrant certificate (“**Global Warrant**”) which will be deposited with The Central Depository (Pte) Limited (“**CDP**”). Certificates in definitive form will not be issued. Transfers of Certificates may be effected only in Board Lots or integral multiples thereof. All transactions in (including transfers of) Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records maintained by CDP.
- (d) **Title.** Each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates shall be treated by the Issuer, the Guarantor and the Warrant Agent as the holder and absolute owner of such number of Certificates, notwithstanding any notice to the contrary. The expression “**Certificate Holder**” shall be construed accordingly.
- (e) **Bail-In.** By the acquisition of Certificates, each Certificate Holder (which, for the purposes of this Condition, includes any current or future holder of a beneficial interest in the Certificates) acknowledges, accepts, consents and agrees:
 - (i) to be bound by the effect of the exercise of the Bail-In Power (as defined below) by the Relevant Resolution Authority (as defined below) on the Issuer’s liabilities under the Certificates, which may include and result in any of the following, or some combination thereof:
 - (A) the reduction of all, or a portion, of the Amounts Due (as defined below), on a permanent basis;
 - (B) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or the Guarantor or another person (and the issue to the Certificate Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the Conditions of the Certificates, in which case the Certificate Holder agrees to accept in lieu of its rights under the Certificates any such shares, other securities or other obligations of the Issuer or the Guarantor or another person;

- (C) the cancellation of the Certificates; and/or
- (D) the amendment or alteration of the expiration of the Certificates or amendment of the amounts payable on the Certificates, or the date on which the amounts become payable, including by suspending payment for a temporary period; and

that terms of the Certificates are subject to, and may be varied, if necessary, to give effect to the exercise of the Bail-In Power by the Relevant Resolution Authority or the regulator,

(the “**Statutory Bail-In**”);

- (ii) if the Relevant Resolution Authority exercises its Bail-In Power on liabilities of the Guarantor, pursuant to Article L.613-30-3-I-3 of the French Monetary and Financial Code (the “**Code**”):

- (A) ranking:
 - (1) junior to liabilities of the Guarantor benefitting from statutorily preferred exceptions pursuant to Article L.613-30-3-I 1° and 2 of the Code;
 - (2) *pari passu* with liabilities of the Guarantor as defined in Article L.613-30-3-I-3 of the Code; and
 - (3) senior to liabilities of the Guarantor as defined in Article L.613-30-3-I-4 of the Code; and
- (B) which are not *titres non structurés* as defined under Article R.613-28 of the Code, and
- (C) which are not or are no longer eligible to be taken into account for the purposes of the MREL (as defined below) ratio of the Guarantor

and such exercise of the Bail-In Power results in the write-down or cancellation of all, or a portion of, the principal amount of, or the outstanding amount payable in respect of, and/or interest on, such liabilities, and/or the conversion of all, or a portion, of the principal amount of, or the outstanding amount payable in respect of, or interest on, such liabilities into shares or other securities or other obligations of the Guarantor or another person, including by means of variation to their terms and conditions in order to give effect to such exercise of Bail-In Power, then the Issuer’s obligations under the Certificates will be limited to (i) payment of the amount as reduced or cancelled that would be recoverable by the Certificate Holders and/or (ii) the delivery or the payment of value of the shares or other securities or other obligations of the Guarantor or another person that would be paid or delivered to the Certificate Holders as if, in either case, the Certificates had been directly issued by the Guarantor itself and any Amount Due under the Certificates had accordingly been directly subject to the exercise of the Bail-In Power (the “**Contractual Bail-in**”).

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Statutory Bail-In with respect to the Issuer or the Guarantor unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer or the Guarantor under the applicable laws and regulations in effect in France or Luxembourg

and the European Union applicable to the Issuer or the Guarantor or other members of its group.

No repayment or payment of the Amounts Due will become due and payable or be paid under the Certificates issued by SG Issuer after implementation of the Contractual Bail-in.

Upon the exercise of the Statutory Bail-in or upon implementation of the Contractual Bail-in with respect to the Certificates, the Issuer or the Guarantor will provide a written notice to the Certificate Holders in accordance with Condition 9 as soon as practicable regarding such exercise of the Statutory Bail-in or implementation of the Contractual Bail-in. Any delay or failure by the Issuer or the Guarantor to give notice shall not affect the validity and enforceability of the Statutory Bail-in or Contractual Bail-in nor the effects on the Certificates described above.

Neither a cancellation of the Certificates, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or the Guarantor or another person, as a result of the exercise of the Statutory Bail-in or the implementation of the Contractual Bail-in with respect to the Certificates will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Certificate Holder to any remedies (including equitable remedies) which are hereby expressly waived.

The matters set forth in this Condition shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer, the Guarantor and each Certificate Holder. No expenses necessary for the procedures under this Condition, including, but not limited to, those incurred by the Issuer and the Guarantor, shall be borne by any Certificate Holder.

For the purposes of this Condition:

“Amounts Due” means any amounts due by the Issuer under the Certificates.

“Bail-In Power” means any statutory cancellation, write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms, including but not limited to any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of a European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms, or any other applicable laws or regulations, as amended, or otherwise, pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, varied or otherwise modified in any way and/or converted into shares or other securities or obligations of the obligor or any other person.

“MREL” means the Minimum Requirement for own funds and Eligible Liabilities as defined in Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time).

“Relevant Resolution Authority” means any authority with the ability to exercise the Bail-in Power on Societe Generale or SG Issuer as the case may be.

2. Certificate Rights and Exercise Expenses

- (a) *Certificate Rights.* Every Certificate entitles each Certificate Holder, upon due exercise and on compliance with Condition 4, to payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4.

The “**Cash Settlement Amount**”, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to the Closing Level multiplied by the Notional Amount per Certificate.

The “**Closing Level**”, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:

$$\left(\frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level} \right) \times \text{Hedging Fee Factor}$$

If the Issuer determines, in its sole discretion, that on the Valuation Date or any Observation Date a Market Disruption Event has occurred, then that Valuation Date or Observation Date shall be postponed until the first succeeding Exchange Business Day or Underlying Stock Business Day, as the case may be, on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Exchange Business Days or Underlying Stock Business Days, as the case may be, immediately following the original date that, but for the Market Disruption Event, would have been a Valuation Date or an Observation Date. In that case: -

- (i) that fifth Exchange Business Day or Underlying Stock Business Day, as the case may be, shall be deemed to be the Valuation Date or the Observation Date notwithstanding the Market Disruption Event; and
- (ii) the Issuer shall determine the Final Reference Level or the relevant closing level on the basis of its good faith estimate of the Final Reference Level or the relevant closing level that would have prevailed on that fifth Exchange Business Day or Underlying Stock Business Day, as the case may be, but for the Market Disruption Event.

“**Market Disruption Event**” means the occurrence or existence of (i) any suspension of trading on the Relevant Stock Exchange of the Underlying Stock requested by the Company if that suspension is, in the determination of the Issuer, material, (ii) any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the Relevant Stock Exchange or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) on the Relevant Stock Exchange in the Underlying Stock if that suspension or limitation is, in the determination of the Issuer, material, or (iii) the closing of the Relevant Stock Exchange or a disruption to trading on the Relevant Stock Exchange if that disruption is, in the determination of the Issuer, material as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism.

- (b) *Exercise Expenses.* Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates (the “**Exercise Expenses**”). An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount in accordance with Condition 4. Notwithstanding the foregoing, the Certificate Holders shall account to the Issuer on demand for any Exercise Expenses to the extent that they were not or could not be deducted from the Cash Settlement Amount prior to the date of payment of the Cash Settlement Amount to the Certificate Holders in accordance with Condition 4.

- (c) No Rights. The purchase of Certificates does not confer on the Certificate Holders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying Stock or otherwise) which the holder of an Underlying Stock may have.

3. Expiry Date

Unless automatically exercised in accordance with Condition 4(b), the Certificates shall be deemed to expire at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day (as defined below), the immediately preceding Business Day.

4. Exercise of Certificates

- (a) *Exercise.* Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in accordance with Condition 4(b).
- (b) *Automatic Exercise.* Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) below. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
- (c) *Settlement.* In respect of Certificates which are automatically exercised in accordance with Condition 4(b), the Issuer will pay to the relevant Certificate Holder the Cash Settlement Amount (if any) in the Settlement Currency. The aggregate Cash Settlement Amount (less any Exercise Expenses) shall be despatched as soon as practicable and no later than five Settlement Business Days (as defined in the relevant Supplemental Listing Document and subject to extension upon the occurrence of a Settlement Disruption Event (as defined below)) following the Expiry Date by way of crossed cheque or other payment in immediately available funds drawn in favour of the Certificate Holder only (or, in the case of joint Certificate Holders, the first-named Certificate Holder) appearing in the records maintained by CDP. Any payment made pursuant to this Condition 4(c) shall be delivered at the risk and expense of the Certificate Holder and posted to the Certificate Holder's address appearing in the records maintained by CDP (or, in the case of joint Certificate Holders, to the address of the first-named Certificate Holder appearing in the records maintained by CDP). If the Cash Settlement Amount is equal to or less than the determined Exercise Expenses, no amount is payable.

If the Issuer determines, in its sole discretion, that on any Settlement Business Day during the period of five Settlement Business Days following the Expiry Date a Settlement Disruption Event has occurred, such Settlement Business Day shall be postponed to the next Settlement Business Day on which the Issuer determines that the Settlement Disruption Event is no longer subsisting and such period shall be extended accordingly, provided that the Issuer and/or the Guarantor shall make their best endeavours to implement remedies as soon as reasonably practicable to eliminate

the impact of the Settlement Disruption Event on its/their payment obligations under the Certificates and/or the Guarantee.

“Settlement Disruption Event” means the occurrence or existence of any malicious action or attempt initiated to steal, expose, alter, disable or destroy information through unauthorised access to, or maintenance or use of, the Computer Systems of the Issuer, the Guarantor, the Calculation Agent, their respective affiliates (the “SG Group”), their IT service providers, by (and without limitation) the use of malware, ransomware, phishing, denial or disruption of service or cryptojacking or any unauthorized entry, removal, reproduction, transmission, deletion, disclosure or modification preventing the Issuer, the Guarantor and/or the Calculation Agent to perform their obligations under the Certificates, and notwithstanding the implementation of processes, required, as the case may be, by the laws and regulations applicable to the Issuer, the Guarantor, the Calculation Agent and their affiliates, or their IT service providers to improve their resilience to these actions and attempts.

“Computer System” means all the computer resources including, in particular: hardware, software packages, software, databases and peripherals, equipment, networks, electronic installations for storing computer data, including Data. The Computer System shall be understood to be that which (i) belongs to the SG Group and/or (ii) is rented, operated or legally held by the SG Group under a contract with the holder of the rights to the said system and/or (iii) is operated on behalf of the SG Group by a third party within the scope of a contractual relationship and/or (iv) is made available to the SG Group under a contract within the framework of a shared system (in particular cloud computing).

“Data” means any digital information, stored or used by the Computer System, including confidential data.

- (d) *CDP not liable.* CDP shall not be liable to any Certificate Holder with respect to any action taken or omitted to be taken by the Issuer or the Warrant Agent in connection with the exercise of the Certificates or otherwise pursuant to or in connection with these Conditions.
- (e) *Business Day.* In these Conditions, a **“Business Day”** shall be a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.

5. Warrant Agent

- (a) *Warrant Agent.* The Issuer reserves the right, subject to the appointment of a successor, at any time to vary or terminate the appointment of the Warrant Agent and to appoint another Warrant Agent provided that it will at all times maintain a Warrant Agent which, so long as the Certificates are listed on the SGX-ST, shall be in Singapore. Notice of any such termination or appointment and of any change in the specified office of the Warrant Agent will be given to the Certificate Holders in accordance with Condition 9.
- (b) *Agent of Issuer.* The Warrant Agent will be acting as agent of the Issuer and will not assume any obligation or duty to or any relationship of agency or trust for the Certificate Holders. All determinations and calculations by the Warrant Agent under these Conditions shall (save in the case of manifest error) be final and binding on the Issuer and the Certificate Holders.

6. Adjustments

- (a) *Potential Adjustment Event.* Following the declaration by a Company of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock and, if so, will (i) make the corresponding adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate to account for that dilutive or concentrative or other effect, and (ii) determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an exchange on which options or futures contracts on the Underlying Stock are traded.
- (b) *Definitions.* “**Potential Adjustment Event**” means any of the following:
- (i) a subdivision, consolidation, reclassification or other restructuring of the Underlying Stock (excluding a Merger Event) or a free distribution or dividend of any such Underlying Stock to existing holders by way of bonus, capitalisation or similar issue;
 - (ii) a distribution or dividend to existing holders of the Underlying Stock of (1) such Underlying Stock, or (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Underlying Stock, or (3) share capital or other securities of another issuer acquired by the Company as a result of a “spin-off” or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Issuer;
 - (iii) an extraordinary dividend;
 - (iv) a call by the Company in respect of the Underlying Stock that is not fully paid;
 - (v) a repurchase by the Company of the Underlying Stock whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
 - (vi) with respect to a Company an event that results in any shareholder rights pursuant to a shareholder rights agreement or other plan or arrangement of the type commonly referred to as a “poison pill” being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Company (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or
 - (vii) any other event that may have, in the opinion of the Issuer, a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock.
- (c) *Merger Event, Tender Offer, Nationalisation and Insolvency.* If a Merger Event, Tender Offer, Nationalisation or Insolvency occurs in relation to the Underlying Stock, the Issuer may take any action described below:
- (i) determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, and determine the effective

date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, Nationalisation or Insolvency made by an options exchange to options on the Underlying Stock traded on that options exchange;

- (ii) cancel the Certificates by giving notice to the Certificate Holders in accordance with Condition 9. If the Certificates are so cancelled, the Issuer will pay an amount to each Certificate Holder in respect of each Certificate held by such Certificate Holder which amount shall be the fair market value of a Certificate taking into account the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer and/or any of its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9; or
- (iii) following any adjustment to the settlement terms of options on the Underlying Stock on such exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select (the “**Option Reference Source**”) make a corresponding adjustment to any one or more of the Conditions, which adjustment will be effective as of the date determined by the Issuer to be the effective date of the corresponding adjustment made by the Option Reference Source. If options on the Underlying Stock are not traded on the Option Reference Source, the Issuer will make such adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate, with reference to the rules and precedents (if any) set by the Option Reference Source, to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, that in the determination of the Issuer would have given rise to an adjustment by the Option Reference Source if such options were so traded.

Once the Issuer determines that its proposed course of action in connection with a Merger Event, Tender Offer, Nationalisation or Insolvency, it shall give notice to the Certificate Holders in accordance with Condition 9 stating the occurrence of the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Certificate Holders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of a Merger Event, Tender Offer, Nationalisation or Insolvency.

- (d) *Definitions.* “**Insolvency**” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Company (i) all the Underlying Stock of that Company is required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Underlying Stock of that Company become legally prohibited from transferring them. “**Merger Date**” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer. “**Merger Event**” means, in respect of the Underlying Stock, any (i) reclassification or change of such Underlying Stock that results in a transfer of or an irrevocable commitment to transfer all of such Underlying

Stock outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in reclassification or change of all of such Underlying Stock outstanding), (iii) takeover offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying Stock of the Company that results in a transfer of or an irrevocable commitment to transfer all such Underlying Stock (other than such Underlying Stock owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Company or its subsidiaries with or into another entity in which the Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Stock outstanding but results in the outstanding Underlying Stock (other than Underlying Stock owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying Stock immediately following such event, in each case if the Merger Date is on or before the Valuation Date. “**Nationalisation**” means that all the Underlying Stock or all or substantially all of the assets of a Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof. “**Tender Offer**” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deems relevant.

- (e) *Subdivision or Consolidation of the Certificates.* The Issuer reserves the right to subdivide or consolidate the Certificates, provided that such adjustment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction) and subject to the approval of the SGX-ST.
- (f) *Other Adjustments.* Except as provided in this Condition 6 and Conditions 10 and 12, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole discretion and without any obligation whatsoever) to make such adjustments and amendments as it believes appropriate in circumstances where an event or events occur which it believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such adjustment or, as the case may be, amendment provided that such adjustment or, as the case may be, amendment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction).

- (g) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Certificate Holders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.

6A. US withholding tax implications on the Payment

Notwithstanding any other provision of these Conditions, in no event will the Issuer or the Guarantor be required to pay any additional amounts in respect of the Certificates for, or on account of, any withholding or deduction (i) required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**US Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the US Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto, (ii) imposed pursuant to the Section 871(m) Regulations (“**Section 871(m) Withholding**”) or (iii) imposed by any other law of the United States. In addition, in determining the amount of Section 871(m) Withholding imposed on any payments on the Certificates, the Issuer shall be entitled to withhold on any “dividend equivalent” (as defined for purposes of Section 871(m) of the US Code) at the highest rate applicable to such payments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law.

With respect to Specified Warrants that provide for net dividend reinvestment in respect of either an underlying U.S. security (i.e. a security that pays U.S. source dividends) or an index that includes U.S. securities, all payments on Certificates that reference such U.S. securities or an index that includes U.S. securities may be calculated by reference to dividends on such U.S. securities that are reinvested at a rate of 70%. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Issuer or the Guarantor will be deemed to withhold, 30% of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities. The Issuer or the Guarantor will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

For the purpose of this Condition:

“**Section 871(m) Regulations**” means the U.S. Treasury regulations issued under Section 871(m) of the Code.

“**Specified Warrants**” means, subject to special rules from 2017 through 2026 set out in Notice 2024-44 (the Notice), Warrants issued on or after 1 January 2017 that substantially replicate the economic performance of one or more U.S. underlying equities as determined by the Issuer on the date for such Warrants as of which the expected delta of the product is determined by the Issuer, based on tests set out in the applicable Section 871(m) Regulations, such that the Warrants are subject to withholding under the Section 871(m) Regulations.

7. Purchases

The Issuer, the Guarantor or any of their respective subsidiaries may at any time purchase Certificates at any price in the open market or by tender or by private treaty. Any Certificates so purchased may be held or resold or surrendered for cancellation.

8. Meetings of Certificate Holders; Modification

- (a) *Meetings of Certificate Holders.* The Master Warrant Agent Agreement or Warrant Agent Agreement contains provisions for convening meetings of the Certificate Holders to consider any matter affecting their interests, including the sanctioning by

Extraordinary Resolution (as defined in the Master Warrant Agent Agreement or Warrant Agent Agreement) of a modification of the provisions of the Certificates or of the Master Warrant Agent Agreement or Warrant Agent Agreement.

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the date, time and place of the meeting shall be given to the Certificate Holders.

Such a meeting may be convened by the Issuer or by Certificate Holders holding not less than ten per cent. of the Certificates for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 25 per cent. of the Certificates for the time being remaining unexercised, or at any adjourned meeting, two or more persons being or representing Certificate Holders whatever the number of Certificates so held or represented.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three-quarters of the votes cast by such Certificate Holders who, being entitled to do so, vote in person or by proxy.

An Extraordinary Resolution passed at any meeting of the Certificate Holders shall be binding on all the Certificate Holders whether or not they are present at the meeting. Resolutions can be passed in writing if passed unanimously.

- (b) *Modification.* The Issuer may, without the consent of the Certificate Holders, effect (i) any modification of the provisions of the Certificates or the Master Instrument which is not materially prejudicial to the interests of the Certificate Holders or (ii) any modification of the provisions of the Certificates or the Master Instrument which is of a formal, minor or technical nature, which is made to correct an obvious error or which is necessary in order to comply with mandatory provisions of Singapore law. Any such modification shall be binding on the Certificate Holders and shall be notified to them by the Warrant Agent before the date such modification becomes effective or as soon as practicable thereafter in accordance with Condition 9.

9. Notices

- (a) *Documents.* All cheques and other documents required or permitted by these Conditions to be sent to a Certificate Holder or to which a Certificate Holder is entitled or which the Issuer shall have agreed to deliver to a Certificate Holder may be delivered by hand or sent by post addressed to the Certificate Holder at his address appearing in the records maintained by CDP or, in the case of joint Certificate Holders, addressed to the joint holder first named at his address appearing in the records maintained by CDP, and airmail post shall be used if that address is not in Singapore. All documents delivered or sent in accordance with this paragraph shall be delivered or sent at the risk of the relevant Certificate Holder.
- (b) *Notices.* All notices to Certificate Holders will be validly given if published in English on the web-site of the SGX-ST. Such notices shall be deemed to have been given on the date of the first such publication. If publication on the web-site of the SGX-ST is not practicable, notice will be given in such other manner as the Issuer may determine. The Issuer shall, at least one month prior to the expiry of any Certificate, give notice of the date of expiry of such Certificate in the manner prescribed above.

10. Liquidation

In the event of a liquidation or dissolution of the Company or the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the

whole of its undertaking, property or assets, all unexercised Certificates will lapse and shall cease to be valid for any purpose, in the case of voluntary liquidation, on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, on the date of the relevant court order or, in the case of the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law. In the event of the voluntary liquidation of the Company, the Issuer shall make such adjustments or amendments as it reasonably believes are appropriate in the circumstances.

11. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Certificate Holders, to create and issue further certificates so as to form a single series with the Certificates, subject to the approval of the SGX-ST.

12. Delisting

- (a) **Delisting.** If at any time, the Underlying Stock ceases to be listed on the Relevant Stock Exchange, the Issuer shall give effect to these Conditions in such manner and make such adjustments and amendments to the rights attaching to the Certificates as it shall, in its absolute discretion, consider appropriate to ensure, so far as it is reasonably able to do so, that the interests of the Certificate Holders generally are not materially prejudiced as a consequence of such delisting (without considering the individual circumstances of any Certificate Holder or the tax or other consequences that may result in any particular jurisdiction).
- (b) **Issuer's Determination.** The Issuer shall determine, in its absolute discretion, any adjustment or amendment and its determination shall be conclusive and binding on the Certificate Holders save in the case of manifest error. Notice of any adjustments or amendments shall be given to the Certificate Holders in accordance with Condition 9 as soon as practicable after they are determined.

13. Early Termination

- (a) *Early Termination for Illegality and Force Majeure, etc.* If the Issuer determines that a Regulatory Event (as defined below) has occurred and, for reasons beyond its control, the performance of its obligations under the Certificates has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging arrangements with respect to the Certificates for any reason, the Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(e).

Should any one or more of the provisions contained in the Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

For the purposes of this Condition:

"Regulatory Event" means, following the occurrence of a Change in Law (as defined below) with respect to the Issuer and/or Societe Generale as Guarantor or in any other capacity (including without limitation as hedging counterparty of the Issuer, market maker of the Certificates or direct or indirect shareholder or sponsor of the Issuer) or any of its affiliates involved in the issuer of the Certificates (hereafter the **"Relevant Affiliates"** and each of the Issuer, Societe Generale and the Relevant Affiliates, a

“Relevant Entity”) that, after the Certificates have been issued, (i) any Relevant Entity would incur a materially increased (as compared with circumstances existing prior to such event) amount of tax, duty, liability, penalty, expense, fee, cost or regulatory capital charge however defined or collateral requirements for performing its obligations under the Certificates or hedging the Issuer’s obligations under the Certificates, including, without limitation, due to clearing requirements of, or the absence of, clearing of the transactions entered into in connection with the issue of, or hedging the Issuer’s obligation under, the Certificates, (ii) it is or will become for any Relevant Entity impracticable, impossible (in each case, after using commercially reasonable efforts), unlawful, illegal or otherwise prohibited or contrary, in whole or in part, under any law, regulation, rule, judgement, order or directive of any governmental, administrative or judicial authority, or power, applicable to such Relevant Entity (a) to hold, acquire, issue, reissue, substitute, maintain, settle, or as the case may be, guarantee, the Certificates, (b) to acquire, hold, sponsor or dispose of any asset(s) (or any interest thereof) of any other transaction(s) such Relevant Entity may use in connection with the issue of the Certificates or to hedge the Issuer’s obligations under the Certificates, (c) to perform obligations in connection with, the Certificates or any contractual arrangement entered into between the Issuer and Societe Generale or any Relevant Affiliate (including without limitation to hedge the Issuer’s obligations under the Certificates) or (d) to hold, acquire, maintain, increase, substitute or redeem all or a substantial part of its direct or indirect shareholding in the Issuer’s capital or the capital of any Relevant Affiliate or to directly or indirectly sponsor the Issuer or any Relevant Affiliate, or (iii) there is or may be a material adverse effect on a Relevant Entity in connection with the issue of the Certificates.

“Change in law” means (i) the adoption, enactment, promulgation, execution or ratification of any applicable new law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) after the Certificates have been issued, (ii) the implementation or application of any applicable law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) already in force when the Certificates have been issued but in respect of which the manner of its implementation or application was not known or unclear at the time, or (iii) the change of any applicable law, regulation or rule existing when the Certificates are issued, or the change in the interpretation or application or practice relating thereto, existing when the Certificates are issued of any applicable law, regulation or rule, by any competent court, tribunal, regulatory authority or any other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any additional or alternative court, tribunal, authority or entity, to that existing when the Certificates are issued).

- (b) *Early Termination for Holding Limit Event.* The Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(e) where a Holding Limit Event (as defined below) occurs.

For the purposes of this Condition:

“Holding Limit Event” means, assuming the investor is the Issuer and/or any of its affiliates, the Issuer together with its affiliates, in aggregate hold, an interest in the Underlying Stock, constituting or likely to constitute (directly or indirectly) ownership, control or the power to vote a percentage of any class of voting securities of the Underlying Stock, of the Underlying Stock in excess of a percentage permitted or advisable, as determined by the Issuer, for the purpose of its compliance with the Bank

Holding Company Act of 1956 as amended by Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Volcker Rule), including any requests, regulations, rules, guidelines or directives made by the relevant governmental authority under, or issued by the relevant governmental authority in connection with, such statutes.

- (c) *Early Termination for Hedging Disruption.* If the Issuer or any of its affiliates is, following commercially reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any Hedge Positions (as defined below) or (ii) to freely realize, recover, receive, repatriate, remit, regain or transfer the proceeds of any Hedge Position (where either (i) or (ii) shall constitute a "**Hedging Disruption**"), the Issuer may terminate the Certificates early in accordance with Condition 13(e) provided that the intrinsic value on the previous trading day of the relevant Certificate is at or above the Issue Price. The Issuer's decision on whether a Hedging Disruption has occurred is final and conclusive. For the avoidance of doubt, Hedging Disruptions shall include the scenario where any Hedge Position cannot be maintained up to the amount necessary to cover all of the Issuer's obligations under the Certificates.

For the purposes hereof, "**Hedge Positions**" means any one or more commercially reasonable (i) positions (including long or short positions) or contracts in, or relating to, securities, options, futures, other derivatives contracts or foreign exchange, (ii) stock loan or borrowing transactions or (iii) other instruments, contracts, transactions or arrangements (howsoever described) that the Issuer or any of its affiliates determines necessary to hedge, individually or on a portfolio basis, any risk (including, without limitation, market risk, price risk, foreign exchange risk and interest rate risk) in relation to the assumption and fulfilment of the Issuer's obligations under the Certificates.

- (d) *Early Termination for other reasons.* The Issuer reserves the right (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to terminate the Certificates in accordance with Condition 13(e) where an event or events occur which it believes in its sole discretion should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such termination provided that such termination (i) is considered by the Issuer not to be materially prejudicial to the interests of Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such termination in any particular jurisdiction); or (ii) is otherwise considered by the Issuer to be appropriate and such termination is approved by the SGX-ST.
- (e) *Termination.* If the Issuer terminates the Certificates early, the Issuer will give notice to the Certificate Holders in accordance with Condition 9. The Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of a Certificate notwithstanding such illegality, impracticality or the relevant event less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. The determination of the fair market value may deviate from the determination of the Cash Settlement Amount under different scenarios, including but not limited to, where (i) the Daily Reset (as defined in the relevant Supplemental Listing Document) mechanism is suspended and/or (ii) the Final Reference Level is determined based on the closing price of the Underlying Stock

on multiple Underlying Stock Business Days or Exchange Business Days, as the case may be. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9.

14. Substitution of the Issuer

The Issuer may be replaced by the Guarantor or any subsidiary of the Guarantor as principal obligor in respect of the Certificates without the consent of the relevant Certificate Holders. If the Issuer determines that it shall be replaced by the Guarantor or any subsidiary of the Guarantor (the “**Substituted Obligor**”), it shall give at least 90 days’ notice (exclusive of the day on which the notice is given and of the day on which the substitution is effected) specifying the date of the substitution, in accordance with Condition 9, to the Certificate Holders of such event and, immediately on the expiry of such notice, the Substituted Obligor shall become the principal obligor in place of the Issuer and the Certificate Holders shall thereupon cease to have any rights or claims whatsoever against the Issuer.

Upon any such substitution, all references to the Issuer in the Conditions and all agreements relating to the Certificates will be to the Substituted Obligor and the Certificates will be modified as required, and the Certificate Holders will be notified of the modified terms and conditions of such Certificates in accordance with Condition 9.

For the purposes of this Condition, it is expressly agreed that by subscribing to, acquiring or otherwise purchasing or holding the Certificates, the Certificate Holders are expressly deemed to have consented to the substitution of the Issuer by the Substituted Obligor and to the release of the Issuer from any and all obligations in respect of the Certificates and all agreements relating thereto and are expressly deemed to have accepted such substitution and the consequences thereof.

15. Governing Law

The Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement will be governed by and construed in accordance with Singapore law. The Issuer and the Guarantor and each Certificate Holder (by its purchase of the Certificates) shall be deemed to have submitted for all purposes in connection with the Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement to the non-exclusive jurisdiction of the courts of Singapore. The Guarantee shall be governed by and construed in accordance with Singapore law.

16. Prescription

Claims against the Issuer for payment of any amount in respect of the Certificates will become void unless made within six years of the Expiry Date and, thereafter, any sums payable in respect of such Certificates shall be forfeited and shall revert to the Issuer.

17. Contracts (Rights of Third Parties) Act 2001 of Singapore

Unless otherwise provided in the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement, a person who is not a party to any contracts made pursuant to the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any terms of such contracts. Except as expressly provided herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts.

SUMMARY OF THE ISSUE

The following is a summary of the issue and should be read in conjunction with, and is qualified by reference to, the other information set out in this document and the Base Listing Document. Terms used in this Summary are defined in the Conditions.

Issuer:	SG Issuer
Company:	Applied Materials, Inc.
The Certificates:	European Style Cash Settled Long Certificates relating to the Underlying Stock
Number:	3,000,000 Certificates
Form:	The Certificates will be issued subject to, and with the benefit of, a master instrument by way of deed poll dated 12 June 2026 (the “ Master Instrument ”) and executed by the Issuer and the Guarantor and a master warrant agent agreement dated 29 May 2017 (the “ Master Warrant Agent Agreement ”) and made between the Issuer, the Guarantor and the Warrant Agent (as amended and/or supplemented from time to time).
Cash Settlement Amount:	In respect of each Certificate, is the amount (if positive) equal to: Notional Amount per Certificate x Closing Level
Denominations:	Certificates are represented by a global warrant in respect of all the Certificates.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders will not be required to deliver an exercise notice. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates will be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Exercise and Trading Currency:	SGD
Board Lot:	100 Certificates

Transfers of Certificates:	Certificates may only be transferred in Board Lots (or integral multiples thereof). All transfers in Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records of CDP.
Listing:	Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. Issue of the Certificates is conditional on such listing being granted. It is expected that dealings in the Certificates on the SGX-ST will commence on or about 27 August 2026.
Governing Law:	The laws of Singapore
Warrant Agent:	The Central Depository (Pte) Limited 4 Shenton Way #02-01 SGX Centre 2 Singapore 068807
Further Issues:	Further issues which will form a single series with the Certificates will be permitted, subject to the approval of the SGX-ST.

The above summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this document and the Base Listing Document.

INFORMATION RELATING TO THE EUROPEAN STYLE CASH SETTLED LONG CERTIFICATES ON SINGLE EQUITIES

What are European Style Cash Settled Long Certificates on Single Equities?

European style cash settled long certificates on single equities (the “**Certificates**”) are structured products relating to the Underlying Stock and the return on a Certificate is linked to the performance of the Leverage Strategy.

A) Cash Settlement Amount Payable upon the Exercise of the Certificates at Expiry

Upon the exercise of the Certificates at expiry, the Certificate Holders would be paid a Cash Settlement Amount in respect of each Certificate.

The Cash Settlement Amount, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to the Closing Level multiplied by the Notional Amount per Certificate.

The Closing Level, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to (1) divided by (2) less (3) subject to any adjustments such as (4), where:

- (1) is the Final Reference Level multiplied by the Final Exchange Rate;
- (2) is the Initial Reference Level multiplied by the Initial Exchange Rate;
- (3) is the Strike Level; and
- (4) is the Hedging Fee Factor.

If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised and investors will receive a Cash Settlement Amount. If the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired. Please refer to the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” for further details on the calculation of the Cash Settlement Amount.

The Certificates are only suitable for investors who believe that the price of the Underlying Stock will increase and are seeking short-term leveraged exposure to the Underlying Stock.

B) Trading the Certificates before Expiry

If the Certificate Holders want to cash out their investments in the Certificates before the expiry of the Certificates, they may sell the Certificates in the secondary market during the life of the Certificates, and would be subject to the following fees and charges:

- (i) For Certificate Holders who trade the Certificates intraday: shall pay normal transaction and brokerage fees for the trading of the Certificates on the SGX-ST, and may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred; and
- (ii) For Certificate Holders who hold the Certificates beyond market close of the SGX-ST: in addition to the normal transaction and brokerage fees and applicable stamp taxes, would also be required to bear the Management Fee and Gap Premium as well as certain costs embedded within the Leverage Strategy including the Funding Cost and Rebalancing Cost. Due to the difference in trading hours of the SGX-ST and the Relevant Stock Exchange for the Underlying Stock, unless investors exit their position within the same SGX-ST trading day, they would bear the annualised costs.

Illustration of the Calculation of Hedging Fee Factor

Hedging Fee Factor	=	Product of the Daily Fees
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Daily Fees	=	Daily Management Fee Adjustment	
		1 – Management Fee x ACT (t-1;t) / 360	
		x	
		Daily Gap Premium Adjustment	
		1 – Gap Premium (t-1) x ACT (t-1;t) / 360	

Illustration of the Calculation of Cash Settlement Amount

Cash Settlement Amount = Final Value of Certificates – Strike Level (zero)

Value of Certificates	=	<table border="1"> <tr><th>t⁶=0</th></tr> <tr><td>Notional Amount</td></tr> </table>	t ⁶ =0	Notional Amount	x	<table border="1"> <tr><th>t=1</th></tr> <tr> <td>Leverage Strategy daily performance⁷</td> <td>x</td> <td>Daily Fees</td> </tr> </table>	t=1	Leverage Strategy daily performance ⁷	x	Daily Fees	x	<table border="1"> <tr><th>t=2</th></tr> <tr> <td>Leverage Strategy daily performance</td> <td>x</td> <td>Daily Fees</td> </tr> </table>	t=2	Leverage Strategy daily performance	x	Daily Fees	x ...	<table border="1"> <tr><th>t=i</th></tr> <tr> <td>Leverage Strategy Daily performance</td> <td>x</td> <td>Daily Fees</td> </tr> </table>	t=i	Leverage Strategy Daily performance	x	Daily Fees
			t ⁶ =0																			
Notional Amount																						
t=1																						
Leverage Strategy daily performance ⁷	x	Daily Fees																				
t=2																						
Leverage Strategy daily performance	x	Daily Fees																				
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Value of Certificates	=	<table border="1"> <tr><th>t=0</th></tr> <tr><td>Notional Amount</td></tr> </table>	t=0	Notional Amount	x	Product of the daily Leverage Strategy Performance		x	Product of the Daily Fees (Hedging Fee Factor)	
			t=0							
Notional Amount										
<table border="1"> <tr> <td>Leverage Strategy daily performance</td> <td>x</td> <td>Leverage Strategy daily performance</td> </tr> </table>	Leverage Strategy daily performance	x	Leverage Strategy daily performance	<table border="1"> <tr> <td>Daily Fees</td> <td>x</td> <td>Daily Fees</td> </tr> </table>	Daily Fees	x	Daily Fees			
Leverage Strategy daily performance	x	Leverage Strategy daily performance								
Daily Fees	x	Daily Fees								

Final Value of Certificates	=	<table border="1"> <tr><th>t=0</th></tr> <tr><td>Notional Amount</td></tr> </table>	t=0	Notional Amount	x	<table border="1"> <tr> <td>Final Reference Level x Final Exchange Rate</td> <td>÷</td> <td>Initial Reference Level x Initial Exchange Rate</td> </tr> </table>	Final Reference Level x Final Exchange Rate	÷	Initial Reference Level x Initial Exchange Rate	x	<table border="1"> <tr><td>Hedging Fee Factor</td></tr> </table>	Hedging Fee Factor
			t=0									
Notional Amount												
Final Reference Level x Final Exchange Rate	÷	Initial Reference Level x Initial Exchange Rate										
Hedging Fee Factor												

Illustration of the applicable fees and charges for an intraday trading scenario

Hedging Fee is implemented overnight in the price of the Certificate. As a consequence, when trading intraday within SGX-ST trading hours, investors will not bear any Hedging Fee.

Investors will only support bid/ask costs, which are the difference between the price at which the Designated Market Maker purchases (bid) and sells (ask) the Certificate at any point of time.

⁶ "t" refers to "Observation Date" which means each Underlying Stock Business Day (subject to Market Disruption Event) from (and including) the Underlying Stock Business Day immediately preceding the Expected Listing Date to the Valuation Date on which no Market Disruption Event occurs.

⁷ Leverage Strategy daily performance is computed as the Leverage Strategy Closing Level on Business Day (t) divided by the Leverage Strategy Closing Level on Business Day (t-1).

Example of Calculation of Hedging Fee Factor and Cash Settlement Amount

The example is purely hypothetical. We include the example to illustrate how the Certificates work, and you MUST NOT rely on them as any indication of the actual return or what the payout on the Certificates might actually be. The example also assumes a product which expires 16 days after listing date, to illustrate the daily calculation of price, costs and fees from listing date to expiry date.

Assuming an investor purchases the following Certificates at the Issue Price:

Underlying Stock:	Common Stock of Applied Materials, Inc.
Expected Listing Date:	03/07/2018
Expiry Date:	18/07/2018
Initial Reference Level:	1,000
Initial Exchange Rate:	1
Final Reference Level:	1,200
Final Exchange Rate:	1
Issue Price:	5.00 SGD
Notional Amount per Certificate:	5.00 SGD
Management Fee (p.a.):	0.40%
Gap Premium (p.a.):	24.00%
Strike Level:	Zero

Hedging Fee Factor

Hedging Fee Factor on the n^{th} Underlying Stock Business Day after issuance of Certificate ("HFF (n)") is calculated as follows:

$$\text{HFF}(0) = 100\%$$

On Next Calendar Day (assuming it is an Underlying Stock Business Day):

$$\text{HFF}(1) = \text{HFF}(0) \times \left(1 - \text{Management Fee} \times \frac{\text{ACT}(t-1; t)}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT}(t-1; t)}{360}\right)$$

$$\text{HFF}(1) = 100\% \times \left(1 - 0.40\% \times \frac{1}{360}\right) \times \left(1 - 24.00\% \times \frac{1}{360}\right)$$

$$\text{HFF}(1) = 100\% \times 99.9989\% \times 99.9333\% \approx 99.9322\%$$

Assuming 2nd Underlying Stock Business Day falls 3 Calendar Days after 1st Underlying Stock Business Day:

$$\text{HFF}(2) = \text{HFF}(1) \times \left(1 - \text{Management Fee} \times \frac{\text{ACT}(t-1; t)}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT}(t-1; t)}{360}\right)$$

$$\text{HFF (2)} = 99.9322\% \times \left(1 - 0.40\% \times \frac{3}{360}\right) \times \left(1 - 24.00\% \times \frac{3}{360}\right)$$

$$\text{HFF (2)} = 99.9322\% \times 99.9967\% \times 99.8000\% \approx 99.7290\%$$

The same principle applies to the following Underlying Stock Business Days:

$$\text{HFF (n)} = \text{HFF (n - 1)} \times \left(1 - \text{Management Fee} \times \frac{\text{ACT (t - 1; t)}}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT (t - 1; t)}}{360}\right)$$

In this example, the Hedging Fee Factor as of the Valuation Date would be equal to 98.9879% as illustrated below:

Date	HFF
03/07/2018	100.0000%
04/07/2018	99.9322%
05/07/2018	99.8645%
06/07/2018	99.7968%
09/07/2018	99.5939%
10/07/2018	99.5264%
11/07/2018	99.4589%
12/07/2018	99.3915%
13/07/2018	99.3242%
16/07/2018	99.1222%
17/07/2018	99.0550%
18/07/2018	98.9879%

Cash Settlement Amount

In this example, the Closing Level and the Cash Settlement Amount would be computed as follows:

$$\begin{aligned} \text{Closing Level} &= [(\text{Final Reference Level} \times \text{Final Exchange Rate}) / (\text{Initial Reference Level} \times \text{Initial Exchange Rate}) - \text{Strike Level}] \times \text{Hedging Fee Factor} \\ &= [(1200 \times 1) / (1000 \times 1) - 0] \times 98.9879\% \\ &= 118.79\% \end{aligned}$$

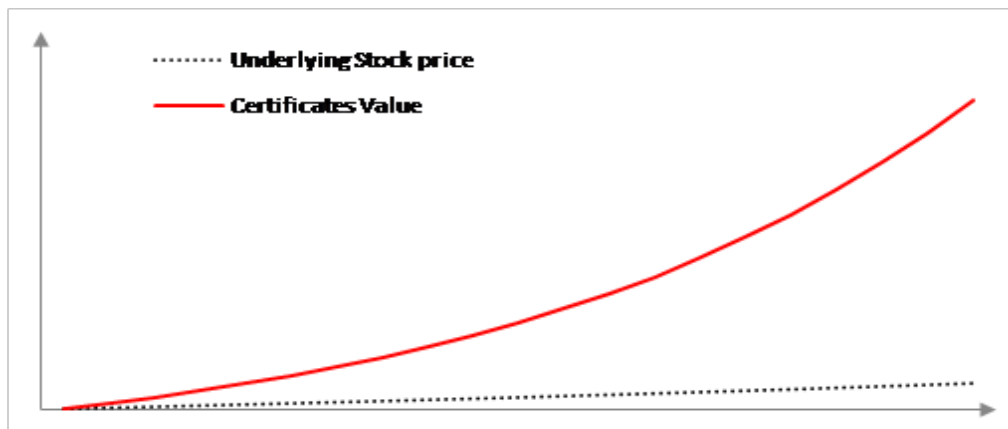
$$\begin{aligned} \text{Cash Settlement Amount} &= \text{Closing Level} \times \text{Notional Amount per Certificate} \\ &= 118.79\% \times 5.00 \text{ SGD} \\ &= \mathbf{5.940 \text{ SGD}} \end{aligned}$$

Illustration on how returns and losses can occur under different scenarios

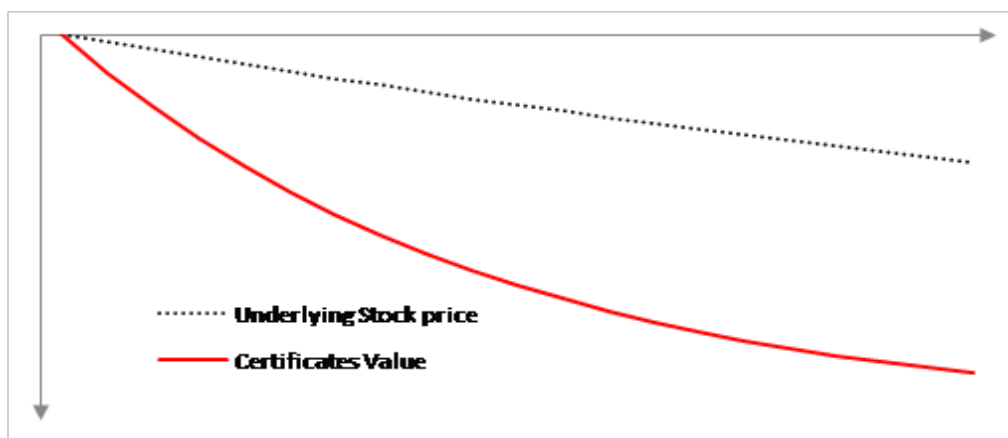
The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of the Underlying Stock performance on the value of the Certificates and do not take into account the possible influence of fees or any other market parameters.

1. Illustrative examples

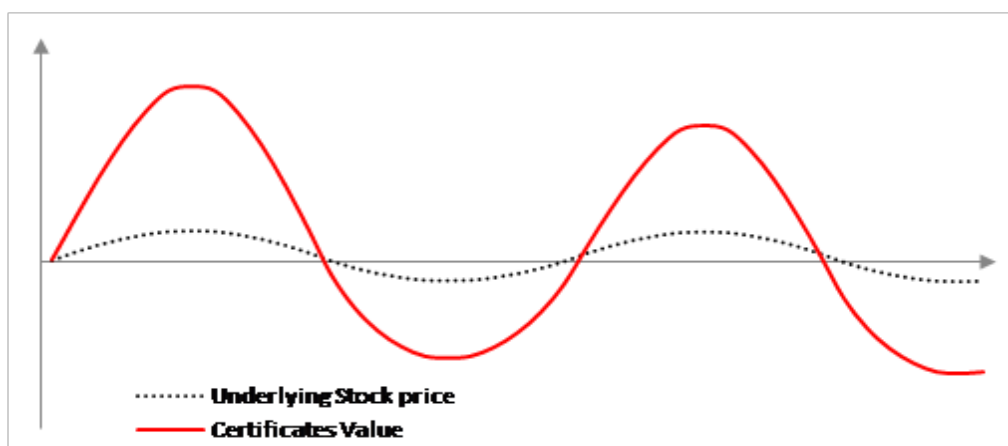
Scenario 1 – Upward Trend (during US trading hours)



Scenario 2 – Downward Trend (during US trading hours)



Scenario 3 – Volatile Market (during US trading hours)



2. Numerical Examples

Scenario 1 – Upward Trend

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		2.0%	2.0%	2.0%	2.0%	2.0%
Value at end of US trading day	10,000.0	10,200.0	10,404.0	10,612.1	10,824.3	11,040.8
Accumulated Return	0.00%	2.00%	4.04%	6.12%	8.24%	10.41%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		6.0%	6.0%	6.0%	6.0%	6.0%
Value at end of US trading day	5.00	5.30	5.62	5.96	6.31	6.69
Accumulated Return	0.00%	6.00%	12.36%	19.10%	26.25%	33.82%

Scenario 2 – Downward Trend

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-2.0%	-2.0%	-2.0%	-2.0%	-2.0%
Value at end of US trading day	10,000.0	9,800.0	9,604.0	9,411.9	9,223.7	9,039.2
Accumulated Return	0.00%	-2.00%	-3.96%	-5.88%	-7.76%	-9.61%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-6.0%	-6.0%	-6.0%	-6.0%	-6.0%
Value at end of US trading day	5.00	4.70	4.42	4.15	3.90	3.67
Accumulated Return	0.00%	-6.00%	-11.64%	-16.94%	-21.93%	-26.61%

Scenario 3 – Volatile Market

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		2.0%	-2.0%	2.0%	-2.0%	2.0%
Value at end of US trading day	10,000.0	10,200.0	9,996.0	10,195.9	9,992.0	10,191.8
Accumulated Return	0.00%	2.00%	-0.04%	1.96%	-0.08%	1.92%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		6.0%	-6.0%	6.0%	-6.0%	6.0%
Value at end of US trading day	5.00	5.30	4.98	5.28	4.96	5.26
Accumulated Return	0.00%	6.00%	-0.36%	5.62%	-0.72%	5.24%

Description of Air Bag Mechanism

The Certificates integrate an “Air Bag Mechanism” which is designed to reduce exposure to the Underlying Stock during extreme market conditions.

When the Air Bag triggers, the following events occur:

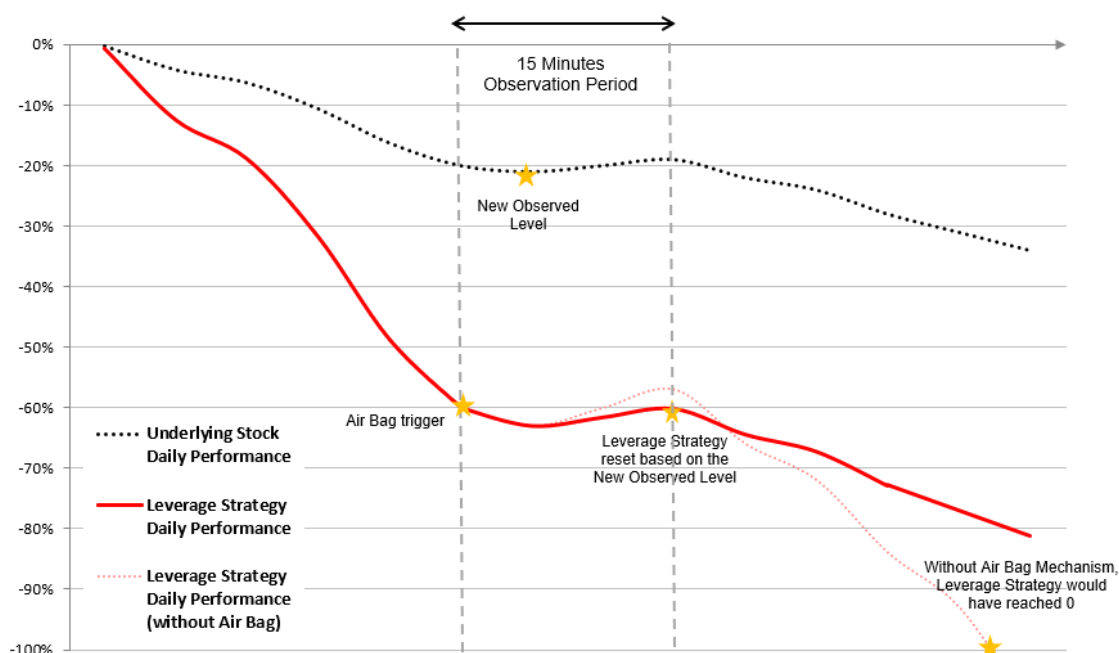
- **Observation Period:** the price of the Underlying Stock is observed and its minimum price is recorded (i) during 15 minutes of continuous trading after the Air Bag is triggered, or (ii) until Market Close if there is less than 15 minutes of continuous trading until Market Close when the Air Bag Mechanism is triggered; and thereafter
- **Reset Period:** the Leverage Strategy is reset using the minimum price of the Underlying Stock during the Observation Period as the New Observed Price. The New Observed Price replaces the last closing price of the Underlying Stock in order to compute the performance of the Leverage Strategy after the reset.

With **Market Close** defined as:

- the Underlying Stock closing time with respect to the Observation Period

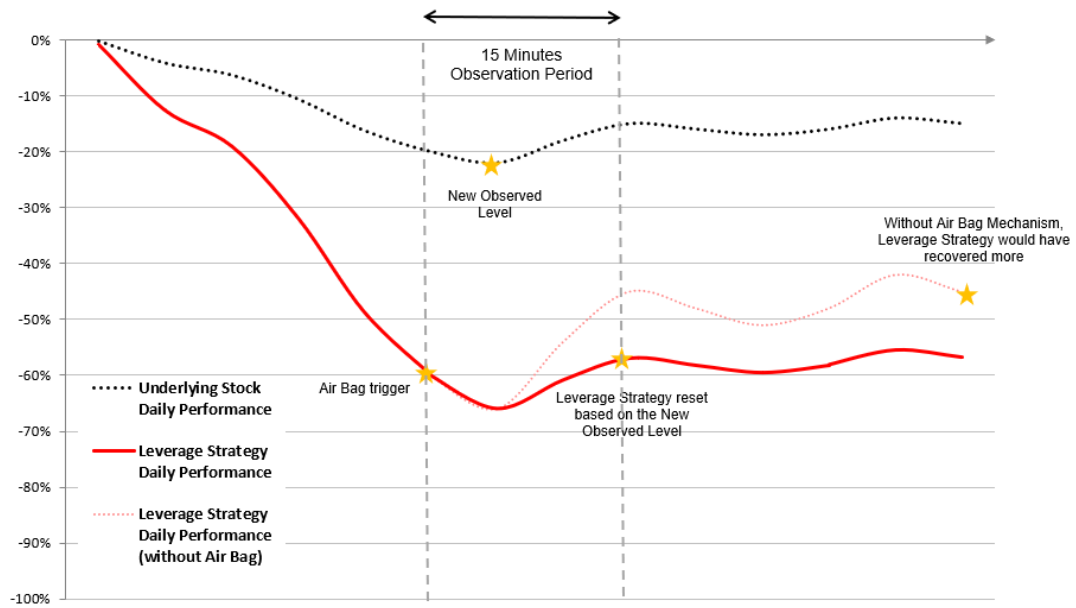
Illustrative examples of the Air Bag Mechanism⁸

Scenario 1 – Downward Trend after Air Bag trigger (during US trading hours)

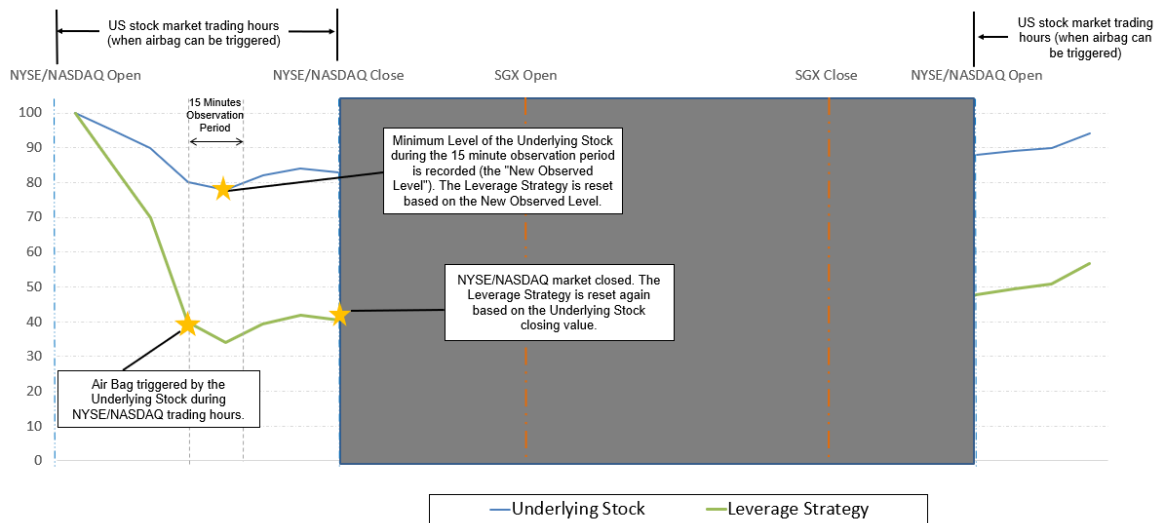


⁸ The illustrative examples are not exhaustive. The illustrative examples above are designed to illustrate the impact of the Air Bag Mechanism on the assumption that there will be a residual value in the Certificates following the Air Bag triggers. Please refer to “Scenarios where the investor may lose the entire value of the investment” on pages 53 to 54 on hypothetical scenarios when investors may lose their entire value of the investment.

Scenario 2 – Upward Trend after Air Bag trigger (during US trading hours)



- The Air Bag Mechanism can only be triggered during trading hours of the Relevant Stock Exchange for the Underlying Stock

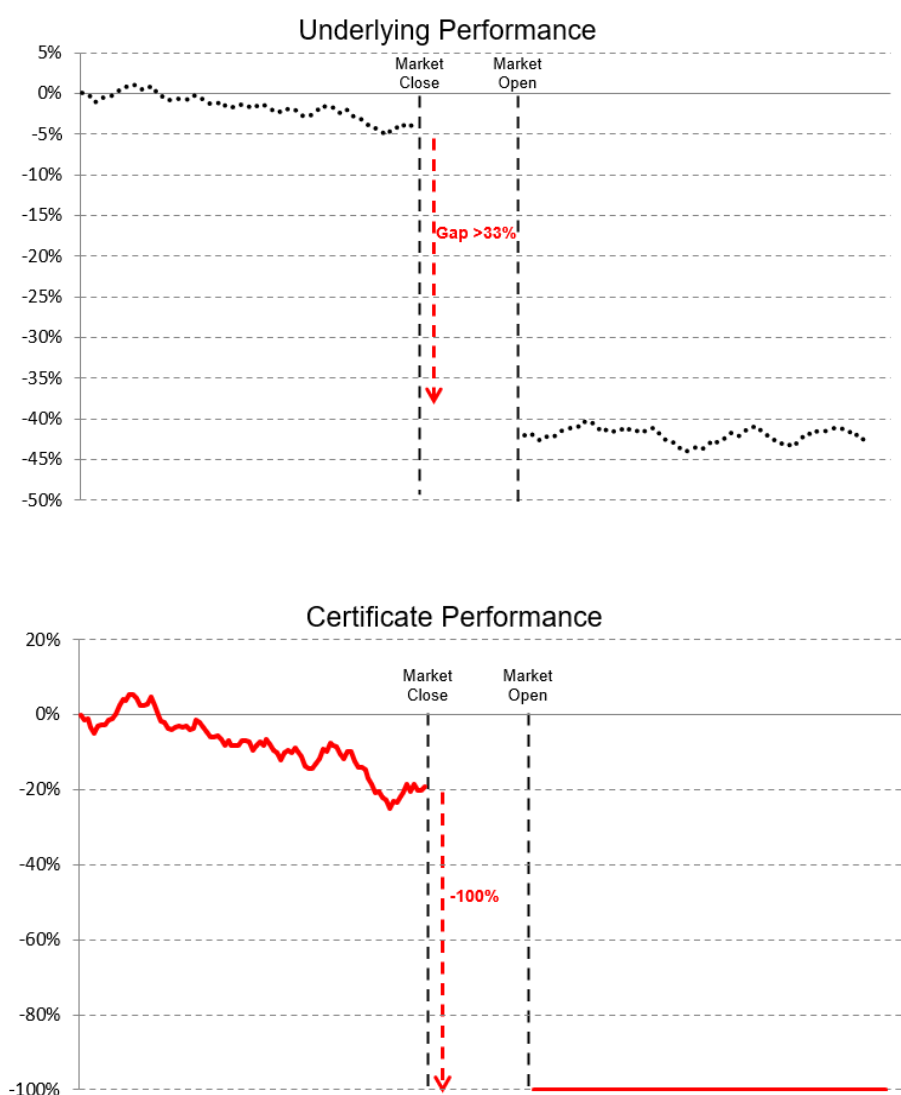


Scenarios where the investor may lose the entire value of the investment

The scenarios below are purely hypothetical and do not take fees and charges payable by investors into consideration. The scenarios highlight cases where the Certificates may lose 100% of their value.

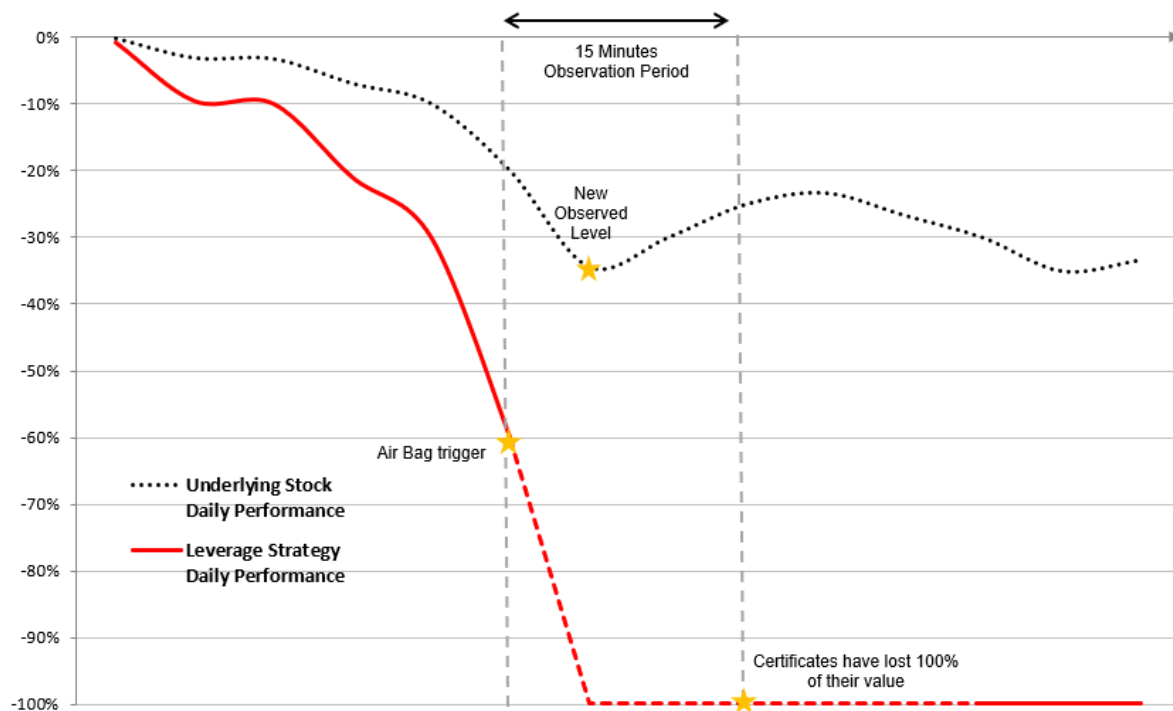
Scenario 1 –Fall of the Underlying Stock outside of US trading hours

On any Underlying Stock Business Day, the opening price of the Underlying Stock may be higher or lower than the closing price on the previous trading day of the Relevant Stock Exchange for the Underlying Stock. The difference between the previous closing price and the opening price of the Underlying Stock is termed a “gap”. If the opening price of the Underlying Stock is approximately 33% or more below the closing price on the previous trading day of the Relevant Stock Exchange for the Underlying Stock, the Air Bag Mechanism may only be triggered during the trading hours of the Relevant Stock Exchange for the Underlying Stock, and the Certificates would lose their entire value in such event. In such case, as the Certificates became valueless during the US trading hours, at subsequent SGX-ST open, the DMM may not provide any quotation on the Certificates and the Issuer may apply to suspend trading of the Certificates.



Scenario 2 – Sharp intraday fall of the Underlying Stock during US trading hours

Although the Air Bag Mechanism is designed to reduce the exposure to the Underlying Stock during extreme market conditions, the Certificates can lose 100% of their value in the event the price of the Underlying Stock falls by approximately 33% or more within the 15 minutes Observation Period compared to the reference price, being: (i) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (ii) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. The Certificates would lose their entire value in such event. In such case, as the Certificates became valueless during the US trading hours, at subsequent SGX-ST open, the DMM may not provide any quotation on the Certificates and the Issuer may apply to suspend trading of the Certificates.



Examples and illustrations of adjustments due to certain corporate actions

The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of corporate actions on the value of the Certificates and do not take into account the possible influence of fees, exchange rates, or any other market parameters.

In the case of any corporate action on the Underlying Stock, the Calculation Agent will, as soon as reasonably practical after it becomes aware of such event, determine whether such corporate action has a dilutive or concentrative effect on the theoretical value of the Underlying Stock, and if so, will (a) calculate the corresponding adjustment, if any, to be made to the elements relating to the Underlying Stock which are used to determine any settlement or payment terms under the Certificates and/or adjust at its discretion any other terms of the Certificates as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Certificates and (b) determine the effective date of such adjustment.

Notwithstanding the foregoing, in the event Observation Date (t) is an ex-date with respect to a corporate action related to the Underlying Stock, the Calculation Agent may, in its sole and absolute discretion, replace the $Rfactor_t$ with respect to such Observation Date (t) by an amount computed according to the following generic formula:

$$Rfactor_t = \left[1 - \frac{Div_t + DivExc_t - M \times R}{S_{t-1}} \right] \times \frac{1}{1 + M}$$

This formula is provided for indicative purposes and the Calculation Agent may determine that this formula is not appropriate for certain corporate actions and may apply a different formula instead.

Such adjustment of $Rfactor_t$ would affect the Leveraged Return, the Rebalancing Cost, and the Underlying Reference Price used to determine the Intraday Restrike Event. The Air Bag Mechanism would not be triggered if the stock price falls by 20% exclusively because of the dilutive effect of a corporate action.

Where:

$DivExc_t$ is the amount received as an Extraordinary Dividend by a holder of existing Shares for each Share held prior to the Extraordinary Dividend, net of any applicable withholding taxes.

M is the number of new Share(s) (whether a whole or a fraction) per existing Share each holder thereof is entitled to subscribe or to receive (positive amount) or the number of existing Shares redeemed or canceled per existing Share (negative amount), as the case may be, resulting from the corporate action.

R is the subscription price per Share (positive amount) or the redemption price per Share (negative amount) including any dividends or other benefits forgone to be subscribe to or to receive (as applicable), or to redeem a Share.

1. Stock split

Assuming the Underlying Stock is subject to a 1 to 2 stock split (i.e. 1 new Share for every 1 existing share):

$$S_{t-1} = \$100$$

$$S_t = \$51$$

$$Div_t = \$0$$

$$DivExc_t = \$0$$

M = 1 (i.e. 1 new Shares for 1 existing Share)

R = \$0 (no subscription price / redemption price)

$$Rfactor_t = \left[1 - \frac{0 + 0 - 2 \times 0}{100} \right] \times \frac{1}{1 + 1} = 50\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 3 \times \left(\frac{51}{100 \times 50\%} - 1 \right) = 6\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	50	51	2%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	5.30	6%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$40.0, which is 20% below \$50, the Underlying Stock Reference Price.

2. Share Consolidation

Assuming the Underlying Stock is subject to a 2 to 1 share consolidation (i.e. 1 Share canceled for every 2 existing Shares):

$$S_{t-1} = \$100$$

$$S_t = \$202$$

$$\text{Div}_t = \$0$$

$$\text{DivExc}_t = \$0$$

M = -0.5 (i.e. 0.5 Shares canceled for each 1 existing Share)

R = \$0 (no subscription price / redemption price)

$$Rfactor_t = \left[1 - \frac{0 + 0 - (-0.5) \times 0}{100} \right] \times \frac{1}{1 + (-0.5)} = 200\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 3 \times \left(\frac{202}{100 \times 200\%} - 1 \right) = 3\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	200	202	1%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	5.15	3%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$160, which is 20% below \$200, the Underlying Stock Reference Price.

3. Rights Issues

Assuming there is a rights issue with respect to the Underlying Stock, with a right to receive 1 new Share for every 2 existing Shares, for a subscription price of \$40.

$$S_{t-1} = \$100$$

$$S_t = \$84$$

$$Div_t = \$0$$

$$DivExc_t = \$0$$

$$R = \$40 \text{ (i.e. subscription price of \$40)}$$

$$M = 0.5 \text{ (i.e. 1 new share for every 2 existing shares)}$$

$$Rfactor_t = \left[1 - \frac{0 + 0 - 0.5 \times 40}{100} \right] \times \frac{1}{1 + 0.5} = 80\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 3 \times \left(\frac{84}{100 \times 80\%} - 1 \right) = 15\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	80	84	5%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	5.75	15%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$64, which is 20% below \$80, the Underlying Stock Reference Price.

4. Bonus Issues

Assuming there is a bonus issue with respect to the Underlying Stock, where shareholders receive 1 bonus share for 5 existing shares:

$$S_{t-1} = \$100$$

$$S_t = \$85$$

$$\text{Div}_t = \$0$$

$$\text{DivExc}_t = \$0$$

$$R = \$0$$

$$M = 0.2 \text{ (i.e. 1 new share for 5 existing shares)}$$

$$Rfactor_t = \left[1 - \frac{0 + 0 - 0.2 \times 0}{100} \right] \times \frac{1}{1 + 0.2} = 83.33\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 3 \times \left(\frac{85}{100 \times 83.33\%} - 1 \right) = 6\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	83.33	85	2%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	5.30	6%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$66.66, which is 20% below \$83.33, the Underlying Stock Reference Price.

5. Extraordinary Dividend

Assuming there is an extraordinary dividend of \$20 (net of taxes) paid in respect of each stock.

$$S_{t-1} = \$100$$

$$S_t = \$84$$

$$\text{Div}_t = \$0$$

$$\text{DivExc}_t = \$20$$

$$R = \$0$$

$$M = 0$$

$$Rfactor_t = \left[1 - \frac{0 + 20 - 0 \times 0}{100} \right] \times \frac{1}{1 + 0} = 80\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 3 \times \left(\frac{84}{100 \times 80\%} - 1 \right) = 15\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	80	84	5%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	5.75	15%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$64, which is 20% below \$80, the Underlying Stock Reference Price.

INFORMATION RELATING TO THE COMPANY

All information contained in this document regarding the Company, including, without limitation, its financial information, is derived from publicly available information which appears on the web-site of NASDAQ at www.nasdaq.com and/or the Company's web-site at <https://ir.appliedmaterials.com/>. The Issuer has not independently verified any of such information.

Applied Materials, Inc. (the “**Company**”) is the leader in materials engineering solutions that are at the foundation of virtually every new semiconductor and advanced display in the world. The technology the Company create is essential to advancing AI and accelerating the commercialization of next-generation chips.

The information set out in the Appendix to this document relates to the quarterly report of the Company and its subsidiaries for the period ended 26 July 2026 and has been extracted and reproduced from an announcement by the Company dated 20 August 2026 in relation to the same. Further information relating to the Company may be located on the web-site of NASDAQ at www.nasdaq.com.

INFORMATION RELATING TO THE DESIGNATED MARKET MAKER

Societe Generale has been appointed the designated market maker (“DMM”) for the Certificates. The DMM will provide competitive buy and sell quotes for the Certificates continuously during the trading hours of the SGX-ST on the following basis:

- (a) Maximum bid and offer spread : (i) when the best bid price of the Certificate is S\$10 and below: 10 ticks or S\$0.20 whichever is greater; and
(ii) when the best bid price of the Certificate is above S\$10: 5% of the best bid price of the Certificate.
- (b) Minimum quantity subject to bid and offer spread : 10,000 Certificates
- (c) Last Trading Day for Market Making : The date falling 5 Business Days immediately preceding the Expiry Date

In addition, the DMM may not provide quotations in the following circumstances:

- (i) during the pre-market opening and five minutes following the opening of the SGX-ST on any trading day;
- (ii) if the Certificates are valueless (where the Issuer’s bid price is below the minimum bid size for such securities as prescribed by the SGX-ST);
- (iii) when trading in the Underlying Stock is suspended or limited in a material way for any reason (including price quote limits activated by the Relevant Stock Exchange for the Underlying Stock or otherwise⁹), for the avoidance of doubt, the DMM is not obliged to provide quotation for the Certificate at any time when the Underlying Stock is not negotiated/traded for any reason during the last trading session of the Relevant Stock Exchange for the Underlying Stock;
- (iv) when trading of the Underlying Stock on any Related Exchange, or access to pricing information of the Underlying Stock on any Related Exchange is suspended, not available, or limited in a material way for any reason (including price quote limits activated by the Related Exchange on such Underlying Stock or otherwise);
- (v) where the Certificates are suspended from trading for any reason including, but without limitation, as a result of trading in the Underlying Stock on any Related Exchange being suspended, or trading generally on any Related Exchange being suspended;
- (vi) market disruption events, including, without limitation, any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the SGX-ST or the Relevant Stock Exchange for the Underlying Stock⁹ or any Related Exchange for the Underlying Stock, or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) in the Underlying Stock, or in trading of the Underlying Stock on any Related Exchange;

⁹ Price quote limits activated by the Relevant Stock Exchange for the Underlying Stock are not applicable to the market making of the Certificates (as defined herein).

- (vii) where the Issuer or the DMM faces technical problems affecting the ability of the DMM to provide bids and offer quotations;
- (viii) where the ability of the Issuer to source a hedge or unwind an existing hedge, as determined by the Issuer in good faith, is materially affected by the prevailing market conditions, and the Issuer informs the SGX-ST of its inability to do so as soon as practicable;
- (ix) in cases where the Issuer has no Certificates to sell, then the DMM will only provide bid quotations. The DMM may provide intermittent offer quotations when it has inventory of the Certificates;
- (x) if the SGX-ST, the Relevant Stock Exchange for the Underlying Stock or any Related Exchange experiences exceptional price movement and volatility;
- (xi) when any Related Exchange(s) relating to the trading of the Underlying Stock and the Relevant Stock Exchange for the Underlying Stock are not open for dealings concurrently;
- (xii) when it is a public holiday in Singapore and the SGX-ST is not open for dealings; and
- (xiii) during trading hours of the SGX-ST on any Business Day when it is a public holiday in the United States and the Relevant Stock Exchange for the Underlying Stock is not open for dealings.

The last trading day on which the DMM will provide competitive quotations for the Certificates would be the fifth Business Day immediately preceding the Expiry Date.

SUPPLEMENTAL INFORMATION RELATING TO THE GUARANTOR

On 23 July 2026, the share capital of Societe Generale changed to EUR 938,625,838.75, divided into 750,900,671 shares with a nominal value of EUR 1.25 each.

For the Guarantor's unaudited consolidated financial results for the 6-month period ending 30 June 2026, please refer to the weblink at <https://www.societegenerale.com/sites/default/files/resultats-publication/en/2026-07/q2-2026-financial-statements-en.pdf>.

SUPPLEMENTAL GENERAL INFORMATION

The information set out herein is supplemental to, and should be read in conjunction with the information set out in the Base Listing Document.

1. Save as disclosed in this document and the Base Listing Document, neither the Issuer nor the Guarantor is involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer or the Guarantor is aware) which may have or have had in the previous 12 months a significant effect on the financial position of the Issuer or the Guarantor in the context of the issuance of the Certificates.
2. Settlement of trades done on a normal “ready basis” on the SGX-ST generally take place on the second Business Day following the transaction. Dealing in the Certificates will take place in Board Lots in Singapore Dollar. For further details on the transfer of Certificates and their exercise, please refer to the section headed “Summary of the Issue” above.
3. It is not the current intention of the Issuer to apply for a listing of the Certificates on any stock exchange other than the SGX-ST.
4. Save as disclosed in the Base Listing Document and herein, there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2025 or the Guarantor since 30 June 2026, in the context of the issuance of Certificates hereunder.
5. The following contracts, relating to the issue of the Certificates, have been or will be entered into by the Issuer and/or the Guarantor and may be material to the issue of the Certificates:
 - (a) the Guarantee;
 - (b) the Master Instrument; and
 - (c) the Master Warrant Agent Agreement.

None of the directors of the Issuer and the Guarantor has any direct or indirect interest in any of the above contracts.

6. The reports of the Auditors of the Issuer and the Guarantor were not prepared exclusively for incorporation into this document.

The Auditors of the Issuer and the Guarantor have no shareholding in the Issuer or the Guarantor or any of its subsidiaries, nor do they have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of the Issuer or the Guarantor or any of its subsidiaries.

7. The Certificates are not fully covered by the Underlying Stock held by Issuer or a trustee for and on behalf of the Issuer. The Issuer has appropriate risk management capabilities to manage the issue of the Certificates.
8. Societe Generale, Singapore Branch, currently of 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, has been authorised to accept, on behalf of the Issuer and the Guarantor, service of process and any other notices required to be served on the Issuer or the Guarantor. Any notices required to be served on the Issuer or the Guarantor should be sent to Societe Generale at the above address for the attention of Societe Generale Legal Department.

9. Copies of the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) at the offices of Societe Generale, Singapore Branch at 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, during the period of 14 days from the date of this document:
- (a) the Memorandum and Articles of Association of the Issuer and the Constitutional Documents of the Guarantor;
 - (b) the latest financial reports (including the notes thereto) of the Issuer;
 - (c) the latest financial reports (including the notes thereto) of the Guarantor;
 - (d) the Base Listing Document (which can also be viewed at: <https://www.sgx.com/securities/prospectus-circulars-offer-documents>);
 - (e) this document; and
 - (f) the Guarantee.

PLACING AND SALE

General

No action has been or will be taken by the Issuer that would permit a public offering of the Certificates or possession or distribution of any offering material in relation to the Certificates in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of any Certificates, or distribution of any offering material relating to the Certificates may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws or regulations and will not impose any obligation on the Issuer. In the event that the Issuer contemplates a placing, placing fees may be payable in connection with the issue and the Issuer may at its discretion allow discounts to placees.

Each Certificate Holder undertakes that it will inform any subsequent purchaser of the terms and conditions of the Certificates and all such subsequent purchasers as may purchase such securities from time to time shall be deemed to be a Certificate Holder for the purposes of the Certificates and shall be bound by the terms and conditions of the Certificates.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Certificates may not be circulated or distributed, nor may Certificates be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than pursuant to, and in accordance with the conditions of, any applicable provision of the Securities and Futures Act 2001 of Singapore.

Hong Kong

Each dealer has represented and agreed, and each further dealer appointed in respect of the Certificates and each other purchaser will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Certificates (except for Certificates which are a "structured product" as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong ("SFO")) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus", as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong ("CWUMPO") or which do not constitute an offer to the public within the meaning of the CWUMPO; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

European Economic Area

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell, or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended and superseded, the Prospectus Regulation); and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

United Kingdom

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is either one (or both) of the following:
 - (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or
 - (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to buy or subscribe for the Certificates.

Each dealer further represents and agrees, and each further dealer appointed in respect of the Certificates will be required to further represent and agree, that:

- (a) in respect to Certificates having a maturity of less than one year: (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or sell any Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Certificates in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Certificates in, from or otherwise involving the United Kingdom.

United States

The Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the “**CFTC**”) under the United States Commodity Exchange Act of 1936, as amended (the “**Commodity Exchange Act**”) and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised.

Each dealer has represented and agreed, and each further dealer will be required to represent and agree, that it has not and will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redeem, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such U.S. person. Any person purchasing Certificates of any tranches must agree with the relevant dealer or the seller of such Certificates that (i) it is not a U.S. Person, (ii) it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, any Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person, and (iii) it is not purchasing any Certificates, directly or indirectly, in the United States or for the account or benefit of any U.S. person.

Exercise or other redemption of Certificates will be conditional upon certification that each person exercising or otherwise redeeming a Certificate is not a U.S. person or in the United States and that the Certificate is not being exercised or otherwise redeemed on behalf of a U.S. person. No payment will be made to accounts of holders of the Certificates located in the United States.

As used in the preceding paragraphs, the term “**United States**” includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America, and the term “**U.S. person**” means any person who is (i) a U.S. person as defined under Regulation S under the Securities Act, (ii) a U.S. person as defined in paragraph 7701(a)(30) of the Internal Revenue Code of 1986, (iii) a person who comes within any definition of U.S. person for the purposes of the United States Commodity Exchange Act of 1936, as amended (the “**CEA**”) or any rules thereunder of the CFTC (the “**CFTC Rules**”), guidance or order proposed or issued under the CEA (for the avoidance of doubt, any person who is not a “Non-United States person” defined under CFTC Rule 4.7(a)(1)(iv), but excluding, for purposes of subsection (D) thereof, the exception for qualified eligible persons who are not “Non-United States persons”, shall be considered a U.S. person), or (iv) a U.S. Person for purposes of the final rules implementing the credit risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended.

APPENDIX

REPRODUCTION OF THE QUARTERLY REPORT FOR THE PERIOD ENDED 26 JULY 2026 OF APPLIED MATERIALS, INC. AND ITS SUBSIDIARIES

The information set out below is a reproduction of the quarterly report of the Company and its subsidiaries for the period ended 26 July 2026 and has been extracted and reproduced from an announcement by the Company dated 20 August 2026 in relation to the same.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

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

For the quarterly period ended July 26, 2026

or

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

For the transition period from to

Commission File Number 000-06920



Applied Materials, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

94-1655526

(I.R.S. Employer Identification No.)

3050 Bowers Avenue, P.O. Box 58039, Santa Clara, California 95052-8039

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (408) 727-5555

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

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, par value \$.01 per share	AMAT	The NASDAQ Stock Market LLC

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

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

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

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

Number of shares outstanding of the issuer's common stock as of July 26, 2026: 793,597,443

APPLIED MATERIALS, INC.
FORM 10-Q FOR THE QUARTERLY PERIOD ENDED JULY 26, 2026
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

APPLIED MATERIALS, INC. CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS (In millions, except per share amounts)

	Three Months Ended		Nine Months Ended	
	July 26, 2026	July 27, 2025	July 26, 2026	July 27, 2025
	(Unaudited)			
Revenue	\$ 9,115	\$ 7,302	\$ 24,037	\$ 21,568
Cost of products sold	4,529	3,740	12,069	11,025
Gross profit	4,586	3,562	11,968	10,543
Operating expenses:				
Research, development and engineering	1,100	901	3,055	2,653
Marketing and selling	249	224	704	646
General and administrative	162	204	515	667
Legal settlement	—	—	253	—
Restructuring charges	—	—	12	—
Total operating expenses	1,511	1,329	4,539	3,966
Income from operations	3,075	2,233	7,429	6,577
Interest expense	68	66	206	198
Interest and other income (expense), net	(100)	396	1,237	625
Income before income taxes	2,907	2,563	8,460	7,004
Provision for income taxes	369	784	1,090	1,903
Net income	\$ 2,538	\$ 1,779	\$ 7,370	\$ 5,101
Earnings per share:				
Basic	\$ 3.20	\$ 2.23	\$ 9.29	\$ 6.32
Diluted	\$ 3.17	\$ 2.22	\$ 9.22	\$ 6.29
Weighted average number of shares:				
Basic	794	798	794	807
Diluted	800	802	799	811

See accompanying Notes to Consolidated Condensed Financial Statements.

APPLIED MATERIALS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)

	Three Months Ended		Nine Months Ended	
	July 26, 2026	July 27, 2025	July 26, 2026	July 27, 2025
	(Unaudited)			
Net income	\$ 2,538	\$ 1,779	\$ 7,370	\$ 5,101
Other comprehensive income (loss), net of tax:				
Change in unrealized gain (loss) on available-for-sale investments	(16)	2	(35)	7
Change in unrealized net loss on derivative instruments	(25)	40	(20)	59
Other comprehensive income (loss), net of tax	(41)	42	(55)	66
Comprehensive income	<u>\$ 2,497</u>	<u>\$ 1,821</u>	<u>\$ 7,315</u>	<u>\$ 5,167</u>

See accompanying Notes to Consolidated Condensed Financial Statements.

APPLIED MATERIALS, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(In millions)

	July 26, 2026	October 26, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 7,037	\$ 7,241
Short-term investments	2,196	1,332
Accounts receivable, net	7,691	5,185
Inventories	6,564	5,915
Other current assets	1,607	1,208
Total current assets	25,095	20,881
Long-term investments	5,268	4,327
Property, plant and equipment, net	5,606	4,610
Goodwill	3,873	3,707
Purchased technology and other intangible assets, net	315	226
Deferred income taxes and other assets	3,365	2,548
Total assets	<u>\$ 43,522</u>	<u>\$ 36,299</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	\$ 1,299	\$ 100
Accounts payable and accrued expenses	5,787	5,333
Contract liabilities	3,271	2,566
Total current liabilities	10,357	7,999
Long-term debt	5,245	6,455
Income taxes payable	880	356
Other liabilities	1,414	1,074
Total liabilities	17,896	15,884
Stockholders' equity:		
Common stock	8	8
Additional paid-in capital	10,572	10,333
Retained earnings	61,391	55,227
Treasury stock	(46,180)	(45,043)
Accumulated other comprehensive loss	(165)	(110)
Total stockholders' equity	25,626	20,415
Total liabilities and stockholders' equity	<u>\$ 43,522</u>	<u>\$ 36,299</u>

Amounts as of July 26, 2026 are unaudited. Amounts as of October 26, 2025 are derived from the October 26, 2025 audited consolidated financial statements.

See accompanying Notes to Consolidated Condensed Financial Statements.

APPLIED MATERIALS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY
(In millions, except per share amounts)

Three Months Ended July 26, 2026	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount			Shares	Amount		
(Unaudited)								
Balance as of April 26, 2026	794	\$ 8	\$ 10,531	\$ 59,274	1,243	\$ (45,780)	\$ (124)	\$ 23,909
Net income	—	—	—	2,538	—	—	—	2,538
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	(41)	(41)
Dividends declared (\$0.53 per common share)	—	—	—	(421)	—	—	—	(421)
Share-based compensation	—	—	169	—	—	—	—	169
Net issuance under stock plans	1	—	(128)	—	—	—	—	(128)
Common stock repurchases	(1)	—	—	—	1	(400)	—	(400)
Balance as of July 26, 2026	794	\$ 8	\$ 10,572	\$ 61,391	1,244	\$ (46,180)	\$ (165)	\$ 25,626

Nine Months Ended July 26, 2026	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount			Shares	Amount		
(Unaudited)								
Balance as of October 26, 2025	793	\$ 8	\$ 10,333	\$ 55,227	1,241	\$ (45,043)	\$ (110)	\$ 20,415
Net income	—	—	—	7,370	—	—	—	7,370
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	(55)	(55)
Dividends declared (\$1.52 per common share)	—	—	—	(1,206)	—	—	—	(1,206)
Share-based compensation	—	—	545	—	—	—	—	545
Net issuance under stock plans	4	—	(306)	—	—	—	—	(306)
Common stock repurchases	(3)	—	—	—	3	(1,137)	—	(1,137)
Balance as of July 26, 2026	794	\$ 8	\$ 10,572	\$ 61,391	1,244	\$ (46,180)	\$ (165)	\$ 25,626

APPLIED MATERIALS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY (Continued)
(In millions, except per share amounts)

Three Months Ended July 27, 2025	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount			Shares	Amount		
(Unaudited)								
Balance as of April 27, 2025	802	\$ 8	\$ 9,966	\$ 52,280	1,230	\$ (43,149)	\$ (144)	\$ 18,961
Net income	—	—	—	1,779	—	—	—	1,779
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	42	42
Dividends declared (\$0.46 per common share)	—	—	—	(365)	—	—	—	(365)
Share-based compensation	—	—	158	—	—	—	—	158
Net issuance under stock plans	1	—	(34)	—	—	—	—	(34)
Common stock repurchases	(6)	—	—	—	6	(1,037)	—	(1,037)
Balance as of July 27, 2025	797	\$ 8	\$ 10,090	\$ 53,694	1,236	\$ (44,186)	\$ (102)	\$ 19,504

Nine Months Ended July 27, 2025	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount			Shares	Amount		
(Unaudited)								
Balance as of October 27, 2024	818	\$ 8	\$ 9,660	\$ 49,651	1,211	\$ (40,150)	\$ (168)	\$ 19,001
Net income	—	—	—	5,101	—	—	—	5,101
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	66	66
Dividends declared (\$1.32 per common share)	—	—	—	(1,058)	—	—	—	(1,058)
Share-based compensation	—	—	512	—	—	—	—	512
Net issuance under stock plans	4	—	(82)	—	—	—	—	(82)
Common stock repurchases	(25)	—	—	—	25	(4,036)	—	(4,036)
Balance as of July 27, 2025	797	\$ 8	\$ 10,090	\$ 53,694	1,236	\$ (44,186)	\$ (102)	\$ 19,504

See accompanying Notes to Consolidated Condensed Financial Statements.

APPLIED MATERIALS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(In millions)

	Nine Months Ended	
	July 26, 2026	July 27, 2025
	(Unaudited)	
Cash flows from operating activities:		
Net income	\$ 7,370	\$ 5,101
Adjustments required to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	413	321
Restructuring charges	12	—
(Gain) / loss and impairment on investments	(909)	(270)
Share-based compensation	545	512
Deferred income taxes	25	952
Other	(11)	(28)
Changes in operating assets and liabilities:		
Accounts receivable	(2,508)	(538)
Inventories	(609)	(386)
Other current and non-current assets	(333)	(36)
Accounts payable and accrued expenses	412	135
Contract liabilities	698	(379)
Income taxes payable	462	(297)
Other liabilities	1	43
Cash provided by operating activities	5,568	5,130
Cash flows from investing activities:		
Capital expenditures	(1,988)	(1,475)
Cash paid for acquisitions, net of cash acquired	(262)	(29)
Proceeds from asset sale	6	33
Proceeds from sales and maturities of investments	4,585	3,937
Purchases of investments	(5,493)	(5,109)
Cash used in investing activities	(3,152)	(2,643)
Cash flows from financing activities:		
Proceeds from issuance of commercial paper	399	400
Repayments of commercial paper	(400)	(400)
Proceeds from common stock issuances	131	129
Common stock repurchases	(1,177)	(4,044)
Tax withholding payments for vested equity awards	(437)	(210)
Payments of dividends to stockholders	(1,150)	(1,019)
Payments of debt issuance costs	—	(2)
Cash used in financing activities	(2,634)	(5,146)
Increase (decrease) in cash, cash equivalents and restricted cash equivalents	(218)	(2,659)
Cash, cash equivalents and restricted cash equivalents — beginning of period	7,312	8,113
Cash, cash equivalents and restricted cash equivalents — end of period	\$ 7,094	\$ 5,454
Reconciliation of cash, cash equivalents and restricted cash equivalents		
Cash and cash equivalents	\$ 7,037	\$ 5,384
Restricted cash equivalents included in deferred income taxes and other assets	57	70
Total cash, cash equivalents and restricted cash equivalents	\$ 7,094	\$ 5,454

APPLIED MATERIALS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS (Continued)
(In millions)

	Nine Months Ended			
	July 26, 2026		July 27, 2025	
	(Unaudited)			
Supplemental cash flow information:				
Cash payments for income taxes	\$	819	\$	1,269
Cash refunds from income taxes	\$	22	\$	79
Cash payments for interest	\$	192	\$	171

See accompanying Notes to Consolidated Condensed Financial Statements.

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

Note 1 Basis of Presentation and Recently Adopted Accounting Standards

Basis of Presentation

In the opinion of our management, the unaudited interim consolidated condensed financial statements of Applied Materials, Inc. and its subsidiaries (we, us, and our) included herein have been prepared on a basis consistent with the October 26, 2025 audited consolidated financial statements and include all material adjustments, consisting of normal recurring adjustments, necessary to fairly state the information set forth therein. These unaudited interim consolidated condensed financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended October 26, 2025 (2025 Form 10-K).

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make judgments, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ materially from those estimates. Our results of operations for the three and nine months ended July 26, 2026 are not necessarily indicative of future operating results. Our fiscal year ends on the last Sunday in October of each year. Fiscal 2026 and 2025 contain 52 weeks each and the first nine months of fiscal 2026 and 2025 each contained 39 weeks.

Certain prior-year amounts have been reclassified to conform to current-year presentation.

Note 2 Earnings Per Share

Basic earnings per share is determined using the weighted average number of common shares outstanding during the period. Diluted earnings per share is determined using the weighted average number of common shares and potential common shares (representing the dilutive effect of restricted stock units and employees' stock purchase plan shares) outstanding during the period. Our net income has not been adjusted for any period presented for purposes of computing basic or diluted earnings per share due to our non-complex capital structure.

	Three Months Ended		Nine Months Ended	
	July 26, 2026	July 27, 2025	July 26, 2026	July 27, 2025
	(In millions, except per share amounts)			
Numerator:				
Net income	\$ 2,538	\$ 1,779	\$ 7,370	\$ 5,101
Denominator:				
Weighted average common shares outstanding	794	798	794	807
Effect of weighted dilutive restricted stock units and employees' stock purchase plan shares	6	4	5	4
Denominator for diluted earnings per share	<u>800</u>	<u>802</u>	<u>799</u>	<u>811</u>
Basic earnings per share	\$ 3.20	\$ 2.23	\$ 9.29	\$ 6.32
Diluted earnings per share	\$ 3.17	\$ 2.22	\$ 9.22	\$ 6.29
Potentially weighted dilutive securities	—	—	—	—

Excluded from the calculation of diluted earnings per share are securities attributable to outstanding restricted stock units where the combined exercise price and average unamortized fair value are greater than the average market price of our common stock, and therefore their inclusion would be anti-dilutive.

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

Note 3 Cash, Cash Equivalents and Investments

Summary of Cash, Cash Equivalents and Investments

The following tables summarize our cash, cash equivalents and investments by security type:

<u>July 26, 2026</u>	<u>Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Estimated Fair Value</u>
	(In millions)			
Cash	\$ 1,763	\$ —	\$ —	\$ 1,763
Cash equivalents:				
Money market funds*	2,192	—	—	2,192
Bank certificates of deposit and time deposits	240	—	—	240
U.S. Treasury and agency securities	1,196	—	—	1,196
Municipal securities	5	—	—	5
Commercial paper, corporate bonds and medium-term notes	1,641	—	—	1,641
Total cash equivalents	5,274	—	—	5,274
Total cash and cash equivalents	\$ 7,037	\$ —	\$ —	\$ 7,037
Short-term and long-term investments:				
Bank certificates of deposit and time deposits	\$ 7	\$ —	\$ —	\$ 7
U.S. Treasury and agency securities	2,911	—	11	2,900
Non-U.S. government securities**	12	—	—	12
Municipal securities	471	—	3	468
Commercial paper, corporate bonds and medium-term notes	1,089	1	3	1,087
Asset-backed and mortgage-backed securities	573	—	4	569
Total fixed income securities	5,063	1	21	5,043
Publicly traded equity securities	965	1,015	1	1,979
Equity investments in privately held companies	378	151	87	442
Total equity investments	1,343	1,166	88	2,421
Total short-term and long-term investments	\$ 6,406	\$ 1,167	\$ 109	\$ 7,464
Total cash, cash equivalents and investments	\$ 13,443	\$ 1,167	\$ 109	\$ 14,501

*Excludes \$57 million of restricted cash equivalents invested in money market funds related to deferred compensation plans.

**Consists of German government debt.

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

<u>October 26, 2025</u>	<u>Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Estimated Fair Value</u>
	(In millions)			
Cash	\$ 1,419	\$ —	\$ —	\$ 1,419
Cash equivalents:				
Money market funds*	2,193	—	—	2,193
Bank certificates of deposit and time deposits	180	—	—	180
U.S. Treasury and agency securities	1,196	—	—	1,196
Municipal securities	5	—	—	5
Commercial paper, corporate bonds and medium-term notes	2,248	—	—	2,248
Total cash equivalents	5,822	—	—	5,822
Total cash and cash equivalents	<u>\$ 7,241</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 7,241</u>
Short-term and long-term investments:				
Bank certificates of deposit and time deposits	\$ 4	\$ —	\$ —	\$ 4
U.S. Treasury and agency securities	1,229	3	—	1,232
Non-U.S. government securities**	5	—	—	5
Municipal securities	463	5	—	468
Commercial paper, corporate bonds and medium-term notes	848	6	—	854
Asset-backed and mortgage-backed securities	614	4	2	616
Total fixed income securities	3,163	18	2	3,179
Publicly traded equity securities	1,288	824	2	2,110
Equity investments in privately held companies	342	74	46	370
Total equity investments	1,630	898	48	2,480
Total short-term and long-term investments	<u>\$ 4,793</u>	<u>\$ 916</u>	<u>\$ 50</u>	<u>\$ 5,659</u>
Total cash, cash equivalents and investments	<u>\$ 12,034</u>	<u>\$ 916</u>	<u>\$ 50</u>	<u>\$ 12,900</u>

*Excludes \$71 million of restricted cash equivalents invested in money market funds related to deferred compensation plans.

**Consists of Canadian provincial government debt.

During the three months ended July 26, 2026 and July 27, 2025, interest income from our cash, cash equivalents and fixed income securities was \$104 million and \$92 million, respectively.

During the nine months ended July 26, 2026 and July 27, 2025, interest income from our cash, cash equivalents and fixed income securities was \$297 million and \$309 million, respectively.

Maturities of Investments

The following table summarizes the contractual maturities of our investments as of July 26, 2026:

	<u>Cost</u>	<u>Estimated Fair Value</u>
	(In millions)	
Due in one year or less	\$ 2,180	\$ 2,178
Due after one through five years	2,310	2,296
No single maturity date*	1,916	2,990
Total	<u>\$ 6,406</u>	<u>\$ 7,464</u>

*Securities with no single maturity date include publicly traded and privately held equity securities and asset-backed and mortgage-backed securities.

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

Gains and Losses on Investments

During the three and nine months ended July 26, 2026 and July 27, 2025, gross realized gains and losses on our fixed income portfolio were not material.

As of July 26, 2026 and October 26, 2025, gross unrealized losses related to our fixed income portfolio were not material. We regularly review our fixed income portfolio to identify and evaluate investments that have indications of possible impairment from credit losses or other factors. Factors considered in determining whether an unrealized loss is considered to be a credit loss include: the significance of the decline in value compared to the cost basis; the financial condition, credit quality and near-term prospects of the investee; and whether it is more likely than not that we will be required to sell the security prior to recovery. Credit losses related to available-for-sale debt securities are recorded as an allowance for credit losses through interest and other income (expense), net. Any additional changes in fair value that are not related to credit losses are recognized in accumulated other comprehensive income (loss) (AOCI). During the three and nine months ended July 26, 2026 and July 27, 2025, we did not recognize material credit losses and the ending allowance for credit losses was not material to our fixed income portfolio.

The components of gain (loss) on equity investments recognized in the Consolidated Condensed Statements of Operations for the three and nine months ended July 26, 2026 and July 27, 2025 were as follows:

	Three Months Ended		Nine Months Ended	
	July 26, 2026	July 27, 2025	July 26, 2026	July 27, 2025
	(In millions)			
Publicly traded equity securities				
Unrealized gain	\$ —	\$ 311	\$ 1,157	\$ 424
Unrealized loss	(270)	—	(286)	(139)
Realized gain on sales and dividends	17	5	22	30
Realized loss on sales or impairment	—	—	(15)	—
Equity investments in privately held companies				
Unrealized gain	51	9	86	16
Unrealized loss	(1)	(6)	(8)	(13)
Realized gain on sales and dividends	3	1	10	8
Realized loss on sales or impairment	(13)	(22)	(39)	(27)
Total gain (loss) on equity investments, net	<u>\$ (213)</u>	<u>\$ 298</u>	<u>\$ 927</u>	<u>\$ 299</u>

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

Note 4 Fair Value Measurements**Assets Measured at Fair Value on a Recurring Basis**

The following table presents our fair value hierarchy for our financial assets (excluding cash balances) measured at fair value on a recurring basis:

	July 26, 2026			October 26, 2025		
	Level 1	Level 2	Total	Level 1	Level 2	Total
(In millions)						
Assets:						
Available-for-sale debt security investments						
Money market funds*	\$ 2,249	\$ —	\$ 2,249	\$ 2,264	\$ —	\$ 2,264
Bank certificates of deposit and time deposits	—	247	247	—	184	184
U.S. Treasury and agency securities	2,509	1,587	4,096	2,109	319	2,428
Non-U.S. government securities	—	12	12	—	5	5
Municipal securities	—	473	473	—	473	473
Commercial paper, corporate bonds and medium-term notes	—	2,728	2,728	—	3,102	3,102
Asset-backed and mortgage-backed securities	—	569	569	—	616	616
Total available-for-sale debt security investments	<u>\$ 4,758</u>	<u>\$ 5,616</u>	<u>\$ 10,374</u>	<u>\$ 4,373</u>	<u>\$ 4,699</u>	<u>\$ 9,072</u>
Equity investments with readily determinable values						
Publicly traded equity securities	\$ 1,979	\$ —	\$ 1,979	\$ 2,110	\$ —	\$ 2,110
Total equity investments with readily determinable values	<u>\$ 1,979</u>	<u>\$ —</u>	<u>\$ 1,979</u>	<u>\$ 2,110</u>	<u>\$ —</u>	<u>\$ 2,110</u>
Total	<u>\$ 6,737</u>	<u>\$ 5,616</u>	<u>\$ 12,353</u>	<u>\$ 6,483</u>	<u>\$ 4,699</u>	<u>\$ 11,182</u>

*Amounts as of July 26, 2026 and October 26, 2025 include \$57 million and \$71 million, respectively, invested in money market funds related to deferred compensation plans. Due to restrictions on the distribution of these funds, they are classified as restricted cash equivalents and are included in deferred income taxes and other assets in the Consolidated Condensed Balance Sheets.

As of July 26, 2026 and October 26, 2025, available-for-sale, short-term and long-term investments not recognized at fair value based upon observable inputs or quoted prices were not material.

We did not have any financial assets measured at fair value on a recurring basis within Level 3 fair value measurements as of July 26, 2026 or October 26, 2025.

Assets and Liabilities without Readily Determinable Values Measured on a Non-recurring Basis

Our equity investments without readily determinable values consist of equity investments in privately held companies. We elected the measurement alternative, defined as cost, less impairments, adjusted for subsequent observable price changes on a prospective basis for certain equity investments without readily determinable fair values and are required to account for any subsequent observable changes in fair value within the statements of operations. These investments are classified as Level 3 within the fair value hierarchy and periodically assessed for impairment when an event or circumstance indicates that a decline in value may have occurred. Impairment losses on equity investments in privately held companies, included in the above fair value hierarchy table, were not material during the three and nine months ended July 26, 2026 and July 27, 2025. These impairment losses are included in interest and other income (expense), net in the Consolidated Condensed Statements of Operations.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

Other

The carrying amounts of our financial instruments, including cash and cash equivalents, restricted cash equivalents, accounts receivable, commercial paper notes, and accounts payable and accrued expenses, approximate fair value due to their short maturities. As of July 26, 2026, the aggregate principal amount of long-term senior unsecured notes issued by us was \$5.3 billion, and their estimated fair value, excluding associated interest rate swaps, was \$4.7 billion. See Note 5 of the Notes to the Consolidated Condensed Financial Statements for information on our interest rate swaps. As of October 26, 2025, the aggregate principal amount of long-term senior unsecured notes was \$6.5 billion and the estimated fair value was \$6.2 billion. The estimated fair value of long-term senior unsecured notes issued by us is determined by Level 2 inputs and is based primarily on quoted market prices for the same or similar issues. See Note 9 of the Notes to the Consolidated Condensed Financial Statements for additional information on our senior unsecured notes.

Note 5 Derivative Instruments and Hedging Activities*Derivative Financial Instruments*

We conduct business in a number of foreign countries, with certain transactions denominated in local currencies, such as the Japanese yen, Israeli shekel, euro and Taiwanese dollar. We use derivative financial instruments, such as foreign currency forward and option contracts, to hedge certain forecasted foreign currency denominated transactions expected to occur typically within the next 24 months. The purpose of our foreign currency management is to mitigate the effect of exchange rate fluctuations on certain foreign currency denominated revenues, costs and eventual cash flows. The terms of currency instruments used for hedging purposes are generally consistent with the timing of the transactions being hedged.

We do not use derivative financial instruments for trading or speculative purposes. Derivative instruments and hedging activities, including foreign exchange and interest rate contracts, are recognized on the balance sheet at fair value. Changes in the fair value of derivatives that do not qualify for hedge accounting treatment are recognized currently in earnings. All of our derivative financial instruments are recorded at their fair value in other current assets, accounts payable and accrued expenses, or long-term debt.

Hedges related to anticipated transactions are designated and documented at the inception of the hedge as cash flow hedges and foreign exchange derivatives are typically entered into once per month. Cash flow hedges are evaluated for effectiveness quarterly. The effective portion of the gain or loss on these hedges is reported as a component of accumulated other comprehensive income (loss) (AOCI) in stockholders' equity and is reclassified into earnings when the hedged transaction affects earnings. The majority of the after-tax net income or loss related to foreign exchange derivative instruments included in AOCI as of July 26, 2026 is expected to be reclassified into earnings within 12 months. Changes in fair value caused by changes in time value of option contracts designated as cash flow hedges are excluded from the assessment of effectiveness. The initial value of this excluded component is amortized on a straight-line basis over the life of the hedging instrument and recognized in the financial statement line item to which the hedge relates. If the transaction being hedged is probable not to occur, we recognize the gain or loss on the associated financial instrument in the Consolidated Condensed Statement of Operations. The amount recognized due to discontinuance of cash flow hedges that were probable of not occurring by the end of the originally specified time period was not material for the three and nine months ended July 26, 2026 and July 27, 2025.

Foreign currency forward contracts are generally used to hedge certain foreign currency denominated assets or liabilities. Accordingly, changes in the fair value of these hedges are recorded in the Consolidated Condensed Statement of Operations to offset the changes in the fair value of the assets or liabilities being hedged.

We also use interest rate swap derivatives to partially offset our business exposure to interest risk associated with our outstanding fixed rate senior unsecured notes. These interest rate swaps are designated as fair value hedges and used to offset changes in the fair value of certain unsecured senior notes attributable to changes in the benchmark interest rate. We reflect the interest settlement associated with the interest rate swap as cash flows from operating activities in the Consolidated Statements of Cash Flows. During the nine months ended July 26, 2026, we entered into a series of interest rate swaps with the aggregate notional amount of \$500 million. We record changes in fair value on the swaps in our Consolidated Condensed Statements of Operations with a corresponding offset to the value of the hedged senior unsecured notes. See Note 9 of the Notes to the Consolidated Condensed Financial Statements for additional discussion of our senior unsecured notes.

As of July 26, 2026 and October 26, 2025, the total outstanding notional amounts of foreign exchange contracts were \$3.7 billion and \$2.3 billion, respectively. The fair values of foreign exchange derivative instruments as of July 26, 2026 and October 26, 2025 were not material.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

The gain (loss) on derivatives in cash flow hedging relationships recognized in AOCI for derivatives designated as hedging instruments were not material for the three and nine months ended July 26, 2026 and July 27, 2025.

The effects of derivative instruments, both those designated and not designated as cash flow and fair value hedges, on the Consolidated Condensed Statements of Operations were not material for the three and nine months ended July 26, 2026 and July 27, 2025.

Credit Risk Contingent Features

If our credit rating were to fall below investment grade, we would be in violation of credit risk contingent provisions of the derivative instruments discussed above, and certain counterparties to the derivative instruments could request immediate payment on derivative instruments in net liability positions. The aggregate fair value of all derivative instruments with credit-risk related contingent features that were in a net liability position was not material as of July 26, 2026.

Entering into derivative contracts with banks exposes us to credit-related losses in the event of the banks' nonperformance. However, our exposure is not considered material.

Note 6 Accounts Receivable, Net

We maintain an allowance for credit losses for estimated losses resulting from the inability of our customers to make required payments. This allowance is based on historical experience, credit evaluations, specific customer collection history and any customer-specific issues we have identified. Changes in circumstances, such as an unexpected material adverse change in a major customer's ability to meet its financial obligation to us or its payment trends, may require us to further adjust our estimates of the recoverability of amounts due to us. Bad debt expense and any reversals are recorded in marketing and selling expenses in the Consolidated Condensed Statements of Operations.

The balances of allowance for credit losses were not material as of July 26, 2026 and October 26, 2025, and the changes in allowance for credit losses were not material for the three and nine months ended July 26, 2026 and July 27, 2025.

We sell our products principally to manufacturers within the semiconductor industry. While we believe that our allowance for credit losses is adequate and represents our best estimate as of July 26, 2026, we continue to closely monitor customer liquidity and industry and economic conditions, which may result in changes to our estimates.

Note 7 Contract Balances and Performance Obligations**Contract Assets and Liabilities**

Contract assets primarily result from receivables for goods transferred to customers where payment is conditional upon technical sign off and not just the passage of time. Contract liabilities consist of unsatisfied performance obligations related to advance payments received and billings in excess of revenue recognized. Our contract assets and liabilities are reported in a net position on a contract-by-contract basis at the end of each reporting period.

Contract assets are generally classified as current and are included in Other Current Assets in the Consolidated Condensed Balance Sheets. Contract liabilities are classified as current or non-current based on the timing of when performance obligations will be satisfied and associated revenue is expected to be recognized.

Contract balances at the end of each reporting period were as follows:

	July 26, 2026	October 26, 2025
	(In millions)	
Contract assets	\$ 227	\$ 281
Contract liabilities	\$ 3,271	\$ 2,566

The decrease in contract assets during the nine months ended July 26, 2026 was primarily due to a decrease in unsatisfied performance obligations related to goods transferred to customers where payment was conditional upon technical sign off.

During the nine months ended July 26, 2026, we recognized revenue of approximately \$1.8 billion related to contract liabilities at October 26, 2025. Contract liabilities increased during the nine months ended July 26, 2026 due to new billings for products and services for which there were unsatisfied performance obligations to customers and revenue had not yet been recognized as of July 26, 2026, partially offset by revenue recognized related to contract liabilities at October 26, 2025.

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

There were no credit losses recognized on our accounts receivable and contract assets during both the nine months ended July 26, 2026 and July 27, 2025.

Performance Obligations

As of July 26, 2026, the amount of remaining unsatisfied performance obligations on contracts, primarily consisting of written purchase orders received from customers, with an original estimated duration of one year or more was approximately \$1.0 billion, of which approximately 73% is expected to be recognized within 12 months and the remainder is expected to be recognized within the following 24 months thereafter.

We have elected the available practical expedient to exclude the value of unsatisfied performance obligations for contracts with an original expected duration of one year or less.

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

Note 8 Balance Sheet Detail

	July 26, 2026	October 26, 2025
	(In millions)	
Inventories		
Customer service spares	\$ 1,866	\$ 1,786
Raw materials	2,323	2,007
Work-in-process	1,191	914
Finished goods		
Deferred cost of sales	296	229
Evaluation inventory	452	474
Manufactured on-hand inventory	436	505
Total finished goods	1,184	1,208
Total inventories	\$ 6,564	\$ 5,915

	July 26, 2026	October 26, 2025
	(In millions)	
Other Current Assets		
Prepaid income taxes and income taxes receivable	\$ 335	\$ 148
Prepaid expenses and other	1,272	1,060
	\$ 1,607	\$ 1,208

	Useful Life	July 26, 2026	October 26, 2025
	(In years)	(In millions)	
Property, Plant and Equipment, Net			
Land and improvements		\$ 573	\$ 558
Buildings and improvements	3-30	3,182	2,930
Demonstration and manufacturing equipment	5-8	3,040	2,708
Furniture, fixtures and other equipment	3-5	960	855
Construction in progress		2,036	1,460
Gross property, plant and equipment		9,791	8,511
Accumulated depreciation		(4,185)	(3,901)
		\$ 5,606	\$ 4,610

	July 26, 2026	October 26, 2025
	(In millions)	
Deferred Income Taxes and Other Assets		
Non-current deferred income taxes	\$ 1,105	\$ 1,233
Operating lease right-of-use assets	815	509
Income tax receivables and other assets	1,445	806
	\$ 3,365	\$ 2,548

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

	July 26, 2026	October 26, 2025
	(In millions)	
Accounts Payable and Accrued Expenses		
Accounts payable	\$ 2,387	\$ 1,978
Compensation and employee benefits	1,302	1,221
Warranty	348	346
Dividends payable	421	365
Income taxes payable	317	380
Operating lease liabilities, current	120	91
Restructuring reserve	12	165
Other	880	787
	<u>\$ 5,787</u>	<u>\$ 5,333</u>
	July 26, 2026	October 26, 2025
	(In millions)	
Other Liabilities		
Defined and postretirement benefit plans	\$ 146	\$ 151
Operating lease liabilities, non-current	682	404
Other	586	519
	<u>\$ 1,414</u>	<u>\$ 1,074</u>

Government Assistance

Capital expenditure related incentives reduced gross property, plant and equipment by \$1.8 billion as of July 26, 2026. To the extent the capital expenditure related incentives exceed our applicable income tax liabilities, we are eligible to receive a refund in cash. In our Consolidated Condensed Balance Sheets as of July 26, 2026, we have recorded \$1.2 billion of investment tax credits, of which \$41 million was recorded in other current assets and will offset fiscal 2026 income tax liabilities, and \$1.2 billion was recorded in deferred income taxes and other assets and is expected to be refunded. Contra depreciation expense and operating incentives recorded as a reduction to expense were not material for the three and nine months ended July 26, 2026 and July 27, 2025.

Note 9 Borrowing Facilities and Debt***Revolving Credit Facilities***

In September 2025, we entered into a \$2.0 billion 364-day committed revolving credit agreement (364-Day Credit Agreement) with a group of banks. The 364-Day Credit Agreement includes a provision under which we may request an increase in the amount of the facility of up to \$1.0 billion for a total commitment of no more than \$3.0 billion, subject to the receipt of commitments from one or more lenders for any such increase and other customary conditions. The 364-Day Credit Agreement is scheduled to expire in September 2026, provided, however, if any loans are outstanding on the maturity date, we may convert all or part of such loans to term loans that will mature in September 2027, subject to payment of a fee by us and other customary conditions.

In February 2025, we entered into a \$2.0 billion committed revolving credit agreement (Five-Year Credit Agreement) with a group of banks. The Five-Year Credit Agreement includes a provision under which we may request an increase in the amount of the facility of up to \$500 million for a total commitment of no more than \$2.5 billion, subject to the receipt of commitments from one or more lenders for any such increase and other customary conditions. The Five-Year Credit Agreement is scheduled to expire in February 2030, unless extended as permitted under the terms of the agreement.

Each of the 364-Day Credit Agreement and the Five-Year Credit Agreement provides for unsecured borrowings that bear interest for each advance at one of two rates selected by us, plus an applicable margin, which varies according to our public debt credit ratings.

No amounts were outstanding under the 364-Day Credit Agreement or the Five-Year Credit Agreement as of July 26, 2026 and October 26, 2025.

In addition, we have revolving credit facilities with Japanese banks pursuant to which we may borrow up to approximately \$49 million in aggregate at any time. Our ability to borrow under these facilities is subject to bank approval at the time of the borrowing request, and any advances will be at rates indexed to the banks' prime reference rate denominated in Japanese yen. As of July 26, 2026 and October 26, 2025, no amounts were outstanding under these revolving credit facilities.

Short-term Commercial Paper

We have a short-term commercial paper program under which we may issue unsecured commercial paper notes of up to a total amount of \$4.0 billion. The proceeds from the issuances of commercial paper are used for general corporate purposes. As of July 26, 2026, we had \$100 million of commercial paper notes outstanding and recorded as short-term debt with a weighted-average interest rate of 3.78% and maturities of 69 days, and as of October 26, 2025, we had \$100 million of commercial paper notes outstanding and recorded as short-term debt with a weighted-average interest rate of 4.07% and maturities of 35 days.

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

Senior Unsecured Notes

Debt outstanding as of July 26, 2026 and October 26, 2025 was as follows:

	Principal Amount		Effective Interest Rate	Interest Pay Dates
	July 26, 2026	October 26, 2025		
	(In millions)			
Current portion of long-term debt:				
3.300% Senior Notes Due 2027	\$ 1,200	\$ —	3.342%	April 1, October 1
Total unamortized debt issuance costs	(1)	—		
Total current portion of long-term debt	<u>\$ 1,199</u>	<u>\$ —</u>		
Long-term debt:				
3.300% Senior Notes Due 2027	\$ —	\$ 1,200	3.342%	April 1, October 1
4.800% Senior Notes Due 2029	700	700	4.844%	June 15, December 15
1.750% Senior Notes Due 2030	750	750	1.792%	June 1, December 1
4.000% Senior Notes Due 2031	550	550	4.070%	January 15, July 15
5.100% Senior Notes Due 2035	500	500	5.127%	April 1, October 1
4.600% Senior Notes Due 2036	450	450	4.632%	January 15, July 15
5.850% Senior Notes Due 2041	600	600	5.879%	June 15, December 15
4.350% Senior Notes Due 2047	1,000	1,000	4.361%	April 1, October 1
2.750% Senior Notes Due 2050	750	750	2.773%	June 1, December 1
	<u>5,300</u>	<u>6,500</u>		
Total unamortized discount	(11)	(12)		
Total unamortized debt issuance costs	(29)	(33)		
Fair value of interest rate swaps	(15)	—		
Total long-term debt	<u>\$ 5,245</u>	<u>\$ 6,455</u>		

Note 10 Restructuring Charges

Fiscal 2025 Restructuring Plan

In the fourth quarter of fiscal 2025, we approved a workforce reduction plan (Fiscal 2025 Restructuring Plan) to position us for continued growth as a more competitive and productive organization. The majority of the charges related to the Fiscal 2025 Restructuring Plan were recognized in the fourth quarter of fiscal 2025 and consist primarily of severance and other employment termination benefits to be paid in cash, and other non-cash related charges.

Restructuring charges related to the Fiscal 2025 Restructuring Plan were as follows:

	Three Months Ended		Nine Months Ended	
	July 26, 2026	July 27, 2025	July 26, 2026	July 27, 2025
	(In millions)			
Severance and other employee-related charges	\$ —	\$ —	\$ 12	\$ —
Total	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 12</u>	<u>\$ —</u>

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

Changes in restructuring reserves related to the Fiscal 2025 Restructuring Plan described above for the nine months ended July 26, 2026 were as follows:

	Restructuring Charges Reserves	
	(In millions)	
Balance as of October 26, 2025	\$	165
Restructuring charges		13
Consumption of reserves		(139)
Balance as of January 25, 2026	\$	39
Consumption of reserves		(16)
Balance as of April 26, 2026	\$	23
Consumption of reserves		(11)
Balance as of July 26, 2026	\$	12

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

Note 11 Stockholders' Equity, Comprehensive Income and Share-Based Compensation

Accumulated Other Comprehensive Income (Loss)

Changes in the components of accumulated other comprehensive income (loss) (AOCI), net of tax, were as follows:

	Unrealized Gain (Loss) on Investments, Net	Unrealized Gain (Loss) on Derivative Instruments Qualifying as Cash Flow Hedges	Defined and Postretirement Benefit Plans	Cumulative Translation Adjustments	Total
(in millions)					
Balance as of October 26, 2025	\$ 11	\$ (34)	\$ (100)	\$ 13	\$ (110)
Other comprehensive income (loss) before reclassifications	(24)	17	—	—	(7)
Amounts reclassified out of AOCI	(11)	(37)	—	—	(48)
Other comprehensive income (loss), net of tax	(35)	(20)	—	—	(55)
Balance as of July 26, 2026	<u>\$ (24)</u>	<u>\$ (54)</u>	<u>\$ (100)</u>	<u>\$ 13</u>	<u>\$ (165)</u>

	Unrealized Gain (Loss) on Investments, Net	Unrealized Gain (Loss) on Derivative Instruments Qualifying as Cash Flow Hedges	Defined and Postretirement Benefit Plans	Cumulative Translation Adjustments	Total
(in millions)					
Balance as of October 27, 2024	\$ (7)	\$ (87)	\$ (87)	\$ 13	\$ (168)
Other comprehensive income (loss) before reclassifications	7	57	—	—	64
Amounts reclassified out of AOCI	—	2	—	—	2
Other comprehensive income (loss), net of tax	7	59	—	—	66
Balance as of July 27, 2025	<u>\$ —</u>	<u>\$ (28)</u>	<u>\$ (87)</u>	<u>\$ 13</u>	<u>\$ (102)</u>

The tax effects on net income of amounts reclassified from AOCI for the three and nine months ended July 26, 2026 and July 27, 2025 were not material.

Stock Repurchase Program

In March 2025, our Board of Directors approved a common stock repurchase program authorizing \$10.0 billion in repurchases, which supplemented the previous \$10.0 billion authorization approved in March 2023. As of July 26, 2026, approximately \$12.8 billion remained available for future stock repurchases under the repurchase program.

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

The following table summarizes our stock repurchases, including and excluding excise tax, for the three and nine months ended July 26, 2026 and July 27, 2025:

	Three Months Ended		Nine Months Ended	
	July 26, 2026	July 27, 2025	July 26, 2026	July 27, 2025
	(in millions, except per share amount)			
Shares of common stock repurchased	1	6	3	25
Cost of stock repurchased (including excise tax)*	\$ 400	\$ 1,038	\$ 1,137	\$ 4,037
Average price paid per share (including excise tax)*	\$ 455.43	\$ 164.47	\$ 343.16	\$ 160.95
Cost of stock repurchased (excluding excise tax)	\$ 400	\$ 1,028	\$ 1,137	\$ 4,003
Average price paid per share (excluding excise tax)	\$ 455.43	\$ 162.97	\$ 343.16	\$ 159.60

(*) Stock repurchase amounts include the 1% surcharge on stock repurchases under the Inflation Reduction Act's excise tax. This excise tax is recorded in equity and reduces the amount available under the repurchase program, as applicable.

We record common stock repurchased and held as treasury stock under the cost method using the first-in, first-out method. Upon reissuance of treasury stock, amounts in excess of the acquisition cost are credited to additional paid in capital. If we reissue treasury stock at an amount below our acquisition cost and additional paid in capital associated with prior treasury stock transactions is insufficient to cover the difference between the acquisition cost and the reissue price, this difference is recorded against retained earnings.

Dividends

In June 2026, March 2026 and December 2025, our Board of Directors declared quarterly cash dividends in the amount of \$0.53, \$0.53 and \$0.46 per share, respectively. The dividend declared in June 2026 is payable in September 2026. Dividends paid during the nine months ended July 26, 2026 and July 27, 2025 totaled \$1.2 billion and \$1.0 billion, respectively. We currently anticipate that cash dividends will continue to be paid on a quarterly basis, although the declaration of any future cash dividend is at the discretion of the Board of Directors and will depend on our financial condition, results of operations, capital requirements, business conditions and other factors, as well as a determination by the Board of Directors that cash dividends are in the best interests of our stockholders.

Share-Based Compensation

We have a stockholder-approved equity plan, the Employee Stock Incentive Plan (ESIP), which permits grants to employees of share-based awards, including stock options, stock appreciation rights, restricted stock, restricted stock units, performance share units and performance units. In addition, the plan provides for the automatic grant of restricted stock units to non-employee directors and permits the grant of share-based awards to non-employee directors and consultants. Share-based awards made under the plan may be subject to accelerated vesting under certain circumstances, including in the event of a change in control. In addition, we have an Omnibus Employees' Stock Purchase Plan (ESPP), which enables eligible employees to purchase our common stock.

During the three and nine months ended July 26, 2026 and July 27, 2025, we recognized share-based compensation expense related to share-based awards and ESPP shares. The effect of share-based compensation on the results of operations was as follows:

	Three Months Ended		Nine Months Ended	
	July 26, 2026	July 27, 2025	July 26, 2026	July 27, 2025
	(In millions)			
Cost of products sold	\$ 45	\$ 40	\$ 133	\$ 118
Research, development and engineering	70	65	213	196
Marketing and selling	21	21	62	63
General and administrative	33	32	137	135
Total share-based compensation	\$ 169	\$ 158	\$ 545	\$ 512

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

The cost associated with share-based awards is typically recognized over the awards' service period for the entire award on a straight-line basis, adjusting for estimated forfeitures. However, in the case of share-based awards granted to certain members of senior management that allow for partial accelerated vesting in the event of a qualifying retirement based on age and years of service, the compensation expense is recognized once the individual meets the conditions for a qualifying retirement. We calculate the estimated forfeiture rate on an annual basis, based on historical forfeiture activities. The cost associated with share-based awards that include performance and/or market goals is recognized for each tranche over the service period. The cost of the portion of share-based awards subject to performance goals is recognized based on an assessment of the likelihood that the applicable performance goals will be achieved, and the cost of the portion of share-based awards subject to market goals is recognized based on the assumption of 100% achievement of the goal.

As of July 26, 2026, we had \$1.2 billion in total unrecognized compensation expense, net of estimated forfeitures, related to grants of share-based awards under the ESIP and shares issued under the ESPP, which will be recognized over a weighted average period of 2.7 years. As of July 26, 2026, there were 15 million shares available for grant of share-based awards under the ESIP, and an additional 7 million shares available for issuance under the ESPP.

Restricted Stock Units, Restricted Stock, Performance Share Units and Performance Units

A summary of the changes in restricted stock units, restricted stock, performance share units and performance units outstanding under our equity compensation plans during the nine months ended July 26, 2026 is presented below:

	Shares	Weighted Average Grant Date Fair Value
	(In millions, except per share amounts)	
Outstanding as of October 26, 2025	9	\$ 148.43
Granted	3	\$ 277.38
Vested	(3)	\$ 143.20
Canceled	(1)	\$ 159.02
Outstanding as of July 26, 2026	8	\$ 201.01

As of July 26, 2026, 0.7 million additional performance-based awards could be earned based upon achievement of certain levels of specified performance and/or market goals.

A summary of the weighted-average grant date fair value per share of the granted restricted stock units, restricted stock, performance share units and performance units and total fair value vested awards for indicated periods is presented below:

	Nine Months Ended	
	July 26, 2026	July 27, 2025
	(In millions, except per share amounts)	
Weighted average grant date fair value per share of awards granted	\$ 277.38	\$ 166.59
Total fair value of vested awards	\$ 544	\$ 522

During the first quarter of fiscal 2026, certain members of senior management were granted both awards subject solely to time-based vesting requirements and awards that are subject to the achievement of certain levels of specific performance and market goals, in addition to time-based vesting requirements (Performance-Based Awards). These Performance-Based Awards are subject to the achievement of targeted levels of non-GAAP economic profit and targeted levels of total shareholder return (TSR) relative to the TSR of the companies in the Standard & Poor's 500 Index. Each of these two metrics will be weighted 50% and will be measured over a three-year period.

The number of Performance-Based Awards that may vest in full after three years ranges from 0% to 200% of the target amount. The awards become eligible to vest only if the goals are achieved and will vest only if the grantee remains employed by us through each applicable vesting date, subject to a qualifying retirement based on age and years of service. The awards provide for a partial vesting based on actual performance at the conclusion of the three-year performance period in the event of a qualifying retirement.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

Omnibus Employees' Stock Purchase Plan

Under the ESPP, substantially all employees may purchase our common stock through payroll deductions at a price equal to 85 percent of the lower of the fair market value of our common stock at the beginning or end of each 6-month purchase period, subject to certain limits. Our purchasing cycles begin in March and September of each fiscal year. We issued a total of 1 million shares in each of the nine months ended July 26, 2026 and July 27, 2025. Compensation expense is calculated using the fair value of the employees' purchase rights under the Black-Scholes model. Underlying assumptions used in the model are outlined in the following table:

	Nine Months Ended	
	July 26, 2026	July 27, 2025
Dividend yield	0.57%	1.21%
Expected volatility	49.7%	42.3%
Risk-free interest rate	3.64%	4.27%
Expected life (in years)	0.5	0.5
Weighted average estimated fair value	\$109.16	\$41.47

Note 12 Income Taxes

Our provision for income taxes and effective tax rate are affected by the geographical composition of pre-tax income which includes jurisdictions with differing tax rates, conditional reduced tax rates and other income tax incentives. It is also affected by events that vary from period to period, such as changes in income tax laws and the resolution of prior years' income tax filings.

Our effective tax rates for the third quarter of fiscal 2026 and 2025 were 12.7 percent and 30.6 percent, respectively. The effective tax rate for the third quarter of fiscal 2026 was lower compared to the same period in the prior fiscal year, primarily due to the recognition of a valuation allowance against deferred tax assets related to corporate alternative minimum tax (CAMT) credits in fiscal 2025.

Our effective tax rates for the first nine months of fiscal 2026 and 2025 were 12.9 percent and 27.2 percent, respectively. The effective tax rate for the first nine months of fiscal 2026 was lower than the same period in the prior fiscal year, primarily due to a remeasurement of deferred tax assets resulting from new tax incentive agreements in Singapore, and the recognition of a valuation allowance against deferred tax assets related to CAMT credits in fiscal 2025.

Note 13 Guarantees, Commitments and Contingencies*Guarantees*

In the ordinary course of business, we provide standby letters of credit or other guarantee instruments to third parties as required for certain transactions initiated by either us or our subsidiaries. As of July 26, 2026, the maximum potential amount of future payments that we could be required to make under these guarantee agreements was approximately \$282 million. We have not recorded any liability in connection with these guarantee agreements beyond that required to appropriately account for the underlying transaction being guaranteed. We do not believe, based on historical experience and information currently available, that it is probable that any amounts will be required to be paid under these guarantee agreements.

We also have agreements with various banks to facilitate subsidiary banking operations worldwide, including overdraft arrangements, issuance of bank guarantees, and letters of credit. As of July 26, 2026, we have provided parent guarantees to banks for approximately \$293 million to cover these arrangements.

Legal Matters

From time to time, we receive notification from third parties, including customers and suppliers, seeking indemnification, litigation support, payment of money or other actions by us in connection with claims made against them. In addition, from time to time, we receive notification from third parties claiming that we may be or are infringing or misusing their intellectual property or other rights. We also are subject to various legal proceedings, government investigations or inquiries, and claims, both asserted and unasserted, that arise in the ordinary course of business. These matters are subject to uncertainties, and we cannot predict the outcome of these matters, or governmental inquiries or proceedings that may occur. Although the outcome of the above-described matters, claims and proceedings cannot be predicted with certainty, we do not believe at this time that any of the above-described matters will have a material effect on our consolidated financial condition or results of operations.

As previously disclosed, on February 11, 2026, we entered into a settlement agreement with the U.S. Commerce Department Bureau of Industry and Security (BIS) to resolve its inquiry relating to certain China customer shipments and export controls compliance and agreed to pay BIS an amount of \$253 million, which we paid in full during our second quarter of fiscal 2026. The settlement agreement with BIS requires us to conduct internal audits of our export controls compliance program and maintain export compliance training and reporting mechanisms. The settlement agreement also includes a denial order that is suspended and will be waived three years after the date of the order issued under the settlement agreement, provided that we have timely completed the audit requirements.

Note 14 Industry Segment Operations

Our two reportable segments are: Semiconductor Systems and Applied Global Services (AGS). Segment information is presented based upon our management organization structure as of July 26, 2026 and the distinctive nature of each segment. Future changes to this internal financial structure may result in changes to our reportable segments.

The Semiconductor Systems segment includes semiconductor capital equipment to enable materials engineering steps including etch, rapid thermal processing, deposition, chemical mechanical planarization, metrology and inspection, wafer packaging, and ion implantation.

The AGS segment provides integrated solutions to optimize equipment and fab performance and productivity, including services, spares and factory automation software for semiconductor and other products.

Effective the first quarter of fiscal 2026, we have moved our 200 millimeter (200mm) equipment business from our AGS segment to our Semiconductor Systems segment. We made this change in order to increase our operational efficiency and consolidate the reporting of our 200mm equipment with the reporting of our other capital equipment used to fabricate semiconductor chips in our Semiconductor Systems segment. In addition, effective in the first quarter of fiscal 2026, we are fully allocating corporate support costs to our reportable segments. Prior-period segment balances have been recast to conform to the current-year presentation.

Our President and Chief Executive Officer is our chief operating decision-maker (CODM). We derive the segment results directly from our internal management reporting system. The accounting policies we use to derive reportable segment results are substantially the same as those used for external reporting purposes. Management measures the performance of each reportable segment based upon several metrics including orders, revenue and operating income. Our CODM regularly reviews segment operating income to evaluate the performance of, and to assign resources to, each of the reportable segments. Actual results are compared to budgeted amounts as part of the CODM's assessment of each segment's performance and to make decisions about allocating resources to each segment. Our CODM does not evaluate operating segments using total asset information.

The Other category includes revenues, costs of products and operating expenses from other operating segments that do not meet the requirements for a reportable segment. We do not allocate to our reportable segments charges associated with restructuring actions, such as employee severance costs and asset impairment charges, unless the restructuring actions pertain to a specific reportable segment. Segment operating income also excludes interest income/expense and other financial charges and income taxes. Our CODM does not consider the unallocated costs in measuring the performance of the reportable segments.

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

Information for each reportable segment for and as of the end of each reporting period was as follows:

	Semiconductor Systems	Applied Global Services	Other	Total
(In millions, except percentages)				
Three Months Ended July 26, 2026				
Revenue	\$ 7,040	\$ 1,781	\$ 294	\$ 9,115
Cost of products sold	3,148	1,147	234	4,529
Gross profit	\$ 3,892	\$ 634	\$ 60	\$ 4,586
Gross margin	55.3 %	35.6 %		50.3 %
Operating expenses:				
Research, development and engineering	907	31	162	1,100
Selling, general and administrative	328	67	16	411
Operating income (loss)	\$ 2,657	\$ 536	\$ (118)	\$ 3,075
Operating margin	37.7 %	30.1 %		33.7 %
Depreciation and amortization	\$ 105	\$ 17	\$ 29	\$ 151
Capital expenditures	\$ 171	\$ 34	\$ 502	\$ 707
Balance as of July 26, 2026				
Accounts receivable	\$ 6,146	\$ 1,348	\$ 197	\$ 7,691
Inventories	\$ 4,408	\$ 1,906	\$ 250	\$ 6,564
Goodwill	\$ 2,691	\$ 983	\$ 199	\$ 3,873

	Semiconductor Systems	Applied Global Services	Other	Total
(In millions, except percentages)				
Nine Months Ended July 26, 2026				
Revenue	\$ 18,146	\$ 5,005	\$ 886	\$ 24,037
Cost of products sold	8,196	3,257	616	12,069
Gross profit	\$ 9,950	\$ 1,748	\$ 270	\$ 11,968
Gross margin	54.8 %	34.9 %		49.8 %
Operating expenses:				
Research, development and engineering	2,570	69	416	3,055
Selling, general and administrative	951	218	50	1,219
Legal settlement	253	—	—	253
Restructuring charges	—	—	12	12
Operating income (loss)	\$ 6,176	\$ 1,461	\$ (208)	\$ 7,429
Operating margin	34.0 %	29.2 %		30.9 %
Depreciation and amortization	\$ 287	\$ 47	\$ 79	\$ 413
Capital expenditures	\$ 367	\$ 58	\$ 1,563	\$ 1,988

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

	Semiconductor Systems	Applied Global Services	Other	Total
	(In millions, except percentages)			
Three Months Ended July 27, 2025				
Revenue	\$ 5,564	\$ 1,463	\$ 275	\$ 7,302
Cost of products sold	2,594	969	177	3,740
Gross profit	\$ 2,970	\$ 494	\$ 98	\$ 3,562
Gross margin	53.4 %	33.8 %		48.8 %
Operating expenses:				
Research, development and engineering	779	18	104	901
Selling, general and administrative	354	76	(2)	428
Operating income (loss)	\$ 1,837	\$ 400	\$ (4)	\$ 2,233
Operating margin	33.0 %	27.3 %		30.6 %
Depreciation and amortization	\$ 82	\$ 13	\$ 18	\$ 113
Capital expenditures	\$ 108	\$ 6	\$ 470	\$ 584
Balance as of July 27, 2025				
Accounts receivable	\$ 4,655	\$ 1,140	\$ (23)	\$ 5,772
Inventories	\$ 3,790	\$ 1,811	\$ 206	\$ 5,807
Goodwill	\$ 2,544	\$ 964	\$ 240	\$ 3,748

	Semiconductor Systems	Applied Global Services	Other	Total
	(In millions, except percentages)			
Nine Months Ended July 27, 2025				
Revenue	\$ 16,562	\$ 4,236	\$ 770	\$ 21,568
Cost of products sold	7,717	2,829	479	11,025
Gross profit	\$ 8,845	\$ 1,407	\$ 291	\$ 10,543
Gross margin	53.4 %	33.2 %		48.9 %
Operating expenses:				
Research, development and engineering	2,287	50	316	2,653
Selling, general and administrative	1,079	243	(9)	1,313
Operating income (loss)	\$ 5,479	\$ 1,114	\$ (16)	\$ 6,577
Operating margin	33.1 %	26.3 %		30.5 %
Depreciation and amortization	\$ 224	\$ 37	\$ 60	\$ 321
Capital expenditures	\$ 333	\$ 29	\$ 1,113	\$ 1,475

Semiconductor Systems revenue is recognized at a point in time. AGS revenue is recognized at a point in time for tangible goods such as spare parts and equipment, and over time for service agreements. The majority of revenue recognized over time is recognized within 12 months of the contract inception.

Two customers accounted for approximately 20% and 14%, respectively, of our revenue for the nine months ended July 26, 2026. No other customer accounted for greater than 10% of our revenue for the nine months ended July 26, 2026.

APPLIED MATERIALS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - (Continued)

Revenue for Semiconductor Systems by market for the periods presented was as follows:

	Three Months Ended		Nine Months Ended	
	July 26, 2026	July 27, 2025	July 26, 2026	July 27, 2025
Foundry, logic and other	67 %	69 %	65 %	68 %
Dynamic random-access memory (DRAM)	26 %	22 %	29 %	25 %
Flash memory (NAND)	7 %	9 %	6 %	7 %
	100 %	100 %	100 %	100 %

Revenue by geographic region, determined by the location of customers' facilities to which products were shipped and services were performed, was as follows:

	Three Months Ended						Nine Months Ended							
	July 26, 2026		July 27, 2025		Change	July 26, 2026		July 27, 2025		Change				
(In millions, except percentages)														
China	\$	2,506	28 %	\$	2,548	35 %	(2)%	\$	6,688	28 %	\$	6,565	30 %	2 %
Korea		1,521	17 %		1,160	16 %	31 %		4,551	19 %		4,389	20 %	4 %
Taiwan		2,025	22 %		1,843	25 %	10 %		5,902	25 %		5,023	23 %	17 %
Japan		839	9 %		713	10 %	18 %		1,987	8 %		1,825	9 %	9 %
Southeast Asia		374	4 %		195	3 %	92 %		894	4 %		616	3 %	45 %
Asia Pacific		7,265	80 %		6,459	89 %	12 %		20,022	84 %		18,418	85 %	9 %
United States		1,367	15 %		683	9 %	100 %		2,964	12 %		2,408	11 %	23 %
Europe		483	5 %		160	2 %	202 %		1,051	4 %		742	4 %	42 %
Total	\$	9,115	100 %	\$	7,302	100 %	25 %	\$	24,037	100 %	\$	21,568	100 %	11 %

Item 2. *Management’s Discussion and Analysis of Financial Condition and Results of Operations*

The following management’s discussion and analysis is provided in addition to the accompanying consolidated condensed financial statements and notes, and for a full understanding of our results of operations and financial condition should be read in conjunction with the consolidated condensed financial statements and notes included in this Form 10-Q and the financial statements and notes for the fiscal year ended October 26, 2025 contained in our Form 10-K filed on December 12, 2025.

This report contains forward-looking statements that involve a number of risks and uncertainties. Examples of forward-looking statements include those regarding our future financial or operating results, customer demand and spending, end-user demand, trends and outlooks in our markets and industries, cash flows and cash deployment strategies, declaration of dividends, share repurchases, business strategies and priorities, costs and cost controls, products, competitive positions, management’s plans and objectives for future operations, research and development, acquisitions, investments and divestitures, growth opportunities, restructuring and severance activities, backlog, working capital, liquidity, investment portfolio and policies, taxes, supply chain, manufacturing, properties, legal matters, claims and proceedings, and other statements that are not historical facts, as well as their underlying assumptions. Forward-looking statements may contain words such as “may,” “will,” “should,” “could,” “would,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “intend,” “potential” and “continue,” the negative of these terms, or other comparable terminology. All forward-looking statements are subject to risks and uncertainties and other important factors, including those discussed in Part II, Item 1A, “Risk Factors,” below and elsewhere in this report. These and many other factors could affect our future financial condition and operating results and could cause actual results to differ materially from expectations based on forward-looking statements made in this document or elsewhere by us or on our behalf. Forward-looking statements are based on management’s estimates, projections and expectations as of the date hereof, and we undertake no obligation to revise or update any such statements.

Overview

We provide equipment, services and software to the semiconductor and related industries. Our customers include manufacturers of semiconductor wafers and chips and other electronic devices. Our customers' products are used in a wide variety of products such as personal computing devices, mobile phones, artificial intelligence (AI) and data center servers, automobiles, connected devices, industrial applications and consumer electronics. Each of our segments is subject to variable industry conditions, as demand for equipment and services can change depending on supply and demand for chips and other electronic devices, as well as other factors, such as global economic, political and market conditions, and the nature and timing of technological advances in fabrication processes.

Our strategic priorities include developing products that help solve customers' challenges at technology inflections, growing our service business, and expanding our served market opportunities in the semiconductor industry. Our long-term growth strategy requires continued development of new materials engineering capabilities, including products and platforms that enable expansion into new and adjacent markets. Our significant investments in research, development and engineering (RD&E) are intended to enable us to deliver new products and technologies before the emergence of strong demand, allowing customers to incorporate these products into their manufacturing plans during early-stage technology selection. We collaborate closely with our global customers to design systems and processes to meet their technical and production requirements.

Our future operating results depend to a considerable extent on our ability to maintain a competitive advantage in the equipment and service products we provide. Development cycles depend on whether the product is an enhancement of an existing product, which typically has a shorter development cycle, or a new product, which typically has a longer development cycle. Most of our existing products resulted from internal development activities and innovations involving new technologies, materials and processes. In certain instances, we acquire technologies, either in existing or new product areas, to complement our existing technology capabilities and to reduce time to market. Product development and manufacturing activities occur primarily in the United States, Europe, Israel, and Asia. Our portfolio of equipment and service products is highly technical and is sold primarily through a direct sales force.

We believe that it is critical to make substantial investments in RD&E to assure the availability of innovative technology that meets the current and projected requirements of our customers' most advanced designs. We have invested and continue to invest in RD&E in order to continue to offer new products and technologies.

We operate in two reportable segments: Semiconductor Systems and Applied Global Services® (AGS). A summary of financial information for each reportable segment is found in Note 14 of Notes to Consolidated Condensed Financial Statements. A discussion of factors that could affect our operations is set forth under "Risk Factors" in Part II, Item 1A, which is incorporated herein by reference.

Our results are driven primarily by customer spending on capital equipment and services to support key technology transitions or changes in production volume in response to worldwide demand for semiconductors.

The Semiconductor Systems segment is comprised primarily of capital equipment used to fabricate semiconductor chips. Spending by semiconductor customers, which include companies that operate in the foundry, logic, memory, and other semiconductor chip markets, is driven by demand for products such as smartphones, mobile devices, personal computers (PC), servers for AI and data centers, automobiles, clean energy, storage, and other products, and the nature and timing of technological advances in fabrication processes. The growth of data and emerging end-market drivers such as AI, the internet of things, robotics and smart vehicles are also creating the next wave of growth for the industry. As a result, products within the Semiconductor Systems segment are subject to significant changes in customer requirements, including transitions to smaller dimensions, increasingly complex chip architectures, new materials and an increasing number of applications. Spending can also depend on customer facility readiness and timeline for installation of capital equipment at customer sites. Development efforts are focused on solving customers' key technical challenges in patterning, transistor, interconnect, process control, and packaging performance.

The AGS segment provides services, spares and factory automation software to customer fabrication plants globally to help customers optimize performance of our large, global installed base of semiconductor and other products. Demand for AGS' service and spares is driven by our large and growing installed base of manufacturing systems, and customers' needs to shorten ramp times, improve system performance, and optimize factory output and operating costs. Industry conditions that affect AGS' sales of spares and services are primarily characterized by changes in semiconductor manufacturers' wafer starts and utilization rates, growth of the installed base of equipment and growing service intensity of newer tools. Our strategy is to continue to shift the AGS' service and spares business to a subscription agreement model, improving customer factory performance and optimizing operating costs, and providing us a more predictable revenue stream.

Effective the first quarter of fiscal 2026, we have moved our 200 millimeter (200mm) equipment business from our AGS segment to our Semiconductor Systems segment. We made this change in order to increase our operational efficiency and consolidate the reporting of our 200mm equipment with the reporting of our other capital equipment used to fabricate semiconductor chips in our Semiconductor Systems segment. In addition, effective in the first quarter of fiscal 2026, we are fully allocating corporate support costs to our reportable segments. Prior-period segment balances have been recast to conform to the current-year presentation.

The Other category includes revenues, costs of products and operating expenses from other operating segments that do not meet the requirements for a reportable segment. We do not allocate to our reportable segments charges associated with restructuring actions, such as employee severance costs and asset impairment charges, unless the restructuring actions pertain to a specific reportable segment. Segment operating income also excludes interest income/expense and other financial charges and income taxes.

The United States government has implemented export regulations for U.S. semiconductor technology sold or provided to customers in China, which have limited our ability to provide certain products and services to customers in China, over the past several years. The U.S. government continues to issue new export licensing requirements, and additional updates and other requirements that have had the effect of further limiting our ability to provide certain products and services to customers outside the U.S., including in China. Also, the United States has announced changes to its trade policy, including increased tariffs on imports. These actions have caused substantial uncertainty and have resulted in retaliatory measures, including new tariffs on U.S. goods imposed by China and other countries. Some of these actions have been followed by announcements of limited exemptions and temporary pauses. For a description of these risks, see the risk factors entitled *"Business and Industry Risks - Global trade issues and changes in and uncertainties with respect to trade policies and export regulations, including import and export license requirements, trade sanctions, tariffs and international trade disputes, have adversely impacted and could further adversely impact our business and operations, and reduce the competitiveness of our products and services relative to local and global competitors"* and *"Business and Industry Risks - We are exposed to risks and uncertainty related to changes in trade policies, and increased tariffs and trade disputes"* in Part II, Item 1A, "Risk Factors."

Results of Operations

Fiscal 2026 and 2025 each contain 52 weeks and the first nine months of fiscal 2026 and 2025 each contained 39 weeks.

The following table presents certain significant measurements for the periods presented:

	Three Months Ended			Nine Months Ended		
	July 26, 2026	July 27, 2025	Change	July 26, 2026	July 27, 2025	Change
(In millions, except per share amounts and percentages)						
Revenue	\$ 9,115	\$ 7,302	\$ 1,813	\$ 24,037	\$ 21,568	\$ 2,469
Gross margin	50.3 %	48.8 %	1.5 points	49.8 %	48.9 %	0.9 points
Operating income	\$ 3,075	\$ 2,233	\$ 842	\$ 7,429	\$ 6,577	\$ 852
Operating margin	33.7 %	30.6 %	3.1 points	30.9 %	30.5 %	0.4 points
Net income	\$ 2,538	\$ 1,779	\$ 759	\$ 7,370	\$ 5,101	\$ 2,269
Earnings per diluted share	\$ 3.17	\$ 2.22	\$ 0.95	\$ 9.22	\$ 6.29	\$ 2.93

Revenue

Revenue by segment for the periods presented was as follows:

	Three Months Ended			Nine Months Ended		
	July 26, 2026	July 27, 2025	Change	July 26, 2026	July 27, 2025	Change
(In millions, except percentages)						
Semiconductor Systems	\$ 7,040	\$ 5,564	27 %	\$ 18,146	\$ 16,562	10 %
Applied Global Services	1,781	1,463	22 %	5,005	4,236	18 %
Other	294	275	7 %	886	770	15 %
Total	<u>\$ 9,115</u>	<u>\$ 7,302</u>	<u>25 %</u>	<u>\$ 24,037</u>	<u>\$ 21,568</u>	<u>11 %</u>

Revenue for Semiconductor Systems by market for the periods presented was as follows:

	Three Months Ended		Nine Months Ended	
	July 26, 2026	July 27, 2025	July 26, 2026	July 27, 2025
Foundry, logic and other	67 %	69 %	65 %	68 %
Dynamic random-access memory (DRAM)	26 %	22 %	29 %	25 %
Flash memory (NAND)	7 %	9 %	6 %	7 %
	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>

Revenue in the three and nine months ended July 26, 2026 increased compared to the same periods in the prior year. Gross margin in the three and nine months ended July 26, 2026 increased compared to the same periods in the prior year primarily driven by higher revenue, increases in average selling prices, and lower material and manufacturing costs. The increase in gross margin in the three months ended July 26, 2026 was also driven by favorable changes in product mix.

The Semiconductor Systems segment remained our largest revenue contributor for which revenue increased for the three and nine months ended July 26, 2026, compared to the same periods in the prior year. The increase in foundry and logic customers' spending for the three and nine months ended July 26, 2026 reflected stronger demand for leading-edge manufacturing technologies. For the nine months ended July 26, 2026, this increase was partially offset by lower customer demand for trailing-edge logic systems. Memory customers' spending in the three and nine months ended July 26, 2026 was higher compared to the same periods in the prior year due to increased customer investments in DRAM technology transitions.

Our AGS revenue increased in the three and nine months ended July 26, 2026 compared to the same periods in the prior year primarily due to higher long-term service agreement revenue and customer spending on spares.

Revenue by geographic region, determined by the location of customers' facilities to which products were shipped and services were performed, was as follows:

	Three Months Ended						Nine Months Ended							
	July 26, 2026		July 27, 2025		Change	July 26, 2026		July 27, 2025		Change				
(In millions, except percentages)														
China	\$	2,506	28 %	\$	2,548	35 %	(2)%	\$	6,688	28 %	\$	6,565	30 %	2 %
Korea		1,521	17 %		1,160	16 %	31 %		4,551	19 %		4,389	20 %	4 %
Taiwan		2,025	22 %		1,843	25 %	10 %		5,902	25 %		5,023	23 %	17 %
Japan		839	9 %		713	10 %	18 %		1,987	8 %		1,825	9 %	9 %
Southeast Asia		374	4 %		195	3 %	92 %		894	4 %		616	3 %	45 %
Asia Pacific		7,265	80 %		6,459	89 %	12 %		20,022	84 %		18,418	85 %	9 %
United States		1,367	15 %		683	9 %	100 %		2,964	12 %		2,408	11 %	23 %
Europe		483	5 %		160	2 %	202 %		1,051	4 %		742	4 %	42 %
Total	\$	9,115	100 %	\$	7,302	100 %	25 %	\$	24,037	100 %	\$	21,568	100 %	11 %

Operating Expenses

Operating expenses for the periods presented were as follows:

	Three Months Ended			Nine Months Ended		
	July 26, 2026		July 27, 2025		July 26, 2026	July 27, 2025
				Change		Change
(In millions)						
Research, development and engineering (RD&E)	\$ 1,100	\$ 901	\$ 199	\$ 3,055	\$ 2,653	\$ 402
Marketing and selling	\$ 249	\$ 224	\$ 25	\$ 704	\$ 646	\$ 58
General and administrative (G&A)	\$ 162	\$ 204	\$ (42)	\$ 515	\$ 667	\$ (152)
Legal settlement	\$ —	\$ —	\$ —	\$ 253	\$ —	\$ 253
Restructuring charges	\$ —	\$ —	\$ —	\$ 12	\$ —	\$ 12

RD&E expenses for the three and nine months ended July 26, 2026 increased compared to the same periods in the prior year, primarily due to additional headcount to support our ongoing investments in product development initiatives and higher depreciation expenses, consistent with our growth strategy. We continued to prioritize RD&E investments in technical capabilities and critical RD&E programs in current and new markets.

Marketing and selling expenses for the three and nine months ended July 26, 2026 increased compared to the same periods in the prior year primarily due to higher employee related expenses and higher corporate support costs.

G&A expenses for the three and nine months ended July 26, 2026 decreased compared to the same periods in the prior year primarily due to lower corporate support costs.

In the first nine months of fiscal 2026, we recorded a charge of \$253 million related to a settlement agreement which resolved a previously disclosed export controls compliance matter. See the information under the heading “Legal Matters” in Note 13 of the Notes to Consolidated Condensed Financial Statements for information regarding this matter and the settlement agreement.

In the first nine months of fiscal 2026, we recognized \$12 million in restructuring charges, consisting primarily of severance and other employment termination benefits incurred in connection with the approved Fiscal 2025 Restructuring Plan.

Interest Expense and Interest and Other Income (expense), net

Interest expense and interest and other income (expense), net for the periods presented were as follows:

	Three Months Ended			Nine Months Ended		
	July 26, 2026	July 27, 2025	Change	July 26, 2026	July 27, 2025	Change
(In millions)						
Interest expense	\$ 68	\$ 66	\$ 2	\$ 206	\$ 198	\$ 8
Interest and other income (expense), net	\$ (100)	\$ 396	\$ (496)	\$ 1,237	\$ 625	\$ 612

Interest expense incurred was primarily associated with our senior unsecured notes. Interest expense in the nine months ended July 26, 2026 increased compared to the same period in the prior year, primarily due to our issuance of senior unsecured notes in September 2025.

Interest and other income (expense), net in the three months ended July 26, 2026 decreased compared to the same period in the prior year, primarily driven by higher unrealized loss on equity investments. Interest and other income (expense), net in the nine months ended July 26, 2026 increased compared to the same period in the prior year, primarily driven by higher net unrealized gain on equity investments.

Income Taxes

Provision for income taxes and effective tax rates for the periods presented were as follows:

	Three Months Ended			Nine Months Ended		
	July 26, 2026	July 27, 2025	Change	July 26, 2026	July 27, 2025	Change
(In millions, except percentages)						
Provision for income taxes	\$ 369	\$ 784	\$ (415)	\$ 1,090	\$ 1,903	\$ (813)
Effective income tax rate	12.7 %	30.6 %	(17.9) points	12.9 %	27.2 %	(14.3) points

Our provision for income taxes and effective tax rate are affected by the geographical composition of pre-tax income, which includes jurisdictions with differing tax rates, conditional reduced tax rates and other income tax incentives. It is also affected by events that vary from period to period, such as changes in income tax laws and the resolution of prior years’ income tax filings.

Our effective tax rates for the third quarter of fiscal 2026 and 2025 were 12.7 percent and 30.6 percent, respectively. The effective tax rate for the third quarter of fiscal 2026 was lower compared to the same period in the prior fiscal year, primarily due to the recognition of a valuation allowance against deferred tax assets related to corporate alternative minimum tax (CAMT) credits in fiscal 2025.

Our effective tax rates for the first nine months of fiscal 2026 and 2025 were 12.9 percent and 27.2 percent, respectively. The effective tax rate for the first nine months of fiscal 2026 was lower than the same period in the prior fiscal year, primarily due to a remeasurement of deferred tax assets resulting from new tax incentive agreements in Singapore, and the recognition of a valuation allowance against deferred tax assets related to CAMT credits in fiscal 2025.

Segment Operating Income (Loss)

Operating income (loss) by segment for the periods presented was as follows:

	Three Months Ended				Nine Months Ended			
	July 26, 2026	July 27, 2025	Change		July 26, 2026	July 27, 2025	Change	
	(In millions, except percentages and ratios)							
Operating income (loss)								
Semiconductor Systems	\$ 2,657	\$ 1,837	\$ 820	45 %	\$ 6,176	\$ 5,479	\$ 697	13 %
Applied Global Services	536	400	136	34 %	1,461	1,114	347	31 %
Other	(118)	(4)	(114)	NM*	(208)	(16)	(192)	NM*
Total	<u>\$ 3,075</u>	<u>\$ 2,233</u>	<u>\$ 842</u>		<u>\$ 7,429</u>	<u>\$ 6,577</u>	<u>\$ 852</u>	
Operating margin								
Semiconductor Systems	37.7 %	33.0 %	4.7 points		34.0 %	33.1 %	0.9 points	
Applied Global Services	30.1 %	27.3 %	2.8 points		29.2 %	26.3 %	2.9 points	

*Not meaningful

Semiconductor Systems' operating margin for the three months ended July 26, 2026 increased compared to the same period in the prior year primarily driven by higher revenue, favorable changes in product mix, increases in average selling prices and lower material and manufacturing costs, partially offset by increased RD&E expenses. Semiconductor Systems' operating margin for the nine months ended July 26, 2026 increased compared to the same period in the prior year primarily driven by higher revenue, increases in average selling prices and lower material and manufacturing costs, partially offset by increased RD&E expenses and a legal settlement charge related to a previously disclosed export controls compliance matter.

AGS' operating margin for the three and nine months ended July 26, 2026 increased compared to the same periods in the prior year primarily due to higher revenue from services and spares and favorable changes in customer and product mix.

Recent Accounting Pronouncements

Accounting Standards Not Yet Adopted

Environmental Credits and Environmental Credit Obligations. In May 2026, the Financial Accounting Standards Board (FASB) issued an accounting standard update establishing guidance for the accounting for environmental credits and environmental credit obligations. The standard provides recognition, measurement, presentation and disclosure requirements for environmental credits and related environmental credit obligations. This authoritative guidance will be effective for us beginning with our interim and annual reporting for fiscal year 2029, with early adoption permitted. We are evaluating the effect of this guidance on our consolidated financial statements and related disclosures.

Accounting for Government Grants Received by Business Entities. In December 2025, the FASB issued an accounting standard update establishing authoritative guidance on the accounting for government grants received by business entities, including grants related to an asset and grants related to income. This authoritative guidance will be effective for us beginning with our interim and annual reporting for fiscal year 2030, with early adoption permitted. The standard allows for adoption on a modified prospective, modified retrospective, or full retrospective basis. We are evaluating the effect of this guidance on our consolidated financial statements and related disclosures.

Targeted Improvements to the Accounting for Internal-Use Software. In September 2025, the FASB issued an accounting standard update to increase the operability of the recognition guidance considering different methods of software development by replacing the current stage-based capitalization model with a principles-based approach. Under the new guidance, costs are capitalized once management authorizes and commits to funding the software project, and it is probable that both the project will be completed and the software will be used to perform the function intended. This authoritative guidance will be effective for us beginning with our interim and annual reporting for fiscal year 2029, with early adoption permitted. We are evaluating the effect of this guidance on our consolidated financial statements and related disclosures.

Disaggregation of Income Statement Expenses. In November 2024, the FASB issued an accounting standard update to improve income statement expenses disclosures (Subtopic 220-40). The standard requires more detailed information related to the types of expenses, including (among other items) the amounts of purchases of inventory, employee compensation, depreciation and intangible asset amortization included within each interim and annual income statement's expense caption, as applicable. This authoritative guidance can be applied prospectively or retrospectively and will be effective for us in fiscal 2028 for annual periods and in the first quarter of fiscal 2029 for interim periods, with early adoption permitted. We are evaluating the effect of this guidance on our consolidated financial statements and related disclosures.

Improvements to Income Tax Disclosures. In December 2023, the FASB issued an accounting standard update to improve income tax disclosures (Topic 740). The standard prescribes specific categories for the components of the effective tax rate reconciliation, requires disclosure of income taxes paid by jurisdiction, and modifies other income tax-related disclosures. This authoritative guidance will be effective for us beginning with our annual reporting for fiscal year 2026 and the adoption is expected to expand the disclosures in our notes to the consolidated financial statements.

Accounting Standards Adopted

For a description of recently adopted accounting standards, including the date of adoption and the effect, if any, on our consolidated financial statements, see Note 1 "Basis of Presentation and Recently Adopted Accounting Standards," of the Notes to Consolidated Condensed Financial Statements.

Financial Condition, Liquidity and Capital Resources

Our cash, cash equivalents and investments consisted of the following:

	July 26, 2026	October 26, 2025
	(In millions)	
Cash and cash equivalents	\$ 7,037	\$ 7,241
Short-term investments	2,196	1,332
Long-term investments	5,268	4,327
Total cash, cash equivalents and investments	<u>\$ 14,501</u>	<u>\$ 12,900</u>

Sources and Uses of Cash

A summary of cash provided by (used in) operating, investing, and financing activities was as follows:

	Nine Months Ended	
	July 26, 2026	July 27, 2025
	(In millions)	
Cash provided by operating activities	\$ 5,568	\$ 5,130
Cash used in investing activities	\$ (3,152)	\$ (2,643)
Cash used in financing activities	\$ (2,634)	\$ (5,146)

Operating Activities

Cash from operating activities for the nine months ended July 26, 2026 was \$5.6 billion, which reflects net income adjusted for the effect of non-cash charges and changes in working capital components. Significant non-cash charges included depreciation, amortization, gain or loss on investments or asset sales, share-based compensation, deferred income taxes and restructuring charges. Cash provided by operating activities increased in the first nine months of fiscal 2026 compared to the same period in the prior fiscal year primarily due to higher net income and lower payments for income taxes, partially offset by a higher accounts receivable balance and higher vendor payments.

Our working capital was \$14.7 billion as of July 26, 2026 and \$12.9 billion as of October 26, 2025.

Days sales outstanding of our accounts receivable at July 26, 2026 and July 27, 2025 were 77 days and 72 days, respectively. Days sales outstanding varies due to the timing of shipments and payment terms. The increase in days sales outstanding was primarily driven by higher down payment invoices for which revenue has not yet been recognized as of July 26, 2026 and lower accounts receivable factoring compared to the same period in the prior year.

Investing Activities

We used \$3.2 billion of cash in investing activities during the nine months ended July 26, 2026. Capital expenditures totaled \$2.0 billion and purchases of investments, net of proceeds from sales and maturities of investments, were \$908 million and net cash paid for acquisitions was \$262 million, partially offset by net proceeds from asset sale of \$6 million, during the nine months ended July 26, 2026.

Our investment portfolio consists principally of investment grade money market mutual funds, U.S. Treasury and agency securities, municipal bonds, corporate bonds and mortgage-backed and asset-backed securities, as well as equity securities. We regularly monitor the credit risk in our investment portfolio and take appropriate measures, which may include the sale of certain securities, to manage such risks prudently in accordance with our investment policies.

Financing Activities

We used \$2.6 billion of cash in financing activities during the nine months ended July 26, 2026, consisting primarily of cash used for repurchases of common stock of \$1.2 billion, cash dividends paid to stockholders totaling \$1.2 billion, tax withholding payments for vested equity awards of \$437 million and net payments on commercial paper notes of \$1 million, partially offset by proceeds received from common stock issuances of \$131 million under our employees' stock purchase plan.

We currently anticipate that cash dividends will continue to be paid on a quarterly basis, although the declaration of any future cash dividend is at the discretion of the Board of Directors and will depend on our financial condition, results of operations, capital requirements, business conditions and other factors, as well as a determination by the Board of Directors that cash dividends are in the best interests of our stockholders.

In March 2025, our Board of Directors approved a common stock repurchase program authorizing \$10.0 billion in repurchases, which supplemented the previous \$10.0 billion authorization approved in March 2023. As of July 26, 2026, approximately \$12.8 billion remained available for future stock repurchases under the repurchase program.

We have credit facilities for unsecured borrowings in various currencies of up to an aggregate amount of \$4.0 billion. These credit facilities consist of a \$2.0 billion five-year committed revolving credit agreement with a group of banks (Five-Year Credit Agreement), a \$2.0 billion 364-day committed revolving credit agreement with a group of banks (364-Day Credit Agreement), and revolving credit facilities with Japanese banks pursuant to which we may borrow up to approximately \$49 million in aggregate at any time. The Five-Year Credit Agreement is scheduled to expire in February 2030, unless extended as permitted under the terms of the agreement. The 364-Day Credit Agreement is scheduled to expire in September 2026, provided, however, if any loans are outstanding on the maturity date, we may convert all or part of such loans to term loans that will mature in September 2027, subject to payment of a fee by us and other customary conditions. The Five-Year Credit Agreement and the 364-Day Credit Agreement each include financial and other covenants with which we were in compliance as of July 26, 2026. No amounts were outstanding under any of these credit facilities as of July 26, 2026. See Note 9, Borrowing Facilities and Debt, of the Notes to the Consolidated Condensed Financial Statements for further discussion related to our Revolving Credit Agreement and other credit facilities.

We have a short-term commercial paper program under which we may issue unsecured commercial paper notes up to a total of \$4.0 billion. The proceeds from the issuances of commercial paper are used for general corporate purposes. As of July 26, 2026, we had commercial paper notes outstanding with an aggregate principal amount of \$100 million.

We had senior unsecured notes in the aggregate principal amount of \$6.5 billion outstanding as of July 26, 2026. See Note 9 of the Notes to the Consolidated Condensed Financial Statements for additional discussion of existing debt.

We may seek to refinance our existing debt and may incur additional indebtedness depending on our capital requirements, general corporate purposes and the availability of financing.

In the ordinary course of business, we provide standby letters of credit or other guarantee instruments to third parties as required for certain transactions initiated by either us or our subsidiaries. We also have agreements with various banks to facilitate subsidiary banking operations worldwide, including overdraft arrangements, issuance of bank guarantees, and letters of credit. See Note 13 of the Notes to the Consolidated Condensed Financial Statements for additional discussion related to our guarantee agreements and arrangements.

Other

On December 22, 2017, the U.S. government enacted the Tax Cuts and Jobs Act (Tax Act). The Tax Act required a one-time transition tax on certain unrepatriated earnings of foreign subsidiaries to be paid in installments beginning in fiscal 2018. The transition tax expense has been fully paid in fiscal 2026.

On August 9, 2022, the U.S. government enacted the U.S. CHIPS and Science Act (CHIPS Act). The CHIPS Act creates a 25% investment tax credit for certain investments in domestic semiconductor manufacturing. The credit is provided for qualifying property, which is placed in service after December 31, 2022, for which construction begins before January 1, 2027, and is treated as a government grant recognized against property, plant and equipment and a reduction of income taxes payable or an increase to taxes receivable for any credit expected to be refunded. We recognize this investment tax credit when there is reasonable assurance that we will qualify for the credit and the benefit will be received. As of July 26, 2026, we have recorded \$1.2 billion of investment tax credits, of which \$41 million was recorded in other current assets and will offset fiscal 2026 income tax liabilities, and \$1.2 billion was recorded in deferred income taxes and other assets and is expected to be refunded.

On July 4, 2025, the U.S. government enacted the One Big Beautiful Bill Act (OBBBA). The OBBBA includes a broad range of tax reform provisions including extending and modifying certain key Tax Act provisions and expanding certain CHIPS Act incentives. These changes include full expensing of domestic research costs, immediate expensing of qualifying property and increasing the investment tax credit for certain investments in domestic semiconductor manufacturing from 25% to 35%. Key tax provisions of the OBBBA are designed to accelerate tax deductions but that may have a detrimental impact on our ability to use certain tax credits. The use of certain tax credits may not be economically viable if it requires electing to forgo significant tax deductions. Most of the provisions are effective beginning in fiscal years 2026 or 2027. The most impactful provisions in fiscal year 2026 include immediate expensing of U.S. performed research costs and the increase in the investment tax credit from 25% to 35% for qualifying property placed in service after December 31, 2025.

Various countries where we do business have enacted or plan to enact new tax laws to implement the global minimum tax regimes based on the Organization for Economic Cooperation and Development Base Erosion and Profit Shifting Project, and where enacted, the rules began to be effective in fiscal 2025. The currently enacted legislation is expected to materially increase our foreign taxes beginning in the first quarter of fiscal 2026, primarily due to the implementation of the global minimum tax regime in Singapore. We continue to monitor developments and evaluate impacts, if any, of these rules on our results of operations and cash flows. Tax authorities and standard-setting bodies continue to issue new guidance, and the ultimate impact of these rules remains subject to ongoing interpretation and implementation. The adoption and effective dates of these rules vary by country and could increase tax complexity and uncertainty and may adversely affect our provision for income taxes in future years.

We have been granted additional conditional reduced tax rates in Singapore that expire beginning in fiscal 2030.

Although cash requirements will fluctuate based on the timing and extent of factors such as those discussed above, our management believes that cash generated from operations, together with the liquidity provided by existing cash balances and borrowing capability, will be sufficient to satisfy our liquidity requirements for the next 12 months. For further details regarding our operating, investing and financing activities, see the Consolidated Condensed Statements of Cash Flows in this report.

Critical Accounting Estimates

The preparation of consolidated financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires management to make judgments, assumptions and estimates that affect the amounts reported.

Estimates and assumptions about future events and their effects cannot be determined with certainty. We base our estimates on historical experience and on various other assumptions believed to be applicable and reasonable under the circumstances. These estimates may change as new events occur, as additional information is obtained and as our operating environment changes. These changes have historically been minor and have been included in the consolidated financial statements as soon as they became known. In addition, management is periodically faced with uncertainties, the outcomes of which are not within our control and will not be known for prolonged periods of time. These uncertainties include those discussed in Part II, Item 1A, “Risk Factors.”

Consistent with what we disclosed in Item 7 of our fiscal 2025 Form 10-K that was filed on December 12, 2025, management believes that Income Taxes are a critical accounting estimate.

Item 3: Quantitative and Qualitative Disclosures About Market Risk

We are exposed to financial market risks, including fluctuations in interest rates and foreign currency exchange rates. For information about our exposure to market risks as of October 26, 2025, see Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk in our Annual Report on Form 10-K for the fiscal year ended October 26, 2025.

Interest Rate Risk

Available-for-sale Debt Securities – We are subject to interest rate risk related to our investments in debt securities. The market value of our investments in available-for-sale securities was approximately \$5.0 billion at July 26, 2026. An immediate hypothetical 100 basis point increase in interest rates would result in a decrease in the fair value of investments as of July 26, 2026 of approximately \$49 million.

Debt - We are subject to interest rate volatility with regard to existing and future issuances of debt. At July 26, 2026, the aggregate principal amount of long-term senior unsecured notes issued by us was \$5.3 billion with an estimated fair value, excluding the associated interest rate swaps, of \$4.7 billion. A hypothetical decrease in interest rates of 100 basis points would result in an increase in the fair value of our long-term senior note issuances of approximately \$390 million at July 26, 2026. From time to time, we use interest rate swaps or rate lock agreements to mitigate the potential impact of changes in benchmark interest rates on interest expense and cash flows. A hypothetical 100 basis point increase in interest rates would result in a decrease in the fair value of these hedging contracts of \$34 million at July 26, 2026.

Foreign Currency Risk

Certain of our operations are conducted in foreign currencies, such as Japanese yen, Israeli shekel, euro and Taiwanese dollar. Hedges are used to reduce, but not eliminate, the impact of foreign currency exchange rate movements on the consolidated balance sheet, statement of operations, and statement of cash flows. A hypothetical 10% adverse change in foreign currency exchange rates relative to the U.S. Dollar would result in a decrease in the fair value of these hedging contracts of \$301 million at July 26, 2026.

We use primarily foreign currency forward contracts to offset the impact of foreign exchange movements on non-U.S. dollar denominated monetary assets and liabilities. The foreign exchange gains and losses on the assets and liabilities are recorded in interest and other income (expense), net and are offset by the gains and losses on the hedges.

We use foreign currency forward and option contracts to hedge a portion of anticipated non-U.S. dollar denominated revenues and expenses expected to occur within the next 24 months. Gains and losses on these hedging contracts generally mitigate the effect of currency movements on our revenue, cost of products sold, and operating expenses.

We do not use foreign currency forward or option contracts for trading or speculative purposes.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

As of the end of the period covered by this report, our management conducted an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures, as such term is defined in Rule 13a-15(e) of the Securities Exchange Act of 1934 (the Exchange Act). Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report in ensuring that information required to be disclosed was recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and to provide reasonable assurance that information required to be disclosed by us in such reports is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

During the third quarter of fiscal 2026, there were no changes in the internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Exchange Act, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations of Disclosure Controls and Procedures and Internal Control over Financial Reporting

It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system will be met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events.

PART II. OTHER INFORMATION

Item 1. *Legal Proceedings*

The information set forth under “Legal Matters” in Note 13 of the Notes to Consolidated Condensed Financial Statements is incorporated herein by reference. See also “*Risk Factors – Legal, Compliance, and Other Risks – We are exposed to risks related to legal proceedings, claims and investigations.*” in Part II, Item 1A, “Risk Factors.”

Item 1A: Risk Factors

The risk factors set forth below include any material changes to, and supersede the description of, the risk factors disclosed in Part I, Item 1A of our most recent Form 10-K. These factors could materially and adversely affect our business, financial condition or results of operations and cause reputational harm, and should be carefully considered in evaluating our business, in addition to other information presented elsewhere in this report.

Business and Industry Risks***The industries we serve can be volatile and difficult to predict.***

The industries in which we operate, including the global semiconductor industry, have historically been cyclical and are subject to volatility in customer demand. Demand for our products and services is impacted by technology inflections and advances in fabrication processes, new and emerging technologies and market drivers, production capacity relative to demand for semiconductor chips and electronic devices, end-user demand, the timing of customers' investment in new or expanded fabrication plants, customers' capacity utilization, production volumes, access to affordable capital, business and consumer buying patterns and general economic and political conditions. Changes in the timing, amounts and mix of our customers' investments in technology and manufacturing equipment and between different products can significantly impact our operating results.

The growth of technologies related to artificial intelligence (AI) is a significant demand driver for the industries we serve and can require us to respond to rapid changes in demand for our products and services. If we are unable to meet the level of demand from our customers it may result in a loss of business or customer trust. The timing and amount of investments by our customers related to AI and other advanced technologies can change significantly and the related demand for our products and services is difficult to forecast. To meet our customers' demand, we must accurately forecast demand and effectively manage our resources, investments, production capacity, supply chain, workforce, inventory and other components of our business. We may incur costs in anticipation of demand that may not be realized or sustained, as well as unexpected costs to align our operations with changes in demand. If we do not effectively manage these challenges, our business performance and operating results may be adversely impacted. Even with effective allocation of resources and management of costs, our gross and operating margins, cash flows and earnings may be adversely impacted during periods of changing demand.

We are exposed to risks associated with an uncertain global economy.

Our business and the industries we serve are subject to uncertain and adverse economic and business conditions, including volatility in financial markets, national debt, fiscal or monetary concerns, inflation, changes in interest rates, bank failures, tariffs and trade policies, and economic recession. These conditions have caused, and may in the future cause, our customers to delay, cancel or reduce purchases of our equipment or services. Customers may also scale back operations, exit businesses, consolidate, or file for bankruptcy. Consolidation or strategic alliances among other equipment manufacturers could also intensify competition and adversely affect our market position. These conditions make it more difficult to forecast operating and financial results and make business and investment decisions. We may be required to implement additional cost reduction efforts, including restructuring activities, which could impair our ability to capitalize on opportunities. Even during periods of economic uncertainty or lower demand, we must continue to invest in research and development and maintain a global business infrastructure to compete effectively and support our customers. The consequences of these conditions could have an adverse effect on our business, financial condition and results of operations.

Our investment portfolio is subject to general credit, liquidity, market and interest rate risks, which may be exacerbated by inflation, rising interest rates, bank failures or economic recession. These factors could reduce the value or liquidity of our investments or pension assets and result in impairment charges. We also maintain cash balances at financial institutions worldwide, and the insolvency of any such institution could restrict access to our cash and adversely affect our ability to manage operations.

We are exposed to the risks of operating a global business.

We have product development, engineering, manufacturing, sales and other operations in many countries, and some activities are concentrated in certain regions. In the three-month period ended July 26, 2026, approximately 85% of our revenue was from customers outside the United States. Due to the global nature of our operations, a number of factors could adversely impact our business, financial condition and results of operations. These factors include global political and social conditions, such as policies or regulations within countries, including China, the United States and countries in Europe and Asia, that favor domestic companies or promote the development and growth of local competitors to us, or regarding national, commercial or security issues. Other factors include geopolitical turmoil, acts of war or social unrest; our ability to maintain appropriate business processes, procedures and internal controls in our geographically diverse operations; delays or restrictions on personnel travel and in shipping materials or products; our ability to develop relationships with local customers, suppliers and

governments; performance of our geographically diverse third-party providers; regional or global health epidemics, natural disasters and extreme and chronic weather events; fluctuations in interest rates and currency exchange rates; and other factors discussed in this Risk Factors section. Ongoing conflict in the Middle East can exacerbate the foregoing factors and lead to regional instability and global economic uncertainty, including global or regional inflation, economic recession, challenges in purchasing materials used by us or by our customers in the manufacture of semiconductor chips, and disruptions to our supply chain and logistics. Any of these factors may adversely impact our business and manufacturing operations or demand for our products and services, and our performance and results of operations may be adversely affected.

Global trade issues and changes in and uncertainties with respect to trade policies and export regulations, including import and export license requirements, trade sanctions, tariffs and international trade disputes, have adversely impacted and could further adversely impact our business and operations, and reduce the competitiveness of our products and services relative to local and global competitors.

A majority of our products and services are delivered to customers in jurisdictions outside of the United States, including China, Taiwan and Korea. We also purchase a significant portion of equipment and supplies from suppliers outside of the United States. There is inherent risk, based on the complex relationships among the United States and the countries in which we conduct our business, that political, diplomatic and national security factors can lead to global trade restrictions and changes in trade policies and export regulations that affect the semiconductor industry. The United States and other countries have imposed and may continue to impose new trade restrictions and export regulations, have levied tariffs and taxes on certain goods and could significantly increase or impose new tariffs on a broad array of goods. Trade restrictions and export regulations, or increased or new tariffs and additional taxes, including any retaliatory measures, can negatively impact end-user demand and customer investment in semiconductor equipment, increase our supply chain complexity and our manufacturing costs, decrease margins, reduce the competitiveness of our products, or restrict our ability to sell products, provide services or purchase necessary equipment and supplies, any or all of which could have a material and adverse effect on our business, results of operations, or financial condition.

For example, certain international sales depend on our ability to obtain export licenses, and our inability to obtain such licenses has limited and could further limit our markets and negatively impact our business. Over the past several years, the U.S. government announced additional export regulations for U.S. semiconductor technology sold in China, including wafer fabrication equipment and related parts and services, with disparate impact on companies in different jurisdictions, which have limited the market for certain of our products and services, adversely impacted our revenues and increased our exposure to foreign and Chinese domestic competition. The U.S. Department of Commerce expanded export license requirements for U.S. companies that sell certain products or provide certain services to entities in China whose actions or functions are intended to support military end uses, eliminated certain export license exceptions for exports of certain items to China, added certain Chinese companies to its “Entity List,” making those companies subject to additional licensing requirements, and expanded licensing requirements for exports to China of items for use in the development or production of integrated circuits and certain technologies. These regulations require us to obtain additional export licenses to supply certain of our products or provide services to certain customers in China. Obtaining export licenses may be difficult and time-consuming, and there is no assurance we will be issued licenses on a timely basis or at all. Our inability to obtain such licenses could limit our sales in China, may cause us to be displaced by foreign and Chinese domestic companies and adversely affect our results of operations. The implementation and interpretation of these complex rules and other regulatory actions taken by the U.S. government are uncertain and evolving and may make it more challenging for us to manage our operations and forecast our operating results. The U.S. and other governments may promulgate new or additional export licensing or other requirements that have the effect of further limiting our ability to provide certain products and services to customers outside the U.S., including China. The U.S. government may also revise or expand existing requirements or issue guidance clarifying the scope and application of these requirements, which could change the impact of these rules on our business and manufacturing operations. The U.S. government may also continue to add customers to its “Entity List,” promulgate additional restrictions, or take measures that could disrupt our product shipments or the provision of services to certain customers. These and other potential future regulatory changes could materially and adversely affect our business, results of operations or financial condition.

As a global business with customers, suppliers and operations in many countries around the world, from time to time we may receive inquiries from government authorities about transactions between us and certain foreign entities. For example, we have previously received subpoenas from government authorities requesting information relating to export controls compliance. On February 11, 2026, we entered into a settlement agreement with the U.S. Commerce Department Bureau of Industry and Security (BIS) to resolve its inquiry relating to certain China customer shipments and export controls compliance and agreed to pay BIS \$253 million, which we paid in full during our second quarter of fiscal 2026, as well as conduct certain internal audits and maintain export compliance training and reporting mechanisms. Our failure to comply with the terms of the settlement agreement could result in significant penalties, including the loss of the suspension of the denial order which would prohibit us from exporting certain of our products outside of the United States. Any inquiries we may receive are subject to uncertainties,

and we cannot predict the outcome of any governmental inquiries or proceedings that may occur. Any violation or alleged violation of law or regulations could result in significant legal costs or in legal proceedings in which we or our employees could be subjected to fines and penalties and could result in restrictions on our business and damage to our global brand and reputation, and could have a material and adverse impact on our business operations, financial condition and results of operations.

Furthermore, government authorities may take retaliatory actions, impose conditions that require the use of local suppliers or partnerships with local companies, require the license or other transfer of sensitive data or intellectual property, or engage in other efforts to promote local businesses and local competitors, which could have a material and adverse impact on our business. Many of these challenges are present in China and Korea, markets that represent a significant portion of our business.

We are exposed to risks and uncertainty related to changes in trade policies, and increased tariffs and trade disputes.

Our business, financial condition and results of operations may be adversely affected by uncertainty and changes in trade policies, including tariffs, and trade disputes between the United States and other countries. The United States has announced changes to its trade policy, including increased tariffs on imports. These actions have caused substantial uncertainty and have resulted in retaliatory measures, including new tariffs on U.S. goods imposed by China and other countries. Some of these actions have been followed by announcements of limited exemptions and temporary pauses and trade frameworks with certain countries.

A significant number of our customers and suppliers are located outside of the United States. Increases in tariffs increase our costs and can negatively impact our margins and reduce the competitiveness of our products due to the increase in the cost of importing materials, parts and components used in manufacturing our products. Tariffs can also increase supply chain complexity and may make it more difficult to purchase necessary equipment and supplies to manufacture our products. Increases in tariffs, including reciprocal and sector-based tariffs, also increase the cost to our customers of importing our products, which could harm customer demand for our products. Uncertainty or volatility with respect to tariffs and trade disputes may also make it difficult for us and our customers and suppliers to make and execute business and capital equipment investment plans; lead to global or regional inflation and economic recession and reduce demand for semiconductor chips and electronic devices; cause our customers to delay or cancel orders or negatively impact our competitive position; impede our ability to purchase materials, including critical materials and minerals, and disrupt supply chain and logistics. For example, in 2025 the Chinese government implemented export controls on the export of rare earth minerals that are used in certain of our products and may implement additional controls in the future. We may take actions to mitigate the impact of increases in tariffs and changes in trade policies, but there can be no assurance that we will be successful, and any such actions could result in additional costs, manufacturing delays or other difficulties, as well as additional risks, and may not be effective. Any or all of these factors may have a material and adverse impact on our business, financial condition and results of operations.

We are exposed to risks associated with a highly concentrated customer base.

A relatively limited number of customers account for a substantial portion of our business. As a result, the actions of even a single customer have exposed and can further expose our business and operating results to greater volatility. Sales to individual customers and the mix and type of customers have varied and may continue to vary significantly. Our products are configured to customer specifications, and changing, rescheduling or canceling orders may result in significant, non-recoverable costs. If customers do not place orders, or substantially reduce, delay or cancel orders, we may be unable to replace the business. In addition, our customers are geographically concentrated, particularly in China, Taiwan and Korea, and export regulations that apply to customers in certain countries, such as China, have previously and may in the future adversely affect our business. The geographic concentration of our customers could shift over time due to changes in technology, the competitive landscape, and government policies and incentives to develop regional semiconductor industries. Any changes impacting our customer concentration, deterioration in a customer's financial condition or ability to perform its obligations, or efforts by a customer to obtain pricing, payment, intellectual property-related or other commercial terms that are less favorable to us, could have a material and adverse effect on our results of operations and financial condition.

Supply chain disruptions, manufacturing interruptions or delays, or the failure to accurately forecast customer demand, could affect our ability to meet customer demand, lead to higher costs, or result in excess or obsolete inventory.

Our ability to meet customer demand for our products and services depends in part on the timely delivery of parts, materials and services from suppliers and contract manufacturers. Volatility in demand for our products and worldwide demand for semiconductor chips and electronic devices has caused, and may cause, shortages or delays in shipments of parts, materials and services needed to manufacture our products. Supply chain constraints and disruptions have in the past, and may in the future, increase costs of logistics and parts for our products and cause delays in our production and delivery schedules. These challenges may result in significant interruptions to our manufacturing operations, delays in our product or service deliveries and installments, increased costs, customer order cancellations or reduced demand for our products. Factors that may lead to

supply chain challenges include:

- global trade issues and changes in and uncertainties regarding trade and export regulations, trade policies and sanctions, tariffs, international trade disputes, particularly those relating to exports of certain technologies to China, where a significant portion of our supply chain is located, and any retaliatory measures, that adversely impact us or our direct or sub-tier suppliers;
- political instability, social unrest, terrorism, acts of war or other geopolitical turmoil in locations where we, our customers or suppliers operate;
- failures or inaccuracies in forecasting demand and obtaining quality parts on a cost-effective basis;
- cybersecurity incidents affecting our supply chain;
- volatility in the availability and cost of parts, commodities, energy and shipping related to our products, including increased costs due to rising inflation or interest rates or other market conditions, and uncertainties arising from the imposition of tariffs and any retaliatory measures;
- difficulties or delays in obtaining required import or export licenses and approvals;
- shipment delays due to transportation interruptions or capacity constraints;
- a worldwide shortage of semiconductor components resulting from increased demand for semiconductor products;
- limited availability of critical materials and minerals, including due to any Chinese government restrictions on the export of rare earth minerals, and limited feasible alternatives to materials subject to existing or proposed regulations to limit their use (such as hydrofluorocarbons and per- and polyfluoroalkyl substances), which are found in parts, components, process chemicals and other materials supplied to us or used in our manufacturing operations; and
- natural disasters, extreme and chronic weather events, regional or global health epidemics, or other events beyond our control.

If a supplier fails to meet our requirements concerning quality, cost, intellectual property protection or other performance factors, or does not meet applicable regulatory requirements, we may change suppliers, which could result in manufacturing delays, additional costs or other difficulties, and impair our ability to protect, enforce and extract the full value of our intellectual property rights and the intellectual property rights of our customers and other third parties.

If we need to rapidly increase our business and manufacturing capacity to meet increases in demand or expedited shipment schedules, this may strain our manufacturing and supply chain operations and negatively impact our working capital. If we are unable to accurately forecast demand for our products, we may purchase more or fewer parts than necessary or incur costs for canceling, postponing or expediting deliveries. If we purchase or commit to purchase inventory in anticipation of customer demand that does not materialize, or the inventory is rendered obsolete by the rapid pace of technological change, or if customers reduce, delay or cancel orders, we may incur excess or obsolete inventory charges. Additionally, if anticipated levels of demand are not realized, we may incur fixed costs from underutilized production capacity and our gross margin may be adversely impacted.

Any of these events impacting our supply chain could affect our ability to meet our customers' demand, result in higher costs to us and have an adverse effect on customer relationships and our business, financial condition and results of operations.

We are exposed to various factors that impact the industries in which we operate, including factors specific to the semiconductor industry.

The largest proportion of our revenue and profitability is derived from our Semiconductor Systems segment's sale of a wide range of equipment used to fabricate semiconductor chips, and a majority of the revenue of Applied Global Services is from sales to semiconductor manufacturers. Factors particular to the semiconductor industry and other industries we operate in that impact demand for and the profitability of our products and services include:

- changes in demand for semiconductor chips and electronic devices, including those related to fluctuations in consumer buying patterns tied to general economic or geopolitical conditions, seasonality or product introductions;
- the frequency, complexity and timing of technology transitions and inflections, and our ability to anticipate and adapt to them;
- changes in demand for semiconductor chips due to changes in the timing of, level of investment in, or technologies used in the buildout of data centers, including data center buildout driven by demand for AI technologies;
- increasing costs and complexity in research and development, including due to shrinking geometries, new materials and device structures, more applications and process steps, chip design costs, and integrated manufacturing processes;

- the number of types and varieties of semiconductors and number of applications;
- high capital requirements for building and operating fabrication plants and customers' ability to obtain funding;
- trade, regulatory, tax or government incentives impacting customers' investment in new or expanded fabrication plants and semiconductor research and development;
- the cost and complexity for customers to move from product design to volume manufacturing, and the impact on investment in capital equipment;
- growth rates in the semiconductor industry and variability in semiconductor manufacturers' capital expenditures, including allocation of capital to market segments we do not serve, such as lithography, or where our market presence is relatively lower;
- delays in installation of our equipment delivered to customers;
- the importance of increasing market positions in segments with growing demand;
- customers' ability to reconfigure or reuse existing equipment, reducing demand for new equipment and services and increasing challenges in parts availability;
- the availability of spare parts to maximize the time that customers' systems are available for production;
- shorter order placement and shipment cycle times that increase reliance on forecasting customer investment, which may lead to inventory write-offs and manufacturing inefficiencies that decrease gross margin;
- competitive factors that make it difficult to enhance position, including total cost of manufacturing system ownership and other challenges in securing development-tool-of-record (DTOR) and production-tool-of-record (PTOR) positions with customers;
- consolidation among semiconductor manufacturers and semiconductor equipment suppliers;
- shifts in sourcing strategies by computer and electronics companies, and manufacturing processes for advanced circuit technologies, that impact the equipment requirements of our foundry customers;
- fragmentation of semiconductor markets, including markets too small to support new fabrication plants or that require less advanced technologies;
- the importance of specialty markets (such as internet of things, communications, automotive, power and sensors) that use process technologies with low barriers to entry;
- the increasing role for and complexity of software in our products;
- efforts to reduce energy usage and improve the environmental impact and sustainability of manufacturing operations, and the availability of adequate and reliable energy sources; and
- the importance of advanced packaging to AI computing.

If we do not effectively address these factors, accurately forecast and allocate appropriate resources and investment towards addressing key technology changes and inflections, successfully develop and commercialize products to meet demand for new technologies, and effectively address industry trends, our business and results of operations may be materially and adversely impacted.

The industries in which we operate are highly competitive and subject to rapid technological and market changes.

We operate in a highly competitive environment where innovation is critical, and our future success depends on our ability to anticipate and respond to technology inflections, evolving customer requirements, competitor innovations, and changes in market demand. The development, introduction and support of products in a geographically diverse and competitive environment requires collaboration with customers and industry participants, which has grown more complex and costly. New or improved products may entail higher costs and longer development cycles, and may have unforeseen product design or manufacturing defects. To compete successfully, we must:

- develop new products and disruptive technologies, improve and develop new applications for existing products, and adapt products for use in different applications and markets with varying technical requirements;
- complete our new Equipment and Process Innovation and Commercialization Center and other major infrastructure projects on schedule and on budget, and realize their anticipated benefits;
- differentiate our products from those of competitors, meet customers' performance specifications, and successfully commercialize our products and achieve market acceptance;

- maintain operating flexibility to respond to changing markets, applications and customer requirements;
- enhance our worldwide operations to reduce costs and cycle times, enable continuous quality improvement, and improve design for manufacturability and serviceability;
- execute product development and sales and marketing strategies that address customers' high value problems and strengthen customer relationships;
- effectively allocate resources among our existing products and markets, new product development, and new and adjacent market expansion;
- improve the productivity of research and development investments;
- accurately forecast demand, work with suppliers and meet production schedules, improve manufacturing processes and achieve cost efficiencies across product offerings; and
- enhance our design engineering methodology to reduce material costs and cycle time and improve product life cycle management.

If we fail to anticipate or respond effectively to technology inflections or competitive or market developments, or if we are unable to successfully develop and commercialize new products, our business performance and operating results may be materially and adversely impacted.

We are exposed to risks related to government incentives and other agreements that may involve government entities.

From time to time, we enter into agreements with government entities for grants, tax benefits and other incentives, other funding related to our investment, research and development and production activities or for sale of our products to government entities or government-funded programs. These agreements typically include terms that are not common in similar agreements with non-governmental entities, including representations and warranties, covenants and certifications, and record-keeping, accounting, audit, intellectual property rights-sharing, information handling, supply chain management, headcount, security, disclosure and other requirements. These agreements may also require us to achieve or maintain certain levels of investment, capital spending and performance milestones. Compliance with these requirements may increase operational complexity and costs, and failure to comply could result in cancellation of agreements or transactions, investigations, civil and criminal penalties, forfeiture of profits, reduction, termination or clawback of funding, suspension or debarment from doing business with the government, or other penalties, any of which could have a material and adverse effect on our business, financial condition and results of operations.

We are exposed to factors specific to the display industry.

We are a supplier to the global display industry, which has experienced considerable volatility in capital equipment investment levels, due in part to the limited number of display manufacturers, the concentrated nature of end-use applications, production capacity relative to end-use demand, the speed of adopting new technologies and panel manufacturer profitability. Industry growth depends primarily on consumer demand for larger and more advanced TVs, and demand for advanced smartphones and mobile device displays, which demand is highly sensitive to cost and improvements in technologies and features. Demand for and the profitability of our display products and services is impacted by these industry factors, as well as the introduction of and rate of transition to new display technologies, our ability to anticipate and adapt to technology transitions and inflections, and the expansion of display manufacturing facilities in China. If we do not successfully develop and commercialize products to meet demand for new and emerging display technologies, or if industry demand for display fabrication equipment and technologies does not grow, our business and operating results may be adversely impacted.

We are exposed to risks associated with expanding into new and related markets and industries.

As part of our growth strategy, we seek to expand into related or new markets and industries, through our existing and new products, or through products developed with third parties or obtained through acquisitions. Our ability to successfully expand into new and related markets and industries may be adversely affected by various factors, including:

- the need to devote additional resources to develop new products for, and operate in, new markets;
- the need to develop new sales and technical marketing strategies and relationships with new customers;
- differing profitability and growth rates across multiple businesses;
- our ability to anticipate demand, capitalize on opportunities and avoid or minimize risks;
- the complexity of managing multiple businesses with variations in production planning, execution, supply chain management and logistics;

- the adoption of new business models, processes and systems;
- the complexity of entering into and effectively managing strategic alliances or partnering opportunities;
- the need to attract, motivate and retain employees with skills and expertise in these new areas;
- new and more diverse customers and suppliers, including some with limited operating histories, uncertain or limited funding, evolving business models or operations in regions where we have limited or no presence;
- new or different competitors with more resources, industry experience or established customer relationships;
- differing levels of government involvement, regulatory regimes, and business, employment and safety practices in these new markets and industries;
- third parties' intellectual property rights; and
- the need to comply with or establish industry standards and practices.

We have invested and expect to continue investing significant resources towards expanding into related or new markets and industries, and there can be no assurance that our products and services will achieve market acceptance or be profitable. Additionally, demand for our products and services depends on the success of the markets and industries we seek to expand into. If our efforts to expand into new and related markets and industries are not successful, including due to the failure of any of those markets and industries, our business, financial condition and results of operations could be adversely affected.

We are exposed to risks related to the use of AI by us and our competitors.

We are increasingly incorporating AI capabilities into the development of technologies, our business operations and our products and services. AI technology is complex and rapidly evolving and may subject us to significant competitive, legal, regulatory, operational and other risks. AI implementation can be costly, and there is no guarantee that our use of AI will enhance our technologies or business operations, or produce products and services preferred by our customers. Our competitors may be more successful in their AI strategy and develop superior products and services using AI technology. Additionally, AI algorithms or training methodologies may be flawed, and datasets may contain irrelevant, insufficient or biased information, which can cause errors in outputs. This may give rise to legal liability, damage our reputation, and materially harm our business. The use of AI in developing our products and services could also cause loss of intellectual property, and subject us to risks related to intellectual property infringement or misappropriation, data privacy and cybersecurity. We also utilize third-party providers of AI capabilities, and our ability to implement AI successfully relies on our continued access to third-party providers and safeguards implemented by them. Our use of new and emerging AI capabilities, such as AI agents, may cause unanticipated effects, which may include the disruption of our business processes and procedures or the loss of intellectual property or critical data. Additionally, AI technology may also create ethical issues, which could impair market adoption of such technology and impair demand for our products and services. Furthermore, the United States and other countries may adopt laws and regulations related to AI. These laws and regulations could increase our compliance costs and limit the use of AI in the development of our products and services. Any failure or perceived failure to comply with these regulatory requirements could subject us to legal liabilities, damage our reputation, or otherwise have a material and adverse impact on our business.

Operational and Financial Risks

We are exposed to risks related to protection and enforcement of intellectual property rights.

Our success depends on the protection of our technology using patents, trade secrets, copyrights and other intellectual property rights. Infringement or misappropriation of our intellectual property rights, such as the manufacture or sale of equipment or spare parts that use our technology without authorization, could result in uncompensated lost market and revenue opportunities. Detecting and preventing misuse of our intellectual property is difficult and costly, and we cannot be certain that our protective measures will be successful. Our ability to enforce our intellectual property rights is subject to litigation risks and uncertainty as to the protection and enforceability of those rights in some countries. Enforcement efforts may be subject to claims that our rights are invalid or unenforceable and may result in counterclaims against us, which could have a negative impact on our business. If we are unable to enforce and protect intellectual property rights, or if they are circumvented, rendered obsolete, invalidated by the rapid pace of technological change, or stolen or misappropriated by employees or third parties, it could have an adverse impact on our competitive position and business. Changes in intellectual property laws or their interpretation may impact our ability to protect and assert our intellectual property rights, increase costs and uncertainties in the prosecution of patent applications or related enforcement actions and diminish the value and competitive advantage conferred by our intellectual property assets.

From time to time third parties have asserted, and may continue to assert, intellectual property claims against us and our products. Claims that our products infringe the rights of others, whether or not meritorious, can be expensive and time-

consuming to defend and resolve, and may divert the efforts and attention of management and personnel. The inability to obtain rights to use third-party intellectual property on commercially reasonable terms could have an adverse impact on our business. We may face claims based on the theft or unauthorized use or disclosure of third-party trade secrets and other confidential business information. Any of these incidents and claims could severely harm our business and reputation, result in significant expenses, harm our competitive position, and prevent us from selling certain products, all of which could have a material and adverse impact on our business and results of operations.

We are exposed to cybersecurity threats and incidents.

In the conduct of our business, we use information technology (IT) and operational technology (OT) systems, including systems owned and maintained by us or our third-party providers, to monitor and control our operations, and collect, transmit, store and otherwise process data, including confidential information and intellectual property belonging to us or our customers or other business partners, and personal information of individuals. These technologies are subject to disruptions, outages, failures and cybersecurity breaches or incidents arising from a variety of factors, and we and our third-party providers expect to continue to experience such incidents. Cybersecurity incidents may include physical attacks on computer systems or network infrastructure; employee or contractor error, misuse or unauthorized access; attempts to gain unauthorized access to systems or data; as well as sophisticated cyberattacks or advanced persistent threats, any of which may impact us directly or through our third-party providers and global supply chain. Threat actors may seek to manipulate our employees, suppliers, third-party providers or customers to gain access to our, our customers' or business partners' data. Cybersecurity attacks are increasing and attackers are increasingly organized and well-financed, or at times supported by state actors. Geopolitical tensions or conflicts may further increase cybersecurity risk. Threat actors' techniques evolve rapidly and may increasingly incorporate new technologies, including AI and quantum computing. The emergence and maturation of AI capabilities, including ones involving large language models, may enable new or more effective methods of cyberattacks, including deepfake impersonation, phishing, social engineering or the automated detection and exploitation of previously unknown vulnerabilities. Vulnerabilities, technical errors and other risks may be introduced through the use of AI by us, our customers, suppliers and other business partners and third-party providers, or through the use of third-party hardware and software. Advances in quantum computing could undermine current encryption standards and allow threat actors to bypass security measures. Although we are not aware of any cybersecurity incidents impacting our IT or OT systems that have had a material impact on us to date, we continue to devote significant resources to network security, data encryption and other measures to protect our systems and data from unauthorized access or misuse, and we may be required to expend greater resources in the future. We may be unable to anticipate, prevent or remediate future incidents, and in some instances, we may be unaware of incidents or their scope, particularly as attackers may evade controls or remove forensic evidence and as automated attacks may operate at a speed and scale that compresses the time available to detect, contain and respond to them. Cybersecurity incidents may result in delays in our product development and delivery; disruptions to our manufacturing, communications and reporting of financial results; theft or misappropriation of intellectual property or critical data belonging to us or our customers; corruption, loss of, or inability to access (e.g., through ransomware or denial of service) confidential information and critical data; reputational damage; private claims, demands, litigation and regulatory inquiries, enforcement actions or other proceedings; diminution in the value of our investment in research, development and engineering; and increased costs associated with cybersecurity detection, prevention and remediation. We are subject to changing laws, regulations and contractual and other obligations concerning privacy, cybersecurity and data protection, including restrictions on cross-border data transfers and data localization as well as increasingly rigorous contractual provisions demanded by our customers and third-party providers. Compliance with these obligations may require significant expenditures, and any actual or alleged failure to comply could result in inquiries, enforcement actions and other proceedings by regulators or other third parties.

We are exposed to risks associated with business combinations, acquisitions, strategic investments and divestitures.

We may engage in acquisitions of or investments in companies, technologies or products in existing, related or new markets. Business combinations, acquisitions and investments involve numerous risks to our business, financial condition and operating results, including:

- inability to complete proposed transactions timely or at all due to failure to obtain regulatory or other approvals, including under global national security regimes that prohibit or restrict foreign investments in or acquisitions of local businesses, litigation or other disputes, and any ensuing obligation to pay a termination fee;
- diversion of management's attention and disruption of ongoing businesses;
- failure to realize expected revenues, gross and operating margins, net income and other returns from acquired businesses;

- requirements imposed by regulators in connection with their transaction review, including post-closing investigations of non-notified transactions, which may include, among other things, divestitures and restrictions on the conduct of our existing business or the acquired business;
- failure to realize anticipated synergies due to ineffective integration of businesses, operations, systems, digital and physical security, technologies, products, employees, compliance programs, changes in laws or regulations, including tax laws, or other factors;
- failure to commercialize technologies from acquired businesses or developed through strategic investments;
- dependence on unfamiliar supply chains or relatively small supply partners;
- inability to capitalize on characteristics of new markets that may differ significantly from our existing markets and where competitors may have stronger market positions and customer relationships;
- failure to retain and motivate key employees of acquired businesses;
- the impact of the announcement or consummation of a proposed transaction on relationships with third parties;
- changes in our credit rating, which could adversely impact our access to and cost of capital;
- increases in debt obligations to finance a transaction, which increase interest expense, and reductions in cash balances, which reduce the availability of cash flow for other purposes, including share repurchases and dividends;
- exposure to new operational risks, rules, regulations, worker expectations, customs and practices to the extent acquired businesses are located in regions where we have not historically operated;
- challenges in managing new, more diverse and more widespread operations, projects and people;
- inability to obtain and protect intellectual property rights in key technologies;
- inadequacy or ineffectiveness of an acquired company's internal financial controls, disclosure controls and procedures, cybersecurity, privacy policies and compliance programs, trade control processes or programs, or environmental, health and safety, anti-corruption, human resource or other policies or practices;
- impairment of acquired intangible assets and goodwill due to changing business conditions, technological advancements or segment underperformance;
- litigation, government enforcement actions or claims associated with a proposed or completed transaction;
- unknown, underestimated, undisclosed or undetected commitments or liabilities, including potential intellectual property infringement claims, or non-compliance with laws, regulations or policies; and
- the inappropriate scale of acquired entities' critical resources or facilities for business needs.

We make investments in other companies, including companies formed as joint ventures, which may decline in value or not meet desired objectives. The success of these investments depends on various factors over which we may have limited or no control and, particularly with respect to joint ventures, requires ongoing and effective cooperation with partners. Legislative or regulatory changes, as well as global economic or political conditions, may restrict our ability to invest in certain countries or require regulatory approvals that we may not obtain or may impose significant conditions or obligations.

We may seek to divest businesses that no longer fit with our strategic plan. Divestitures involve additional risks and uncertainties, such as our ability to sell these businesses on acceptable terms and in a timely manner or at all, disruption to other parts of the businesses and distraction of management, diversion of internal resources away from acquisitions or other strategic initiatives, loss of key employees or customers, loss of access by retained business units to critical intellectual property or other assets transferred with the divested business, exposure to unanticipated liabilities or ongoing obligations to support the businesses following these divestitures and other adverse financial impacts.

The ability to attract, retain and motivate key employees is vital to our success.

Our success depends in large part on our ability to attract, retain and motivate qualified employees and leaders with the necessary expertise and capabilities, representing diverse backgrounds and experiences. Achieving this objective may be difficult due to many factors, including fluctuations in global economic and industry conditions, management or organizational changes, competition for talent, the availability of qualified employees, immigration and work authorization requirements, challenges in hiring and integrating workers in different countries, the attractiveness of our compensation and benefit programs, our career growth and development opportunities and our employment policies. If we are unable to attract, retain and motivate qualified employees and leaders, we may be unable to fully capitalize on current and new market opportunities, which could

adversely impact our business and results of operations. The loss of knowledgeable and experienced employees may result in unexpected costs, reduced productivity or difficulties with respect to internal processes and controls.

We operate in jurisdictions with complex and changing tax laws.

We are subject to income taxes in the United States and foreign jurisdictions. Significant judgment is required to determine and estimate worldwide tax liabilities. Our provision for income taxes and effective tax rates could be affected by numerous factors, including changes in applicable tax laws, interpretations of applicable tax laws, amount and composition of pre-tax income in jurisdictions with differing tax rates and valuation of deferred tax assets.

There have been a number of enacted and proposed changes in the tax laws that could have a material impact on our provision for income taxes and effective tax rate. An increase in our provision for income taxes and effective tax rate could, in turn, have a material and adverse impact on our results of operations and financial condition. For example, various countries where we do business have enacted or plan to enact new tax laws to implement the global minimum tax regimes based on the Organization for Economic Cooperation and Development Base Erosion and Profit Shifting Project. The currently enacted global minimum tax laws materially increase our foreign taxes beginning in the first quarter of fiscal 2026. Additionally, the One Big Beautiful Bill Act enacted in the U.S. contains provisions that are designed to accelerate tax deductions, but that have had and may in the future have a detrimental impact on our ability to use certain deferred tax assets, including our corporate alternative minimum tax credit deferred tax asset. We continue to monitor developments and evaluate the impact, if any, of enacted and proposed changes in the tax laws on our results of operations and cash flows. The adoption and effective dates of changes in the tax laws vary by country and could increase tax complexity and uncertainty and may adversely affect our provision for income taxes in future years.

We have been granted additional conditional reduced tax rates in Singapore that expire beginning in fiscal 2030. There is risk our conditional reduced tax rates may not be renewed.

Consistent with the international nature of our business, we conduct certain manufacturing, supply chain and other operations in Asia, bringing these activities closer to customers and reducing operating costs. In some foreign jurisdictions, we must meet certain requirements to continue to qualify for tax incentives. There is no assurance we will be able to meet such requirements in the future to fully realize benefits from these incentives. Furthermore, the proposed plans to implement global minimum tax regimes could reduce or eliminate the benefits of our tax incentives.

We are subject to examination by the U.S. Internal Revenue Service and other tax authorities, and from time to time amend previously filed tax returns. We regularly assess the likelihood of favorable or unfavorable outcomes resulting from these examinations and amendments to determine the adequacy of our provision for income taxes, which requires estimates and judgments. Although we believe our tax estimates are reasonable, there can be no assurance the tax authorities will agree with such estimates. We may have to engage in litigation to achieve the results reflected in the estimates, which may be time-consuming and expensive. There can be no assurance that we will be successful or that any final determination will not be materially different from the treatment reflected in our historical income tax provisions and effective tax rates.

Our indebtedness and debt covenants could adversely affect our financial condition and business.

As of July 26, 2026, we had \$6.5 billion of senior unsecured notes outstanding and, pursuant to their terms, we may be required to offer to repurchase the notes at a price equal to 101% of the principal amount, plus accrued and unpaid interest, if we experience a change of control and a contemporaneous downgrade of the notes below investment grade. We also have revolving credit facilities that allow us to borrow up to approximately \$4.0 billion. While no amounts were outstanding under these credit facilities as of July 26, 2026, we may borrow amounts in the future under these facilities or enter into new financing arrangements. Our ability to satisfy our debt obligations is dependent upon the results of our business operations and subject to other risks discussed in this section. If we fail to satisfy our debt obligations, or comply with financial and other debt covenants, we may be in default and any borrowings may become immediately due and payable, and such default may constitute a default under our other obligations. There can be no assurance that we would have sufficient financial resources or be able to arrange financing to repay any borrowings at such time. Significant changes in our credit rating, disruptions in the global financial markets, or incurrence of new or refinancing of existing indebtedness at higher interest rates could materially and adversely impact our access to and cost of capital for future financings and our financial condition.

Our business depends on the successful implementation and proper functioning of information systems we use.

Our business depends on certain information systems, including enterprise resource planning, product research and development, financial reporting, information technology network management and telecommunications, which may be maintained by us or third-party vendors. Failures of these systems could disrupt our operations, impede our ability to timely and accurately process and report financial results, and adversely impact our business, financial condition and results of operations.

We periodically implement new or enhanced information systems, which requires significant personnel, training and financial resources, and entails operational risks. If the implementation or improvement of information systems is delayed or unsuccessful, we may not realize anticipated productivity improvements or cost efficiencies and may experience service interruptions and operational difficulties, which could result in quality issues, reputational harm, lost market and revenue opportunities and otherwise adversely affect our business, financial condition and results of operations.

We may incur impairment charges related to goodwill or long-lived assets.

We have a significant amount of goodwill and other acquired intangible assets related to acquisitions. Goodwill and purchased intangible assets with indefinite useful lives are not amortized but are reviewed for impairment annually during the fourth quarter of each fiscal year and more frequently when events or changes in circumstances indicate the carrying value of an asset may not be recoverable. The review compares the fair value for each of our reporting units to its associated carrying value, including goodwill. Factors that could lead to impairment of goodwill and intangible assets include adverse industry or economic trends, reduced estimates of future cash flows, declines in our stock price, changes in our strategies or product portfolio and restructuring activities. Our valuation methodology for assessing impairment requires management to make judgments and assumptions based on historical experience and projections of future operating performance. We have recorded charges to earnings, and may in the future be required to record charges to earnings, when impairments of goodwill or intangible assets have been determined to exist.

We may not continue to declare cash dividends or repurchase our shares.

Our ability to continue to pay quarterly dividends and to repurchase our shares is subject to capital availability and periodic determinations by our Board of Directors that cash dividends and share repurchases are in the best interest of our stockholders and are in compliance with applicable laws and agreements. Future dividends and share repurchases may be affected by, among other factors, our cash flow; potential future capital requirements for investments, acquisitions, infrastructure projects and research and development; changes in applicable tax, corporate, or other laws; contractual restrictions, such as financial or operating covenants in our debt arrangements; and changes to our business model. Our dividend payments and share repurchases may change from time to time, and we cannot provide assurance that we will continue to declare dividends or repurchase shares in any particular amounts or at all. A reduction or suspension in our dividend payments or share repurchases could adversely affect our stock price.

Legal, Compliance and Other Risks

We are exposed to risks related to legal proceedings, claims and investigations.

From time to time we are, and in the future may be, involved in legal proceedings or claims regarding patent infringement, trade secret misappropriation, other intellectual property rights, trade compliance, including import, export and customs, antitrust, anti-corruption, compliance with government contracting requirements, environmental regulations, cybersecurity, privacy, data protection, securities, contracts, product performance, product liability, unfair competition, employment, workplace safety and other matters. We may receive, and have received, inquiries, warrants, subpoenas, and other requests for information in connection with government investigations of potential or suspected violations of law or regulations by our company or our employees. We also on occasion receive notifications from customers who believe we owe them indemnification, product warranty or have other obligations related to claims made against such customers by third parties.

Legal proceedings, claims and government investigations, whether with or without merit, and internal investigations, have been and in the future may be time-consuming and expensive to prosecute, defend or conduct; divert management's attention and our other resources; constrain our ability to sell our products and services; result in adverse judgments for damages, injunctive relief, penalties and fines; and negatively affect our business. We cannot predict the outcome of current or future legal proceedings, claims or investigations.

We are exposed to risks related to the global regulatory environment.

We are subject to the laws of the United States and multiple foreign jurisdictions and the rules and regulations of various governing bodies, including those related to financial and other disclosures, accounting standards, securities, corporate governance, public procurement and public funding, intellectual property, tax, trade (including import, export and customs regulations), antitrust, cybersecurity, environment, health and safety, employment, immigration and travel regulations, human rights, privacy, data protection and localization and anti-corruption. Changing, inconsistent or conflicting laws, rules and regulations, and ambiguities in their interpretation and application create uncertainty and challenges, and compliance may be onerous and expensive, divert management time and attention and otherwise adversely impact our business operations. Violations of these laws, rules and regulations could result in fines, criminal penalties, restrictions on our business, and damage to our reputation, and could have an adverse impact on our business operations, financial condition and results of operations.

Implementation and reporting on our sustainability strategies and targets could increase costs, and our inability to achieve them could have an adverse impact on our reputation and performance.

We periodically communicate our strategies and targets related to sustainability matters. These strategies and targets, and their underlying assumptions, reflect our current plans and aspirations, and we may be unable to achieve them. Our sustainability efforts may require significant expenditures and changes to our manufacturing, operations or equipment designs and processes. We may face changing expectations and requirements from customers, shareholders and regulators, including increasing customer demand for sustainable products. We are or may become subject to new laws and regulations, such as the State of California's climate change disclosure rules, the European Union's Corporate Sustainability Reporting Directive and International Sustainability Standards Board standards. Standards and processes for measuring and reporting greenhouse gas emissions and other sustainability metrics may change over time and result in inconsistent data, increase our costs, result in significant revisions to our strategies and targets or impact our ability to achieve them. Any failure or perceived failure to timely comply with or meet our sustainability requirements, expectations or targets, or a failure to realize the anticipated benefits of sustainability-related investments and technology innovations, could adversely impact demand for our products, subject us to significant costs and liabilities and reputational risks, and in turn adversely affect our business, financial condition and results of operations.

We are subject to risks associated with environmental, health and safety regulations.

We are subject to environmental, health and safety (EHS) regulations related to, among other things, the design, manufacture, sale, shipping, import, export and use of our products; the use, handling, discharge, recycling, transportation and disposal of hazardous materials used in our products or in producing our products; the operation of our facilities; and the use of our real property, including in connection with construction of infrastructure projects. The failure or inability to comply with existing or future EHS regulations could result in: significant remediation or other legal liabilities, penalties or fines; restrictions on the development, manufacture, sale, shipping, import, export or use of certain products; limitations on the operations of our facilities or use of our real property; and a decrease in the value of our real property. We could be required to alter our product design, manufacturing and operations and incur substantial expense to comply with EHS regulations, including reporting requirements. Any failure to comply with these regulations could subject us to significant costs and liabilities that could materially and adversely affect our business, financial condition and results of operations.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds*

Issuer Purchases of Equity Securities

In March 2025, our Board of Directors approved a common stock repurchase program authorizing \$10.0 billion in repurchases, which supplemented the previous \$10.0 billion authorization approved in March 2023. As of July 26, 2026, approximately \$12.8 billion remained available for future stock repurchases under the repurchase program.

Period	Total Number of Shares Purchased	Average Price Paid per Share *	Aggregate Price Paid*	Total Number of Shares Purchased as Part of Publicly Announced Program	Maximum Dollar Value of Shares That May Yet be Purchased Under the Program*
(In millions, except per share amounts)					
Month #1					
(April 27, 2026 to May 24, 2026)	0.6	\$ 414.56	\$ 230	0.6	\$ 13,009
Month #2					
(May 25, 2026 to June 21, 2026)	0.2	\$ 486.67	99	0.2	\$ 12,910
Month #3					
(June 22, 2026 to July 26, 2026)	0.1	\$ 591.73	71	0.1	\$ 12,839
Total	0.9	\$ 455.43	\$ 400	0.9	

* Amounts include the 1% surcharge on stock repurchases under the Inflation Reduction Act's excise tax. This excise tax is recorded in equity and reduces the amount available under the repurchase program, as applicable.

Item 3. *Defaults Upon Senior Securities*

None

Item 4. *Mine Safety Disclosures*

Not applicable.

Item 5. *Other Information*

During the three months ended July 26, 2026, no director or officer, as defined in Rule 16a-1(f), adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," each as defined in Regulation S-K Item 408.

Item 6. Exhibits

Exhibits are numbered in accordance with the Exhibit Table of Item 601 of Regulation S-K:

Exhibit No.	Description	Form	Incorporated by Reference		
			File No.	Exhibit No.	Filing Date
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002†				
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002†				
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002‡				
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002‡				
101.SCH	Inline XBRL Taxonomy Extension Schema Document‡				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document‡				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document‡				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document‡				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document‡				
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				

† Filed herewith.

‡ Furnished herewith.

SIGNATURES

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

August 20, 2026	By:	APPLIED MATERIALS, INC. /s/ BRICE HILL Brice Hill Senior Vice President, Chief Financial Officer (Principal Financial Officer)
August 20, 2026	By:	/s/ ADAM SANDERS Adam Sanders Vice President, Corporate Controller and Chief Accounting Officer (Principal Accounting Officer)

CERTIFICATION

I, Gary E. Dickerson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Applied Materials, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 20, 2026

/s/ GARY E. DICKERSON

Gary E. Dickerson
President, Chief Executive Officer

CERTIFICATION

I, Brice Hill, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Applied Materials, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 20, 2026

/s/ BRICE HILL

Brice Hill
Senior Vice President, Chief Financial Officer

SARBANES-OXLEY ACT SECTION 906 CERTIFICATION

In connection with this Quarterly Report on Form 10-Q of Applied Materials, Inc. for the period ended July 26, 2026, I, Gary E. Dickerson, President, Chief Executive Officer of Applied Materials, Inc., hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. this Form 10-Q for the period ended July 26, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. the information contained in this Form 10-Q for the period ended July 26, 2026 fairly presents, in all material respects, the financial condition and results of operations of Applied Materials, Inc. for the periods presented therein.

Date: August 20, 2026

/s/ GARY E. DICKERSON

Gary E. Dickerson
President, Chief Executive Officer

SARBANES-OXLEY ACT SECTION 906 CERTIFICATION

In connection with this Quarterly Report on Form 10-Q of Applied Materials, Inc. for the period ended July 26, 2026, I, Brice Hill, Senior Vice President, Chief Financial Officer of Applied Materials, Inc., hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. this Form 10-Q for the period ended July 26, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. the information contained in this Form 10-Q for the period ended July 26, 2026 fairly presents, in all material respects, the financial condition and results of operations of Applied Materials, Inc. for the periods presented therein.

Date: August 20, 2026

/s/ BRICE HILL

Brice Hill

Senior Vice President, Chief Financial Officer

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