

REFINITIV

DELTA REPORT

10-Q

INDI - INDIE SEMICONDUCTOR, INC.

10-Q - SEPTEMBER 30, 2023 COMPARED TO 10-Q - JUNE 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS 1426

■ CHANGES	366
■ DELETIONS	777
■ ADDITIONS	283

**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 **June 30, 2023** **September 30, 2023**

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 **001-40481**

INDIE SEMICONDUCTOR, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

87-0913788 88-1735159

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

32Journey

Aliso Viejo, California

(Address of Principal Executive Offices)

92656

(Zip Code)

(949) 608-0854

Registrant's telephone number, including area code

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.0001 per share	INDI	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 the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

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 Act). Yes No

The number of shares outstanding of the registrant's Class A and Class V common stock as of **August 8, 2023** **November 7, 2023** was **145,794,088** **161,304,121** (excluding 1,725,000 Class A shares held in escrow and **501,860** **79,926** Class A shares subject to restricted stock awards) and 18,994,328, respectively.

INDIE SEMICONDUCTOR, INC.
FORM 10-Q FOR THE QUARTER ENDED JUNE SEPTEMBER 30, 2023
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FORWARD-LOOKING STATEMENTS

This report contains "forward-looking statements" (within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended). Such statements include, but are not limited to, statements regarding the Company's future business and financial performance and prospects, and other statements identified by words such as "will likely result," "expect," "anticipate," "estimate," "believe," "intend," "plan," "project," "outlook," "should," "could," "may" or words of similar meaning. Such forward-looking statements are based upon the current beliefs and expectations of the Company's management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond our control. Actual results and the timing of events may differ materially from the anticipated results or other expectations expressed in such forward-looking statements as a result of various factors, including, among others, the following: **downturns** **or** **macroeconomic conditions, including inflation, rising interest rates and volatility in general economic conditions; the credit and financial markets; the Company's reliance on contract manufacturing and outsourced supply chain and the availability of semiconductors and manufacturing capacity; competitive products and pricing pressures; the Company's ability to win competitive bid selection processes and achieve additional design wins; the impact of any acquisitions the Company has made or may make, including its ability to successfully integrate acquired businesses and risks that the anticipated benefits of any acquisitions may not be fully realized or take longer to realize than expected; management's ability to develop, market and gain acceptance for new and enhanced products and expand into new technologies and markets; trade restrictions and trade tensions; and political or economic instability in the Company's target markets; the impact of the ongoing conflict in Ukraine and the Middle East; and additional factors disclosed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 filed with the U.S. Securities and Exchange Commission ("SEC") on March 28, 2023 (including those identified under "Risk Factors" therein), as such risk factors may be amended, supplemented or superseded from time to time in the Company's other public reports filed with the SEC.** indie cautions that the foregoing list of factors is not exclusive.

All information set forth herein speaks only as of the date hereof, and the Company disclaims any intention or obligation to update any forward-looking statements made in this report or in its other public filings, whether as a result of new information, future events or otherwise, except as required by law.

References in this Quarterly Report on Form 10-Q to "indie," the "Company," "we," "us," and "our" refer to indie Semiconductor, Inc., a Delaware corporation, and its consolidated subsidiaries, or (in the case of references prior to the consummation of the business combination (the "Transaction") with Thunder Bridge Acquisition II, Ltd. ("TB2" in June 2021) to our predecessor Ay Dee Kay, LLC, a California limited liability company ("ADK LLC"). All references to U.S. dollar amounts are in thousands, other than share amounts, per share amount or the context otherwise requires.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

INDIE SEMICONDUCTOR, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except share and per share amounts)
(Unaudited)

Assets	Assets	June 30, 2023		December 31, 2022		Assets	September 30, 2023		December 31, 2022	
Current assets:	Current assets:					Current assets:				
Cash and cash equivalents	Cash and cash equivalents	\$ 180,660		\$ 321,629		Cash and cash equivalents	\$ 160,648		\$ 321,629	
Restricted cash	Restricted cash	—		250		Restricted cash	—		250	
Accounts receivable, net of allowance for doubtful accounts of \$46 for both June 30, 2023 and December 31, 2022		34,904		26,441		Accounts receivable, net of allowance for doubtful accounts of \$46 for both September 30, 2023 and December 31, 2022		43,476		26,441
Accounts receivable, net of allowance for doubtful accounts of \$46 for both September 30, 2023 and December 31, 2022						September 30, 2023 and December 31, 2022				
Inventory, net	Inventory, net	40,871		13,256		Inventory, net	39,505		13,256	
Prepaid expenses and other current assets	Prepaid expenses and other current assets	23,081		12,290		Prepaid expenses and other current assets	26,304		12,290	
Total current assets	Total current assets	279,516		373,866		Total current assets	269,933		373,866	
Property and equipment, net	Property and equipment, net	22,390		15,829		Property and equipment, net	25,913		15,829	
Intangible assets, net	Intangible assets, net	181,438		63,117		Intangible assets, net	196,424		63,117	
Goodwill	Goodwill	281,772		136,463		Goodwill	309,525		136,463	
Operating lease right-of-use assets	Operating lease right-of-use assets	11,862		12,055		Operating lease right-of-use assets	14,135		12,055	
Other assets and deposits	Other assets and deposits	3,863		2,021		Other assets and deposits	3,594		2,021	
Total assets	Total assets	\$ 780,841		\$ 603,351		Total assets	\$ 819,524		\$ 603,351	
Liabilities and stockholders' equity	Liabilities and stockholders' equity					Liabilities and stockholders' equity				
Accounts payable	Accounts payable	\$ 16,997		\$ 14,186		Accounts payable	\$ 19,617		\$ 14,186	
Accrued payroll liabilities	Accrued payroll liabilities	10,976		11,541		Accrued payroll liabilities	13,057		11,541	

Accrued expenses and other current liabilities	Accrued expenses and other current liabilities	63,069	13,159	Accrued expenses and other current liabilities	104,857	13,159
Intangible asset contract liability	Intangible asset contract liability	9,419	9,377	Intangible asset contract liability	6,517	9,377
Current debt obligations	Current debt obligations	3,659	15,700	Current debt obligations	4,910	15,700
Total current liabilities	Total current liabilities	104,120	63,963	Total current liabilities	148,958	63,963
Long-term debt, net of current portion	Long-term debt, net of current portion	156,213	155,699	Long-term debt, net of current portion	156,472	155,699
Warrant liability	Warrant liability	67,684	45,398	Warrant liability	52,024	45,398
Intangible asset contract liability, net of current portion	Intangible asset contract liability, net of current portion	—	4,177	Intangible asset contract liability, net of current portion	—	4,177
Deferred tax liabilities, non-current	Deferred tax liabilities, non-current	10,768	7,823	Deferred tax liabilities, non-current	15,711	7,823
Operating lease liability, non-current	Operating lease liability, non-current	9,461	10,115	Operating lease liability, non-current	10,867	10,115
Other long-term liabilities	Other long-term liabilities	47,396	1,844	Other long-term liabilities	22,650	1,844
Total liabilities	Total liabilities	395,642	289,019	Total liabilities	406,682	289,019
Commitments and contingencies (Note 17)	Commitments and contingencies (Note 17)			Commitments and contingencies (Note 17)		
Stockholders' equity	Stockholders' equity			Stockholders' equity		
Preferred stock, \$0.0001 par value, 10,000,000 shares authorized; no shares issued or outstanding	Preferred stock, \$0.0001 par value, 10,000,000 shares authorized; no shares issued or outstanding	—	—	Preferred stock, \$0.0001 par value, 10,000,000 shares authorized; no shares issued or outstanding	—	—
Class A common stock, \$0.0001 par value, 400,000,000 and 250,000,000 shares authorized, 147,508,641 and 129,265,882 shares issued, 145,237,071 and 126,824,465 shares outstanding as of June 30, 2023 and December 31, 2022, respectively.	Class A common stock, \$0.0001 par value, 400,000,000 and 250,000,000 shares authorized, 147,508,641 and 129,265,882 shares issued, 145,237,071 and 126,824,465 shares outstanding as of June 30, 2023 and December 31, 2022, respectively.	14	13	Class A common stock, \$0.0001 par value, 400,000,000 and 250,000,000 shares authorized, 147,508,641 and 129,265,882 shares issued, 145,237,071 and 126,824,465 shares outstanding as of June 30, 2023 and December 31, 2022, respectively.	15	13
Class V common stock, \$0.0001 par value, 40,000,000 shares authorized, 18,994,332 and 21,381,476 issued and outstanding as of June 30, 2023 and December 31, 2022, respectively.	Class V common stock, \$0.0001 par value, 40,000,000 shares authorized, 18,994,332 and 21,381,476 issued and outstanding as of June 30, 2023 and December 31, 2022, respectively.	2	2	Class A common stock, \$0.0001 par value, 400,000,000 and 250,000,000 shares authorized, 155,815,268 and 129,265,882 shares issued, 153,516,074 and 126,824,465 shares outstanding as of September 30, 2023 and December 31, 2022, respectively.	15	13

Class V common stock, \$0.0001 par value, 40,000,000 shares authorized, 18,994,332 and 21,381,476 issued and outstanding as of September 30, 2023 and December 31, 2022, respectively.	Class V common stock, \$0.0001 par value, 40,000,000 shares authorized, 18,994,332 and 21,381,476 issued and outstanding as of September 30, 2023 and December 31, 2022, respectively.	2	2
Additional paid-in capital	Additional paid-in capital	725,461	568,564
Accumulated deficit	Accumulated deficit	(329,689)	(243,816)
Accumulated other comprehensive loss	Accumulated other comprehensive loss	(9,513)	(11,951)
indie's stockholders' equity	indie's stockholders' equity	386,275	312,812
Noncontrolling interest	Noncontrolling interest	(1,076)	1,520
Total stockholders' equity	Total stockholders' equity	385,199	314,332
Total liabilities and stockholders' equity	Total liabilities and stockholders' equity	\$ 780,841	\$ 603,351

See accompanying notes to the condensed consolidated financial statements.

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INDIE SEMICONDUCTOR, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands, except share and per share amounts)
(Uaudited)

	Revenue:	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023		2022		2023		2022	
		2023	2022	2023	2022	2023	2022	2023	2022
Revenue:	Revenue:								
Product revenue	Product revenue	\$ 45,455	\$ 20,452	\$ 79,108	\$ 38,538	\$ 53,363	\$ 24,425	\$ 132,471	\$ 62,963
Contract revenue	Contract revenue	6,653	5,303	13,452	9,216	7,113	5,591	20,565	14,807
Total revenue	Total revenue	52,108	25,755	92,560	47,754	60,476	30,016	153,036	77,770
Operating expenses:	Operating expenses:								
Cost of goods sold	Cost of goods sold	32,127	15,178	56,183	29,370	35,187	14,970	91,370	44,340
Research and development	Research and development	42,069	28,467	78,632	57,966	41,594	30,229	120,226	88,195
Selling, general, and administrative	Selling, general, and administrative	18,637	12,085	35,451	24,727	19,841	10,676	55,292	35,403

Total operating expenses	Total operating expenses	92,833	55,730	170,266	112,063	Total operating expenses	96,622	55,875	266,888	167,938
Loss from operations	Loss from operations	(40,725)	(29,975)	(77,706)	(64,309)	Loss from operations	(36,146)	(25,859)	(113,852)	(90,168)
Other income (expense), net:	Other income (expense), net:					Other income (expense), net:				
Interest income	Interest income	1,870	175	4,289	208	Interest income	1,858	612	6,147	820
Interest expense	Interest expense	(2,144)	(267)	(4,292)	(325)	Interest expense	(2,242)	(166)	(6,534)	(491)
Gain (loss) from change in fair value of warrants	Gain (loss) from change in fair value of warrants	25,046	20,301	(22,286)	67,654	Gain (loss) from change in fair value of warrants	15,660	(19,059)	(6,626)	48,595
Gain from change in fair value of contingent considerations and acquisition-related holdbacks		2,303	3,584	673	3,667					
Gain (loss) from change in fair value of contingent considerations and acquisition-related holdbacks						Gain (loss) from change in fair value of contingent considerations and acquisition-related holdbacks	3,535	(121)	4,208	3,546
Other income (expense)	Other income (expense)	429	9	429	(21)	Other income (expense)	(692)	24	(263)	3
Total other income (expense), net	Total other income (expense), net	27,504	23,802	(21,187)	71,183	Total other income (expense), net	18,119	(18,710)	(3,068)	52,473
Net income (loss) before income taxes		(13,221)	(6,173)	(98,893)	6,874					
Net loss before income taxes						Net loss before income taxes	(18,027)	(44,569)	(116,920)	(37,695)
Income tax benefit (expense)	Income tax benefit (expense)	(342)	869	3,364	1,528	Income tax benefit (expense)	(650)	(863)	2,714	665
Net income (loss)		(13,563)	(5,304)	(95,529)	8,402					
Less: Net income (loss) attributable to noncontrolling interest		(436)	(1,070)	(9,656)	1,803					
Net income (loss) attributable to indie Semiconductor, Inc.	\$ (13,127)	\$ (4,234)	\$ (85,873)	\$ 6,599		Net loss	(18,677)	(45,432)	(114,206)	(37,030)
Net loss						Less: Net loss attributable to noncontrolling interest	(1,580)	(7,825)	(11,236)	(6,022)
Less: Net loss attributable to noncontrolling interest						Net loss attributable to indie Semiconductor, Inc.	\$ (17,097)	\$ (37,607)	\$ (102,970)	\$ (31,008)
Net income (loss) attributable to common shares — basic	\$ (13,127)	\$ (4,234)	\$ (85,873)	\$ 6,599						

Net income (loss) attributable to common shares — diluted	\$ (13,127)	\$ (4,234)	\$ (85,873)	\$ 6,599					
Net loss attributable to common shares — basic				Net loss attributable to common shares — basic	\$ (17,097) \$ (37,607) \$ (102,970) \$ (31,008)				
Net loss attributable to common shares — diluted				Net loss attributable to common shares — diluted	\$ (17,097) \$ (37,607) \$ (102,970) \$ (31,008)				
Net income (loss) per share attributable to common shares — basic	\$ (0.09)	\$ (0.04)	\$ (0.63)	\$ 0.06					
Net income (loss) per share attributable to common shares — diluted	\$ (0.09)	\$ (0.04)	\$ (0.63)	\$ 0.04					
Net loss per share attributable to common shares — basic				Net loss per share attributable to common shares — basic	\$ (0.12) \$ (0.31) \$ (0.73) \$ (0.27)				
Net loss per share attributable to common shares — diluted				Net loss per share attributable to common shares — diluted	\$ (0.12) \$ (0.31) \$ (0.73) \$ (0.27)				
Weighted average common shares outstanding — basic	141,973,731	116,983,265	136,760,936	114,102,308	Weighted average common shares outstanding — basic	146,962,717	120,507,152	140,198,899	116,272,459
Weighted average common shares outstanding — diluted	141,973,731	116,983,265	136,760,936	150,740,655	Weighted average common shares outstanding — diluted	146,962,717	120,507,152	140,198,899	116,272,459

See accompanying notes to the condensed consolidated financial statements.

INDIE SEMICONDUCTOR, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) LOSS
(Amounts in thousands)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Net income (loss)	\$ (13,563)	\$ (5,304)	\$ (95,529)	\$ 8,402
Other comprehensive income (loss):				
Foreign currency translation adjustments	3,938	(7,872)	2,438	(7,009)
Comprehensive income (loss)	(9,625)	(13,176)	(93,091)	1,393
Less: Comprehensive income (loss) attributable to noncontrolling interest	798	(951)	(9,127)	1,943
Comprehensive loss attributable to indie Semiconductor, Inc.	\$ (10,423)	\$ (12,225)	\$ (83,964)	\$ (550)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net loss	\$ (18,677)	\$ (45,432)	\$ (114,206)	\$ (37,030)
Other comprehensive loss:				
Foreign currency translation adjustments	(10,830)	(9,809)	(8,392)	(16,818)
Comprehensive loss	(29,507)	(55,241)	(122,598)	(53,848)
Less: Comprehensive loss attributable to noncontrolling interest	(1,449)	(7,727)	(10,576)	(5,784)
Comprehensive loss attributable to indie Semiconductor, Inc.	\$ (28,058)	\$ (47,514)	\$ (112,022)	\$ (48,064)

See accompanying notes to the condensed consolidated financial statements.

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INDIE SEMICONDUCTOR, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT) AND NONCONTROLLING INTEREST
(Amounts in thousands, except unit and share amounts)
(Uaudited)

	Common Stock			Common Stock			Additional	Accumulated	Total		Attributable to	Common	Common
	Class A	Shares	Class V	Amount	Paid-in	Capital	Deficit	Stockholders' Equity	Stockholders' Equity	Stock	Stockholders' Equity	Stock	Stock
Balance as of December 31, 2021	Balance as of December 31, 2021	108,181,781	\$11	30,448,081	\$3	\$514,891	—	Accumulated	Other	indie	Common	Common	Common
								Comprehensive	Comprehensive	Semiconductor, Inc.	Stock	Noncontrolling Interest	Stock
								Loss	Loss	Inc.	Class A	Interest	Class V
Vesting of equity awards	Vesting of equity awards	250,378	—	—	—	—	—	Total	Stockholders' Equity	—	—	—	—
Issuance per net settlement of equity awards and cash exercise of stock options	Issuance per net settlement of equity awards and cash exercise of stock options	1,250,878	—	—	—	(188)	—	—	—	(188)	—	259	—
Issuance per Exchange of Class V to Class A	Issuance per Exchange of Class V to Class A	2,224,148	—	(2,224,148)	—	(2,345)	—	—	—	(2,345)	—	2,345	—
Issuance on earn out awards	Issuance on earn out awards	3,070,494	—	1,895,879	—	872	—	—	—	872	—	(872)	—
Share-based compensation	Share-based compensation	—	—	—	10,742	—	—	—	—	10,742	—	—	—
Net income	Net income	—	—	—	—	10,833	—	—	—	10,833	—	2,873	—
Foreign currency translation adjustment	Foreign currency translation adjustment	—	—	—	—	—	—	863	863	—	—	21	—

Balance as of March 31, 2022	Balance as of March 31,									
	2022	114,977,679	\$11	30,119,812	\$3	\$523,972	\$ (189,583)	\$ (580)	\$ 333,823	\$ (16,563)
Vesting of equity awards	Vesting of equity awards	136,306	—	—	—	—	—	—	—	—
Issuance per net	Issuance per net									
settlement of equity awards	settlement of equity awards									
and cash	and cash									
exercise of stock options	exercise of stock options	443,160	—	—	—	(204)	—	—	(204)	205
Share-based compensation	Share-based compensation	—	—	—	—	7,093	—	—	7,093	—
Issuance per	Issuance per									
Exchange of	Exchange of									
Class V to	Class V to									
Class A	Class A	3,737,109	1	(3,737,109)	—	(3,054)	—	—	(3,053)	3,054
Issuance per	Issuance per									
Exchange of	Exchange of									
ADK LLC units	ADK LLC units									
to Class A	to Class A	29,358	—	—	—	—	—	—	—	—
Net loss	Net loss	—	—	—	—	—	(4,235)	—	(4,235)	(1,070)
Foreign currency translation adjustment	Foreign currency translation adjustment	—	—	—	—	—	—	(7,872)	(7,872)	119
Balance as of June 30, 2022	Balance as of June 30, 2022									
	June 30, 2022	119,323,612	\$12	26,382,703	\$3	\$527,807	\$ (193,818)	\$ (8,452)	\$ 325,552	\$ (14,255)
Vesting of equity awards										

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INDIE SEMICONDUCTOR, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT) AND NONCONTROLLING INTEREST
(Amounts in thousands, except unit and share amounts)
(Uunaudited)

Issuance per net settlement of equity awards and cash exercise of stock options	Total									
	Stockholders' Equity				Stockholders' Attributable to					
	Common Stock	Common Stock	Additional	Stockholders'	Accumulated	Other	indie	Semiconductor,	Noncontrolling	Stock
	Class A	Shares	Class V	Amount				Inc.	Interest	Eq.
			Paid-in Capital	Accumulated Deficit	Total Stockholders'	Comprehensive Loss				
Balance as of December 31, 2022	126,824,465	\$13	21,381,476	\$2	\$568,564	—	—	\$ (243,816)	—	1
Vesting of equity awards	95,160	—	—	—	—	—	—	—	—	—

Issuance per net settlement of equity awards and cash exercise of stock options	836,984	—	—	(148)	—	—	(148)	167
Share-based compensation								
Issuance per Exchange of Class V to Class A	1,551,531	—	(1,551,531)	—	(2,653)	—	—	(2,653)
Issuance per Exchange of ADK LLC units to Class A	74,817	—	—	—	—	—	—	—
Share-based compensation	—	—	—	8,372	—	—	8,372	—
Issuance in connection with At-The-Market equity offering	3,316,198	—	—	34,194	—	—	34,194	—
Shares issued due to acquisition of GEO Semiconductor Inc.	6,868,768	1	—	74,176	—	—	74,177	1,380
Shares issued due to acquisition of Silicon Radar GmbH	982,445	—	—	9,585	—	—	9,585	249
Net loss	Net loss	—	—	—	(72,746)	—	(72,746)	(9,220)
Foreign currency translation adjustment	Foreign currency translation adjustment	—	—	—	—	(1,500)	(1,500)	(705)
Balance as of March 31,								
2023	140,550,368	\$14	19,829,945	\$2	692,090	\$ (316,562)	—	\$ (13,451)
Vesting of equity awards	87,542	—	—	—	—	—	—	—
Issuance per net settlement of equity awards and cash exercise of stock options	1,773,903	—	—	6,187	—	—	6,187	582
Issuance in connection with achievement of certain contingent consideration	73,311	—	—	608	—	—	608	—
Issuance per Exchange of Class V to Class A	835,613	—	(835,613)	—	(1,500)	—	—	(1,500)
Issuance per Exchange of ADK LLC units to Class A	13,032	—	—	—	—	—	—	—
Share-based compensation	—	—	—	10,272	—	—	10,272	—
Balance as of September 30, 2022								

	Total Stockholders' Equity									
	Common Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Comprehensive Loss	Attributable to indie Semiconductor, Noncontrolling Interest		Total Stockholders' Equity
	Class A	Shares	Class V	Shares				Inc.	Interest	
Balance as of December 31, 2022	126,824,465	\$ 13	21,381,476	\$ 2	\$ 568,564	\$ (243,816)	\$ (11,951)	\$ 312,812	\$ 1,520	\$ 314,332
Vesting of equity awards	95,160	—	—	—	—	—	—	—	—	—
Issuance per net settlement of equity awards and cash exercise of stock options	836,984	—	—	—	(148)	—	—	(148)	167	19
Issuance per Exchange of Class V to Class A	1,551,531	—	(1,551,531)	—	(2,653)	—	—	(2,653)	2,653	—
Issuance per Exchange of ADK LLC units to Class A	74,817	—	—	—	—	—	—	—	—	—
Share-based compensation	—	—	—	—	8,372	—	—	8,372	—	8,372
Issuance in connection with At-The-Market equity offering	3,316,198	—	—	—	34,194	—	—	34,194	—	34,194
Shares issued due to acquisition of GEO Semiconductor Inc.	6,868,768	1	—	—	74,176	—	—	74,177	1,380	75,557
Shares issued due to acquisition of Silicon Radar GmbH	982,445	—	—	—	9,585	—	—	9,585	249	9,834
Net loss	—	—	—	—	—	(72,746)	—	(72,746)	(9,220)	(81,966)

INDIE SEMICONDUCTOR, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT) AND NONCONTROLLING INTEREST
(Amounts in thousands, except unit and share amounts)
(Uaudited)

Foreign currency translation adjustment	—	Foreign currency translation adjustment	—
Balance as of March 31, 2023		Balance as of March 31, 2023	140,550,368
Vesting of equity awards	87,542	Vesting of equity awards	87,542
Issuance per net settlement of equity awards and cash exercise of stock options	1,773,903	Issuance per net settlement of equity awards and cash exercise of stock options	1,773,903
Issuance in connection with achievement of certain contingent consideration	73,311	Issuance in connection with achievement of certain contingent consideration	73,311

Issuance per Exchange of Class V to Class A													Issuance per Exchange of Class V to Class A	835,613
Issuance per Exchange of ADK LLC units to Class A													Issuance per Exchange of ADK LLC units to Class A	13,032
Share-based compensation													Share-based compensation	—
	Issuance in connection with At- The- Market equity offering												Issuance in connection with At- The- Market equity offering	—
Issuance in connection with At-The- Market equity offering	1,903,302	—	—	—	17,804	—	—	17,804	—	17,804	—	1,903,302	—	
Net loss	Net loss	—	—	—	—	(13,127)	—	(13,127)	(436)	(13,563)	—	Net loss	—	
Foreign currency translation adjustment	Foreign currency translation adjustment	—	—	—	—	—	3,938	3,938	1,234	5,172	—	Foreign currency translation adjustment	—	
Balance as of June 30, 2023	2023	145,237,071	\$14	18,994,332	\$2	\$725,461	\$(329,689)	\$(9,513)	\$386,275	\$(1,076)	\$385,199	2023	145,237,071	\$14
Vesting of equity awards													Vesting of equity awards	489,118
Issuance per net settlement of equity awards and cash exercise of stock options													Issuance per net settlement of equity awards and cash exercise of stock options	807,415
Issuance per Exchange of ADK LLC units to Class A													Issuance per Exchange of ADK LLC units to Class A	77,318
Share-based compensation													Share-based compensation	—
Shares issued due to release of the adjustment holdback per acquisition of GEO													Shares issued due to release of the adjustment holdback per acquisition of GEO	—
Semiconductor Inc.													Semiconductor Inc.	291,366
Shares issued due to acquisition of Exalos													Shares issued due to acquisition of Exalos	6,613,786
Net loss													Net loss	—

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND NONCONTROLLING INTEREST
(Amounts in thousands, except unit and share amounts)
(Unaudited)

Foreign currency translation adjustment	—	—	—	—	—	—	(10,830)	(10,830)	131	(10,699)
Balance as of September 30, 2023										
153,516,074	\$ 15	18,994,332	\$ 2	780,627	\$ (346,786)	\$ (20,343)	\$ 413,515	\$ (673)	\$ 412,842	

See accompanying notes to the condensed consolidated financial statements.

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INDIE SEMICONDUCTOR, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)
(Unaudited)

	Six Months Ended June 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Cash flows from operating activities:	Cash flows from operating activities:		Cash flows from operating activities:	
Net income (loss)	\$ (95,529)	\$ 8,402	Net loss	\$ (114,206)
Net loss			Net loss	\$ (37,030)
Adjustments to reconcile net loss to net cash used in operating activities:	Adjustments to reconcile net loss to net cash used in operating activities:		Adjustments to reconcile net loss to net cash used in operating activities:	
Depreciation and amortization	Depreciation and amortization	16,160	Depreciation and amortization	26,475
Amortization of inventory step-up	Amortization of inventory step-up	5,327	Amortization of inventory step-up	5,315
Inventory impairment charges	Inventory impairment charges	398	Inventory impairment charges	478
Share-based compensation	Share-based compensation	23,779	Share-based compensation	36,571
Amortization of discount and cost of issuance of debt	Amortization of discount and cost of issuance of debt	500	Amortization of discount and cost of issuance of debt	747
Bad debts	Bad debts	—	Bad debts	—
(Gain) loss from change in fair value of warrants	(Gain) loss from change in fair value of warrants	22,286	(Gain) loss from change in fair value of warrants	6,626
(Gain) loss from change in fair value of contingent considerations and acquisition-related holdbacks	(Gain) loss from change in fair value of contingent considerations and acquisition-related holdbacks	(673)	(Gain) loss from change in fair value of contingent considerations and acquisition-related holdbacks	(48,595)
Gain from change in fair value of contingent considerations and acquisition-related holdbacks			Gain from change in fair value of contingent considerations and acquisition-related holdbacks	
			(4,208)	(3,546)

(Gain) loss from change in fair value of currency forward contract		(Gain) loss from change in fair value of currency forward contract	298	(211)		
Deferred City Semi compensation	Deferred City Semi compensation	—	125	Deferred City Semi compensation	—	203
Deferred tax liabilities	Deferred tax liabilities	(3,716)	—	Deferred tax liabilities	(8,731)	1,532
Amortization of right-of-use assets	Amortization of right-of-use assets	1,196	1,118	Amortization of right-of-use assets	1,917	1,463
Unrealized foreign currency transaction gain		(43)	(216)			
Changes in operating assets and liabilities:	Changes in operating assets and liabilities:			Changes in operating assets and liabilities:		
Accounts receivable	Accounts receivable	(5,887)	(1,753)	Accounts receivable	(13,048)	(8,854)
Inventory	Inventory	(15,476)	(2,448)	Inventory	(12,489)	(2,406)
Accounts payable	Accounts payable	(1,691)	1,945	Accounts payable	(654)	2,945
Accrued expenses and other current liabilities	Accrued expenses and other current liabilities	(6,825)	434	Accrued expenses and other current liabilities	(1,284)	1,587
Accrued payroll liabilities	Accrued payroll liabilities	969	(723)	Accrued payroll liabilities	110	(843)
Deferred revenue	Deferred revenue	(891)	457	Deferred revenue	(1,070)	93
Prepaid and other current assets	Prepaid and other current assets	(11,381)	(2,340)	Prepaid and other current assets	(13,896)	(6,129)
Operating lease liabilities	Operating lease liabilities	(935)	(814)	Operating lease liabilities	(1,670)	(1,159)
Other long-term liabilities	Other long-term liabilities	(708)	(2,177)	Other long-term liabilities	4,742	(1,322)
Net cash used in operating activities	Net cash used in operating activities	(73,140)	(36,882)	Net cash used in operating activities	(87,977)	(58,815)
Cash flows from investing activities:	Cash flows from investing activities:			Cash flows from investing activities:		
Purchases of property and equipment	Purchases of property and equipment	(6,564)	(1,846)	Purchases of property and equipment	(8,580)	(4,508)
Business combinations, net of cash acquired	Business combinations, net of cash acquired	(98,429)	(8,705)	Business combinations, net of cash acquired	(94,989)	(8,705)
Net cash used in investing activities	Net cash used in investing activities	(104,993)	(10,551)	Net cash used in investing activities	(103,569)	(13,213)
Cash flows from financing activities:	Cash flows from financing activities:			Cash flows from financing activities:		
Proceeds from issuance of common stock/At-the-market offering	Proceeds from issuance of common stock/At-the-market offering	51,998	—	Proceeds from issuance of common stock/At-the-market offering	51,998	12,273

Offering costs for the issuance of common stock/At-the-market offering		Offering costs for the issuance of common stock/At-the-market offering	—	(273)
Proceeds from issuance of debt obligations	—	1,059		
Proceeds from issuance of short-term debt obligations		Proceeds from issuance of short-term debt obligations	1,717	1,059
Payments on debt obligations	Payments on debt obligations	(12,169)	(1,050)	Payments on debt obligations
Payments on financed software	Payments on financed software	(4,135)	(1,928)	Payments on financed software
Deferred payments on business combination	Deferred payments on business combination	—	(5,000)	Deferred payments on business combination
Payments of City Semi deferred compensation	Payments of City Semi deferred compensation	—	(1,000)	Payments of City Semi deferred compensation
Proceeds from exercise of stock options	Proceeds from exercise of stock options	31	72	Proceeds from exercise of stock options
Net cash provided by (used in) financing activities		35,725	(7,847)	Net cash provided by financing activities
Net cash provided by financing activities				Net cash provided by financing activities
Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents	1,189	(52)	Effect of exchange rate changes on cash and cash equivalents
Net decrease in cash and cash equivalents		(141,219)	(55,332)	Net decrease in cash and cash equivalents

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Net decrease in cash and cash equivalents		Net decrease in cash and cash equivalents	(161,231)	(68,693)
Cash, cash equivalents and restricted cash at beginning of period	Cash, cash equivalents and restricted cash at beginning of period	321,879	219,464	Cash, cash equivalents and restricted cash at beginning of period
Cash, cash equivalents and restricted cash at end of period	Cash, cash equivalents and restricted cash at end of period	\$ 180,660	\$ 164,132	Cash, cash equivalents and restricted cash at end of period
Supplemental disclosure of cash flow information:	Supplemental disclosure of cash flow information:			Supplemental disclosure of cash flow information:
Cash paid for interest	Cash paid for interest	\$ 3,654	\$ 128	Cash paid for interest

Supplemental disclosure of non-cash investing and financing activities:	Supplemental disclosure of non-cash investing and financing activities:	Supplemental disclosure of non-cash investing and financing activities:
Purchases of property and equipment, accrued but not paid	Purchases of property and equipment, accrued but not paid	Purchases of property and equipment, accrued but not paid
Fair value of common stock issued for business combination	Fair value of common stock issued for business combination	Fair value of common stock issued for business combination
Fair value of common stock issuable for business combination	Fair value of common stock issuable for business combination	Fair value of common stock issuable for business combination
Contingent consideration for business combination	Contingent consideration for business combination	Contingent consideration for business combination
Accrual for purchase consideration for business combination	Accrual for purchase consideration for business combination	Accrual for purchase consideration for business combination

See accompanying notes to the condensed consolidated financial statements.

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INDIE SEMICONDUCTOR, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(amounts in thousands, except unit and share amounts and per unit and per share amounts)
(Uaudited)

1. Nature of the Business and Basis of Presentation

indie Semiconductor, Inc. ("indie") and its predecessor for accounting purposes, Ay Dee Kay, LLC, a California limited liability company ("ADK LLC") and its subsidiaries are collectively referred to herein as the "Company." The Company offers highly innovative automotive semiconductors and software solutions for Advanced Driver Assistance Systems ("ADAS"), autonomous vehicle, connected car, user experience and electrification applications. The Company focuses on edge sensors across multiple modalities spanning LiDAR, radar, ultrasound and computer vision. These functions represent the core underpinnings of both electric and autonomous vehicles, while the advanced user interfaces are transforming the in-cabin experience to mirror and seamlessly connect to the mobile platforms people rely on every day. indie is an approved vendor to Tier 1 automotive suppliers and its platforms can be found in marquee automotive manufacturers around the world. Headquartered in Aliso Viejo, California, indie has design centers and sales offices in Austin, Texas; Boston, Massachusetts; Detroit, Michigan; San Francisco and San Jose, California; Cordoba, Argentina; Budapest, Hungary; Dresden, Frankfurt der Oder, Munich and Nuremberg, Germany; Cambridge, England; Edinburgh, Scotland; Schlieren, Switzerland; Rabat, Morocco; Haifa, Israel; Quebec City, Canada; Seoul, South Korea; Tokyo, Japan and several locations throughout China. The Company engages subcontractors to manufacture its products. The majority of these subcontractors are located in Asia.

Execution of At-The-Market Agreement

On August 26, 2022, the Company entered into an At Market Issuance Agreement ("ATM Agreement") with B. Riley Securities, Inc., Craig-Hallum Capital Group LLC and Roth Capital Partners, LLC (collectively as "Sales Agents") relating to shares of its Class A common stock, par value \$0.0001 per share, share (the "Class A common stock"). In accordance with the terms of the Sales Agreement, the Company may offer and sell shares of its Class A common stock having an aggregate offering price of up to \$150,000 from time to time through the Sales Agents, acting as the Company's agent or principal. The Company implemented this program for the flexibility that it provides to the capital markets and to best time its equity capital needs. As of **June 30, 2023** **September 30, 2023**, indie has raised gross proceeds of \$70,339 and issued 7,351,259 shares of Class A common stock at an average per-share sales price of \$9.57 through this program and had approximately \$79,661 available for future issuances under the ATM Agreement.

Recent Acquisitions

On February 9, 2023, indie entered into an Agreement and Plan of Merger, pursuant to which Gonzaga Merger Sub Inc., a Delaware corporation and indie's wholly-owned subsidiary, merged with and into GEO Semiconductor Inc., a Delaware corporation ("GEO"), with GEO surviving as a wholly-owned subsidiary of indie. The aggregate consideration for this transaction consisted of (i) \$93,448 in cash (including accrued cash consideration at closing and net of cash acquired); (ii) the issuance by indie of 6,868,768 shares of indie Class A common stock, par value \$0.0001 per share at closing, with a fair value of \$75,556; (iii) 1,907,180 shares of indie Class A common stock, par value \$0.0001 per share at closing, with a fair value of \$20,979 payable in the next 24 months for the purpose of adjustment and indemnity holdbacks; and (iv) an earn-out with fair value of \$63,093 at closing payable in cash or in indie Class A common stock, par value \$0.0001 per share, subject to achieving certain GEO-related revenue targets through September 30, 2024. The purchase price is subject to working capital and other adjustments as provided in the merger agreement. The transaction was completed on March 3, 2023.

On February 21, 2023, Symeo GmbH ("Symeo"), a wholly-owned subsidiary of the Company, completed its acquisition of all of the outstanding capital stock of Silicon Radar GmbH ("Silicon Radar"). The acquisition was consummated pursuant to a Share Purchase Agreement by and among Symeo, the Company and the holders of the outstanding capital stock of Silicon Radar. The closing consideration consisted of (i) \$9,245 in cash (including debt payable at closing and net of cash acquired), (ii) the issuance by indie of 982,445 shares of Class A common stock par value 0.0001 per share at closing, with a fair value of \$9,834; and (iii) a contingent consideration with fair value of \$9,979 at closing, payable in cash or in Class A common stock, subject to Silicon Radar's achievement of certain revenue-based milestones through February 21, 2025. The purchase price is subject to working capital and other adjustments as provided in the merger agreement.

On September 18, 2023, Ay Dee Kay Ltd., a wholly-owned Subsidiary of the Company, completed its acquisition of Exalos AG, a Swiss corporation ("Exalos"), pursuant to that Share Sale and Purchase Agreement by and among indie, Ay Dee Kay Ltd., and all of the stockholders of Exalos, whereby Ay Dee Kay Ltd. acquired all of the outstanding common shares of Exalos. The closing consideration consisted of (i) the issuance by indie of 6,613,786 shares of Class A common stock at closing, with a fair value of \$42,791; (ii) a contingent consideration with fair value of \$13,225 at closing, payable in cash or shares, subject to Exalos' achievement of certain revenue-based milestones through September 30, 2025; and (iii) a holdback of \$2,500 subject to

final release 12 months from the acquisition date and payable in shares of Class A common stock. The purchase price is subject to working capital and other adjustments as provided in the Share Sale and Purchase Agreement.

See Note 2 — *Business Combinations* for additional description of these acquisitions.

Amendments to Articles of Incorporation

indie held its 2023 annual meeting of stockholders (the "Annual Meeting") on June 21, 2023. At the Annual Meeting, the Company's stockholders approved the amendment of the Company's existing Amended and Restated Certificate of

Incorporation to increase the number of authorized shares of Class A common stock, par value \$0.0001 per share, from 250,000,000 to 400,000,000 (the "Amendment").

The Board previously approved the Amendment, subject to and conditioned upon stockholder approval at the Annual Meeting. Following stockholder approval of the Amendment, the Company prepared an Amended and Restated Certificate of Incorporation to reflect the Amendment. The Amended and Restated Certificate of Incorporation became effective upon its filing with the Secretary of State of the State of Delaware on June 22, 2023.

Risks and Uncertainties

The COVID-19 pandemic (the "Pandemic") recent conflict in the Middle East and efforts the implications of these events has created global political and economic uncertainty. The Company is closely monitoring developments, including potential impact to control the Company's business, customers, suppliers, its spread significantly curtailed employees and operations in Israel, the movement of people, goods, Middle East and services worldwide. The ultimate duration and extent elsewhere. At this time, the impact to indie is subject to change given the volatile nature of the Pandemic depends on future developments that cannot be accurately predicted at this time, including the severity and transmission rates of new and more contagious and/or vaccine-resistant variants of COVID-19, as well as the impact that any such new variants may have on local, regional, national and international customers and economic markets. The Pandemic has already had an adverse effect on the global economy, and the ultimate societal and economic impact of the Pandemic remains unknown. situation.

Refer to Part I, Item 1A of our 2022 Annual Report on Form 10-K for the fiscal year ended December 31, 2022 under the heading "*Risk Factors*" for more information. on our risks and uncertainties.

Basis of Presentation

The condensed consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") and the rules and regulations of the Securities and Exchange Commission ("SEC"). Any reference in these notes to applicable guidance is meant to refer to the authoritative U.S. GAAP as

found in the Accounting Standards Codification ("ASC") and the Accounting Standards Update ("ASU") of the Financial Accounting Standards Board ("FASB"). The condensed consolidated financial statements include the condensed consolidated accounts of the Company's majority-owned subsidiary, ADK LLC, of which 88% 89% was owned by indie as of **June 30, 2023** **September 30, 2023**. ADK LLC's condensed consolidated financial statements include its wholly-owned subsidiaries indie Services Corporation, indie LLC and indie City LLC, all California entities, Ay Dee Kay Limited, a private limited company incorporated under the laws of Scotland, indie GmbH and Symeo GmbH, both of which are private limited liability companies incorporated under the laws of Germany, **Exalos AG**, a company limited by shares organized under the laws of Switzerland, indie Kft, a limited liability company incorporated under the laws of Hungary, TeraXion Inc., a company incorporated under the laws of Canada, indie Semiconductor Israel Ltd., a private limited company incorporated under the laws of Israel, Ay Dee Kay S.A., a limited liability company incorporated under the laws of Argentina, indie Semiconductor Morocco, a limited liability company under the laws of Morocco, indie Semiconductor Japan KK, a limited liability company under the laws of Japan, indie Semiconductor Korea Branch, a limited liability company under the laws of Korea, Wuxi indie Microelectronics ("Wuxi"), a Chinese entity with 55% voting controlled and 38% owned by the Company as of **June 30, 2023** **September 30, 2023** and Wuxi's wholly-owned subsidiaries, indie Semiconductor Suzhou, indie Semiconductor HK, Ltd and Shanghai Zlying Microelectronics Co., Ltd.

All significant intercompany accounts and transactions of the subsidiaries have been eliminated in consolidation. The noncontrolling interest attributable to the Company's less-than-wholly-owned subsidiary is presented as a separate component from stockholders' equity (deficit) in the condensed consolidated balance sheets, and a noncontrolling interest in the condensed consolidated statements of operations and condensed consolidated statements of stockholders' equity (deficit) and noncontrolling interest.

Unaudited Interim Financial Information

The accompanying unaudited condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the SEC for interim financial reporting. Certain information and footnote disclosures, normally included in annual consolidated financial statements prepared in accordance with U.S. GAAP, have been condensed or omitted pursuant to those rules and regulations. However, in management's opinion, the financial information reflects all adjustments, including

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those of a normal recurring nature, necessary to present fairly the results of operations, financial position, and cash flows of the Company for the periods presented. The results of operations, financial position, and cash flows for the Company during the interim periods are not necessarily indicative of those expected for the full year. This information should be read in conjunction with the Company's consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the SEC on March 28, 2023.

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Emerging Growth Company

Section 102(b)(1) of the Jumpstart Our Business Startups Act of 2012 ("JOBS Act") exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can choose not to take advantage of the extended transition period and comply with the requirements that apply to non-emerging growth companies, and any such election to not take advantage of the extended transition period is irrevocable. indie is an "emerging growth company" as defined in Section 2(a) of the Securities Act of 1933, as amended (the "Securities Act"), and **has** elected to take advantage of the benefits of the extended transition period for new or revised financial accounting standards. **Following the consummation of the Transaction, the Company will remain an emerging growth company until the earliest of (i) the last day of the fiscal year in which the** **The market value of the Company's common stock that is held by non-affiliates exceeds \$700 million as of the end of that year's second fiscal quarter, (ii) the last day of the fiscal year in which the Company achieves total annual gross revenue of \$1.235 billion or more during such fiscal year (as indexed for inflation), (iii) the date on which the Company issues more than \$1 billion in non-convertible debt in the prior three-year period or (iv) December 31, 2024.** As the market value of the Company's common stock that is held by non-affiliates exceeded \$700 million as of June 30, 2023 based on the Nasdaq Capital Market closing price of \$9.40 per share of the Company's Class A common stock on such day, and therefore, the Company will **no longer qualify for such emerging growth company status commencing December 31, 2023.** As a **large accelerated filer** not entitled to **emerging growth company status, result, the Company will be subject to certain disclosure requirements that are applicable to other public companies that have not been applicable to us the Company as an emerging growth company, including the ability to take advantage of such extended transition period.**

Significant Accounting Policies

The Company's significant accounting policies are disclosed in its Annual Report on Form 10-K for the year ended December 31, 2022. There has been no material change to the Company's significant accounting policies during the **six** **nine** months ended **June 30, 2023** **September 30, 2023**.

Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

In June 2016, the FASB amended guidance related to impairment of financial instruments as part of ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which replaces the incurred loss impairment methodology with an expected credit loss model for which a company recognizes an allowance

based on the estimate of expected credit loss. This ASU requires entities to measure the impairment of certain financial instruments, including accounts receivable, based on expected losses rather than incurred losses. This ASU is effective for fiscal years beginning after December 15, 2022, with early adoption permitted, and will be effective for the Company beginning in 2023. The Company adopted the guidance as of January 1, 2023 and the impact to its condensed consolidated financial statements was not material.

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2. Business Combinations

The Company acquired TERAXION Inc. ("TeraXion") and ON Design Israel Ltd. ("ON Design Israel") in October 2021, Symeo in January 2022, Silicon Radar in February 2023, and GEO in March 2023 and Exalos in September 2023. These acquisitions were recorded by allocating the purchase consideration to the net assets acquired based on their estimated fair values at the acquisition date. The excess of the purchase consideration for the acquisition over the fair value of the net assets acquired is recorded as goodwill. The fair values were based on management's analysis, including work performed by third-party valuation specialists. The final allocation of the purchase consideration to the assets acquired and liabilities assumed for TeraXion, ON Design Israel and Symeo were presented within the most recent Form 10-K for the fiscal year ended December 31, 2022, filed with the SEC on March 28, 2023. The following presents the preliminary allocation of the purchase consideration to the assets acquired and liabilities assumed for Silicon Radar, GEO and GEO Exalos as of June 30, 2023 September 30, 2023:

	Silicon Radar		Exalos		Silicon Radar		GEO	
	Silicon Radar	GEO	Exalos	—	Silicon Radar	—	GEO	—
Purchase price - cash consideration paid	Purchase price - cash consideration paid	\$ 8,653	\$ 91,076		Purchase price - cash consideration paid	\$ —	\$ 8,653	\$ 91,076
Purchase price - cash consideration accrued	Purchase price - cash consideration accrued	800	3,464		Purchase price - cash consideration accrued	—	800	3,464
Less: cash acquired	Less: cash acquired	(208)	(1,092)		Less: cash acquired	(3,439)	(208)	(1,092)
Net cash consideration	Net cash consideration	\$ 9,245	\$ 93,448		Net cash consideration	\$ (3,439)	\$ 9,245	\$ 93,448
Purchase price - equity consideration issued and issuable (common stock)		\$ 9,834	\$ 96,535					
Purchase price - equity consideration issued (common stock)					Purchase price - equity consideration issued (common stock)		\$ 42,791	\$ 9,834
Purchase price - equity consideration issuable (common stock)					Purchase price - equity consideration issuable (common stock)			\$ 75,556
Total equity consideration	Total equity consideration	\$ 9,834	\$ 96,535		Total equity consideration	\$ 45,291	\$ 9,834	\$ 96,535
Contingent consideration	Contingent consideration	\$ 9,979	\$ 63,093		Contingent consideration	\$ 13,225	\$ 9,979	\$ 63,093
Net consideration	Net consideration	\$ 29,058	\$ 253,076		Net consideration	\$ 55,077	\$ 29,058	\$ 253,076
							2,500	—
								20,979

Estimated fair value of net assets and liabilities assumed:	Estimated fair value of net assets and liabilities assumed:			Estimated fair value of net assets and liabilities assumed:			Estimated fair value of net assets and liabilities assumed:		
Current assets other than cash	Current assets other than cash			Current assets other than cash			\$ 3,146		
Property and equipment	Property and equipment			\$ 2,351			178		
Developed technology	Developed technology			\$ 4,795			61,522		
In-process research & development	In-process research & development			\$ 4,795			14,943		
Customer relationships	Customer relationships			\$ 3,425			31,847		
Backlog	Backlog			\$ 411			3,010		
Trade name	Trade name			\$ 2,055			3,990		
Operating lease right-of-use assets step-up							Operating lease right-of-use assets step-up		
Other non-current assets	Other non-current assets			\$ 17			\$ 10		
Current liabilities	Current liabilities			(\$ 1,585)			(\$ 6,084)		
Deferred revenue	Deferred revenue			(\$ 512)			—		
Deferred tax liabilities, non-current	Deferred tax liabilities, non-current			(\$ 2,689)			(\$ 3,672)		
Other non-current liabilities	Other non-current liabilities			(\$ 682)			(\$ 711)		
Total fair value of net assets acquired	Total fair value of net assets acquired			\$ 15,527			\$ 124,593		
Goodwill	Goodwill			\$ 13,531			\$ 128,483		

Changes in the estimated fair values of the net assets recorded for the business combination of Silicon Radar, **GEO** and **GEO Exalos** upon the finalization of more detailed analyses of the facts and circumstances that existed at the date of the transaction will change the allocation of the purchase price. Subsequent changes to the purchase allocation during the measurement period that are material will be recorded in the reporting period in which the adjustment amounts are determined.

For both the Silicon Radar, **GEO** and **Silicon Radar Exalos** acquisitions, trade receivables and payables, as well as other current and non-current assets and liabilities and deferred revenue, were valued at the existing carrying value as they represented the fair value of those items at the acquisition date, based on management's judgments and estimates.

Because the acquisitions related to Silicon Radar, **GEO** and **GEO Exalos** occurred relatively recently, and in light of the magnitude of the transactions, the significant information to be obtained and analyzed and the fact that both Exalos and Silicon Radar resides in foreign jurisdiction, jurisdictions, the Company's fair value estimates for the purchase price allocation are preliminary and may change during the

allowable measurement period, which is up to the point the Company obtains and analyzes the information that

existed as of the date of the acquisition necessary to determine the fair values of the assets acquired and liabilities assumed, but in no case to exceed more than one year from the date of acquisition. As of **August 11, 2023** **November 9, 2023**, the Company had not finalized the determination of fair values allocated to various assets and liabilities, including, but not limited to, inventory, property, plant and equipment, identifiable intangible assets, other assets, deferred taxes, goodwill, tax uncertainties, income taxes payable, and other liabilities. Specifically for the valuation of intangibles assets acquired, the Company used publicly available benchmarking information, as well as a variety of other assumptions, including market participant assumptions to determine the preliminary values. Any changes in the fair values of the assets acquired and liabilities assumed during the measurement period may result in material adjustments to goodwill and deferred tax.

Acquisition of Silicon Radar GmbH

On February 21, 2023, Symeo, a wholly-owned subsidiary of the Company, completed its acquisition of all of the outstanding capital stock of Silicon Radar. The acquisition was consummated pursuant to a Share Purchase Agreement by and among Symeo, the Company and the holders of the outstanding capital stock of Silicon Radar. The closing consideration consisted of (i) \$9,245 in cash (including accrued cash consideration at closing and net of cash acquired), (ii) approximately 982,445 shares of Class A common stock **par value \$0.0001 per share** of the Company, with a fair value of \$9,834, and (iii) a contingent consideration payable in cash or in Class A common stock subject to Silicon Radar's achievement of certain revenue-based milestones through February 21, 2025. The fair value of this contingent consideration was \$9,979 on February 21, 2023. The purchase price is subject to working capital and other adjustments as provided in the merger agreement.

The Company paid a premium (i.e. goodwill) over the fair value of the net tangible and identified intangible assets acquired as this acquisition brings the Company an engineering development team with broad experience in radar system, which is expected to expand indie's entry into the radar market and enable the Company to capture strategic opportunities among Tier 1 customers. The goodwill is not expected to be deductible for tax purposes.

indie incurred various acquisition-related costs, which were primarily legal expense and recorded as part of the *Selling, General and Administrative expenses*. Total costs incurred are **\$707 as of June 30, 2023** **\$717 during the nine months ended September 30, 2023**. Total costs incurred during the three months ended September 30, 2023 were immaterial.

The Company maintains an adjustment holdback for the purpose of providing security against any adjustment to the amounts at closing. The holdback period extends for 12 months from the closing date and will be settled by cash.

Total purchase consideration transferred at closing also included contingent consideration that had a fair value of \$9,979 as of the acquisition date. The acquisition date fair value of the contingent consideration was determined based on the Company's assessment of the probability of achieving the performance targets that ultimately obligate the Company to transfer additional consideration to the seller. The contingent consideration is comprised of two tranches, both subject to Silicon Radar achieving certain revenue targets. Both tranches are payable, up to a maximum of \$9,000, upon the achievement of revenue threshold of \$5,000 for the twelve-month period ending on February 21, 2024 and the achievement of revenue threshold of \$7,000 for the twelve-month period ending on February 21, 2025, respectively. Both tranches are payable in cash or common stock, at indie's election. Should indie elect to pay in common stock, the number of shares issuable through a payment in common stock equals to earnout divided by a volume-weighted-average-price ("VWAP") for 20 days ending prior to the due date for payment. The fair value of any outstanding contingent consideration liabilities will be remeasured as of the end of each reporting period with any resulting remeasurement gains or losses recognized in the **condensed** consolidated statement of operations. The first tranche of this earn-out liability is reflected in *Accrued expense and other current liabilities* and the second tranche is reflected in *Other long-term liabilities* in the condensed consolidated balance sheet as of **June 30, 2023** **September 30, 2023**.

Pro forma financial information for Silicon Radar is not disclosed as the results are not material to the Company's condensed consolidated financial statements.

Acquisition of GEO Semiconductor Inc.

On February 9, 2023, indie entered into an Agreement and Plan of Merger, pursuant to which Gonzaga Merger Sub Inc., a Delaware corporation and indie's wholly-owned subsidiary, will merge with and into GEO Semiconductor Inc., a Delaware corporation, with GEO surviving as a wholly-owned subsidiary of indie. The aggregate consideration for this transaction consisted of (i) \$93,448 in cash (including accrued cash consideration at closing and net of cash acquired); (ii) the issuance by indie of 6,868,768 shares of **indie Class A common stock par value \$0.0001 per share** at closing, with a fair value of \$75,556; (iii) 1,907,180 shares of **indie Class A common stock par value \$0.0001 per share** at closing, with a fair value of \$20,979 payable in the next 24 months for the purpose of adjustment and indemnity holdbacks; and (iv) contingent consideration with fair value of \$63,093 at closing payable in cash or in **indie Class A common stock, par value \$0.0001 per share**, subject to achieving certain GEO-related revenue targets through September 30, 2024. The purchase price is subject to working capital and other adjustments as provided in the merger agreement. The transaction was completed on March 3, 2023.

GEO has programs with major image sensor suppliers and is engaged in multiple EV and autonomous vehicle programs. Its products comprise three generations of application specific camera video processors, including those focused on viewing, where video is projected on a display and viewed by the driver, and sensing, where video is processed using advanced computer vision and machine learning algorithms to assist the driver. The unique ability to support both of these key categories is expected to allow indie to deliver solutions in applications ranging from simple backup cameras to full Autonomous Driving platforms. Accordingly, indie paid a premium (i.e. goodwill) over the fair value of the net tangible and identifiable intangible assets acquired as this acquisition is expected to continue to strengthen indie's expansion into the ADAS and autonomous vehicles market. The goodwill is not expected to be deductible for tax purposes.

indie incurred various acquisition-related costs, which were primarily legal expense and recorded as part of the *Selling, General and Administrative expenses*. Total costs incurred are \$2,492 as of June 30, 2023 \$2,467 during the nine months ended September 30, 2023. Total costs incurred during the three months ended September 30, 2023 were immaterial.

The Company maintains an indemnity and adjustment holdback for the purpose of providing security against any adjustment to the amounts at closing. The indemnity holdback period extends for 24 months from the anniversary of the closing date. The indemnity holdback will be settled by transferring up to 1,566,472 shares of the Company's Class A common stock. The fair value of the indemnity holdback was \$17,231 as of the acquisition date. The adjustment holdback represents up to 340,708 shares of the Company's stock and its period extends for 60 days from the closing date. The fair value of the adjustment holdback was \$3,748 as of the acquisition date. The fair value of any outstanding liabilities will be remeasured as of the end of each reporting period with any resulting remeasurement gains or losses recognized in the consolidated statement of operations. The On July 7, 2023, the adjustment holdback is reflected was settled and 291,366 shares of Class A common stock were issued with a final fair value of \$2,651. Accordingly, the fair value of the adjustment holdback was reduced to zero during the three months ended September 30, 2023 and a gain of \$1,096 was recorded in *Accrued expense Other income (expense), net* for both the three and other current liabilities and nine months ended September 30, 2023 in the condensed consolidated statement of operations. The indemnity holdback is reflected in *Other long-term liabilities* in the condensed consolidated balance sheet as of June 30, 2023 September 30, 2023. The adjustment holdback was settled in July 2023.

Total purchase consideration transferred at closing included contingent consideration that had a fair value of \$63,093 as of the acquisition date. The acquisition date fair value of the contingent consideration was determined based on the Company's assessment of the probability of achieving the performance targets that ultimately obligate the Company to transfer additional consideration to the seller. The contingent consideration is comprised of two tranches, both subject to GEO achieving certain GEO-related revenue targets. The first tranche is payable, up to a maximum of \$55,000, upon the achievement of revenue threshold of \$50,000 for the twelve-month period ending on March 31, 2024. The second tranche payable, up to a maximum of \$35,000, upon the achievement of revenue threshold of \$30,000 for the six-month period ending on September 30, 2024. Both tranches are payable in cash or common stock, at indie's election. The number of shares issuable through a payment in common stock equals to earnout value divided by a 20 days VWAP ending on each earnout period and is collared between \$8.50 and \$11.50 per share ("Earnout Parent Trading Price"). Should the Company elect to pay the earn-out consideration in cash, the amount will be determined by multiplying the number of shares payable by the Earnout Parent Trading Price. The fair value of any outstanding contingent consideration liabilities will be remeasured as of the end of each reporting period with any resulting remeasurement gains or losses recognized in the condensed consolidated statement of operations. The first tranche of this earn-out liability is reflected in *Accrued expense and other current liabilities* and the second tranche is reflected in *Other long-term liabilities* in the condensed consolidated balance sheet as of June 30, 2023 September 30, 2023.

The unaudited pro forma financial information shown below summarizes the combined results of operations for the Company and GEO as if the closing of the acquisition had occurred on January 1, 2023:

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	Three months ended June 30, 2023		Six months ended June 30, 2023		Three months ended September 30, 2023		Nine months ended September 30, 2023	
Combined revenue	Combined revenue	\$ 52,108	\$ 96,230	Combined revenue	\$ 60,476	\$ 156,706		
Combined net loss before income taxes	Combined net loss before income taxes	\$ (13,221)	\$ (108,573)	Combined net loss before income taxes	\$ (18,027)	\$ (126,600)		

The unaudited pro forma financial information includes adjustments that are directly attributable to the business combination and are factually supportable. Pro forma information reflects adjustments that are expected to have a continuing impact on the Company's results of operations and are directly attributable to the acquisition. The unaudited pro forma results include adjustments to reflect, among other things, direct transaction costs relating to the acquisition, the incremental intangible asset amortization to be incurred based on the preliminary values of each identifiable intangible asset, and to eliminate a portion of the interest expense related to legacy GEO's former loans, which were settled upon completion of the acquisition. The unaudited pro forma financial information is presented for illustrative purposes only and is not necessarily indicative of the operating results that would have been realized if the acquisition had taken place on January 1, 2023.

Acquisition of Exalos AG

On September 18, 2023, Ay Dee Kay Ltd. completed its acquisition of Exalos AG, a Swiss corporation ("Exalos"), pursuant to that Share Sale and Purchase Agreement by and among Ay Dee Kay Ltd., the Company and all of the stockholders of Exalos, whereby Ay Dee Kay Ltd. acquired all of the outstanding common shares of Exalos. The closing consideration consisted of (i) approximately 6,613,786 shares of Class A common stock of the Company, with a fair value of \$42,791, and (ii) a contingent consideration with fair value of \$13,225 at closing, payable in cash, subject to Exalos' achievement of certain revenue-based milestones through September 30, 2025; and (iii) a holdback of \$2,500 subject to final release 12 months from the acquisition date payable in shares of Class A common stock. The purchase price is subject to working capital and other adjustments as provided in the Share Sale and Purchase Agreement.

The Company paid a premium (i.e., goodwill) over the fair value of the net tangible and identified intangible assets acquired as this acquisition immediately expands the Company's ADAS and User Experience product and technology offering to its global tier one and automotive OEM customer base. Specifically, indie can now leverage Exalos' technology portfolio to extend its FMCW LiDAR portfolio. The goodwill is not expected to be deductible for tax purposes.

The Company incurred various acquisition-related costs, which were primarily legal expense and recorded as part of the *Selling, General and Administrative expenses*. Total costs incurred are \$542 during the three and nine months ended September 30, 2023.

The Company maintains an adjustment holdback for the purpose of providing security against any adjustment to the amounts at closing. The holdback period extends for 12 months from the closing date and will be paid in shares of Class A common stock.

Total purchase consideration transferred at closing also included contingent consideration that had a fair value of \$13,225 as of the acquisition date. The acquisition date fair value of the contingent consideration was determined based on the Company's assessment of the probability of achieving the performance targets that ultimately obligate the Company to transfer additional consideration to the seller. The contingent consideration is comprised of two tranches, both subject to Exalos achieving certain revenue targets. Both tranches are payable in cash or Class A common stock, at indie's election, up to a maximum of \$20,000, upon the achievement of revenue threshold of \$19,000 for the twelve-month period ending on September 30, 2024 and the achievement of revenue threshold of \$21,000 for the twelve-month period ending on September 30, 2025, respectively. The fair value of any outstanding contingent consideration liabilities will be remeasured as of the end of each reporting period with any resulting remeasurement gains or losses recognized in the condensed consolidated statement of operations. The first tranche of this earn-out liability is reflected in *Accrued expense and other current liabilities* and the second tranche is reflected in *Other long-term liabilities* in the condensed consolidated balance sheet as of September 30, 2023.

Pro forma financial information for Exalos is not disclosed as the results are not material to the Company's condensed consolidated financial statements.

3. Inventory, Net

Inventory, net consists of the following:

	June 30, 2023	December 31, 2022
Raw materials	\$ 12,561	\$ 5,718
Work-in-process	10,316	6,846
Finished goods	20,184	2,484
Inventory, gross	43,061	15,048
Less: Inventory reserves	2,190	1,792
Inventory, net	<u>\$ September 30, 2023</u>	<u>\$ December 31, 2022</u>
Raw materials	\$ 10,590	\$ 5,718
Work-in-process	12,802	6,846
Finished goods	18,438	2,484
Inventory, gross	41,830	15,048
Less: Inventory reserves	2,325	1,792
Inventory, net	<u>\$ 39,505</u>	<u>\$ 13,256</u>

During the three months ended **June 30, 2023** **September 30, 2023** and 2022, the Company recognized write-downs in the value of inventory of **\$367** **\$80** and **\$204**, **\$485**, respectively. During the **six** **nine** months ended **June 30, 2023** **September 30, 2023** and 2022, the Company recognized write-downs in the value of inventory of **\$398** **\$478** and **\$707**, **\$1,192**, respectively.

4. Property and Equipment, Net

Property and equipment, net consists of the following:

	Useful life (in years)	June 30, 2023	December 31, 2022	Useful life (in years)	September 30, 2023	December 31, 2022
Production tooling	Production tooling	4	\$ 13,843	\$ 10,851	Production tooling	4
Lab equipment	Lab equipment	4	9,819	6,382	Lab equipment	4
Office equipment	Office equipment	3 - 7	5,485	4,736	Office equipment	3 - 7
Leasehold improvements	Leasehold improvements	*	1,682	1,216	Leasehold improvements	*
Construction in progress	Construction in progress		3,124	1,763	Construction in progress	5,120
Property and equipment, gross	Property and equipment, gross		33,953	24,948	Property and equipment, gross	38,848
Less: Accumulated depreciation	Less: Accumulated depreciation		11,563	9,119	Less: Accumulated depreciation	12,935
Property and equipment, net	Property and equipment, net	<u>\$ 22,390</u>	<u>\$ 15,829</u>	<u>Property and equipment, net</u>	<u>\$ 25,913</u>	<u>\$ 15,829</u>

* Leasehold improvements are amortized over the shorter of the remaining lease term or estimated useful life of the leasehold improvement.

The Company recognized depreciation expense of \$1,548 \$1,271 and \$798 \$753 for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively. The Company recognized depreciation expense of \$2,503 \$3,774 and \$1,558 \$2,311 for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

Fixed assets not yet in service consist primarily of capitalized internal-use software and certain tooling and other equipment that have not been placed into service.

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5. Intangible Assets, Net

Intangible assets, net consist of the following:

		June 30, 2023				December 31, 2022				September 30, 2023				
		Weighted Average		Gross		Weighted Average		Gross		Weighted Average		Gross		
		Remaining Useful Life	Carrying Amount	Accumulated Amortization	Net	Remaining Useful Life	Carrying Amount	Accumulated Amortization	Net	Remaining Useful Life	Carrying Amount	Accumulated Amortization	Net	
		Useful Life	Amount	Amount	Amount	Useful Life	Amount	Amount	Amount	Useful Life	Amount	Amount	Amount	
Developed technology	Developed technology	4.6	\$ 90,581	\$ (11,430)	\$ 79,151	4.0	\$ 22,734	\$ (4,993)	\$ 17,741	Developed technology	4.5	\$ 98,549	\$ (15,657)	\$ 82,892
Software licenses	Software licenses	0.8	23,590	(14,889)	8,701	1.5	23,305	(11,514)	11,791	Software licenses	1.2	23,542	(16,787)	6,755
Customer relationships	Customer relationships	9.2	52,841	(3,918)	48,923	8.2	17,569	(1,895)	15,674	Customer relationships	8.9	58,153	(5,164)	52,985
Intellectual property licenses	Intellectual property licenses	0.4	1,814	(1,728)	86	1.0	1,777	(1,716)	61	Intellectual property licenses	0.3	1,849	(1,736)	113
Trade names	Trade names	5.7	15,581	(2,431)	13,150	5.5	9,536	(1,466)	8,070	Trade names	5.6	19,565	(2,927)	16,638
Backlog	Backlog	0.8	3,787	(1,310)	2,477	1.0	366	(175)	191	Backlog	0.8	4,451	(2,171)	2,280
Effect of exchange rate on gross carrying amount	Effect of exchange rate on gross carrying amount			(2,523)	(2,523)			(3,614)	—	(3,614)	Effect of exchange rate on gross carrying amount	(4,383)	(4,383)	
Intangible assets with finite lives	Intangible assets with finite lives		185,671	(35,706)	149,965		71,673	(21,759)	49,914	Intangible assets with finite lives		201,726	(44,442)	157,284
IPR&D	IPR&D		32,368	—	32,368		14,160	—	14,160	IPR&D		40,336	—	40,336
Effect of exchange rate on gross carrying amount	Effect of exchange rate on gross carrying amount		(895)	—	(895)		(957)	—	(957)	Effect of exchange rate on gross carrying amount		(1,196)	—	(1,196)
Total intangible assets with indefinite lives	Total intangible assets with indefinite lives		31,473	—	31,473		13,203	—	13,203	Total intangible assets with indefinite lives		39,140	—	39,140
Total intangible assets	Total intangible assets		\$ 217,144	\$ (35,706)	\$ 181,438		\$ 84,876	\$ (21,759)	\$ 63,117	Total intangible assets		\$ 240,866	\$ (44,442)	\$ 196,424

The Company obtained software licenses, which it uses for its research and development efforts related to its products. In fiscal 2022, the Company obtained additional software licenses. Further, the Company has acquired developed technology, customer relationships, trade names, backlog and IPR&D as a result of business combinations. See Note 2 — *Business Combinations* for additional information.

Intangible assets with finite lives are amortized on a straight-line basis over the expected period to be benefited by future cash flows. Amortization of intangible assets for the three months ended **June 30, 2023** **September 30, 2023** and 2022 was **\$8,577** **\$9,044** and **\$4,133** **\$51**, respectively. Amortization of intangible assets for the **six nine** months ended **June 30, 2023** **September 30, 2023** and 2022 was **\$13,657** **\$22,701** and **\$8,808** **\$8,859**, respectively. Amortization of intangible assets is included within *Cost of goods sold, Research and development expenses, and Selling, general and administrative expenses* based their respective nature, in the condensed consolidated statements of operations.

Based on the amount of definite-lived intangible assets subject to amortization as of **June 30, 2023** **September 30, 2023**, amortization expense for each of the next five fiscal years is expected to be as follows:

2023 (remaining six months)	\$ 18,366	2023 (remaining 3 months)	\$ 10,007
2023 (remaining 3 months)		2023 (remaining 3 months)	
2024	2024	2024	32,266
2025	2025	2025	26,680
2026	2026	2026	25,714
2027	2027	2027	23,201
Thereafter	Thereafter	Thereafter	39,416
	\$ 149,965	\$	157,284

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6. Goodwill

The following table sets forth the carrying amount and activity of goodwill as of **June 30, 2023** **September 30, 2023**:

	Amount
Balance as of December 31, 2022	\$ 136,463
Acquisitions (Note 2)	141,789 173,768
Measurement period adjustment for current year acquisitions	225
Effect of exchange rate on goodwill	3,295 (931)
Balance as of June 30, 2023 September 30, 2023	\$ 281,772 309,525

The change in goodwill is primarily driven by **\$142,014** **\$173,993** increase during the **six nine** months ended **June 30, 2023** **September 30, 2023** due to acquisition of Silicon Radar, GEO and **GEO Exalos** that were completed during the period, as well as a **\$3,295** increase **\$931** decrease in value due to effect of exchange rate on goodwill. See Note 2 — *Business Combinations* for a detailed discussion of goodwill acquired.

The Company tests its goodwill for impairment annually as of the first day of its fourth fiscal quarter and in interim periods if certain events occur indicating the carrying value of goodwill may be impaired. There were no indicators of impairment noted during the **six nine** months ended **June 30, 2023** **September 30, 2023**.

7. Debt

The following table sets forth the components of debt as of **June 30, 2023** **September 30, 2023** and December 31, 2022:

		June 30, 2023			December 31, 2022			September 30, 2023			Decem		
		Unamortized			Unamortized			Unamortized			Unamortized		
		Discount	and	Discount	and	Discount	and	Discount	and	Discount	and	Discount	and
		Principal	Issuance	Carrying	Principal	Issuance	Carrying	Principal	Issuance	Carrying	Principal	Issuance	Carrying
		Outstanding	Cost	Amount	Outstanding	Cost	Amount	Outstanding	Cost	Amount	Outstanding	Cost	Amount
2027 Notes	2027 Notes	\$ 160,000	\$ (4,784)	\$ 155,216	\$ 160,000	\$ (5,258)	\$ 154,742	2027 Notes	\$ 160,000	\$ (4,538)	\$ 155,462	\$ 160,000	\$
Promissory note, due 2023	Promissory note, due 2023	—	—	—	10,000	(26)	9,974	Promissory note, due 2023	—	—	—	—	10,000
CIBC loan, due 2026	CIBC loan, due 2026	4,670	(14)	4,656	5,247	(14)	5,233	CIBC loan, due 2026	4,217	(14)	4,203	5,247	

Short term loans, due 2023	Short term loans, due 2023	—	—	—	1,450	—	1,450	Short term loans, due 2023	—	—	—	—	1,450
Revolving line of credit								Revolving line of credit					
Total debt	Total debt	\$ 164,670	\$ (4,798)	\$ 159,872	\$ 176,697	\$ (5,298)	\$ 171,399	Total debt	\$ 165,934	\$ (4,552)	\$ 161,382	\$ 176,697	\$ 176,697

The outstanding debt as of **June 30, 2023** **September 30, 2023** and December 31, 2022 is classified in the condensed consolidated balance sheets as follows:

	June 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Current liabilities	Current liabilities		Current liabilities	
- Current debt obligations	- Current debt obligations	\$ 3,659	\$ 15,700	\$ 4,910
Noncurrent liabilities - Long-term debt, net of current maturities	Noncurrent liabilities - Long-term debt, net of current maturities	156,213	155,699	156,472
Total debt	Total debt	\$ 159,872	\$ 171,399	Total debt \$ 161,382
				\$ 171,399

2027 Notes

On November 16, 2022, the Company entered into a purchase agreement (the "Purchase Agreement" with Goldman Sachs & Co. LLC, as representative of the initial purchasers (collectively the "Initial Purchasers"), pursuant to which the Company agreed to sell \$140,000 aggregate principal amount of 4.50% Convertible Senior Notes due 2027 (the "Initial Notes"). The Company also agreed to grant an option, exercisable within the 30-day period immediately following the date of the Purchase Agreement (the "Option") to the Initial Purchasers to purchase all or part of an additional \$20,000 aggregate principal amount of 4.50% Convertible Senior Notes due 2027 (the "Additional Notes" and, together with the Initial Notes, the "2027 Notes"). On November 17, 2022, the Initial Purchasers exercised the Option in full, bringing the total aggregate principal amount for the 2027 Notes to \$160,000. The sale of the 2027 Notes closed on November 21, 2022. The 2027 Notes were issued pursuant to an Indenture dated November 21, 2022 (the "Indenture"), between the Company and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). Interest on the 2027 Notes is payable semiannually in arrears on May 15 and November

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15 of each year, beginning on May 15, 2023. The 2027 Notes will mature on November 15, 2027, unless earlier repurchased, redeemed or converted.

The 2027 Notes will be convertible into cash, shares of the Company's Class A common stock, **par value \$0.0001 per share ("common stock")**, or a combination of cash and shares of common stock, at the Company's election, at an initial conversion rate of 115.5869 shares of common stock per \$1,000 principal amount of the 2027 Notes, which is equivalent to an initial conversion price of approximately \$8.65 per share of common stock. The initial conversion price of the Notes represents a premium of approximately 30% over the \$6.655 per share last reported sale price of the common stock on The Nasdaq Capital Market on November 16, 2022. The conversion rate will be subject to adjustment upon the occurrence of certain specified events, but will not be adjusted for any accrued and unpaid interest, except under the limited circumstances described in the Indenture. In addition, upon the occurrence of a "Make-Whole Fundamental Change" (as defined in Section 1.01 of the Indenture) prior to the maturity date, or if the Company delivers a notice of redemption, the Company will, in certain circumstances, increase the conversion rate by a number of additional shares of common stock (not to exceed 150.2629 shares of common stock per \$1,000 principal amount of the Notes, subject to adjustment in the same manner as the conversion rate) for Notes that are converted in connection with such Make-Whole Fundamental Change or for notes called (or deemed called) for redemption that are converted in connection with such notice of redemption.

The Notes are convertible at the option of the holders (in whole or in part) at any time prior to the close of business on the business day immediately preceding August 15, 2027 only under the following circumstances: (1) during any calendar quarter commencing after the calendar quarter ending on December 31, 2022 (and only during such calendar quarter), if the last reported sale price of the common stock for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day; (2) during the five business day period after any five consecutive trading day period (the "measurement period") in which the "Trading Price" (as defined in Section 1.01 of the Indenture) per \$1,000 principal amount of Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of common stock and the conversion rate on each such trading day; (3) if the Company calls such Notes for redemption, at any time prior to the close of business on the second scheduled trading day immediately preceding the redemption date, but only with respect to the Notes called (or deemed called) for redemption; or (4) upon the occurrence of certain corporate events as specified in the Indenture. On or after August 15, 2027 until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert all or a portion of their Notes, in multiples of \$1,000 principal amount, at any time, regardless of the foregoing circumstances. Upon conversion, the Company will pay or deliver, as the case may be, cash, shares of common stock or a combination of cash and shares of common stock, at the Company's election, in amounts determined in the manner set forth in the Indenture.

The Company may not redeem the 2027 Notes prior to November 20, 2025. indie may redeem for cash all or any portion of the 2027 Notes, at indie's option, on or after November 20, 2025 if the last reported price of indie's Class A common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date

on which indie provides notice of redemption, at a redemption price equal to 100% of the principal amount of the 2027 Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date.

Upon the occurrence of a "Fundamental Change" (as defined in Section 1.01 of the Indenture), subject to certain conditions and certain limited exceptions, holders may require the Company to repurchase for cash all or any portion of their Notes in principal amounts of \$1,000 or an integral multiple thereof at a fundamental change repurchase price in cash equal to 100% of the principal amount of the Notes to be repurchased, plus accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

The Notes are senior unsecured obligations of the Company and rank: (i) senior in right of payment to any indebtedness of the Company that is expressly subordinated in right of payment to the Notes; (ii) equal in right of payment to any unsecured indebtedness of the Company that is not so subordinated; (iii) effectively junior in right of payment to any senior, secured indebtedness of the Company to the extent of the value of the assets securing such indebtedness; and (iv) structurally junior to all indebtedness and other liabilities (including trade payables) of the Company's subsidiaries.

The 2027 Notes have been recorded as long-term debt in its entirety pursuant to ASU 2020-06. The carrying value of the 2027 Notes is presented net of \$5,374 of discount and issuance costs, which are amortized to interest expense over the respective terms of these borrowings. As of **June 30, 2023** **September 30, 2023** and December 31, 2022, the total carrying value of the 2027 Notes, net of unamortized discount, was **\$155,216** **\$155,462** and \$154,742, respectively. As of **June 30, 2023** **September 30, 2023**, the total fair value of the 2027 Notes was **\$212,096** **\$164,352** or **132.56%** 102.72% of the aggregate principal amount of the 2027 Notes. As of December 31, 2022, the total fair value of the

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value of the 2027 Notes was \$157,440 or 98.40% of the aggregate principal amount of the 2027 Notes. The estimated fair values are based on Level 2 inputs as the fair value is based on quoted prices for the Company's debt and comparable instruments in inactive markets. The amortization of the debt discount and cost of issuance resulted in non-cash interest expense of **\$240** **\$246** and **\$475** **\$721** for the three and **six** **nine** months ended **June 30, 2023** **September 30, 2023**, and is also included in *Interest Expense* in the Company's condensed consolidated statements of operations.

During the year ended December 31, 2022, in connection with the offering of the Convertible Senior Notes, the Company entered into privately negotiated transactions through one of the initial purchasers or its affiliate to repurchase 1,112,524 shares of common stock, at an average cost of \$6.65 per share, for approximately \$7,404.

TeraXion Revolving Credit

In connection with the acquisition of TeraXion on October 12, 2021, the Company assumed a revolving credit with the Canadian Imperial Bank of Commerce ("CIBC") with a credit limit of CAD9,440 bearing interest at prime rate plus 0.25%, repayable in monthly installments of CAD155 plus interest, maturing in October 2026. The repayment of monthly installments reduces the credit limit over time. CIBC also reserves the right to request full repayment of a portion or all outstanding balances at any time. As of **June 30, 2023** **September 30, 2023** and December 31, 2022 the outstanding principal balance and credit limit of the loan was **\$4,670** **\$4,217** and \$5,247, (or **CAD6,190** **CAD5,726** and CAD7,119), respectively.

TeraXion also has an authorized credit facility up to CAD5,000 and CAD7,000 at September 30, 2023 and December 31, 2022, respectively, from CIBC, bearing interest at prime rate plus 0.25%. This line of credit had an outstanding balance of CAD2,332 (or \$1,717) as of September 30, 2023. This line of credit was unused as of **June 30, 2023** and **December 31, 2022**, respectively.

Short Term Loans

Wuxi

On January 19, 2022, Wuxi entered into a short-term loan agreement with CITIC Group Corporation Ltd. ("CITIC") with aggregate principal balance of CNY2,000, or approximately \$315, and bearing interest of 3.90% per annum. On June 21, 2022, Wuxi increased its short-term loan principal with CITIC by CNY3,000, or approximately \$448, and bearing interest of 3.70% per annum. The principal balance is denominated in Chinese Yuan and the outstanding balance is adjusted for changes in foreign currency exchange rates at each reporting period. As of December 31, 2022, the total outstanding short-term loan with CITIC Group Corporation Ltd. was CNY5,000, or approximately \$725.

On October 15, 2020, Wuxi entered into a short-term loan agreement with Bank of Ningbo ("NBCB") with aggregate principal balance of CNY1,000 or approximately \$151 and bearing interest of 4.785%. On April 29, 2021, Wuxi increased its short-term loan principal with NBCB by CNY1,000 or approximately \$155 to a total principal balance of CNY4,000. On October 14, 2021, the borrowing from October 15, 2020 was fully paid off. On October 18, 2021, Wuxi re-entered into a short-term loan agreement with NBCB for CNY1,000, or approximately \$150 and bearing interest of 4.785%. On April 26, 2022, the entire loan balance was paid off, and on April 27, 2022 Wuxi entered into a short-term loan agreement with NBCB with aggregate principal balance of CNY2,000, or approximately \$304, and bearing interest of 4.26% per annum. On June 24, 2022, Wuxi increased its principal balance by CNY3,000, or \$448, and bearing interest of 3.15% per annum. As of December 31, 2022, the total outstanding short-term loan with NBCB was CNY5,000, or \$704.

In January 2023, all short term loans historically held by Wuxi were paid off.

Symeo Promissory Note

In connection with the Symeo acquisition on January 4, 2022, the Company issued a short-term interest-free promissory note of \$10,000, payable upon its maturity of January 31, 2023. As of December 31, 2022, the outstanding principal balance was \$10,000 and the carrying value was \$9,961. The promissory note was fully repaid on January 31, 2023.

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The table below sets forth the components of interest expense for the three and **six** nine months ended **June 30, 2023** September 30, 2023 and **June 30, 2022** September 30, 2022:

	Three Months Ended June 30, 2023		Six Months Ended June 30, 2023		Three Months Ended September 30, 2023		Nine Months Ended September 30, 2023		
	2023	2022	2023	2022	2023	2022	2023	2022	
Interest expense on the 2027 Notes	Interest expense on the 2027 Notes				Interest expense on the 2027 Notes				
Stated interest at 4.50% per annum	Stated interest at 4.50% per annum	\$ 1,820	\$ —	\$ 3,620	\$ —	\$ 1,840	\$ —	\$ 5,460	\$ —
Amortization of discount and issuance cost	Amortization of discount and issuance cost	240	—	474	—	246	—	720	—
Total interest expense related to the 2027 Notes	Total interest expense related to the 2027 Notes	2,060	—	4,094	—	2,086	—	6,180	—
Interest expense on other debt obligations:	Interest expense on other debt obligations:				Interest expense on other debt obligations:				
Contractual interest	Contractual interest	84	117	173	175	156	91	329	265
Amortization of discount and issuance cost	Amortization of discount and issuance cost	—	150	25	150	—	75	25	226
Total interest expense related to other debt obligations	Total interest expense related to other debt obligations	84	267	198	325	156	166	354	491
Total interest expense	Total interest expense	\$ 2,144	\$ 267	\$ 4,292	\$ 325	\$ 2,242	\$ 166	\$ 6,534	\$ 491

8. Warrant Liability

In connection with the June 10, 2021 Transaction, holders of TB2 Class A ordinary shares automatically received Class A common stock of indie, and holders of TB2 warrants automatically received 17,250,000 warrants of indie with substantively identical terms ("Public Warrants"). At the closing of the Transaction, 8,625,000 Class B ordinary shares of TB2 owned by Thunder Bridge Acquisition II LLC, a Delaware limited liability company (the "Sponsor"), automatically converted into 8,625,000 shares of indie Class A common stock, and 8,650,000 private placement warrants held by the Sponsor, each exercisable for one Class A ordinary share of TB2 at \$11.50 per share, automatically converted into warrants to purchase one share of indie Class A common stock at \$11.50 per share with substantively identical terms (the "Private Placement Warrants"). Also at the Closing, TB2 issued 1,500,000 working capital warrants to an affiliate of the Sponsor in satisfaction of a working capital promissory note of \$1,500 (the "Working Capital Warrants" and, together with the Private Placement Warrants, the "Private Warrants"). These Working Capital Warrants have substantially identical terms to the Private Placement Warrants.

The warrants may be exercised only during the period commencing on July 10, 2021 (30 days after the closing of the Transaction) through June 10, 2026. The Company may redeem the Public Warrants at a price of \$0.01 per warrant upon 30 days' notice, only in the event that the last sale price of the Class A common stock is at least \$18.00 per share for any 20 trading days within a 30-trading day period ending on the third day prior to the date on which notice of redemption is given, provided there is an effective registration statement and current prospectus in effect with respect to the Class A common stock underlying such warrants during the 30 day redemption period. If the Company redeems the warrants as described above, management will have the option to require all holders to exercise warrants on a cashless basis.

In accordance with the warrant agreement relating to the Public Warrants, the Company is required to use its best efforts to maintain the effectiveness of the registration statement covering the warrants. If a registration statement is not effective within 90 days following the consummation of a business combination, warrant holders may, until such time as there is an effective registration statement and during any period when the Company shall have failed to maintain an effective registration statement, exercise warrants on a cashless basis pursuant to an available exemption from registration under the Securities Act. In the event that a registration statement is not effective at the time of exercise or no exemption is available for a cashless exercise, the holder of such warrant shall not be entitled to exercise such warrant for cash and in no event (whether in the case of a registration statement being effective or otherwise) will the Company be required to net cash settle the warrant exercise.

The terms of the Private Warrants are identical to the Public Warrants as described above, except that the Private Warrants are not redeemable so long as they are held by the Sponsor or its permitted transferees.

The Company has reviewed the terms of warrants to purchase its Class A common stock to determine whether warrants should be classified as liabilities or stockholders' equity in its condensed consolidated balance sheet. In order for a warrant to be classified as stockholders' equity, the warrant must be (a) indexed to the Company's equity and (b) meet the conditions for equity classification in ASC 815-40, *Derivatives and Hedging – Contracts in an Entity's Own Equity*. If a warrant does not meet the conditions for equity classification, it is carried on the condensed consolidated balance sheet as a warrant liability

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measured at fair value, with subsequent changes in the fair value of the warrant recorded in the statement of operations as change in fair value of warrants in *Other income (expense), net*. The Company determined that all warrants are required to be carried as a liability in the condensed consolidated balance sheet at fair value, with changes in fair value recorded in the condensed consolidated statement of operations (see Note 10 – *Fair Value Measurements*). At the closing of the Transaction on June 10, 2021, the warrants had an initial fair value of \$74,408, which was recorded as liability and a reduction to additional paid in capital in the condensed consolidated balance sheet.

The following table is a summary of the number of shares of the Company's Class A common stock issuable upon exercise of warrants outstanding at June 10, 2021:

	Number of Shares	Exercise Price	Redemption Price	Expiration Date	Classification	Initial Fair Value
Public Warrants	17,250,000	\$ 11.50	\$ 18.00	June 10, 2026	Liability	\$ 42,435
Private Warrants	10,150,000	\$ 11.50	N/A	June 10, 2026	Liability	\$ 31,973

As of June 30, 2023 September 30, 2023 and December 31, 2022, there have been no exercises of the warrants and the fair value was \$67,684 \$52,024 and \$45,398, respectively.

In November 2023, the Company issued Class A common stock in exchange for the Public Warrants and the Private Warrants. See Note 19 - Subsequent Events for information regarding this warrant exchange.

9. Contingent and Earn-Out Liabilities

Earn-Out Milestones

Certain of indie's stockholders are entitled to receive up to 10,000,000 earn-out shares of the Company's Class A common stock if the earn-out milestones are met. The earn-out milestones represent two independent criteria, each of which entitles the eligible stockholders to 5,000,000 earn-out shares per milestone met. Each earn-out milestone is considered met if at any time following the Transaction and prior to December 31, 2027, the volume weighted average price of indie's Class A common stock is greater than or equal to \$12.50 or \$15.00 for any twenty trading days within any thirty-trading day period, respectively. Further, the earn-out milestones are also considered to be met if indie undergoes a Sale. A Sale is defined as the occurrence of any of the following for indie: (i) engage in a "going private" transaction pursuant to Rule 13e-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise cease to be subject to reporting obligations under Sections 13 or 15(d) of the Exchange Act; (ii) Class A common stock ceases to be listed on a national securities exchange, other than for the failure to satisfy minimum listing requirements under applicable stock exchange rules; or (iii) change of ownership (including a merger or consolidation) or approval of a plan for complete liquidation or dissolution.

These earn-out shares had been categorized into two components: (i) those associated with stockholders with vested equity at the closing of the Transaction that will be earned upon achievement of the earn-out milestones (the "Vested Shares") and (ii) those associated with stockholders with unvested equity at the closing of the Transaction that will be earned over the remaining service period with the Company on their unvested equity shares and upon achievement of the Earn-Out Milestones (the "Unvested Shares"). The Vested Shares were classified as liabilities in the condensed consolidated balance sheet and the Unvested Shares are equity-classified share-based compensation to be recognized over time (see Note 14 — *Share-Based Compensation*). The earn-out liability was initially measured at fair value at the closing of the Transaction and subsequently remeasured at the end of each reporting period. The change in fair value of the earn-out liability was recorded as part of *Other income (expense), net* in the condensed consolidated statement of operations.

The estimated fair value of the earn-out liability was determined using a Monte Carlo Simulations analysis that simulated the future path of the Company's stock price over the earn-out period. The assumptions utilized in the calculation are based on the achievement of certain stock price milestones including projected stock price, volatility, and risk-free rate.

Escrow Shares

3,450,000 Class A common shares of indie were placed in escrow for the potential future release to the Sponsor in the event the earn-out milestones are met. The earn-out milestones for the Escrow Shares are identical to those of the earn-out shares.

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Achievement of each milestone entitles the shareholders to 50% of the total Escrow Shares. The Escrow Shares have been accounted for as a liability and remeasured to fair value each reporting period.

As of November 9, 2021, the first earn-out milestone was achieved while the second Earn-Out Milestone remains unachieved. The achievement of the first earn-out milestone eliminated the variability in the arrangement that previously prevented this instrument to be equity-classified. As a result, the earn-out liabilities associated with the first Earn-Out Milestone were recorded to *Additional paid-in capital* in the condensed consolidated balance sheet at its fair value. At the same time, the unearned

liabilities associated with the second Earn-Out Milestones were also remeasured to its fair value and reclassified per ASC 815-40 to *Additional paid-in capital* in the condensed consolidated balance sheet. Consequently, there is no more liability remaining on the balance sheet.

Contingent Considerations

On May 13, 2020, in connection with the acquisition of City Semiconductor, Inc. ("City Semi"), the Company recorded contingent consideration as a long-term liability at a fair value of \$1,180. The contingent consideration is comprised of two tranches. The first tranche is payable, up to a maximum of \$500, upon the achievement of cash collection targets within twelve months of the acquisition, and \$456 was achieved in May 2021. The second tranche is payable, up to a maximum of \$1,500, upon the shipment of a product incorporating the acquired developed technology. In September 2021, the Company paid off the first tranche of the contingent consideration. In April 2023, the Company settled \$500 of the \$1,500 second tranche through the issuance of 73,311 shares of Class A common stock with a fair value of \$608 at the time of issuance. The fair value of the remaining \$1,000 second tranche contingent consideration liabilities was ~~\$890~~ \$920 as of ~~June 30, 2023~~ September 30, 2023.

On October 1, 2021, in connection with the acquisition of ON Design Israel, the Company recorded contingent consideration as a long-term liability at a fair value of \$4,000. The contingent consideration is comprised of two tranches. The first tranche is payable, up to a maximum of \$2,500, upon the achievement of Tapeout of certain product designs acquired from the seller within 30 months of the acquisition. The second tranche is payable, up to a maximum of \$5,000, upon indie's achievement of a Design Win related to certain acquired product designs within 36 months of the acquisition. The fair value of the first and second tranche contingent consideration liabilities was \$1,817 and \$2,222, respectively, and are recorded in *Other long-term liabilities* in the condensed consolidated balance sheet as of December 31, 2021. The change in fair value since the acquisition date is recorded in *Other income (expense), net* in the condensed consolidated statement of operations as of December 31, 2021. During the six months ended June 30, 2022, management determined that the product design specified in the contingent consideration provision would be replaced with a new product design that is better aligned with customer requirements and which will not be eligible for either of the contingent considerations. Accordingly, the fair value for both the Tapeout and Design Win were reduced to zero as of December 31, 2022.

On January 4, 2022, in connection with the acquisition of Symeo, the Company recorded contingent considerations as a current and a long-term liability at a fair value of \$4,390 and \$3,446, respectively. The contingent consideration is comprised of two tranches. The first tranche is payable upon the achievement of a revenue threshold of \$5,000 by March 31, 2023. The second tranche is payable upon Symeo's achievement of a revenue threshold of \$6,000 by March 31, 2024. The fair value of the first and second tranche contingent consideration liabilities as of ~~June 30, 2023~~ September 30, 2023 was ~~\$3,117~~ \$2,288 and \$7, respectively. The change in fair value since the acquisition date is recorded in *Other income (expense), net* in the condensed consolidated statement of operations, operations. On October 26, 2023, the Company issued 363,194 of Class A common stock, with a fair value of \$1,900 at the time of issuance to Analog Devices, Inc., as final settlement for the achievement of the first tranche of the contingent considerations.

On February 21, 2023, in connection with the acquisition of Silicon Radar, the Company recorded contingent considerations as a current and a long-term liability at a fair value of \$4,174 and \$5,805, respectively. The contingent consideration is comprised of two tranches. The first tranche is payable upon the achievement of a revenue threshold of \$5,000 for the twelve-month period ending on February 21, 2024. The second tranche is payable upon Silicon Radar's achievement of a revenue threshold of \$7,000 for the twelve-month period ending on February 21, 2025. Both tranches are payable in cash or in common stock at indie's discretion. Should indie elect to pay in common stock, the number of shares issuable through a payment in common stock equals to earnout divided by a VWAP for 20 days ending prior to the due date for payment. The fair value of the first and second tranche contingent consideration liabilities as of ~~June 30, 2023~~ September 30, 2023 was ~~\$4,290~~ \$4,360 and ~~\$5,974~~ \$6,033, respectively. The change in fair value since the acquisition date is recorded in *Other income (expense), net* in the condensed consolidated statement of operations.

On March 3, 2023, in connection with the acquisition of GEO, the Company recorded contingent considerations as a current and a long-term liability at a fair value of \$39,239 and \$23,854, respectively. The contingent consideration is comprised of two tranches. The first tranche is payable upon the achievement of a revenue threshold of \$50,000 for the twelve-month period ending on March 31, 2024. The second tranche is payable upon GEO's achievement of a revenue threshold of \$30,000 for the

six-month period ending on September 30, 2024. Both tranches are payable in cash or common stock, at indie's election. Number of shares issuable through a payment in common stock equals to earnout value divided by a 20 days VWAP ending on each earnout period and is collared between \$8.50 and \$11.50 per share ("Earnout Parent Trading Price").

Payment in cash will be determined by the number of shares payable multiplied by the Earnout Parent Trading Price. The fair value of the first and second tranche contingent consideration liabilities as of **June 30, 2023** **September 30, 2023** was **\$39,889** **\$41,368** and **\$24,062** **\$25,135**, respectively. The change in fair value since the acquisition date is recorded in *Other income (expense), net* in the condensed consolidated statement of operations.

23 On September 18, 2023, in connection with the acquisition of Exalos, the Company recorded contingent considerations as a current and a long-term liability at a fair value of \$9,341 and \$3,884, respectively. The contingent consideration is comprised of two tranches. The first tranche is payable upon the achievement of a revenue threshold of \$19,000 for the twelve-month period ending on September 30, 2024. The second tranche is payable upon Exalos' achievement of a revenue threshold of \$21,000 for the twelve-month period ending on September 30, 2025. Both tranches are payable in cash or in shares at indie's discretion. The fair value of the first and second tranche contingent consideration liabilities as of September 30, 2023 was \$9,341 and \$3,873, respectively. The change in fair value since the acquisition date is recorded in *Other income (expense), net* in the condensed consolidated statement of operations.

10. Fair Value Measurements

The Company's debt instruments are recorded at their carrying values in its condensed consolidated balance sheets, which may differ from their respective fair values. The fair values of the Company's 2027 Notes are estimated using the valuation of the securities into which the debt is convertible, external pricing data, based on interest rates and credit ratings for similar issuances with the same remaining term as the Company's outstanding borrowings (see *Note 7 — Debt* for additional information). The fair values of the Company's short-term loans generally approximated their carrying values.

As of **June 30, 2023** **September 30, 2023**, the Company held currency forward contracts with an aggregated notional amount of **\$3,325** **\$17,584** to sell United States dollars and to buy various foreign currencies such as Canadian dollars and Euro, among others at a forward rate. Any changes in the fair value of these contracts are reflected recorded in *Other income (expense), net* in the condensed consolidated statement of operations.

The following table presents the Company's fair value hierarchy for financial liabilities:

Liabilities:	Liabilities:	Fair Value Measurements as of June 30, 2023					Fair Value Measurements as of September 30, 2023				
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Private Placement	Private Placement										
Warrants	Warrants	\$ —	\$ —	\$ 26,974	\$ 26,974						
Public Warrants	Public Warrants	\$ 40,710	\$ —	\$ —	\$ 40,710						
Exalos Contingent Consideration - First Tranche											
Exalos Contingent Consideration - Second Tranche											
GEO Contingent Consideration - First Tranche	GEO Contingent Consideration - First Tranche	\$ —	\$ —	\$ 39,889	\$ 39,889						
GEO Contingent Consideration - Second Tranche	Second Tranche	\$ —	\$ —	\$ 24,062	\$ 24,062						
GEO Adjustment Holdback	Holdback	\$ 3,203	\$ —	\$ —	\$ 3,203						
GEO Indemnity Holdback	GEO Indemnity Holdback	\$ 14,725	\$ —	\$ —	\$ 14,725						

Silicon Radar	Silicon Radar									Silicon Radar				
Contingent	Contingent									Contingent				
Consideration -	Consideration -									Consideration -				
First Tranche	First Tranche	\$	—	\$	—	\$	4,290	\$	4,290	First Tranche	\$	—	\$	—
Silicon Radar	Silicon Radar									Silicon Radar			\$	4,360
Contingent	Contingent									Contingent			\$	4,360
Consideration -	Consideration -									Consideration -				
Second Tranche	Second Tranche	\$	—	\$	—	\$	5,974	\$	5,974	Second Tranche	\$	—	\$	6,033
City Semi	City Semi									City Semi			\$	6,033
Contingent	Contingent									Contingent				
Consideration -	Consideration -									Consideration -				
Second Tranche	Second Tranche	\$	—	\$	—	\$	890	\$	890	Second Tranche	\$	—	\$	920
Symeo	Symeo									Symeo			\$	920
Contingent	Contingent									Contingent				
Consideration -	Consideration -									Consideration -				
First Tranche	First Tranche	\$	3,117	\$	—	\$	—	\$	3,117	First Tranche	\$	2,288	\$	—
Symeo	Symeo									Symeo				
Contingent	Contingent									Contingent				
Consideration -	Consideration -									Consideration -				
Second Tranche	Second Tranche	\$	—	\$	—	\$	7	\$	7	Second Tranche	\$	—	\$	7
Currency Forward Contract		\$	—	\$	3,372	\$	—	\$	3,372				\$	7
Currency										Currency				
Forward										Forward				
Contracts										Contracts	\$	—	\$	16,943
													\$	—
													\$	16,943

Fair Value Measurements as of December 31, 2022

	Level 1	Level 2	Level 3	Total
Liabilities:				
Private Placement Warrants	\$	—	\$	17,970
Public Warrants	\$	27,428	\$	—
City Semi Contingent Consideration - Second Tranche	\$	—	\$	1,383
Symeo Contingent Consideration - First Tranche	\$	—	\$	2,000
Symeo Contingent Consideration - Second Tranche	\$	—	\$	4
Symeo Promissory Note	\$	—	\$	9,674
Currency forward contract	\$	—	\$	3,845

As of **June 30, 2023** **September 30, 2023** and December 31, 2022, the Company's cash and cash equivalents were all held in cash or Level 1 instruments where the fair values approximate the carrying values.

Level 3 Disclosures

Warrants

Private Placement Warrants were valued using the Black-Scholes-Merton formula and a Monte Carlo Simulations analysis. Calculating the fair value of warrants requires the input of subjective assumptions. Other reasonable assumptions could provide differing results. The carrying amount of the liability may fluctuate significantly and actual amounts paid may be materially different from the liability's estimated value.

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For the three and **six** **nine** months ended **June 30, 2023** **September 30, 2023**, there were no redemptions of the warrants and the carrying amount of the liability fluctuated due to the fair value remeasurement.

Contingent Considerations

Contingent considerations were valued based on the consideration expected to be transferred. The Company estimated the fair value based on a Monte Carlo Simulations analysis to simulate the probability of achievement of various milestones identified within each contingent consideration arrangement, using certain assumptions that require significant

rates. The discount rates were based on the estimated cost of debt plus a premium, which included consideration of expected term of the earn-out payment, yield on treasury instruments and an estimated credit rating for the Company.

Because the acquisitions related to Silicon Radar, **GEO** and **GEO Exalos** occurred relatively recently, and in light of the magnitude of the transactions, the significant information to be obtained and analyzed and the fact that Silicon Radar resides in foreign jurisdiction, the Company's fair value estimates for the associated contingent considerations were valued based on a probability method as of **June 30, 2023** **September 30, 2023**.

The following table presents the significant unobservable inputs assumed for each of the fair value measurements:

Liabilities:	Liabilities:	June 30, 2023		December 31, 2022		September 30, 2023		December 31, 2022	
		Input	Input	Input	Input	Input	Input	Input	Input
Warrants	Warrants								
Expected volatility	Expected volatility	45.90	%	64.00	%	74.40	%	64.00	%
Exalos Contingent Consideration - First Tranche								Exalos Contingent Consideration - First Tranche	
Market yield rate								Market yield rate	8.37 % N/A
Scenario probability								Scenario probability	75.00 % N/A
Exalos Contingent Consideration - Second Tranche								Exalos Contingent Consideration - Second Tranche	
Market yield rate								Market yield rate	8.37 % N/A
Scenario probability								Scenario probability	70.00 % N/A
GEO Contingent Consideration - First Tranche	GEO Contingent Consideration - First Tranche					GEO Contingent Consideration - First Tranche			
Market yield rate	Market yield rate	10.70	%			Market yield rate			N/A
Scenario probability	Scenario probability	80	%			Scenario probability	80.00 %		N/A
GEO Contingent Consideration - Second Tranche	GEO Contingent Consideration - Second Tranche					GEO Contingent Consideration - Second Tranche			
Market yield rate	Market yield rate	10.70	%			Market yield rate			N/A
Scenario probability	Scenario probability	80	%			Scenario probability	80.00 %		N/A
Silicon Radar Contingent Consideration - First Tranche	Silicon Radar Contingent Consideration - First Tranche					Silicon Radar Contingent Consideration - First Tranche			
Market yield rate	Market yield rate	7.69	%			Market yield rate			N/A
Scenario probability	Scenario probability	50	%			Scenario probability	50.00 %		N/A

Silicon Radar	Silicon Radar		Silicon Radar				
Contingent	Contingent		Contingent				
Consideration -	Consideration -		Consideration -				
Second Tranche	Second Tranche		Second Tranche				
Market yield	Market yield		Market yield				
rate	rate	7.69	%	N/A	rate	8.37	%
Scenario	Scenario		Scenario				
probability	probability	75	%	N/A	probability	75.00	%
City Semi	City Semi		City Semi				
Contingent	Contingent		Contingent				
Consideration -	Consideration -		Consideration -				
Second Tranche	Second Tranche		Second Tranche				
Discount rate	Discount rate	12.70	%	12.65	%	Discount rate	12.70
Symeo	Symeo		Symeo				
Symeo Contingent	Contingent		Contingent				
Consideration -	Consideration -		Consideration -				
Second Tranche	Second Tranche		Second Tranche				
Discount Rate	Discount Rate	4.64	%	4.73	%	Discount Rate	4.64
							4.73
							%

11. Stockholders' Equity

Wuxi Capital Raise

On November 29, 2022, the Company entered into and closed an agreement with multiple investors in China, including two of the top four Chinese automotive OEMs, that secured a strategic investment ("Wuxi Capital Raise") through Wuxi indie Microelectronics Ltd. ("Wuxi"), indie's majority controlled subsidiary. The Wuxi Capital Raise provided Wuxi additional funding of CNY300,000 (approximately \$42,000) by issuing 371,160 shares from Wuxi, which represents 16% of Wuxi's equity at the time of issuance. The funds raised are intended to promote Wuxi's business development and strengthen its capabilities. Pursuant to the terms of the Agreement, these investors will subscribe into the 371,160 shares at CNY808.28 per share. As a result, indie's ownership in Wuxi has reduced from 45% to 38%. As indie continues to control Wuxi's Board of Directors and has the majority of the voting interests, Wuxi's financial results will continue to be consolidated with those of ADK LLC and its other wholly-owned subsidiaries. Minority interests held in Wuxi are accounted for as non-controlling

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interests in the Company's condensed consolidated financial statements. Among other provisions, this agreement includes

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certain liquidation preferences for the investors ("Deemed Liquidation Event" or "DLE") as well as an ability to exchange their Wuxi shares for shares of indie's Class A common stock in the event Wuxi does not successfully complete a local initial public offering ("IPO") by December 31, 2027 (the "Conversion"). A Deemed Liquidation Event includes but not limited to (a) a change of control of the Company or its surviving entity in a single, or series of related transactions, or merger, division, reorganization, acquisition, or business integration between the Company and any third parties, excluding any corporate restructuring as duly approved pursuant to the AOA; or (b) a sale, transfer, or otherwise disposal of the all or substantially all assets of the Company, in a single, or series of related transactions. Upon a DLE prior to IPO, the distribution will be made in cash in order of the liquidation preferences pursuant to the investment agreement for an amount that is the higher of (i) an amount equal to 100% of the applicable original issue price with an annual simple premium of 8% (calculated from the Closing Date to the date of the Liquidation Event), or (ii) an amount equal to the total liquidation proceeds received by the Company or the shareholders (as the case may be) directly in a Liquidation Event, multiplied by the shareholder's proportionate ownership percentage, plus all accrued or declared but unpaid dividends of such share.

Pursuant to the investment agreement, Wuxi shall use commercially reasonable efforts to meet the conditions for the IPO and list shares by a Chinese or overseas securities trading institutions and consummate an IPO as early as possible. If Wuxi is unable to consummate an IPO, indie undertakes to exchange the shares issued in this capital raise for indie's Class A common stock equal to the total capital raised plus a premium of 8% per year (simple interest) between the execution date and December 31, 2027. The total amount is calculated using the exchange rate at the time of the stock exchange and the value of each of Class A common stock is based on the stock price at that time, but the exchange shall not exceed a total of 6,000,000 shares of indie Class A common stock.

Stock Repurchase Program

On November 16, 2022, indie's Board of Directors authorized the repurchase, from time to time, of up to \$50,000 of indie's Class A common stock and/or warrants to purchase common stock. This is inclusive of any concurrent repurchase of shares of common stock described in Note 7 — *Debt*, under the 2027 Notes, which allows for a portion of net proceeds to be used to repurchase up to \$25,000 of common stock. There were no repurchases of common stock during the **six** **nine** months ended **June 30, 2023** **September 30, 2023**. As of **June 30, 2023** **September 30, 2023**, there is \$42,596 available for future repurchase under the program.

12. Noncontrolling Interest

In connection with the closing of the Transaction on June 10, 2021, certain members of ADK LLC (the "ADK Minority Holders") retained an approximate 26% membership interest in ADK LLC. The ADK Minority Holders may from time to time, after December 10, 2021, exchange with indie, such holders' units in ADK LLC for an equal number of shares of indie's Class A common stock. As a result, indie's ownership interest in ADK LLC will increase. The ADK Minority Holders' ownership interests are accounted for as noncontrolling interests in the Company's condensed consolidated financial statements. The Company's ownership of ADK LLC, was approximately **88%** **89%** and 85% as of **June 30, 2023** **September 30, 2023** and December 31, 2022, respectively.

In connection with the Transaction, the Company issued to ADK LLC Minority Holders an aggregate of 33,827,371 shares of Class V common stock of indie (the "Class V Holders"). The shares of Class V common stock provides no economic rights in indie to the holder thereof; however, each Class V Holder is entitled to vote with the holders of Class A common stock of indie, with each share of Class V common stock entitling the holder to one (1) vote per share of Class V common stock at the time of such vote (subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications). As of **June 30, 2023** **September 30, 2023** and December 31, 2022, the Company had an aggregate of 18,994,332 and 21,381,476 shares of Class V common stock issued and outstanding, respectively.

ADK LLC held 55% voting control and 38% ownership interest in Wuxi as of **June 30, 2023** **September 30, 2023** and December 31, 2022, respectively. From time to time, Wuxi has sold equity ownership and the transactions have reduced ADK LLC's controlling interest in Wuxi on the condensed consolidated balance sheets. As of **June 30, 2023** **September 30, 2023**, ADK LLC maintained its controlling ownership in Wuxi. Accordingly, Wuxi's financial statements are consolidated with those of ADK LLC and its other wholly-owned subsidiaries. Minority interests held in Wuxi are accounted for as non-controlling interests in the Company's condensed consolidated financial statements.

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13. Revenue

Disaggregation of Revenue

The Company disaggregates revenue from contracts with customers by geographic region, as the Company's management believes it best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

The following tables present revenue disaggregated by geography of the customer's shipping location for the three and **six** **nine** months ended **June 30, 2023** **September 30, 2023** and 2022:

		Three Months Ended		Six Months Ended			Three Months Ended		Nine Months Ended		
		June 30,		June 30,			September 30,		September 30,		
		2023	2022	2023	2022		2023	2022	2023	2022	
United States	United States	\$ 12,175	\$ 8,613	\$ 24,605	\$ 15,244	United States	\$ 12,118	\$ 11,426	\$ 36,764	\$ 26,676	
Greater China	Greater China	20,042	11,142	39,284	20,259	Greater China	27,639	10,911	66,925	31,163	
Europe	Europe	8,696	3,601	12,494	7,654	Europe	11,720	5,368	24,213	13,022	
Rest of North America	Rest of North America	2,602	870	4,384	2,331	Rest of North America	2,766	1,109	7,109	3,440	
Rest of Asia Pacific	Rest of Asia Pacific	7,938	1,236	10,570	1,561	Rest of Asia Pacific	5,830	881	16,399	2,442	
South America	South America	655	293	1,223	705	South America	403	321	1,626	1,027	
Total revenue	Total revenue	\$ 52,108	\$ 25,755	\$ 92,560	\$ 47,754	Total revenue	\$ 60,476	\$ 30,016	\$ 153,036	\$ 77,770	

Contract Balances

Certain assets or liabilities are recorded depending on the timing of revenue recognition, billings and cash collections on a contract-by-contract basis. Contract liabilities primarily relate to deferred revenue, including advance consideration received from customers for contracts prior to the transfer of control to the customer, and therefore revenue is recognized upon delivery of products and services or as the services are performed.

The following table presents the assets and liabilities associated with the engineering services contracts recorded on the condensed consolidated balance sheet as of **June 30, 2023**, **September 30, 2023** and December 31, 2022:

		Balance Sheet Classification	June 30, 2023	December 31, 2022		Balance Sheet Classification	September 30, 2023	December 31, 2022
Unbilled revenue	Unbilled revenue	Prepaid expenses and other current assets	\$ 9,008	\$ 3,623	Unbilled revenue	Prepaid expenses and other current assets	\$ 13,748	\$ 3,623
Contract liabilities	Contract liabilities	Accrued expenses and other current liabilities	\$ 1,467	\$ 1,739	Contract liabilities	Accrued expenses and other current liabilities	\$ 1,315	\$ 1,739

During the three months ended **June 30, 2023**, **September 30, 2023** and 2022, the Company recognized **\$405**, **\$357** and **\$619**, **\$139**, respectively, of revenue related to amounts that were previously included in deferred revenue at the beginning of the period. During the **six**, **nine** months ended **June 30, 2023**, **September 30, 2023** and 2022, the Company recognized **\$1,242**, **\$1,599** and **\$965**, **\$1,103**, respectively, of revenue related to amounts that were previously included in deferred revenue at the beginning of the period. Deferred revenue fluctuates over time due to changes in the timing of payments received from customers and revenue recognized for services provided.

Revenue related to remaining performance obligations represents the amount of contracted development arrangements that has not been recognized, which includes deferred revenue on the condensed consolidated balance sheet and unbilled amounts that will be recognized as revenue in future periods. As of **June 30, 2023**, **September 30, 2023**, the amount of performance obligations that have not been recognized as revenue was **\$21,630**, **\$16,683**, of which approximately **85%**, **89%** is expected to be recognized as revenue over the next twelve months and the remainder thereafter. This amount excludes the value of remaining performance obligations for contracts with an original expected length of one year or less. Variable consideration that has been constrained is excluded from the amount of performance obligations that have not been recognized.

Concentrations

As identified below, some of our customers accounted for more than 10% of the Company's total revenue for the three and **six**, **nine** months ended **June 30, 2023**, **September 30, 2023** and 2022:

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	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Customer A	14.5 %	39.2 %	14.8 %	37.7 %

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
Customer A	13.7 %	36.7 %	14.4 %	37.3 %
Customer B	10.9 %	— %	9.5 %	— %
Customer C	10.2 %	— %	6.5 %	— %

The loss of these customers would have a material impact on the Company's condensed consolidated financial results.

The largest customers represented **22%**, **15%** and **14%**, **10%** of accounts receivable as of **June 30, 2023**, **September 30, 2023** and the one largest customer represented 38% of accounts receivable as of December 31, 2022. No other individual customer represented more than 10% of accounts receivable at either **June 30, 2023**, **September 30, 2023** or December 31, 2022.

14. Share-Based Compensation

Stock compensation expense is recorded in cost of goods sold, research and development, and general and administrative expenses based on the classification of the work performed by the grantees.

The following table sets forth the share-based compensation for the periods presented:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2023	2022	2023	2022

	2023	2022	2023	2022
Cost of goods sold	\$ 64	\$ 13	\$ 133	\$ 13
Research and development	7,255	5,414	13,518	14,064
Selling, general, and administrative	5,064	3,340	10,128	7,105
Total	\$ 12,383	\$ 8,767	\$ 23,779	\$ 21,182

Stock compensation expense for the three months ended June 30, 2023 and 2022 included \$2,111 and \$1,674, respectively, that represents liability classified awards issuable upon distribution of the Company's annual incentive plans. Stock compensation expense for the six months ended June 30, 2023 and 2022 included \$5,135 and \$3,347, respectively, that represents liability classified awards issuable upon distribution of the Company's annual incentive plans.

2021 Omnibus Equity Incentive Plan

On June 21, 2022, the Company's Board of Directors and shareholders approved an amendment to the 2021 Omnibus Equity Incentive Plan to increase the number of shares of Class A common stock reserved for issuance thereunder by 7,000,000 shares, to a total of 27,868,750 shares.

2023 Employment Inducement Incentive Plan

On March 22, 2023, the Company's board of directors approved the indie Semiconductor, Inc. 2023 Employment Inducement Incentive Plan (the "2023 Inducement Plan"), which became effective on such date without stockholder approval pursuant to Rule 5635(c)(4) of The Nasdaq Stock Market LLC listing rules ("Rule 5635(c)(4)"). The 2023 Inducement Plan provides for the grant of nonqualified stock options, stock appreciation rights, restricted stock awards, restricted stock units and other stock- or performance-based awards. In accordance with Rule 5635(c)(4), awards under the 2023 Inducement Plan may only be made to a newly hired employee who has not previously been a member of indie's board of directors, or an employee who is being rehired following a bona fide period of non-employment by indie as a material inducement to the employee's entering into employment with the Company. A total of 2,000,000 shares of Class A common stock were reserved for issuance under the 2023 Inducement Plan. On June 21, 2023, the Company's board of directors approved an additional 4,000,000 shares of Class A common stock to be reserved for issuance under the 2023 Inducement Plan, or a total of 6,000,000 shares. To the extent that an award lapses, expires, is cancelled, is terminated, unexercised or ceases to be exercisable for any reason, or the rights of its recipient terminate, any shares subject to such award shall again be available for the grant of a new award under the 2023 Inducement Plan.

2021 Omnibus Equity Incentive Plan

On June 21, 2022, the Company's Board of Directors and shareholders approved an amendment to the 2021 Omnibus Equity Incentive Plan to increase the number of shares of Class A common stock reserved for issuance thereunder by 7,000,000 shares, to a total of 27,868,750 shares.

Effective July 1, 2023, certain of the Company's Board of Directors elected to receive up to 100% of their director and chair cash retainers in the form of a quarterly fully-vested stock award of the Company's Class A common stock. On August 17, 2023, the Company's Board of Directors approved the launch of an Employee Equity Purchase Program (the "EEPP"), which allows (i) the Company's Section 16 officers to make quarterly elections to receive up to 50% of their cash base salary in the form of a quarterly fully-vested stock award of Company's Class A common stock; and (ii) its non-Section 16 officer employees to make semi-annual elections to receive up to 25% of their cash base salary in the form of a monthly fully-vested stock award of Company's Class A common stock. As part of the program incentive, the non-Section 16 officer employees receive additional benefits such as a premium via an exchange ratio of 1.15 cash to stock and a conversion price equal to the lower of (x) the first trading day of the plan period or (y) the award grant date. Any awards issued under the EEPP are granted through the 2021 Omnibus Equity Incentive Plan. Shares granted under EEPP for the Company's Section 16 officers are liability-classified awards and the fair value of the awards is equal to the deferred salary amount. Shares granted under EEPP for non-Section 16 officers are equity-classified awards and the fair value of the awards is estimated through the Black-Scholes option pricing model.

The EEPP commenced its first plan period on August 16, 2023 for the Section 16 officers and on September 1, 2023 for the employees.

Stock compensation expense is recorded in cost of goods sold, research and development, and general and administrative expenses based on the classification of the work performed by the grantees.

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The following table sets forth the share-based compensation for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	\$	\$	\$	\$
Cost of goods sold	109	68	242	81
Research and development	7,977	7,048	21,495	21,112

Selling, general, and administrative	4,705	2,547	14,834	9,652
Total	\$ 12,791	\$ 9,663	\$ 36,571	\$ 30,845

Stock compensation expense for the three months ended September 30, 2023 and 2022 included \$1,214 and \$1,770, respectively, that represents liability classified awards issuable upon distribution of the Company's EPSP for Section 16 officers and the annual incentive plans. Stock compensation expense for the nine months ended September 30, 2023 and 2022 included \$6,350 and \$5,117, respectively, that represents liability classified awards issuable upon distribution of the Company's EPSP for Section 16 officers and the annual incentive plans.

15. Net Loss per Common Share

Basic and diluted net loss per common share was calculated as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Numerator:				
Net income (loss)	\$ (13,563)	\$ (5,304)	\$ (95,529)	\$ 8,402
Less: Net income (loss) attributable to noncontrolling interest	(436)	(1,070)	(9,656)	1,803
Net income (loss) attributable to common stockholders - basic	\$ (13,127)	\$ (4,234)	\$ (85,873)	\$ 6,599
Net income (loss) attributable to common shares - dilutive	\$ (13,127)	\$ (4,234)	\$ (85,873)	\$ 6,599
Denominator:				
Weighted average shares outstanding - basic	141,973,731	116,983,265	136,760,936	114,102,308
Effect of potentially dilutive Phantom Units	—	—	—	1,064,688
Effect of potentially dilutive Class V common stock	—	—	—	28,925,854
Effect of potentially dilutive unvested Class B units	—	—	—	5,310,003
Effect of potentially dilutive unexercised options	—	—	—	1,337,802
Weighted average common shares outstanding—diluted	141,973,731	116,983,265	136,760,936	150,740,655
Net income (loss) per share attributable to common shares— basic	\$ (0.09)	\$ (0.04)	\$ (0.63)	\$ 0.06
Net income (loss) per share attributable to common shares— diluted	\$ (0.09)	\$ (0.04)	\$ (0.63)	\$ 0.04

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Numerator:				
Net loss	\$ (18,677)	\$ (45,432)	\$ (114,206)	\$ (37,030)
Less: Net loss attributable to noncontrolling interest	(1,580)	(7,825)	(11,236)	(6,022)
Net loss attributable to common stockholders - basic	\$ (17,097)	\$ (37,607)	\$ (102,970)	\$ (31,008)
Net loss attributable to common shares - dilutive	\$ (17,097)	\$ (37,607)	\$ (102,970)	\$ (31,008)
Denominator:				
Weighted average shares outstanding - basic	146,962,717	120,507,152	140,198,899	116,272,459
Weighted average common shares outstanding—diluted	146,962,717	120,507,152	140,198,899	116,272,459
Net loss per share attributable to common shares— basic	\$ (0.12)	\$ (0.31)	\$ (0.73)	\$ (0.27)
Net loss per share attributable to common shares— diluted	\$ (0.12)	\$ (0.31)	\$ (0.73)	\$ (0.27)

The Company's potentially dilutive securities, which include unvested Class B units, unvested phantom units, unvested restricted stock units, convertible Class V common shares, warrants for Class A units (public and private), unexercised options, earn-out shares, escrow shares and convertible debt have been excluded from the computation of diluted net

income per share as the effect would be to reduce the net income per share. The Company excluded the following potential shares, presented

based on amounts outstanding at each period end, from the computation of diluted net income per share attributable to shareholders for the periods indicated as their inclusion would have had an antilidutive effect:

		Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Nine Months Ended September 30,			
		2023	2022	2023	2022	2023	2022	2023	2022		
		Unvested Class B units	Unvested Class B units	546,570	—	546,570	—	Unvested Class B units	108,536	—	108,536
Unvested Phantom units	Unvested Phantom units	635,007	1,060,119	635,007	—	—	574,194	1,060,119	574,194	1,060,119	
Unvested Restricted stock units	Unvested Restricted stock units	12,532,935	5,070,412	12,532,935	—	—	15,014,021	8,248,983	15,014,021	8,248,983	
Convertible Class V common shares	Convertible Class V common shares	18,994,332	26,382,703	18,994,332	—	—	18,994,332	23,749,676	18,994,332	23,749,676	
Public warrants for the purchase of Class A common shares	Public warrants for the purchase of Class A common shares	17,250,000	17,250,000	17,250,000	17,250,000	—	17,250,000	17,250,000	17,250,000	17,250,000	
Private warrants for the purchase of Class A common shares	Private warrants for the purchase of Class A common shares	10,150,000	10,150,000	10,150,000	10,150,000	—	10,150,000	10,150,000	10,150,000	10,150,000	
Unexercised options	Unexercised options	269,668	368,875	269,668	368,875	—	210,093	368,875	210,093	368,875	
Earn-out Shares	Earn-out Shares	5,000,000	5,000,000	5,000,000	5,000,000	—	5,000,000	5,262,657	5,000,000	5,262,657	
Escrow Shares	Escrow Shares	1,725,000	1,725,000	1,725,000	1,725,000	—	1,725,000	1,725,000	1,725,000	1,725,000	
Convertible debt into Class A common shares	Convertible debt into Class A common shares	18,497,110	—	18,497,110	—	—	18,497,110	—	18,497,110	—	
		<u>85,600,622</u>	<u>67,007,109</u>	<u>85,600,622</u>	<u>34,493,875</u>		<u>87,523,286</u>	<u>67,815,310</u>	<u>87,523,286</u>	<u>67,815,310</u>	

16. Income Taxes

We are subject to U.S. federal and state taxes with respect to our allocable share of any taxable income or loss of ADK, LLC, as well as any stand-alone income or loss we generate. ADK, LLC is treated as a partnership for U.S. income tax purposes and for most applicable state and local income tax purposes and generally does not pay income taxes in most jurisdictions. Instead, ADK, LLC's taxable income or loss is passed through to its members, including us. Despite its status as a partnership in the United States, ADK, LLC's foreign subsidiaries are taxable entities operating in foreign jurisdictions. As such, these foreign subsidiaries record a tax expense or benefit in jurisdictions where a valuation allowance has not been recorded.

Our effective tax rate in 2023 will differ from the U.S. federal statutory rate primarily due to changes in valuation allowance, tax expense or benefit in foreign jurisdictions taxed at different tax rates, the impact of acquisitions and reorganizations on our tax attributes and foreign research and development tax credits and incentives, and changes in non-controlling interest.

Based primarily on our limited operating history and ADK LLC's historical domestic losses, we believe there is a significant uncertainty as to when we will be able to use our domestic, federal and state, deferred tax assets ("DTAs"). Therefore, we have recorded a valuation allowance against these DTAs for which we have concluded that it is not more likely than not that these will be realized.

As part of reverse capitalization, the Company entered into Tax Receivable Agreements ("TRAs") with certain shareholders that will represent approximately 85% of the calculated tax savings based on the portion of basis adjustments on future exchanges of ADK, LLC units and other carryforward attributes assumed that we anticipate to be able to utilize in future years. Through **June 30, 2023** **September 30, 2023**, there have been exchanges of units that would generate a DTA; however, as there is a full valuation allowance on the related DTA, we have not recorded a liability under the TRAs.

The Company recorded a **benefit (provision) provision** for income taxes of **\$(342)** **\$650** and **\$869** **\$863** for the three months ended **June 30, 2023** **September 30, 2023** and 2022, respectively. The Company recorded a benefit for income taxes of **\$3,364** **\$2,714** and **\$1,528** **\$665** for the **six** **nine** months ended **June 30, 2023** **September 30, 2023** and 2022, respectively. Income tax **benefit (provision) provision** for the three months ended **June 30, 2023** **September 30, 2023**, and 2022, respectively, are primarily related to the Company's foreign operations and state income taxes. Income tax benefits for the **six** **nine** months ended **June 30, 2023** **September 30, 2023** are primarily related to the tax effects of our acquisition of **GEO** and subsequent tax reorganizations. **GEO**. Income tax benefits for the **six** **nine** months ended **June 30, 2022** **September 30, 2022** are primarily related to the Company's foreign operations and state income taxes.

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17. Commitments and Contingencies

Litigation

On November 3, 2023, the Company received a demand letter alleging breaches relating to covenants and demanded payments of \$7,500 in contingent consideration related to a previously completed business combination. Given the recent nature of the

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demand letter, the Company is unable to make a reasonable estimate of a potential loss, if any, on this matter. The Company intends to vigorously defend against the claims made in the demand letter.

In addition to the foregoing matter, from time to time, the Company may be a party to routine claims or litigation incidental to matters that arise in the ordinary course of its business. **The** These may include disputes and lawsuits related to intellectual property, mergers and acquisitions, licensing, contract law, tax, regulatory, distribution arrangements, employee relations and other matters. Periodically, the Company **does not believe** that it is a party to reviews the status of these matters and assesses its potential financial exposure. If the potential loss from any **pending** claim or legal proceeding that is **likely** considered probable and a range of possible losses can be estimated, the Company accrues a liability for the estimated loss. Legal proceedings are subject to have a material adverse effect uncertainties, and the outcomes are difficult to predict. Because of such uncertainties, accruals are based only on **its** business, financial condition or results of operations or cash flows, the best information available at the time. As additional information becomes available, the Company continues to reassess the potential liability related to pending claims and litigation and may revise estimates.

Royalty Agreement

The Company has entered into license agreements to use certain technology in its design and manufacture of its products. The agreements require royalty fees for each semiconductor sold using the licensed technology. Total royalty expense incurred in connection with these contracts during the three months ended **June 30, 2023** **September 30, 2023** and 2022 was **\$953** **\$1,524** and **\$262** **\$368**, respectively. Total royalty expense incurred in connection with these contracts during the **six** **nine** months ended **June 30, 2023** **September 30, 2023** and 2022 was **\$1,433** **\$2,956** and **\$504** **\$872**, respectively. These expenses are included in cost of goods sold in the condensed consolidated statements of operations. Accrued royalties of **\$199** **\$881** and **\$544** are included in accrued expenses in the Company's condensed consolidated balance sheets as of **June 30, 2023** **September 30, 2023** and consolidated balance sheets as of December 31, 2022, respectively.

Tax Distributions

To the extent the Company has funds legally available, the **board** **Board of directors** **Directors** will approve distributions to each member of ADK LLC, prior to March 15 of each year, in an amount per unit that, when added to all other distributions made to such member with respect to the previous calendar year, equals the estimated federal and state income tax liabilities applicable to such member as the result of its, his or her ownership of the units and the associated net taxable income allocated with respect to such units for the previous calendar year. There were no distributions approved by the **board** **Board of directors** **Directors** or paid by the Company during the **six** **nine** months ended **June 30, 2023** **September 30, 2023** and 2022.

18. Supplemental Financial Information

Accrued expenses and other current liabilities consist of the following:

		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Contingent considerations	Contingent considerations	\$ 47,767	\$ 2,500	Contingent considerations	\$ 82,983	\$ 2,500
Holdbacks for business combinations	Holdbacks for business combinations	4,003	—	Holdbacks for business combinations	3,300	—
Operating lease liabilities, current	Operating lease liabilities, current	2,790	1,955	Operating lease liabilities, current	2,846	1,955
Deferred revenue	Deferred revenue	1,467	1,739	Deferred revenue	1,315	1,739
Accrued interest	Accrued interest	1,040	900	Accrued interest	2,880	900
Accrued cash consideration for business combinations		1,021	—			
Accrued royalties				Accrued royalties	881	544
Other (1)	Other (1)	4,981	6,065	Other (1)	10,652	5,521
Accrued expenses and other current liabilities	Accrued expenses and other current liabilities	\$ 63,069	\$ 13,159	Accrued expenses and other current liabilities	\$ 104,857	\$ 13,159

(1) Amount represents accruals for various operating expenses such as professional fees, accrued royalties, open purchase orders, and other estimates that are expected to be paid within the next 12 months.

19. Subsequent Events

For its condensed consolidated financial statements as of **June 30, 2023** **September 30, 2023**, management reviewed and evaluated material subsequent events from the condensed consolidated balance sheet date of **June 30, 2023** **September 30, 2023** through **August 11, 2023** **November 9, 2023**, the date the condensed consolidated financial statements were issued.

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Warrant Exchange

On September 22, 2023, indie announced the commencement of an exchange offer (the "Offer") and consent solicitation (the "Consent Solicitation") relating to its outstanding (i) Public Warrants to purchase shares of Class A common stock of the Company and (ii) Private Warrants to purchase shares of Class A common stock (together with the Public Warrants, the "Warrants").

The Offer and the Consent Solicitation expired at 11:59 p.m., Eastern Time on October 20, 2023. Upon expiration of the Offer and the Consent Solicitation, 24,658,461 Warrants, or approximately 90% of the outstanding Warrants, were tendered. Subsequently, the Company issued 7,027,517 shares of Class A common stock, or an exchange ratio of 0.285, for the Warrants tendered in the Offer on October 25, 2023. Additionally, the Company received the approval of approximately 89.8% of the outstanding Warrants to the amendment to the warrant agreement governing the Warrants (the "Amendment No. 2"), which exceeds a majority of the outstanding warrants required to effect the Amendment No. 2. This amendment permitted the Company to require that each Warrant that was outstanding upon settlement of the Exchange Offer to be converted into 0.2565 shares of Class A common stock, which was a ratio 10% less than the exchange ratio applicable to the Exchange Offer.

The Company completed its exchange of the remaining 2,741,426 untendered Warrants on November 9, 2023 through issuance of 703,176 shares of Class A common stock. As a result of the completion of the Exchange Offer and the exchange for the remaining untendered Warrants, the Warrants were suspended from trading on the Nasdaq Capital Market as of the close of business on November 8, 2023, and delisted.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF INDIE

Unless the context otherwise requires, all references in this section to the "Company," "we," "us," or "our" refer to the business of indie and its subsidiaries prior to the consummation of the Transaction. Throughout this section, unless otherwise noted, "indie" refers to indie Semiconductor and its consolidated subsidiaries.

The following discussion and analysis provides information that management believes is relevant to an assessment and understanding of our consolidated results of operations and financial condition. You should read this discussion and analysis in conjunction with the accompanying unaudited condensed consolidated financial statements and notes thereto included elsewhere in this Form 10-Q. Certain amounts may not foot due to rounding. This discussion and analysis contains forward-looking statements. See "Forward Looking Statements." We urge you to consider the risks and uncertainties discussed in this Quarterly Report on Form 10-Q and the Company's Annual Report on Form 10-K for the Fiscal Year ended December 31, 2022, under the heading "Risk Factors" and in the other documents we have filed with the SEC in evaluating our forward-looking statements. We assume no obligation to update any of these forward-looking statements except as required by law. Actual results may differ materially from those contained in any forward-looking statements.

OUR COMPANY

indie Semiconductor offers highly innovative automotive semiconductors and software solutions for Advanced Driver Assistance Systems ("ADAS"), autonomous vehicle, connected car, user experience and electrification applications. We focus on edge sensors across multiple modalities spanning LiDAR, radar, ultrasound and computer vision. These functions represent the core underpinnings of both electric and autonomous vehicles, while the advanced user interfaces are transforming the in-cabin experience to mirror and seamlessly connect to the mobile platforms we rely on every day. We are an approved vendor to Tier 1 automotive suppliers and our platforms can be found in marquee automotive manufacturers around the world. Headquartered in Aliso Viejo, California, indie has design centers and sales offices in Austin, Texas; Boston, Massachusetts; Detroit, Michigan; San Francisco and San Jose, California; Cordoba, Argentina; Budapest, Hungary; Dresden, Frankfurt der Oder, Munich and Nuremberg, Germany; Cambridge, England; Edinburgh, Scotland; Schlieren, Switzerland; Rabat, Morocco; Haifa, Israel; Quebec City, Canada; Seoul, South Korea; Tokyo, Japan and several locations throughout China.

We maintain design centers for our semiconductor engineers and designers in the United States, Argentina, Hungary, Germany, Scotland, Morocco, Israel, Switzerland and China. We engage subcontractors to manufacture our products. These subcontractors, as well as the majority of our customers' locations, are primarily in Asia. For the six nine months ended June 30, 2023 September 30, 2023 and 2022, approximately 63% and 57% 53%, respectively, of our product revenues were recognized for shipments to customer locations in Asia.

Execution of At-The-Market Agreement

On August 26, 2022, we entered into an At Market Issuance Agreement ("ATM Agreement") with B. Riley Securities, Inc., Craig-Hallum Capital Group LLC and Roth Capital Partners, LLC (collectively as "Sales Agents") relating to shares of our Class A common stock, par value \$0.0001 per share. (the "Class A common stock"). In accordance with the terms of the Sales Agreement, we may offer and sell shares of our Class A common stock having an aggregate offering price of up to \$150.0 million from time to time through the Sales Agents, acting as our agent or principal. We implemented this program for the flexibility that it provides to the capital markets and to best time our equity capital needs. As of June 30, 2023 September 30, 2023, we had raised gross proceeds of \$70.3 million and issued 7,351,259 shares of Class A common stock at an average per-share sales price of \$9.57 through this program.

Recent Acquisitions

Exalos AG

On September 18, 2023, Ay Dee Kay Ltd. completed its acquisition of all Exalos AG, a Swiss corporation ("Exalos"), pursuant to the Share Sale and Purchase Agreement by and among Ay Dee Kay Ltd., indie and all of the stockholders of Exalos, whereby indie UK acquired all of the outstanding common shares of Exalos. The closing consideration consisted of (i) the issuance by indie of 6,613,786 shares of Class A common stock, with a fair value of \$42.8 million; (ii) a contingent consideration with fair value of \$13.2 million at closing, payable in cash, subject to Exalos' achievement of certain revenue-based milestones through September 30, 2025; and (iii) a holdback of \$2.5 million subject to final release 12 months from the acquisition date payable in shares of Class A common stock. The purchase price is subject to working capital and other adjustments as provided in the merger agreement.

GEO Semiconductor Inc.

On February 9, 2023, we entered into an Agreement and Plan of Merger, pursuant to which Gonzaga Merger Sub Inc., a Delaware corporation and indie's wholly-owned subsidiary, will merge with and into GEO Semiconductor Inc., a Delaware corporation ("GEO"), with GEO surviving as a wholly-owned subsidiary of indie (the "Merger"). The aggregate consideration for this transaction consisted of (i) \$93,448 \$93.4 million in cash (including accrued cash consideration at closing and net of cash acquired); (ii) the issuance by indie of 6,868,768 shares of indie class Class A common stock par value \$0.0001 per share at closing, with a fair value of \$75,556 \$75.6 million; (iii) 1,907,180 shares of indie Class A common stock par value \$0.0001 per share at closing, with a fair value of \$20,979 \$21.0 million payable in the next 24 months; and (iv) an earn-out with fair value of \$63,093 \$63.1 million at closing payable in cash or in indie Class A common stock, par value \$0.0001 per share, subject to achieving certain GEO-related revenue targets through September 30, 2024. The purchase price is subject to working capital and other adjustments as provided in the merger agreement. The transaction was completed on March 3, 2023.

Silicon Radar

On February 21, 2023, Symeo GmbH ("Symeo"), one of our wholly-owned subsidiaries, completed its acquisition of all of the outstanding capital stock of Silicon Radar GmbH ("Silicon Radar"). The acquisition was consummated pursuant to a Share Purchase Agreement by and among Symeo, indie and the holders of the outstanding capital stock of Silicon Radar. The closing consideration consisted of (i) \$9,245 \$9.2 million in cash (including debt payable at closing and net of cash acquired), (ii) the issuance by indie of 982,445 shares of Class A common stock par value \$0.0001 per share at closing, with a fair value of \$9,834 \$9.8 million; and (iii) a contingent consideration with fair value of \$9,979 \$10.0 million at closing, payable in cash or in Class A common stock subject to Silicon Radar's achievement of certain revenue-based and design-win milestones through February 21, 2025. The purchase price is subject to working capital and other adjustments as provided in the merger agreement. Share Sale and Purchase Agreement.

See Note 2 — *Business Combinations* for additional descriptions of these acquisitions.

Impact of COVID-19 and Macroeconomic Conditions

The COVID-19 pandemic (the "Pandemic") recent conflict in the Middle East and efforts to control its spread have significantly curtailed our business, customers, suppliers, our employees and operations in Israel, the movement of people, goods, Middle East and services worldwide. While many economies and countries initially affected by the Pandemic have lifted quarantines and related restrictions, impact to indie is subject to change given the ultimate duration and extent volatile nature of the Pandemic depends on future developments that cannot be accurately predicted at this time, including the severity and transmission rates of new and more contagious and/or vaccine-resistant variants of COVID-19, as well as the impact that any such new variants may have on local, regional, national and international customers and economic markets. We continue to monitor the Pandemic to ensure continued compliance with applicable health regulations and effective responses to the economic impact of the Pandemic. situation.

Refer to Part I, Item 1A of our 2022 Annual Report on Form 10-K for the fiscal year ended December 31, 2022 under the heading "Risk Factors" for more information on our risks and uncertainties.

OPERATING RESULTS

Comparison of the Three Months Ended June 30, 2023 September 30, 2023 and 2022

Revenue

(in thousands)	(in thousands)	Three Months Ended June 30,						Three Months Ended September 30,					
		2023		2022		% Change	(in thousands)	2023		2022		\$ Change	% Change
		\$	% of Revenue	\$	% of Revenue			\$	% of Revenue	\$	% of Revenue		
Revenue:	Revenue:												
Product revenue	Product revenue	\$ 45,455	87 %	\$ 20,452	79 %	\$ 25,003	122 %	\$ 53,363	88 %	\$ 24,425	81 %	\$ 28,938	118 %
Contract revenue	Contract revenue	6,653	13 %	5,303	21 %	1,350	25 %	7,113	12 %	5,591	19 %	1,522	27 %
Total revenue	Total revenue	\$ 52,108	100 %	\$ 25,755	100 %	\$ 26,353	102 %	\$ 60,476	100 %	\$ 30,016	100 %	\$ 30,460	101 %

Revenue for the three months ended June 30, 2023 September 30, 2023 was \$52.1 million \$60.5 million, compared to \$25.8 million \$30.0 million for the three months ended June 30, 2022 September 30, 2022, an increase of \$26.4 million \$30.5 million or 102% 101%, which was primarily driven by a \$25.0 million \$28.9 million increase in product revenue as well as an increase in contract revenue. The increase in product revenue was due primarily to change in product mix as well as higher product volume (units sold) given the continued growth in demand from our customers globally as well as the recent

acquisitions. Increases in average selling price ("ASP") also contributed to the increase in product revenue year-over-year. The increase in contract revenue of \$1.4 million \$1.5 million or 25% 27% was primarily due to commencement a higher percentage of a completion in the current period as we continue to make progress in the large multi-year non-recurring engineering project with a top customer during the year ended December 31, 2022. that commenced in early 2022.

Operating Expenses

(in thousands)	(in thousands)	Three Months Ended June 30,						Three Months Ended September 30,					
		2023		2022		\$	%	2023		2022		\$	%
		\$	% of Revenue	\$	% of Revenue			\$	% of Revenue	\$	% of Revenue		
Operating expenses:	Operating expenses:												
Cost of goods sold	Cost of goods sold	\$ 32,127	62 %	\$ 15,178	59 %	\$ 16,949	112 %	\$ 35,187	58 %	\$ 14,970	50 %	\$ 20,217	135 %
Research and development	Research and development	42,069	81 %	28,467	111 %	13,602	48 %	41,594	69 %	30,229	101 %	11,365	38 %

Selling, general, and administrative	Selling, general, and administrative	18,637	36 %	12,085	47 %	6,552	54 %	Selling, general, and administrative	19,841	33 %	10,676	36 %	9,165	86 %
Total operating expenses	Total operating expenses	\$ 92,833	178 %	\$ 55,730	216 %	\$ 37,103	67 %	Total operating expenses	\$ 96,622	160 %	\$ 55,875	186 %	\$ 40,747	73 %

Cost of goods sold for the three months ended **June 30, 2023** **September 30, 2023** was **\$32.1 million** **\$35.2 million**, compared to **\$15.2 million** **\$15.0 million** for the three months ended **June 30, 2022** **September 30, 2022**. The increase of **\$16.9 million** **\$20.2 million** or **112%** **135%** was primarily due to a **\$5.4 million** **\$7.5 million** increase due to change in product mix, a **\$5.3 million** **\$5.9 million** increase in product shipments in connection with the increase in products sold, as described above, a **\$2.3 million** increase due to amortization for inventory step-up value in connection with the recent acquisitions, and a **\$1.4 million** **\$4.0 million** increase in product cost. Cost of goods sold for the three months ended **June 30, 2023** **September 30, 2023** also included additional **\$2.6 million** in amortization related to acquired intangible assets as a result of the recent business combinations.

Research and development expense for the three months ended **June 30, 2023** **September 30, 2023** was **\$42.1 million** **\$41.6 million**, compared to **\$28.5 million** **\$30.2 million** for the three months ended **June 30, 2022** **September 30, 2022**. The increase of **\$13.6 million** **\$11.4 million** or **48%** **38%** was primarily due to a **\$5.2 million** **\$5.4 million** increase in personnel costs as we increased the number of employees working on product development, and a **\$4.4 million** **\$4.7 million** increase in product development costs, both to support our continuous growth in research and a **\$1.8 million** increase in share-based compensation expense. development needs. Research and development expense for the three months ended **June 30, 2023** **September 30, 2023** also included **\$2.0 million** **\$0.9 million** in amortization related share-based compensation expense, which was due to acquired intangible assets as a result of the recent business combinations. increase in headcounts and new awards granted since prior year. We expect research and development expense to continue to increase as we continue to grow our headcount organically to support expanded product development activities.

Selling, general and administrative expense for the three months ended **June 30, 2023** **September 30, 2023** was **\$18.6 million** **\$19.8 million**, compared to **\$12.1 million** **\$10.7 million** for the three months ended **June 30, 2022** **September 30, 2022**. The increase of **\$6.6 million** **\$9.2 million** or **54%** **86%** was primarily due to a **\$3.6 million** **\$2.5 million** increase in personnel costs due to increase in headcount, and a **\$1.7 million** **\$2.2 million** increase in share-based compensation expense. expense, and a **\$1.1 million** increase in outside professional fees. Selling, general and administrative expense for the three months ended **June 30, 2023** **September 30, 2023** also included **\$1.6 million** **\$3.6 million** in amortization related to acquired intangible assets as a result of the recent

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business combinations. We expect selling, general, and

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administrative expense to continue to increase as we grow our headcount to support our global expansion and to fulfill our obligations as a publicly traded company.

Other income (expense), net

(in thousands)	(in thousands)	Three Months Ended June 30,				Three Months Ended September 30,					
		2023		2022		(in thousands)		2023		2022	
		\$	\$	\$ Change	% Change	\$	\$	\$ Change	% Change		
Other income (expense), net:											
Interest income	Interest income	\$ 1,870	\$ 175	\$ 1,695	969 %	Interest income	\$ 1,858	\$ 612	\$ 1,246	204 %	
Interest expense	Interest expense	(2,144)	(267)	(1,877)	703 %	Interest expense	(2,242)	(166)	(2,076)	1251 %	
Gain from change in fair value of warrants		25,046	20,301	4,745	23 %						

Gain (loss) from change in fair value of warrants		Gain (loss) from change in fair value of warrants	15,660	(19,059)	34,719	(182)	%
Gain from change in fair value of contingent considerations and acquisition-related holdbacks	2,303	3,584	(1,281)	(36)	%		
Gain (loss) from change in fair value of contingent considerations and acquisition- related holdbacks				Gain (loss) from change in fair value of contingent considerations and acquisition- related holdbacks	3,535	(121)	3,656
Other income	429	9	420	4667	%		
Total other income, net	\$ 27,504	\$ 23,802	\$ 3,702	16	%		
Other income (expense)				Other income (expense)	(692)	24	(716)
Total other income (expense), net				Total other income (expense), net	\$ 18,119	\$ (18,710)	\$ 36,829
							(197) %

Interest income for the three months ended **June 30, 2023** **September 30, 2023** was \$1.9 million, compared to **\$175** **\$612** thousand for the three months ended **June 30, 2022** **September 30, 2022**. Interest income increased in the current period primarily as a result of higher cash balances in the 2023 period resulting from proceeds received from the 2027 Notes 4.50% convertible notes with principal balance of \$160.0 million issued in November 2022 (the "2027 Notes") and increases in interest rates associated with the money market funds and marketable securities.

Interest expense for the three months ended **June 30, 2023** **September 30, 2023** was **\$2.1 million** **\$2.2 million**, compared to **\$267** **\$166** thousand for the three months ended **June 30, 2022** **September 30, 2022**. Interest expense relates to the routine cash and non-cash interest expenses on outstanding debt obligations. The increase was primarily driven by the issuance of the 4.50% convertible notes with principal balance of \$160.0 million issued in November 2022 (the "2027 Notes"). **2027 Notes**.

For the three months ended **June 30, 2023** **September 30, 2023** and 2022, we recognized gains (losses) from change in fair value for warrants, contingent considerations and contingent considerations, acquisition-related holdbacks. The gains (losses) recorded for the three months ended **June 30, 2023** **September 30, 2023** and 2022 represent the following:

i) Warrants: During the three months ended **June 30, 2023** **September 30, 2023**, we recognized an unrealized gain from change in fair value of our warrants of **\$25.0 million** **\$15.7 million**, which reflected the decrease in fair value of our warrant liability. The decrease in fair value of our warrant liability of **\$25.0 million** **\$15.7 million** was primarily a result of the decrease of the closing price of our Class A common stock listed on the Nasdaq to **\$6.30** per share on **September 30, 2023** from **\$9.40** per share on **June 30, 2023** from **\$10.55 per share on March 31, 2023**. In the same period in the prior year, the **decrease** **increase** in fair value was a result of the **decrease** **increase** of the closing price of our Class A common stock listed on the Nasdaq to **\$7.32** per share on **September 30, 2022** from **\$5.70** per share on **June 30, 2022** from **\$7.81** per share on **March 31, 2022**.

ii) Contingent considerations and acquisition-related holdbacks: During the three months ended **June 30, 2023** **September 30, 2023**, we recognized a net unrealized gain from change in fair value of our contingent considerations and acquisition-related holdbacks of **\$2.3 million** **\$3.5 million** which is primarily contributed by an unrealized gain of **\$1.8 million** **\$2.9 million** and **\$0.6 million** **\$0.8 million** for the contingent considerations and acquisition-related holdbacks related to the GEO and Symeo acquisitions, respectively, offset by a **\$0.1 million** net unrealized loss for other contingent considerations and acquisition-related holdbacks, respectively. During the three months ended **June 30, 2022** **September 30, 2022**, we recognized an net unrealized gain loss from change in fair value of our contingent considerations of **\$3.6 million**. During the three months ended **June 30, 2022**, management determined that the product design specified in the contingent consideration arrangement would be replaced with a new product design that is better aligned with customer requirements and which will not be eligible for either of the contingent considerations. Accordingly, the fair value for both the Tapeout and Design Win were reduced to zero as of **June 30, 2022**, resulting in a gain of **\$3.9 million**.

\$0.1 million.

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Income Taxes

We utilize the asset and liability method in accounting for income taxes. Deferred tax assets and liabilities reflect the estimated future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred tax expense or benefit is the result of changes in the deferred tax asset and liability. Valuation allowances are established when necessary to reduce deferred tax assets where it is more likely than not that the deferred tax assets will not be realized. We make estimates, assumptions, and judgments to determine our provision for our income taxes, deferred tax assets and liabilities, and any valuation allowance recorded against deferred tax assets. We also assess the likelihood that our deferred tax assets, if any, will be recovered from future taxable income, and to the extent we believe that recovery is not likely, we establish a valuation allowance.

We recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement. Interest and penalties related to unrecognized tax benefits which, as of the date of this report, have not been material, are recognized within provision for income taxes.

Income tax benefit and expense for the three months ended **June 30, 2023** **September 30, 2023** and 2022 is primarily related to our operations in Canada and Europe.

Refer to Note 16, *Income Tax*, in our accompanying unaudited condensed consolidated financial statements for additional detail.

Comparison of the **Six Nine Months Ended June 30, 2023 September 30, 2023 and 2022**

Revenue

(in thousands)	(in thousands)	Six Months Ended June 30,						Nine Months Ended September 30,						
		2023		2022		\$ Change	% Change	2023		2022		\$ Change	% Change	
		\$	% of Revenue	\$	% of Revenue			\$	% of Revenue	\$	% of Revenue			
Revenue:														
Revenue:	Revenue:													
Product revenue	Product revenue	\$ 79,108	85 %	\$ 38,538	81 %	\$ 40,570	105 %	Product revenue	\$ 132,471	87 %	\$ 62,963	81 %	\$ 69,508	110 %
Contract revenue	Contract revenue	13,452	15 %	9,216	19 %	4,236	46 %	Contract revenue	20,565	13 %	14,807	19 %	5,758	39 %
Total revenue	Total revenue	\$ 92,560	100 %	\$ 47,754	100 %	\$ 44,806	94 %	Total revenue	\$ 153,036	100 %	\$ 77,770	100 %	\$ 75,266	97 %

Revenue for the **six nine months ended June 30, 2023 September 30, 2023** was **\$92.6 million \$153.0 million**, compared to **\$47.8 million \$77.8 million** for the **six nine months ended June 30, 2022 September 30, 2022**, an increase of **\$44.8 million \$75.3 million** or **94% 97%**, which was primarily driven by a **\$40.6 million \$69.5 million** increase in product revenue as well as an increase in contract revenue. The increase in product revenue was due primarily to change in product mix as well as higher product volume (units sold) given the continued growth in demand from our customers globally. Change in product mix and increases globally as well as the recent acquisitions. Increases in ASP also contributed to the increase in product revenue year-over-year. The increase in contract revenue of **\$4.2 million \$5.8 million** or **46% 39%** was primarily due to commencement of a large multi-year non-recurring engineering project with a top customer in the **current prior** year.

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Operating expenses

(in thousands)	(in thousands)	Six Months Ended June 30,						Nine Months Ended September 30,						
		2023		2022		\$ Change	% Change	2023		2022		\$ Change	% Change	
		\$	% of Revenue	\$	% of Revenue			\$	% of Revenue	\$	% of Revenue			
Operating expenses:														
Operating expenses:	Operating expenses:													
Cost of goods sold	Cost of goods sold	\$ 56,183	61 %	\$ 29,370	62 %	\$ 26,813	91 %	Cost of goods sold	\$ 91,370	60 %	\$ 44,340	57 %	\$ 47,030	106 %
Research and development	Research and development	78,632	85 %	57,966	121 %	20,666	36 %	Research and development	120,226	79 %	88,195	113 %	32,031	36 %
Selling, general, and administrative	Selling, general, and administrative	35,451	38 %	24,727	52 %	10,724	43 %	Selling, general, and administrative	55,292	36 %	35,403	46 %	19,889	56 %

Total operating expenses	Total operating expenses	\$ 170,266	184	%	\$ 112,063	235	%	\$ 58,203	52	%	Total operating expenses	\$ 266,888	174	%	\$ 167,938	216	%	\$ 98,950	59	%
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Cost of goods sold for the six nine months ended June 30, 2023 September 30, 2023 was \$56.2 million \$91.4 million, compared to \$29.4 million \$44.3 million for the six nine months ended June 30, 2022 September 30, 2022. The increase of \$26.8 million \$47.0 million or 91% 106% was primarily due to a \$9.3 million \$15.9 million increase due to change in product mix, a \$15.4 million increase in product shipments in connection with the increase in products sold as described above, and a \$8.4 million increase due to change in product mix, a \$2.7 million \$6.7 million increase in product cost. Total cost of goods sold for the nine months ended September 30, 2023 also included an additional \$5.4 million in amortization related to acquired intangible assets and a \$1.8 million \$4.2 million increase due to amortization for inventory step-up value both in connection with the recent acquisitions. Total cost of goods sold for the six months ended June 30, 2023 also included \$2.8 million in amortization related to acquired intangible assets as a result of the recent business combinations.

Research and development ("R&D") expense for the six nine months ended June 30, 2023 September 30, 2023 was \$78.6 million \$120.2 million, compared to \$58.0 million \$88.2 million for the six nine months ended June 30, 2022 September 30, 2022. This increase of \$20.7 million \$32.0 million or 36% was primarily due to a \$10.1 million \$14.8 million increase in product development costs and a \$7.9 million \$13.3 million increase in personnel, costs as we increased both to support our continuous growth in research and development needs. Research and development expense for the number of employees working on product development, nine months ended September 30, 2023 also included a \$2.6 million \$1.4 million increase in amortization expense related to R&D project licenses and acquired intangible assets from business combinations offset by a \$0.5 million decrease \$0.4 million increase in share-based compensation expense, expense. We expect research and development expense to continue to increase as we continue to grow our headcount organically to support expanded product development activities.

Selling, general and administrative expense for the six nine months ended June 30, 2023 September 30, 2023 was \$35.5 million \$55.3 million, compared to \$24.7 million \$35.4 million for the six nine months ended June 30, 2022 September 30, 2022. The increase of \$10.7 million \$19.9 million or 43% 56% was primarily due to a \$4.6 million \$7.1 million increase in personnel costs due to increase in headcounts, a \$1.6 million \$5.2 million increase in share-based compensation expense, and a \$1.8 million increase in outside professional fees. Both the increase in personnel costs and share-based compensation expense are driven by increase in headcounts. Total selling, general and administrative expense for the nine months ended September 30, 2023 also included a \$5.2 million increase in intangible asset amortization from business combinations a \$0.8 million increase in outside professional fees and a \$3.0 million increase in share-based compensation expense, comparison to prior year. We expect selling, general, and administrative expense to continue to increase as we grow our headcount to support our global expansion and to fulfill our obligations as a publicly traded company.

(in thousands)	(in thousands)	Six Months Ended June 30,					Nine Months Ended September 30,							
		2023		2022		\$ Change	% Change	2023		2022		\$ Change	% Change	
		\$	\$	\$	\$			\$	\$	\$	\$			
Other income (expense), net:	Other income (expense), net:													
Interest income	Interest income	\$ 4,289	\$ 208	\$ 4,081		1962	%	Interest income	\$ 6,147	\$ 820	\$ 5,327		650	%
Interest expense	Interest expense	(4,292)	(325)	(3,967)		1221	%	Interest expense	(6,534)	(491)	(6,043)		1231	%
Gain (loss) from change in fair value of warrants	Gain (loss) from change in fair value of warrants	(22,286)	67,654	(89,940)		(133)	%	Gain (loss) from change in fair value of warrants	(6,626)	48,595	(55,221)		(114)	%
Gain from change in fair value of contingent considerations and acquisition-related holdbacks	Gain from change in fair value of contingent considerations and acquisition-related holdbacks	673	3,667	(2,994)		(82)	%	Gain from change in fair value of contingent considerations and acquisition-related holdbacks	4,208	3,546	662		19	%
Other income (expense)	Other income (expense)	429	(21)	450		(2143)	%	Other income (expense)	(263)	3	(266)		(8867)	%
Total other income (expense), net	Total other income (expense), net	\$ (21,187)	\$ 71,183	\$ (92,370)		(130)	%	Total other income (expense), net	\$ (3,068)	\$ 52,473	\$ (55,541)		(106)	%

Interest income for the six nine months ended June 30, 2023 September 30, 2023 was \$4.3 million \$6.1 million, increased by \$4.1 million \$5.3 million or 1962% 650% from the six nine months ended June 30, 2022 September 30, 2022. Interest income increased in the current period primarily as a result of higher cash

balances in the 2023 period resulting from proceeds received from the 2027 Notes and increases in interest rates associated with the money market funds and marketable securities.

Interest expense for the six nine months ended June 30, 2023 September 30, 2023 was \$4.3 million \$6.5 million, compared to \$0.3 million \$0.5 million for the six nine months ended June 30, 2022 September 30, 2022. Interest expense relates to the routine cash and non-cash interest expenses on outstanding debt obligations. The

increase was primarily driven by the issuance of the 4.50% convertible notes with principal balance of \$160.0 million issued in November 2022 (the "2027 Notes"). 2027 Notes.

For the six nine months ended June 30, 2023 September 30, 2023 and 2022, we recognized gains (losses) from change from change in fair value for warrants, contingent considerations and contingent considerations, acquisition-related holdbacks. The gains (losses) recorded for the both the six nine months ended June 30, 2023 September 30, 2023 and 2022 represent the following:

i) Warrants: During the six nine months ended June 30, 2023 September 30, 2023, we recognized an unrealized loss from change in fair value of our warrants of \$22.3 million \$6.6 million, which reflected the increase in fair value of our warrant liability. The increase in fair value of our warrant liability of \$22.3 million \$6.6 million was primarily a result of the increase of the closing price of our Class A common stock listed on the Nasdaq to \$9.40 \$6.30 per share on June 30, 2023 September 30, 2023 from \$5.83 per share on December 31, 2022. In the same period in the prior year, the decrease in fair value was a result of the decrease in the closing price our Class A common stock listed on the Nasdaq to \$5.70 \$7.32 per share on June 30, 2022 September 30, 2022 from \$11.99 per share on December 31, 2021.

ii) Contingent considerations and acquisition-related holdbacks: During the six nine months ended June 30, 2023 September 30, 2023, we recognized an unrealized gain from change in fair value of our contingent considerations and acquisition-related holdbacks of \$0.7 million \$4.2 million which is primarily contributed by an unrealized gain of \$2.1 million \$5.0 million for the contingent considerations and acquisition-related holdback related to GEO, offset by \$1.1 million \$0.3 million and \$0.3 million \$0.4 million unrealized loss for the contingent considerations related to the Symeo and Silicon Radar acquisitions, respectively, offset by a \$0.1 million net unrealized gain for other contingent considerations and acquisition-related holdbacks, respectively. During the six nine months ended June 30, 2022 September 30, 2022, we recognized an unrealized net gain from change in fair value of our contingent considerations of \$3.7 million \$3.5 million. During the six nine months ended June 30, 2022 September 30, 2022, management determined that the product design specified in the contingent consideration arrangement would be replaced with a new product design that is better aligned with customer requirements and which will not be eligible for either of the contingent considerations. Accordingly, the fair value for both the Tapeout and Design Win were reduced to zero, resulting in a gain of \$3.9 million.

Income Taxes

We utilize the asset and liability method in accounting for income taxes. Deferred tax assets and liabilities reflect the estimated future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred tax expense or benefit is the result of changes in the deferred tax asset and liability. Valuation allowances are established when necessary to reduce deferred tax assets where it is more likely than not that the deferred tax assets will not be realized. We make estimates, assumptions, and judgments to determine our provision for our income taxes, deferred tax assets and liabilities, and any valuation allowance recorded against deferred tax assets. We also assess the likelihood that our deferred tax assets, if any, will be recovered from future taxable income, and to the extent we believe that recovery is not likely, we establish a valuation allowance.

We recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement. Interest and penalties related to unrecognized tax benefits which, as of the date of this report, have not been material, are recognized within provision for income taxes.

Income tax benefits for the six nine months ended June 30, 2023 September 30, 2023 are primarily related to the tax effects of our acquisition of GEO and subsequent tax reorganizations. Income tax benefits for the six nine months ended June 30, 2022 September 30, 2022 is primarily related to our operations in Canada and Europe.

Refer to Note 16, *Income Tax*, in our accompanying unaudited condensed consolidated financial statements for additional detail.

JOBS Act

The JOBS Act permits an emerging growth company ("EGC") such as us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We have elected to use the extended transition period under the JOBS Act until the earlier of the date we (1) are no longer an emerging growth company or (2)

affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our condensed consolidated financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

We will remain an emerging growth company until the earliest to occur of: (1) the last day of the fiscal year in which we have more than \$1.235 billion in annual revenue; (2) the date on which we are deemed to be a "large accelerated filer," which would occur if the market value of our equity securities held by nonaffiliates exceeds \$700 million as of the last business day of our most recently completed second fiscal quarter; (3) the date on which we have issued more than \$1.0 billion in non-convertible debt securities during the prior three-year period; and (4) the last day of the fiscal year ending after the fifth anniversary of our initial public offering, or December 31, 2024. As the market value of our common stock that is held by non-affiliates exceeded \$700 million as of June 30, 2023 based on the Nasdaq Capital Market closing price of \$9.40 per share of indie's Class A common stock on such day, and therefore, we will therefore no longer qualify for such emerging growth company status commencing December 31, 2023. As a large accelerated filer not entitled to emerging growth company status, we will be subject to certain disclosure requirements that are applicable to other public companies that have not been applicable to us as an emerging growth company, including the ability to take advantage of such extended transition period.

We may choose to early adopt any new or revised accounting standards whenever such early adoption is permitted for public companies.

Liquidity and Capital Resources

Our primary use of cash is to fund operating expenses, which consist primarily of research and development expenditures, working capital requirements related to inventory, accounts payable and general and administrative expenditures. In addition, from time to time, we use cash to fund our mergers and acquisitions, purchases of various capital and software assets and scheduled repayments for outstanding debt obligations. Our immediate sources of liquidity are cash, cash equivalents and funds anticipated to be generated from our operations. We believe that our existing cash and cash equivalents, funds anticipated to be generated from our operations and available borrowing on borrowings under our revolving credit facility will be sufficient to meet our working capital needs for at least the next 12 months. Our future capital requirements may vary from those currently planned and will depend on many factors, including our rate of sales growth, the timing and extent of spending on various business initiatives, including potential merger and acquisition activities, our international expansion, the timing of new product introductions, market acceptance of our solutions, and overall economic conditions including the potential impact of global supply imbalances, rising interest rates, inflationary pressures, COVID-19 the impact of the ongoing conflicts in Ukraine and the Middle East, and volatility in the global financial markets. To the extent that current and anticipated future sources of liquidity are insufficient to fund our future business activities and requirements, we may be required to seek additional equity or debt financing. We have cash deposits with large financial institutions that have stable outlooks and credit ratings as of August 11, 2023 November 9, 2023. These cash deposits may exceed the insurance provided on such deposits. As part of our cash management strategy going forward, we concentrate cash deposits with large financial institutions that are subject to regulation and maintain deposits across diverse retail banks.

Historically, we derive liquidity primarily from debt and equity financing activities as we have historically had negative cash flows from operations. As of June 30, 2023 September 30, 2023, our balance of cash and cash equivalents was \$180.7 million \$160.6 million.

On August 26, 2022, we entered into the ATM Agreement with the Sales Agents relating to shares of our Class A common stock. In accordance with the terms of the Sales Agreement, we may offer and sell shares of our Class A common stock having an aggregate offering price of up to \$150.0 million from time to time through the Sales Agents, acting as our agent or principal. We implemented this program for the flexibility that it provides to the capital markets and to best time its equity capital needs. During the six nine months ended June 30, 2023 September 30, 2023, indie has raised gross proceeds of \$53.1 million and issued 5,219,500 shares of Class A common stock at an averaged per-share sales price of \$10.18 through this program. For the six nine months ended June 30, 2023 September 30, 2023, indie incurred total issuances costs of \$0.8 million \$1.1 million. As of June 30, 2023 September 30, 2023, we have raised gross proceeds of \$70.3 million and issued 7,351,259 shares of Class A common stock at an average per-share sales price of \$9.57 through this program and had approximately \$79.7 million available for future issuances under the ATM Agreement.

On November 21, 2022, we issued \$160.0 million in aggregate principal of our 4.50% convertible senior notes which are due in May 2027 (the "2027 Notes"). Notes. The 2027 Notes will be convertible into cash, shares of Class A common stock or a combination of cash and common stock at our election. We used the net proceeds from the 2027 Notes to fund the acquisitions of GEO and Silicon Radar as well as a stock repurchase program authorized by our Board of Directors in November 2022. The acquisitions of Silicon Radar completed in February 2023 and GEO completed in March 2023, which resulted in us funding a purchase price of approximately \$9.2 million and \$93.4 million, respectively. The stock repurchase program resulted in us repurchasing 1.1 million shares of our outstanding Class A common stock in November 2022 at an average cost of \$6.65 per share, which amounts for a total cash outflow of \$7.4 million as of December 31, 2022.

On November 29, 2022, Wuxi executed a Capital Increase Agreement to raise CNY300.0 million (approximately \$42.0 million) of capital by issuing 371,160 shares of its common stock, which represents 16% of Wuxi's equity at the time of issuance. As a result, indie's ownership in Wuxi has reduced from 45% to 38%. Among other provisions, this agreement includes certain

liquidation preferences for the investors of this Capital Increase Agreement as well as an ability to exchange their Wuxi shares for up to 6 million shares of indie's Class A common stock in the event Wuxi does not successfully complete a local initial

public offering by December 31, 2027. The funds raised are intended to promote Wuxi's business development and strengthen its capabilities.

Acquisitions

Since the closing of the Transaction, we have completed multiple acquisitions. We continually assess and plan to selectively pursue inorganic growth opportunities that are complementary to our existing technologies and portfolio of products and/or accelerate our growth initiatives.

In connection with our acquisitions, we may from time to time be required to make future payments or issue additional shares of our common stock to satisfy our obligations under the acquisition agreements, including to satisfy certain earn-out requirements. In January 2022 we completed the acquisition of Symeo GmbH, for which we made an initial cash payment of approximately \$10.0 million and an additional \$10.0 million was paid in January 2023. We are still subject to potentially satisfy an equity based earn out based on Symeo's future revenue growth.

In February 2023, we entered into an agreement to acquire GEO Semiconductor, Inc. and completed the transaction on March 3, 2023. The acquisition requested for (i) \$93.4 million in cash (including accrued cash considerations at closing and net of cash acquired); (ii) the issuance by indie of 6,868,768 shares of indie class Class A common stock par value \$0.0001 per share at closing, with a fair value of \$75.6 million; (iii) 1,907,180 shares of indie Class A common stock par value \$0.0001 per share at closing, with a fair value of \$21.0 million payable in the next 24 months; and (iv) an earn-out with fair value of \$63.1 million at closing payable in cash or in indie Class A common stock, par value \$0.0001 per share, subject to achieving certain GEO-related revenue targets through September 30, 2024.

Additionally, in February, 2023, we acquired Silicon Radar GmbH, for approximately (i) \$9.2 million in cash (including debt payable at closing and net of cash acquired), (ii) the issuance by indie of 982,445 shares of Class A common stock par value \$0.0001 per share at closing, with a fair value of \$9.8 million; and (iii) a contingent consideration with fair value of \$10.0 million at closing, payable in cash or in Class A common stock subject to Silicon Radar's achievement of certain revenue-based and design-win milestones through February 21, 2025.

In September 2023, we acquired Exalos. The closing consideration consisted of (i) the issuance by indie of 6,613,786 shares of Class A common stock at closing, with a fair value of \$42,791; (ii) a contingent consideration with fair value of \$13,225 at closing, payable in cash, subject to Exalos' achievement of certain revenue-based milestones through September 30, 2025; and (iii) a holdback of \$2,500 subject to final release 12 months from the acquisition date payable in shares of Class A common stock.

We expect to continue to incur net operating losses and negative cash flows from operations. We also expect our research and development expenses, general and administrative expenses and capital expenditures will increase over time as we continue to expand our operations, product offerings and customer base.

The following table summarizes our condensed consolidated cash flows for the six nine months ended June 30, 2023 September 30, 2023 and 2022:

	Six Months Ended June 30,				Nine Months Ended September 30,				
	2023		2022		Change		Change		
	\$	%	\$	%	\$	%	\$	%	
Net cash used in operating activities	Net cash used in operating activities	\$ (73,140)	\$ (36,882)	\$ (36,258)	98 %	Net cash used in operating activities	\$ (87,977)	\$ (58,815)	\$ (29,162) 50 %
Net cash used in investing activities	Net cash used in investing activities	(104,993)	(10,551)	(94,442)	895 %	Net cash used in investing activities	(103,569)	(13,213)	(90,356) 684 %
Net cash provided by financing activities	Net cash provided by financing activities	35,725	(7,847)	43,572	(555) %	Net cash provided by financing activities	34,195	2,531	31,664 1251 %

Operating Activities

Our primary use of cash is to fund operating expenses, which consist primarily of research and development expenditures, working capital requirements related to inventory, accounts payable and general and administrative expenditures.

For the six nine months ended June 30, 2023 September 30, 2023, net cash used in operating activities was \$73.1 million \$88.0 million, which included net loss of \$95.5 million \$114.2 million and reflected adjustments for certain non-cash items and changes in operating assets and liabilities. Non-cash increases primarily consisted of \$21.6 million \$2.7 million of net losses resulting from a change in fair value for warrants and contingent considerations, \$23.8 million \$36.6 million in share-based compensation expense and \$16.2 million \$26.5 million in depreciation and amortization.

Changes in operating assets and liabilities from operations used \$42.8 million \$39.3 million of cash, primarily driven by an increase in inventory, accounts receivable, inventory and prepaid and other current assets, and a decrease in accrued expenses and other current liabilities, assets.

Cash used in operating activities during the six nine months ended June 30, 2022 September 30, 2022 was \$36.9 million \$58.8 million, which included net income of \$8.4 million \$37.0 million and was adjusted for certain non-cash items and changes in operating assets and liabilities. Non-cash charges

primarily consisted of \$71.3 million \$52.4 million of net gains resulting from a change in the fair value of warrants and contingent considerations. These non-cash decreases were partially offset by \$21.2 million \$30.8 million in share-based compensation expense and \$10.4 million \$11.2 million in depreciation and amortization. Changes in operating assets and liabilities from operations used \$7.4 million \$16.1 million of cash, primarily driven by an increase in inventory, accounts receivable, prepaid and other current assets, and accounts receivable, and a decrease in other long-term liabilities, inventory, partially offset by an increase in accounts payable and accrued liabilities, payable.

Investing Activities

Net cash used in investing activities for the six nine months ended June 30, 2023 September 30, 2023 and 2022 was \$105.0 million \$103.6 million and \$10.6 million \$13.2 million, respectively. During the period ended June 30, 2023 September 30, 2023, the decrease in cash was primarily due to the acquisitions of Exalos, GEO and Silicon Radar for \$98.4 \$95.0 million, net of cash acquired, as well as an increase in cash used of \$6.6 million \$8.6 million for the purchase of capital expenditures. During the period ended June 30, 2022 September 30, 2022, the decrease in cash was primarily due to the acquisition of Symeo for \$8.7 million, net of cash acquired, as well as an increase in cash used of \$1.8 million \$4.5 million for the purchase of capital expenditures. We expect that we will make additional capital expenditures in the future, including licenses to various intangible assets, in order to support the future growth of our business.

Financing Activities

Net cash provided by financing activities for the six nine months ended June 30, 2023 September 30, 2023 was \$35.7 million \$34.2 million, which was primarily attributed to \$52.0 million of net proceeds from the issuance of common stocks through the ATM, partially offset by \$12.2 million \$12.5 million payments on short-term debt obligations and \$4.1 \$7.0 million of payments on financed software.

Net cash used in provided by financing activities for the six nine months ended June 30, 2022 of \$7.8 million September 30, 2022 was \$2.5 million, which was primarily attributed to \$12.3 million of net proceeds from the issuance of common stocks through the ATM, partially offset by \$5.0 million paid to OnSemi as part of the deferred payments in relation to the acquisition of ON Design Israel Ltd, \$1.9 million \$3.2 million of payments on financed software, and a \$1.0 million payment of City Semi Deferred compensation.

Future Material Cash Obligations

Following is a summary of our material cash requirements from known contractual and other obligations, including commitments for capital expenditures, as of June 30, 2023 September 30, 2023:

Contractual Obligations	Contractual Obligations	Future Estimated Cash Payments Due by Period					Contractual Obligations	Future Estimated Cash Payments Due by Period				
		Less than 1 year	1 - 3 years	3 - 5 years	>5 years	Total		Less than 1 year	1 - 3 years	3 - 5 years	>5 years	Total
Debt obligations	Debt obligations	\$ 4,670	\$ —	\$ 160,000	\$ —	\$ 164,670	Debt obligations	\$ 5,934	\$ —	\$ 160,000	\$ —	\$ 165,934
Operating leases	Operating leases	1,761	4,752	3,621	4,207	14,341	Operating leases	823	4,651	3,630	4,609	13,713
Interest on debt obligations	Interest on debt obligations	7,320	14,600	10,060	—	31,980	Interest on debt obligations	7,320	14,600	8,220	—	30,140
Total contractual obligations	Total contractual obligations	\$ 13,751	\$ 19,352	\$ 173,681	\$ 4,207	\$ 210,991	Total contractual obligations	\$ 14,077	\$ 19,251	\$ 171,850	\$ 4,609	\$ 209,787

Critical Accounting Estimates

The discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles ("GAAP"). The preparation of these financial statements requires us to make estimates and judgments in applying our most critical accounting policies that can have a significant impact on the results we report in our financial statements. The SEC has defined critical accounting estimates as those that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on a registrant's financial condition or results of operations. Based on this definition, our most critical accounting estimates include revenue recognition, which impacts the recording of net revenue; inventory valuation, which impacts the cost of goods sold and gross margin; business combinations, which impacts the fair value of acquired assets and assumed liabilities; goodwill and long-lived assets, which impacts

the fair value of goodwill and intangible assets; warrants and earn-out liabilities valuations, which impacts the fair value of these financial instruments; and income taxes, which impacts the income tax provision. These policies and significant judgments involved are discussed further below. We have other significant

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accounting policies that do not generally require subjective estimates or judgments or would not have a material impact on our results of operations. Our critical accounting policies and estimates are disclosed under Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations in its Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

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There have been no material changes to our critical accounting policies and estimates as disclosed in our Annual Report on Form 10-K filed for the year ended December 31, 2022.

Recently Issued and Adopted Accounting Pronouncements

We describe the recently issued and adopted accounting pronouncements that apply to us in *Note 1 — Nature of Business and Basis of Presentation* to our condensed consolidated financial statements presented herein.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Foreign Currency Risk

We have international operations, giving rise to exposure to market risks from changes in currency exchange rates. Our primary foreign currency exposures are the Canadian dollar, Chinese yuan/renminbi and Israeli New Shekel. We have intercompany loans with certain of our foreign subsidiaries that are long-term in nature. Repayments of such principal amounts are neither planned nor anticipated in the foreseeable future and are therefore treated analogous to equity for accounting purposes. As a result, the foreign exchange gains and losses on these borrowings are excluded from the determination of *Net income (loss)* and recorded as a component of *Accumulated other comprehensive income (loss)* in the condensed consolidated balance sheets. A cumulative foreign currency translation loss of \$9.5 million \$20.3 million and \$12.0 million related to our foreign subsidiaries is included in "*Accumulated other comprehensive loss*" within the Stockholders' Equity section of the condensed consolidated balance sheet as of June 30, 2023 September 30, 2023 and December 31, 2022, respectively. The aggregate foreign currency translation exchange rate income (loss) loss included in determining gain (loss) loss before income taxes was \$3.9 million \$0.7 million and \$(7.9) million \$0.3 million for the three and nine months ended June 30, 2023 and 2022, September 30, 2023, respectively. The aggregate foreign currency translation exchange rate income (loss) loss included in determining gain (loss) loss before income taxes was \$2.4 million for both the three and \$(7.0) million for the six nine months ended June 30, 2023 and 2022, respectively. September 30, 2022 was de minimis. The year-over-year change was driven by the cumulative foreign currency translation loss recorded in relation to permanently invested intercompany loans as of June 30, 2023 September 30, 2023 as the U.S. dollar strengthened against foreign currencies.

As our international operations grow, our risks associated with fluctuation in foreign currency rates will become greater, and we will continue to reassess our approach to managing this risk. In addition, currency fluctuations or a weakening U.S. dollar could increase the costs of our international expansion and operation. To mitigate the risk, we plan to enter into additional foreign currency forward contracts in the foreseeable future.

Investment and Interest Rate Risk

Our exposure to interest rate and general market risks relates principally to our investment portfolio, which consists of cash and cash equivalents (money market funds and marketable securities purchased with less than ninety days until maturity) that totals approximately \$180.7 million \$160.6 million as of June 30, 2023 September 30, 2023.

The main objectives of our investment activities are liquidity and preservation of capital. Our cash equivalent investments have short-term maturity periods that dampen the impact of market or interest rate risk. Credit risk associated with our investments is not material because our investments are diversified across securities with high credit ratings.

Given the objectives of our investment activities, and the relatively low interest income generated from our cash, cash equivalents, and other investments, we do not believe that investment or interest rate risks currently pose material exposures to our business or results of operations even in the current environment of rising interest rates.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, have conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of June 30, 2023 September 30, 2023 and based on this evaluation,

have concluded that, as a result of the material weaknesses in internal control over financial reporting as described below, our disclosure controls and procedures were not effective as of **June 30, 2023** **September 30, 2023**.

Per Rule 13a-15(e), the term disclosure controls and procedures means controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the

Exchange Act (15 U.S.C. 78a et seq.) is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its Chief Executive Officer and Chief Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Previously Reported Material Weaknesses

A material weakness is a deficiency or combination of deficiencies in our internal control over financial reporting that creates a reasonable risk that a material misstatement of our annual or interim consolidated financial statements would not be prevented or detected in a timely manner.

As disclosed in Part II—Item 9A of the Form 10-K for the year ended December 31, 2022 filed with SEC on March 28, 2023, management determined that the Company did not have effective risk assessment to identify and analyze risks related to non-routine transactions, such as mergers and acquisitions, at a sufficient level of detail to identify all relevant risks of material misstatement across the Company or within each acquired entity. Additionally, the Company did not have effective information control processes, including those related to information technology general controls ("ITGCs"), user access controls and the use of manual spreadsheets, to ensure the reliability of information used in certain computations related to financial reporting. As a consequence of the aforementioned deficiencies, the Company did not have effective control activities related to the design and operation of process-level controls across certain key financial reporting processes.

Management has determined that these material weaknesses persisted as of **June 30, 2023** **September 30, 2023**.

Remediation Efforts to Address the Material Weaknesses

Management's remediation efforts are ongoing and the actions outlined in the Form 10-K for the year ended December 31, 2022, will continue to be pursued. As we continue to evaluate and enhance our internal control over financial reporting, we may determine that additional measures to address the material weaknesses or adjustments to the remediation plan may be required. However, we cannot guarantee when we will remediate material weaknesses, nor can we be certain that additional steps will be necessary. Furthermore, it cannot be guaranteed that no further material weaknesses will emerge in the future.

The remediation efforts are subject to continuous management evaluation and audit committee supervision. Until Management has completed its remediation efforts and evaluated their effectiveness, we will not be able to determine whether the steps taken will completely remedy the material deficiencies in the Company's internal control over financial reporting.

Changes in Internal Control Over Financial Reporting

Our internal control over financial reporting, as defined in Exchange Act Rules 13a-15(f) and 15d-15d, remained unchanged during the quarter ended **June 30, 2023** **September 30, 2023**, with the exception of the ongoing remediation efforts related to the material weaknesses described above and the acquisitions of **Exalos** on September 18, 2023, **GEO** on March 3, 2023, and **Silicon Radar** on February 21 2023. As a result of the acquisitions, we have implemented internal controls over financial reporting to include consolidation of **Exalos**, **GEO**, and **Silicon Radar**, as well as acquisition-related accounting and disclosures, which represent material changes in internal control over financial reporting since management's last assessment of the Company's internal control over financial reporting, which was completed as of December 31, 2022.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are not party to any material legal proceedings. From time to time, we may be involved in legal proceedings or subject to claims incident to the ordinary course of business. The outcome of litigation is inherently uncertain, and there can be no assurances that favorable outcomes will be obtained. In addition, regardless of the outcome, such proceedings or claims can have an adverse impact on us, which may be material because of defense and settlement costs, diversion of resources and other factors.

ITEM 1A. RISK FACTORS

The business, financial condition, and operating results of the Company can be affected by many factors, whether currently known or unknown, including but not limited to those described in Part 1, Item 1A in the Company's Annual Report on Form 10-K for the Fiscal Year ended December 31, 2022 under the heading "Risk Factors," any one or more of which could, directly or indirectly, cause the Company's actual financial condition and operating results to vary materially from past or the anticipated future financial condition and operating results. Any of these factors, in whole or in part, could materially and adversely affect the Company's business, financial condition, operating results, and stock price. There have been no material changes to the Company's risk factors disclosed under the heading "Risk Factors" in Part 1, Item 1A in the Company's Annual Report on Form 10-K for the Fiscal Year ended December 31, 2022 filed on March 28, 2023.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES, AND USE OF PROCEEDS AND ISSUER PURCHASES OF EQUITY SECURITIES

On various dates between April 1, 2023 July 5, 2023 and June 16, 2023 August 2, 2023 the Company issued an aggregate of 1,626,348 77,318 shares of its Class A common stock to three four ADK Minority Holders in exchange for an equal number of their ADK LLC units. The shares of Class A common stock were issued to the three four ADK Minority Holders in reliance on the exemption under Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"). In connection with such exchange, 1,551,531 shares of Class V common stock held by the ADK Minority Holders were cancelled and 74,817 77,318 shares of ADK LLC units were exchanged to Class A common stock.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS.

(d) Exhibits

Exhibit Number	Description of Exhibit
2.1* 2.1	Master Transactions Agreement, dated effective December 14, 2020, by and among Surviving Pubco, Thunder Bridge II, the Merger Subs named therein, indie, the ADK Blocker Group, ADK Service Provider Holdco, and the indie Securityholder Representative named therein, and also included as Annex B-1 to the proxy statement/prospectus (previously filed as Exhibit 2.1 of Form 8-K filed by Thunder Bridge II with the SEC on December 15, 2020).
2.2	Amendment to Master Transactions Agreement, dated effective May 3, 2021, by and among Surviving Pubco, Thunder Bridge II, the Merger Subs named therein, indie, the ADK Blocker Group, ADK Service Provider Holdco, and the indie Securityholder Representative named therein (previously filed by Thunder Bridge II as Exhibit 2.2 of Form S-4/A filed with the SEC on May 4, 2021).
2.3* 2.3	Share Purchase Agreement, dated as of August 27, 2021, by and among indie, TeraXion, Purchaser and certain stockholders of TeraXion and their ultimate beneficial owners (incorporated by reference to Exhibit 2.1 of the Current Report on Form 8-K filed by the registrant with the SEC on September 2, 2021).

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[Agreement and Plan of Merger, dated as of February 9, 2023, by and among indie, GEO, Merger Sub and Shareholder Representative Services LLC, as Securityholders' Agent \(incorporated by reference to Exhibit 2.1 of indie's Current Report on Form 8-K filed with the Securities and Exchange Commission on March 3, 2023\).](#)

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2.5	Share Sale and Purchase Agreement, dated as of September 18, 2023, by and among indie Semiconductor, Inc., Ay Dee Kay Ltd., and all the stockholders of Exalos AG (incorporated by reference to Exhibit 2.1 of the Form 8-K filed by the registrant with the SEC on September 18, 2023)
3.1	Amended and Restated Certificate of Incorporation of indie Semiconductor, Inc., filed with the Secretary of State of Delaware on June 22, 2023 (incorporated by reference to Exhibit 3.1 of the Form 8-K filed by the registrant with the SEC on June 23, 2023)
3.2	Amended and Restated Bylaws of indie Semiconductor, Inc. (incorporated by reference to Exhibit 3.2 of the Form 8-K filed by the registrant with the SEC on June 16, 2021)
10.1*	Registration Rights and Lock-Up Agreement, dated as of March 3, 2023, by and among indie, GEO, and the Securityholders' Agent (incorporated by reference to Exhibit 10.1 of indie's Current Report on Form 8-K filed with the Securities and Exchange Commission on March 3, 2023)
10.2+	indie Semiconductor, Inc., 2023 Inducement Incentive Plan
31.1	Chief Executive Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Chief Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy 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 (embedded within the Inline XBRL document and contained in Exhibit 101)

* Schedules, exhibits and similar supporting attachments to this exhibit are omitted pursuant to Item 601(a)(5) of Regulation S-K. We agree to furnish a supplemental copy of any omitted schedule or similar attachment to the SEC upon request.

+ Indicates a management or compensatory plan.

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SIGNATURE

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

INDIE SEMICONDUCTOR, INC.

August 11, November 9, 2023

By: /s/ Thomas Schiller

Name: Thomas Schiller
Title: Chief Financial Officer and EVP of Strategy
(Principal Financial Officer)

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Exhibit 10.2

INDIE SEMICONDUCTOR, INC. 2023 INDUCEMENT INCENTIVE PLAN

ARTICLE I PURPOSE

The purpose of this indie Semiconductor, Inc. 2023 Inducement Incentive Plan (the "Plan") is to benefit indie Semiconductor, Inc., a Delaware corporation (the "Company") and its stockholders, by assisting the Company and its subsidiaries to provide an inducement material for certain individuals to enter into employment with the Company within the meaning of Rule 5635(c)(4) of the NASDAQ Listing Rules and attract, retain and provide incentives to such employees and other eligible persons of the Company and its Affiliates, and to align the interests of such service providers with those of the Company's stockholders. Accordingly, the Plan provides for the granting of Options, Restricted Stock Awards, Restricted Stock Unit Awards, Stock Appreciation Rights, Performance Stock Awards, Performance Unit Awards, Unrestricted Stock Awards, Distribution Equivalent Rights or any combination of the foregoing.

ARTICLE II DEFINITIONS

The following definitions shall be applicable throughout the Plan unless the context otherwise requires:

2.1 "Affiliate" shall mean any corporation which, with respect to the Company, is a "subsidiary corporation" within the meaning of Section 424(f) of the Code or other entity in which the Company has a controlling interest in such entity or another entity which is part of a chain of entities in which the Company or each entity has a controlling interest in another entity in the unbroken chain of entities ending with the applicable entity.

2.2 "Award" shall mean, individually or collectively, any Option, Restricted Stock Award, Restricted Stock Unit Award, Performance Stock Award, Performance Unit Award, Stock Appreciation Right, Distribution Equivalent Right or Unrestricted Stock Award.

2.3 "Award Agreement" shall mean a written or electronic agreement between the Company and the Holder with respect to an Award, setting forth the terms and conditions of the Award, as amended.

2.4 "Board" shall mean the Board of Directors of the Company.

2.5 "Base Value" shall have the meaning given to such term in Section 14.2.

2.6 "Cause" shall mean (i) if the Holder is a party to an employment or service agreement with the Company or an Affiliate which agreement defines "Cause" (or a similar term), "Cause" shall have the same meaning as provided for in such agreement, or (ii) for a Holder who is not a party to such an agreement, "Cause" shall mean termination by the Company or an Affiliate of the employment (or other service relationship) of the Holder by reason of the Holder's (A) intentional failure to perform reasonably assigned duties, (B) dishonesty or willful misconduct in the performance of the Holder's duties, (C) involvement in a transaction which is materially adverse to the Company or an Affiliate, (D) breach of fiduciary duty involving personal profit, (E) willful violation of any law, rule, regulation or court order (other than misdemeanor traffic violations and misdemeanors not involving misuse or misappropriation of money or property), (F) commission of an act of fraud or intentional misappropriation or conversion of any asset or opportunity of the Company or an Affiliate, or (G) material breach of any provision of the Plan or the Holder's Award Agreement or any other written agreement between the Holder and the Company or an Affiliate, in each case as determined in good faith by the Board, the determination of which shall be final, conclusive and binding on all parties.

2.7 "Change of Control" shall mean, except as otherwise provided in an Award Agreement, (i) for a Holder who is a party to an employment or consulting agreement with the Company or an Affiliate which agreement defines "Change of Control" (or a similar term), "Change of Control" shall have the same meaning as provided for in such agreement, or (ii) for a Holder who is not a party to such an agreement, "Change of Control" shall mean the satisfaction of any one or more of the following conditions (and the "Change of Control" shall be deemed to have occurred as of the first day that any one or more of the following conditions shall have been satisfied):

(a) Any person (as such term is used in paragraphs 13(d) and 14(d)(2) of the Exchange Act, hereinafter in this definition, "Person"), other than the Company or an Affiliate or an employee benefit plan of the Company or an Affiliate, becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities;

(b) The closing of a merger, consolidation or other business combination (a "Business Combination") other than a Business Combination in which holders of the Shares immediately prior to the Business Combination have substantially the same proportionate ownership of the common stock or ordinary shares, as applicable, of the surviving corporation immediately after the Business Combination as immediately before;

(c) The closing of an agreement for the sale or disposition of all or substantially all of the Company's assets to any entity that is not an Affiliate;

(d) The approval by the holders of shares of Shares of a plan of complete liquidation of the Company, other than a merger of the Company into any subsidiary or a liquidation as a result of which persons who were stockholders of the Company immediately prior to such liquidation have substantially the same proportionate ownership of

shares of common stock or ordinary shares, as applicable, of the surviving corporation immediately after such liquidation as immediately before; or

(e) Within any twenty-four (24) month period, the Incumbent Directors shall cease to constitute at least a majority of the Board or the board of directors of any successor to the Company; provided, however, that any director elected to the Board, or nominated for election, by a majority of the Incumbent Directors then still in office, shall be deemed to be an Incumbent Director for purposes of this paragraph (e), but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of an individual, entity or "group" other than the Board (including, but not limited to, any such assumption that results from paragraphs (a), (b), (c), or (d) of this definition).

Unless otherwise provided in an applicable Award Agreement, solely for the purpose of determining the timing of any payments pursuant to any Award constituting a "deferral of compensation" subject to Code Section 409A, a Change of Control shall be limited to a "change in the ownership of the Company," a "change in the effective control of the Company," or a "change in the ownership of a substantial portion of the assets of the Company" as such terms are defined in Section 1.409A-3(i)(5) of the U.S. Treasury Regulations.

2.8 "Code" shall mean the United States of America Internal Revenue Code of 1986, as amended. Reference in the Plan to any section of the Code shall be deemed to include any amendments or successor provisions to any section and any regulation under such section.

2.9 "Committee" shall mean a committee comprised of two (2) or more members of the Board who are selected by the Board as provided in Section 4.1.

2.10 "Company" shall have the meaning given to such term in the introductory paragraph, including any successor thereto.

2.11 "Consultant" shall mean any natural person that provides bona fide services as an independent contractor and who qualifies as a consultant or advisor under Instruction A.1.(a)(1) of Form S-8 of the Securities Act of 1933, as amended.

2.12 "Director" shall mean a member of the Board or a member of the board of directors of an Affiliate, in either case, who is not an Employee.

2.13 "Distribution Equivalent Right" shall mean an Award granted under Article XIII of the Plan which entitles the Holder to receive bookkeeping credits, cash payments and/or Share distributions equal in amount to the distributions that would have been made to the Holder had the Holder held a specified number of Shares during the period the Holder held the Distribution Equivalent Right.

2.14 "Distribution Equivalent Right Award Agreement" shall mean a written or electronic agreement between the Company and a Holder with respect to a Distribution Equivalent Right Award.

2.15 "Effective Date" shall mean March 22, 2023.

2.16 "Eligible Person" shall have the meaning given to such term in Section 6.1.

2.17 "Employee" shall mean any employee, including any officer, of the Company or an Affiliate.

2.18 "Exchange Act" shall mean the United States of America Securities Exchange Act of 1934, as amended.

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2.19 "Fair Market Value" shall mean, as of any specified date, the closing sales price of the Shares for such date (or, in the event that the Shares are not traded on such date, on the immediately preceding trading date) on the NASDAQ Stock Market ("NASDAQ"), as reported by NASDAQ, or such other domestic or foreign national securities exchange on which the Shares may be listed. If the Shares are not listed on NASDAQ or on a national securities exchange, but are quoted on the OTC Bulletin Board or by the National Quotation Bureau, the Fair Market Value of the Shares shall be the mean of the highest bid and lowest asked prices per Share for such date. If the Shares are not quoted or listed as set forth above, Fair Market Value shall be determined by the Board in good faith by any fair and reasonable means (which means may be set forth with greater specificity in the applicable Award Agreement). The Fair Market Value of property other than Shares shall be determined by the Board in good faith by any fair and reasonable means consistent with the requirements of applicable law.

2.20 "Family Member" of an individual shall mean any child, stepchild, grandchild, parent, stepparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, including adoptive relationships, any person sharing the Holder's household (other than a tenant or employee of the Holder), a trust in which such persons have more than fifty percent (50%) of the beneficial interest, a foundation in which such persons (or the Holder) control the management of assets, and any other entity in which such persons (or the Holder) own more than fifty percent (50%) of the voting interests.

2.21 "Holder" shall mean an Eligible Person who has been granted an Award or any such individual's beneficiary, estate or representative, who has acquired such Award in accordance with the terms of the Plan, as applicable.

2.22 "Incumbent Director" shall mean, with respect to any period of time specified under the Plan for purposes of determining whether or not a Change of Control has occurred, the individuals who were members of the Board at the beginning of such period.

2.23 "Option" shall mean an Award granted under Article VII of the Plan of a non-qualified stock option to purchase Shares (i.e., an option not intended to be an "incentive stock option" within the meaning of Section 422 of the Code).

2.24 "Option Agreement" shall mean a written or electronic agreement between the Company and a Holder with respect to an Option.

2.25 "Performance Criteria" shall mean the criteria selected by the Committee for purposes of establishing the Performance Goal(s) for a Holder for a Performance Period.

2.26 "Performance Goals" shall mean, for a Performance Period, the written goal or goals established by the Committee for the Performance Period based upon the Performance Criteria, which may be related to the performance of the Holder, the Company or an Affiliate.

2.27 "Performance Period" shall mean one or more periods of time, which may be of varying and overlapping durations, selected by the Committee, over which the attainment of the Performance Goals shall be measured for purposes of determining a Holder's right to, and the payment of, a Performance Stock Award or a Performance Unit Award.

2.28 "Performance Stock Award" or "Performance Stock" shall mean an Award granted under Article XII of the Plan under which, upon the satisfaction of predetermined Performance Goals, Shares are paid to the Holder.

2.29 "Performance Stock Agreement" shall mean a written or electronic agreement between the Company and a Holder with respect to a Performance Stock Award.

2.30 "Performance Unit Award" or "Performance Unit" shall mean an Award granted under Article XI of the Plan under which, upon the satisfaction of predetermined Performance Goals, a cash payment shall be made to the Holder, based on the number of Units awarded to the Holder.

2.31 "Performance Unit Agreement" shall mean a written or electronic agreement between the Company and a Holder with respect to a Performance Unit Award.

2.32 "Plan" shall mean this indie Semiconductor, Inc. 2023 Inducement Incentive Plan, as amended from time to time, together with each of the Award Agreements utilized hereunder.

2.33 "Restricted Stock Award" and "Restricted Stock" shall mean an Award granted under Article VIII of the Plan of Shares, the transferability of which by the Holder is subject to Restrictions.

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2.34 "Restricted Stock Agreement" shall mean a written or electronic agreement between the Company and a Holder with respect to a Restricted Stock Award.

2.35 "Restricted Stock Unit Award" and "RSUs" shall refer to an Award granted under Article X of the Plan under which, upon the satisfaction of predetermined individual service-related vesting requirements, a payment in cash or Shares shall be made to the Holder, based on the number of Units awarded to the Holder.

2.36 "Restricted Stock Unit Agreement" shall mean a written or electronic agreement between the Company and a Holder with respect to a Restricted Stock Unit Award.

2.37 "Restriction Period" shall mean the period of time for which Shares subject to a Restricted Stock Award shall be subject to Restrictions, as set forth in the applicable Restricted Stock Agreement.

2.38 "Restrictions" shall mean the forfeiture, transfer and/or other restrictions applicable to Shares awarded to an Eligible Person under the Plan pursuant to a Restricted Stock Award and set forth in a Restricted Stock Agreement.

2.39 "Rule 16b-3" shall mean Rule 16b-3 promulgated by the Securities and Exchange Commission under the Exchange Act, as such may be amended from time to time, and any successor rule, regulation or statute fulfilling the same or a substantially similar function.

2.40 "Shares" or "Stock" shall mean the Class A common stock of the Company, par value \$0.0001 per share.

2.41 "Stock Appreciation Right" or "SAR" shall mean an Award granted under Article XIV of the Plan of a right, granted alone or in connection with a related Option, to receive a payment equal to the increase in value of a specified number of Shares between the date of Award and the date of exercise.

2.42 "Stock Appreciation Right Agreement" shall mean a written or electronic agreement between the Company and a Holder with respect to a Stock Appreciation Right.

2.43 "Tandem Stock Appreciation Right" shall mean a Stock Appreciation Right granted in connection with a related Option, the exercise of some or all of which results in termination of the entitlement to purchase some or all of the Shares under the related Option, all as set forth in Article XIV.

2.44 "Termination of Service" shall mean a termination of a Holder's employment with, or status as a Director or Consultant of, the Company or an Affiliate, as applicable, for any reason, including, without limitation, Total and Permanent Disability or death, except as provided in Section 6.4. In the event Termination of Service shall constitute a payment event with respect to any Award subject to Code Section 409A, Termination of Service shall only be deemed to occur upon a "separation from service" as such term is defined under Code Section 409A and applicable authorities.

2.45 "Total and Permanent Disability" of an individual shall mean the inability of such individual to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months, within the meaning of Section 22(e)(3) of the Code.

2.46 "Unit" shall mean a bookkeeping unit, which represents such monetary amount as shall be designated by the Committee in each Performance Unit Agreement, or represents one Share for purposes of each Restricted Stock Unit Award.

2.47 "Unrestricted Stock Award" shall mean an Award granted under Article IX of the Plan of Shares which are not subject to Restrictions.

2.48 "Unrestricted Stock Agreement" shall mean a written or electronic agreement between the Company and a Holder with respect to an Unrestricted Stock Award.

ARTICLE III EFFECTIVE DATE OF PLAN

The Plan shall be effective as of the Effective Date.

ARTICLE IV ADMINISTRATION

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4.1 Composition of Committee. The Plan shall be administered by the Committee, which shall consist solely of two (2) or more Directors who are each (i) "non-employee directors" within the meaning of Rule 16b-3 and (ii) "Independent Directors" as such term is defined in NASDAQ Listing Rule 5605(a)(2).

4.2 Powers. Subject to the other provisions of the Plan, the Committee shall have the sole authority, in its discretion, to make all determinations under the Plan, including but not limited to (i) determining which Eligible Persons shall receive an Award, (ii) the time or times when an Award shall be made (the date of grant of an Award shall be the date on which the Award is awarded by the Committee), (iii) what type of Award shall be granted, (iv) the term of an Award, (v) the date or dates on which an Award vests, (vi) the form of any payment to be made pursuant to an Award, (vii) the terms and conditions of an Award (including the forfeiture of the Award, and/or any financial gain, if the Holder of the Award violates any applicable restrictive covenant thereof), (viii) the Restrictions under a Restricted Stock Award, (ix) the number of Shares which may be issued under an Award, (x) Performance Goals applicable to any Award and certification of the achievement of such goals, and (xi) the waiver of any Restrictions or Performance Goals, subject in all cases to compliance with applicable laws. In making such determinations the Committee may take into account the nature of the services rendered by the Eligible Persons, their present and potential contribution to the Company's (or the Affiliate's) success and such other factors as the Committee, in its discretion, may deem relevant.

4.3 Additional Powers. The Committee shall have such additional powers as are delegated to it under the other provisions of the Plan. Subject to the express provisions of the Plan, the Committee is authorized to construe the Plan and the respective Award Agreements executed hereunder, to prescribe such rules and regulations relating to the Plan as it may deem advisable to carry out the intent of the Plan, to determine the terms, restrictions and provisions of each Award and to make all other determinations necessary or

advisable for administering the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in any Award Agreement in the manner and to the extent the Committee shall deem necessary, appropriate or expedient to carry it into effect. The determinations of the Committee on the matters referred to in this Article IV shall be conclusive and binding on the Company and all Holders.

4.4 Committee Action. Subject to compliance with all applicable laws, action by the Committee shall require the consent of a majority of the members of the Committee, expressed either orally at a meeting of the Committee or in writing in the absence of a meeting. No member of the Committee shall have any liability for any good faith action, inaction or determination in connection with the Plan.

ARTICLE V **SHARES SUBJECT TO PLAN AND LIMITATIONS THEREON**

5.1 Authorized Shares and Award Limits. The Committee may from time to time grant Awards to one or more Eligible Persons determined by it to be eligible for participation in the Plan in accordance with the provisions of Article VI. Subject to Article XV, the aggregate number of Shares that may be issued under the Plan shall not exceed six million (6,000,000) Shares. Shares shall be deemed to have been issued under the Plan solely to the extent actually issued and delivered pursuant to an Award. To the extent that an Award lapses, expires, is canceled, is terminated unexercised or ceases to be exercisable for any reason, or the rights of its Holder terminate, any Shares subject to such Award shall again be available for the grant of a new Award.

5.2 Types of Shares. The Shares to be issued pursuant to the grant or exercise of an Award may consist of authorized but unissued Shares, Shares purchased on the open market or Shares previously issued and outstanding and reacquired by the Company.

ARTICLE VI **ELIGIBILITY AND TERMINATION OF SERVICE**

6.1 Eligibility. Awards made under the Plan may be granted solely to any individual who satisfies the standards for inducement grants under NASDAQ Listing Rule 5635(c)(4) and the related guidance under NASDAQ IM 5635-1 (an "Eligible Person"). A person who previously served as an Employee or Director of the Company will not be eligible to receive awards under this Plan, other than following a bona fide period of non-employment. An Award may include, an Option, a Restricted Stock Award, a Restricted Stock Unit Award, an Unrestricted Stock Award, a Distribution Equivalent Right Award, a Performance Stock Award, a Performance Unit Award, a Stock Appreciation Right, a Tandem Stock Appreciation Right, or any combination thereof.

6.2 Termination of Service. Except to the extent inconsistent with the terms of the applicable Award Agreement and/or the provisions of Section 6.3 or 6.4, the following terms and conditions shall apply with respect to a Holder's Termination of Service with the Company or an Affiliate, as applicable:

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(a) The Holder's rights, if any, to exercise any then exercisable Options and/or Stock Appreciation Rights shall terminate:

(i) If such termination is for a reason other than the Holder's Total and Permanent Disability or death, ninety (90) days after the date of such Termination of Service;

(ii) If such termination is on account of the Holder's Total and Permanent Disability, one (1) year after the date of such Termination of Service; or

(iii) If such termination is on account of the Holder's death, one (1) year after the date of the Holder's death.

Upon such applicable date, the Holder (and such Holder's estate, designated beneficiary or other legal representative) shall forfeit any rights or interests in or with respect to any such Options and Stock Appreciation Rights. Notwithstanding the foregoing, the Committee, in its sole discretion, may provide for a different time period in the Award Agreement, or may extend the time period, following a Termination of Service, during which the Holder has the right to exercise any vested Option or Stock Appreciation Right, which time period may not extend beyond the expiration date of the Award term.

(b) In the event of a Holder's Termination of Service for any reason prior to the actual or deemed satisfaction and/or lapse of the Restrictions, vesting requirements, terms and conditions applicable to a Restricted Stock Award and/or Restricted Stock Unit Award, such Restricted Stock and/or RSUs shall immediately be canceled, and the Holder (and such Holder's estate, designated beneficiary or other legal representative) shall forfeit any rights or interests in and with respect to any such Restricted Stock and/or RSUs.

6.3 Special Termination Rule. Except to the extent inconsistent with the terms of the applicable Award Agreement, and notwithstanding anything to the contrary contained in this Article VI, if a Holder's employment with, or status as a Director of, the Company or an Affiliate shall terminate, and if, within ninety (90) days of such termination, such Holder shall become a Consultant, such Holder's rights with respect to any Award or portion thereof granted thereto prior to the date of such termination may be preserved, if and to the

extent determined by the Committee in its sole discretion, as if such Holder had been a Consultant for the entire period during which such Award or portion thereof had been outstanding. Should the Committee effect such determination with respect to such Holder, for all purposes of the Plan, such Holder shall not be treated as if his or her employment or Director status had terminated until such time as his or her Consultant status shall terminate, in which case his or her Award, as it may have been reduced in connection with the Holder's becoming a Consultant, shall be treated pursuant to the provisions of Section 6.2. Should a Holder's status as a Consultant terminate, and if, within ninety (90) days of such termination, such Holder shall become an Employee or a Director, such Holder's rights with respect to any Award or portion thereof granted thereto prior to the date of such termination may be preserved, if and to the extent determined by the Committee in its sole discretion, as if such Holder had been an Employee or a Director, as applicable, for the entire period during which such Award or portion thereof had been outstanding, and, should the Committee effect such determination with respect to such Holder, for all purposes of the Plan, such Holder shall not be treated as if his or her Consultant status had terminated until such time as his or her employment with the Company or an Affiliate, or his or her Director status, as applicable, shall terminate, in which case his or her Award shall be treated pursuant to the provisions of Section 6.2.

6.4 Termination of Service for Cause. Notwithstanding anything in this Article VI or elsewhere in the Plan to the contrary, and unless a Holder's Award Agreement specifically provides otherwise, in the event of a Holder's Termination of Service for Cause, all of such Holder's then outstanding Awards shall expire immediately and be forfeited in their entirety upon such Termination of Service.

ARTICLE VII OPTIONS

7.1 Option Period. The term of each Option shall be as specified in the Option Agreement; provided, however, that no Option shall be exercisable after the expiration of ten (10) years from the date of its grant.

7.2 Limitations on Exercise of Option. An Option shall be exercisable in whole or in such installments and at such times as specified in the Option Agreement.

7.3 Option Agreement. Each Option shall be evidenced by an Option Agreement in such form and containing such provisions not inconsistent with the other provisions of the Plan as the Committee from time to time shall approve. An Option Agreement may provide for the payment of the Option price, in whole or in part, by the delivery of a number of Shares (plus cash if necessary) that have been owned by the Holder for at least six (6) months and having a Fair Market Value equal to such Option price, or such other forms or methods as the

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Committee may determine from time to time, in each case, subject to such rules and regulations as may be adopted by the Committee. Each Option Agreement shall, solely to the extent inconsistent with the provisions of Sections 6.2, 6.3, and 6.4, as applicable, specify the effect of Termination of Service on the exercisability of the Option. Moreover, without limiting the generality of the foregoing, an Option Agreement may provide for a "cashless exercise" of the Option, in whole or in part, by (a) establishing procedures whereby the Holder, by a properly-executed written notice, directs (i) an immediate market sale as to all or a part of Shares to which he is entitled to receive upon exercise of the Option, (ii) the delivery of the Shares from the Company directly to a brokerage firm and (iii) the delivery of the Option price from sale proceeds from the brokerage firm directly to the Company, or (b) reducing the number of Shares to be issued upon exercise of the Option by the number of such Shares having an aggregate Fair Market Value equal to the Option price (or portion thereof to be so paid) as of the date of the Option's exercise. An Option Agreement may also include provisions relating to: (i) subject to the provisions hereof, accelerated vesting of Options, including but not limited to, upon the occurrence of a Change of Control, (ii) tax matters (including provisions covering any applicable Employee wage withholding requirements) and (iii) any other matters not inconsistent with the terms and provisions of the Plan that the Committee shall in its sole discretion determine. The terms and conditions of the respective Option Agreements need not be identical.

7.4 Option Price and Payment. The price at which an Share may be purchased upon exercise of an Option shall be determined by the Committee; provided, however, that such Option price (i) shall not be less than the Fair Market Value of a Share on the date such Option is granted, and (ii) shall be subject to adjustment as provided in Article XV. The Option or portion thereof may be exercised by delivery of an irrevocable notice of exercise to the Company. The Option price for the Option or portion thereof shall be paid in full in the manner prescribed by the Committee as set forth in the Plan and the applicable Option Agreement, which manner, with the consent of the Committee, may include the withholding of Shares otherwise issuable in connection with the exercise of the Option. Share certificates may be issued by the Company for those Shares acquired pursuant to the exercise of the Option.

7.5 Stockholder Rights and Privileges. The Holder of an Option shall be entitled to all the privileges and rights of a stockholder of the Company solely with respect to such Shares as have been purchased under the Option and for which share certificates have been registered in the Holder's name.

7.6 Prohibition Against Re-Pricing. Except to the extent (i) approved in advance by holders of a majority of the shares of the Company entitled to vote generally in the election of directors, or (ii) as a result of any Change of Control or any adjustment as provided in Article XV, the Committee shall not have the power or authority to reduce, whether through amendment or otherwise, the exercise price under any outstanding Option or Stock Appreciation Right, or to grant any new Award or make any payment of cash in substitution for or upon the cancellation of Options and/or Stock Appreciation Rights previously granted.

ARTICLE VIII
RESTRICTED STOCK AWARDS

8.1 Award. A Restricted Stock Award shall constitute an Award of Shares to the Holder as of the date of the Award which are subject to a "substantial risk of forfeiture" as defined under Section 83 of the Code during the specified Restriction Period. At the time a Restricted Stock Award is made, the Committee shall establish the Restriction Period applicable to such Award. Each Restricted Stock Award may have a different Restriction Period, in the discretion of the Committee. The Restriction Period applicable to a particular Restricted Stock Award shall not be changed except as permitted by Section 8.2.

8.2 Terms and Conditions. At the time any Award is made under this Article VIII, the Company and the Holder shall enter into a Restricted Stock Agreement setting forth each of the matters contemplated thereby and such other matters as the Committee may determine to be appropriate. The Company shall cause the Shares to be issued in the name of Holder, either by book-entry registration or issuance of one or more stock certificates evidencing the Shares, which Shares or certificates shall be held by the Company or the stock transfer agent or brokerage service selected by the Company to provide services for the Plan. The Shares shall be restricted from transfer and shall be subject to an appropriate stop-transfer order, and if any certificate is issued, such certificate shall bear an appropriate legend referring to the restrictions applicable to the Shares. After any Shares vest, the Company shall deliver the vested Shares, in book-entry or certificated form in the Company's sole discretion, registered in the name of Holder or his or her legal representatives, beneficiaries or heirs, as the case may be, less any Shares withheld to pay withholding taxes. If provided for under the Restricted Stock Agreement, the Holder shall have the right to vote Shares subject thereto and to enjoy all other stockholder rights, including the entitlement to receive dividends on the Shares during the Restriction Period. At the time of such Award, the Committee may, in its sole discretion, prescribe additional terms and conditions or restrictions relating to Restricted Stock Awards, including, but not limited to, rules pertaining to the effect of Termination of Service prior to expiration of the Restriction Period. Such additional terms, conditions or restrictions shall, to the extent inconsistent with the provisions of Sections 6.2, 6.3 and 6.4, as applicable, be set forth in a Restricted Stock Agreement made in conjunction with the Award. Such Restricted Stock Agreement may also include provisions relating to: (i) subject to the provisions hereof, accelerated vesting of

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Awards, including but not limited to accelerated vesting upon the occurrence of a Change of Control, (ii) tax matters (including provisions covering any applicable Employee wage withholding requirements) and (iii) any other matters not inconsistent with the terms and provisions of the Plan that the Committee shall in its sole discretion determine. The terms and conditions of the respective Restricted Stock Agreements need not be identical. All Shares delivered to a Holder as part of a Restricted Stock Award shall be delivered and reported by the Company or the Affiliate, as applicable, to the Holder at the time of vesting.

8.3 Payment for Restricted Stock. The Committee shall determine the amount and form of any payment from a Holder for Shares received pursuant to a Restricted Stock Award, if any, provided that in the absence of such a determination, a Holder shall not be required to make any payment for Shares received pursuant to a Restricted Stock Award, except to the extent otherwise required by law.

ARTICLE IX
UNRESTRICTED STOCK AWARDS

9.1 Award. Shares may be awarded (or sold) to Eligible Persons under the Plan which are not subject to Restrictions of any kind, for any valid consideration.

9.2 Terms and Conditions. At the time any Award is made under this Article IX, the Company and the Holder shall enter into an Unrestricted Stock Agreement setting forth each of the matters contemplated hereby and such other matters as the Committee may determine to be appropriate.

9.3 Payment for Unrestricted Stock. The Committee shall determine the amount and form of any payment from a Holder for Shares received pursuant to an Unrestricted Stock Award, if any, provided that in the absence of such a determination, a Holder shall not be required to make any payment for Shares received pursuant to an Unrestricted Stock Award, except to the extent otherwise required by law.

ARTICLE X
RESTRICTED STOCK UNIT AWARDS

10.1 Award. A Restricted Stock Unit Award shall constitute a promise to grant Shares (or cash equal to the Fair Market Value of Shares) to the Holder at the end of a specified vesting schedule. At the time a Restricted Stock Unit Award is made, the Committee shall establish the vesting schedule applicable to such Award. Each Restricted Stock Unit Award may have a different vesting schedule, in the discretion of the Committee. A Restricted Stock Unit shall not constitute an equity interest in the Company and shall not entitle the Holder to voting rights, dividends or any other rights associated with ownership of Shares prior to the time the Holder shall receive a distribution of Shares pursuant to Section 10.3.

10.2 Terms and Conditions. At the time any Award is made under this Article X, the Company and the Holder shall enter into a Restricted Stock Unit Agreement setting forth each of the matters contemplated thereby and such other matters as the Committee may determine to be appropriate. The Restricted Stock Unit Agreement shall set forth the individual service-based vesting requirement which the Holder would be required to satisfy before the Holder would become entitled to distribution pursuant to Section 10.3 and the number of Units awarded to the Holder. At the time of such Award, the Committee may, in its sole discretion, prescribe additional terms and conditions or restrictions relating to Restricted Stock Unit Awards in the Restricted Stock Unit Agreement, including, but not limited to, rules pertaining to the effect of Termination of Service prior to expiration of the applicable vesting period. The terms and conditions of the respective Restricted Stock Unit Agreements need not be identical.

10.3 Distributions of Shares. The Holder of a Restricted Stock Unit shall be entitled to receive Shares or a cash payment equal to the Fair Market Value of a Share, or one Share, as determined in the sole discretion of the Committee and as set forth in the Restricted Stock Unit Agreement, for each Restricted Stock Unit subject to such Restricted Stock Unit Award, if the Holder satisfies the applicable vesting requirement. Such distribution shall be made no later than by the fifteenth (15th) day of the third (3rd) calendar month next following the end of the calendar year in which the Restricted Stock Unit first becomes vested (i.e., no longer subject to a "substantial risk of forfeiture").

ARTICLE XI **PERFORMANCE UNIT AWARDS**

11.1 Award. A Performance Unit Award shall constitute an Award under which, upon the satisfaction of predetermined individual and/or Company (and/or Affiliate) Performance Goals based on selected Performance Criteria, a cash payment shall be made to the Holder, based on the number of Units awarded to the Holder. At the time a Performance Unit Award is made, the Committee shall establish the Performance Period and applicable

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Performance Goals. Each Performance Unit Award may have different Performance Goals, in the discretion of the Committee. A Performance Unit Award shall not constitute an equity interest in the Company and shall not entitle the Holder to voting rights, dividends or any other rights associated with ownership of Shares.

11.2 Terms and Conditions. At the time any Award is made under this Article XI, the Company and the Holder shall enter into a Performance Unit Agreement setting forth each of the matters contemplated thereby and such other matters as the Committee may determine to be appropriate. The Committee shall set forth in the applicable Performance Unit Agreement the Performance Period, Performance Criteria and Performance Goals which the Holder and/or the Company would be required to satisfy before the Holder would become entitled to payment pursuant to Section 11.3, the number of Units awarded to the Holder and the dollar value or formula assigned to each such Unit. At the time of such Award, the Committee may, in its sole discretion, prescribe additional terms and conditions or restrictions relating to Performance Unit Awards, including, but not limited to, rules pertaining to the effect of Termination of Service prior to expiration of the applicable performance period. The terms and conditions of the respective Performance Unit Agreements need not be identical.

11.3 Payments. The Holder of a Performance Unit shall be entitled to receive a cash payment equal to the dollar value assigned to such Unit under the applicable Performance Unit Agreement if the Holder and/or the Company satisfy (or partially satisfy, if applicable under the applicable Performance Unit Agreement) the Performance Goals set forth in such Performance Unit Agreement. All payments shall be made no later than by the fifteenth (15th) day of the third (3rd) calendar month next following the end of the Company's fiscal year to which such performance goals and objectives relate.

ARTICLE XII **PERFORMANCE STOCK AWARDS**

12.1 Award. A Performance Stock Award shall constitute a promise to grant Shares (or cash equal to the Fair Market Value of Shares) to the Holder at the end of a specified Performance Period subject to achievement of specified Performance Goals. At the time a Performance Stock Award is made, the Committee shall establish the Performance Period and applicable Performance Goals based on selected Performance Criteria. Each Performance Stock Award may have different Performance Goals, in the discretion of the Committee. A Performance Stock Award shall not constitute an equity interest in the Company and shall not entitle the Holder to voting rights, dividends or any other rights associated with ownership of Shares unless and until the Holder shall receive a distribution of Shares pursuant to Section 12.3.

12.2 Terms and Conditions. At the time any Award is made under this Article XII, the Company and the Holder shall enter into a Performance Stock Agreement setting forth each of the matters contemplated thereby and such other matters as the Committee may determine to be appropriate. The Committee shall set forth in the applicable Performance Stock Agreement the Performance Period, selected Performance Criteria and Performance Goals which the Holder and/or the Company would be required to satisfy before the Holder would become entitled to the receipt of Shares pursuant to such Holder's Performance Stock Award and the number of Shares subject to such Performance Stock Award. If such Performance Goals are achieved, the distribution of Shares (or the payment of cash, as determined in the sole discretion of the Committee), shall be made in accordance with Section 12.3, below. At the time of such Award, the Committee may, in its sole discretion, prescribe additional terms and conditions or restrictions relating to Performance Stock Awards, including, but not limited to, rules pertaining to the effect of the Holder's Termination of Service prior to the expiration of the applicable performance period. The terms and conditions of the respective Performance Stock Agreements need not be identical.

12.3 Distributions of Shares. The Holder of a Performance Stock Award shall be entitled to receive a cash payment equal to the Fair Market Value of a Share, or one Share, as determined in the sole discretion of the Committee, for each Performance Stock Award subject to such Performance Stock Agreement, if the Holder satisfies the applicable vesting requirement. Such distribution shall be made no later than by the fifteenth (15th) day of the third (3rd) calendar month next following the end of the Company's fiscal year to which such performance goals and objectives relate.

ARTICLE XIII **DISTRIBUTION EQUIVALENT RIGHTS**

13.1 Award. A Distribution Equivalent Right shall entitle the Holder to receive bookkeeping credits, cash payments and/or Share distributions equal in amount to the distributions that would have been made to the Holder had the Holder held a specified number of Shares during the specified period of the Award.

13.2 Terms and Conditions. At the time any Award is made under this Article XIII, the Company and the Holder shall enter into a Distribution Equivalent Rights Award Agreement setting forth each of the matters contemplated thereby and such other matters as the Committee may determine to be appropriate. The Committee

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shall set forth in the applicable Distribution Equivalent Rights Award Agreement the terms and conditions, if any, including whether the Holder is to receive credits currently in cash, is to have such credits reinvested (at Fair Market Value determined as of the date of reinvestment) in additional Shares. If such Award becomes vested, the distribution of such cash or Shares shall be made no later than by the fifteenth (15th) day of the third (3rd) calendar month next following the end of the Company's fiscal year in which the Holder's interest in the Award vests. Distribution Equivalent Rights Awards may be settled in cash or in Shares, as set forth in the applicable Distribution Equivalent Rights Award Agreement. A Distribution Equivalent Rights Award may, but need not be, awarded in tandem with another Award (other than an Option or a SAR), whereby, if so awarded, such Distribution Equivalent Rights Award shall expire, terminate or be forfeited by the Holder, as applicable, under the same conditions as under such other Award.

13.3 Interest Equivalents. The Distribution Equivalent Rights Award Agreement for a Distribution Equivalent Rights Award may provide for the crediting of interest on a Distribution Rights Award to be settled in cash at a future date (but in no event later than by the fifteenth (15th) day of the third (3rd) calendar month next following the end of the Company's fiscal year in which such interest is credited and vested), at a rate set forth in the applicable Distribution Equivalent Rights Award Agreement, on the amount of cash payable thereunder.

ARTICLE XIV **STOCK APPRECIATION RIGHTS**

14.1 Award. A Stock Appreciation Right shall constitute a right, granted alone or in connection with a related Option, to receive a payment equal to the increase in value of a specified number of Shares between the date of Award and the date of exercise.

14.2 Terms and Conditions. At the time any Award is made under this Article XIV, the Company and the Holder shall enter into a Stock Appreciation Right Agreement setting forth each of the matters contemplated thereby and such other matters as the Committee may determine to be appropriate. The Committee shall set forth in the applicable Stock Appreciation Right Agreement the terms and conditions of the Stock Appreciation Right, including (i) the base value (the "Base Value") for the Stock Appreciation Right, which shall be not less than the Fair Market Value of a Share on the date of grant of the Stock Appreciation Right, (ii) the number of Shares subject to the Stock Appreciation Right, (iii) the period during which the Stock Appreciation Right may be exercised; provided, however, that no Stock Appreciation Right shall be exercisable after the expiration of ten (10) years from the date of its grant, and (iv) any other special rules and/or requirements which the Committee imposes upon the Stock Appreciation Right. Upon the exercise of some or all of the portion of a Stock Appreciation Right, the Holder shall receive a payment from the Company, in cash or in the form of Shares having an equivalent Fair Market Value or in a combination of both, as determined in the sole discretion of the Committee, equal to the product of:

- (a) The excess of (i) the Fair Market Value of a Share on the date of exercise, over (ii) the Base Value, multiplied by,
- (b) The number of Shares with respect to which the Stock Appreciation Right is exercised.

14.3 Tandem Stock Appreciation Rights. If the Committee grants a Stock Appreciation Right which is intended to be a Tandem Stock Appreciation Right, the Tandem Stock Appreciation Right shall be granted at the same time as the related Option, and the following special rules shall apply:

- (a) The Base Value shall be equal to or greater than the per Share exercise price under the related Option;
- (b) The Tandem Stock Appreciation Right may be exercised for all or part of the Shares which are subject to the related Option, but solely upon the surrender by the Holder of the Holder's right to exercise the equivalent portion of the related Option (and when a Share is purchased under the related Option, an equivalent portion of the related Tandem Stock Appreciation Right shall be canceled);

(c) The Tandem Stock Appreciation Right shall expire no later than the date of the expiration of the related Option;

(d) The value of the payment with respect to the Tandem Stock Appreciation Right may be no more than one hundred percent (100%) of the difference between the per Share exercise price under the related Option and the Fair Market Value of the Shares subject to the related Option at the time the Tandem Stock Appreciation Right is exercised, multiplied by the number of the Shares with respect to which the Tandem Stock Appreciation Right is exercised; and

(e) The Tandem Stock Appreciation Right may be exercised solely when the Fair Market Value of the Shares subject to the related Option exceeds the per Share exercise price under the related Option.

ARTICLE XV RECAPITALIZATION OR REORGANIZATION

15.1 Adjustments to Shares. The shares with respect to which Awards may be granted under the Plan are Shares as presently constituted; provided, however, that if, and whenever, prior to the expiration or distribution to the Holder of Shares underlying an Award theretofore granted, the Company shall effect a subdivision or consolidation of the Shares or the payment of a Share dividend on Shares without receipt of consideration by the Company, the number of Shares with respect to which such Award may thereafter be exercised or satisfied, as applicable, (i) in the event of an increase in the number of outstanding Shares, shall be proportionately increased, and the purchase price per Share shall be proportionately reduced, and (ii) in the event of a reduction in the number of outstanding Shares, shall be proportionately reduced, and the purchase price per Share shall be proportionately increased. Notwithstanding the foregoing or any other provision of this Article XV, any adjustment made with respect to an Option, shall comply with the requirements of Section 409A of the Code, and in no event shall any adjustment be made which would render any Option granted under the Plan to become subject to Section 409A of the Code.

15.2 Recapitalization. If the Company recapitalizes or otherwise changes its capital structure, thereafter upon any exercise or satisfaction, as applicable, of a previously granted Award, the Holder shall be entitled to receive (or entitled to purchase, if applicable) under such Award, in lieu of the number of Shares then covered by such Award, the number and class of shares and securities to which the Holder would have been entitled pursuant to the terms of the recapitalization if, immediately prior to such recapitalization, the Holder had been the holder of record of the number of Shares then covered by such Award.

15.3 Other Events. In the event of changes to the outstanding Shares by reason of an extraordinary cash dividend, reorganization, merger, consolidation, combination, split-up, spin-off, exchange or other relevant change in capitalization occurring after the date of the grant of any Award and not otherwise provided for under this Article XV, any outstanding Awards and any Award Agreements evidencing such Awards shall be adjusted by the Board in its discretion in such manner as the Board shall deem equitable or appropriate taking into consideration the applicable accounting and tax consequences, as to the number and price of Shares or other consideration subject to such Awards. In the event of any adjustment pursuant to Sections 15.1, 15.2 or this Section 15.3, the aggregate number of Shares available under the Plan pursuant to Section 5.1 may be appropriately adjusted by the Board, the determination of which shall be conclusive. In addition, the Committee may make provision for a cash payment to a Holder or a person who has an outstanding Award.

15.4 Change of Control. The Committee may, in its sole discretion, at the time an Award is made or at any time prior to, coincident with or after the time of a Change of Control, cause any Award either (i) to be canceled in consideration of a payment in cash or other consideration in amount per share equal to the excess, if any, of the price or implied price per Share in the Change of Control over the per Share exercise, base or purchase price of such Award, which may be paid immediately or over the vesting schedule of the Award; (ii) to be assumed, or new rights substituted therefore, by the surviving corporation or a parent or subsidiary of such surviving corporation following such Change of Control; (iii) accelerate any time periods, or waive any other conditions, relating to the vesting, exercise, payment or distribution of an Award so that any Award to a Holder whose employment has been terminated as a result of a Change of Control may be vested, exercised, paid or distributed in full on or before a date fixed by the Committee; (iv) to be purchased from a Holder whose employment has been terminated as a result of a Change of Control, upon the Holder's request, for an amount of cash equal to the amount that could have been obtained upon the exercise, payment or distribution of such rights had such Award been currently exercisable or payable; or (v) terminate any then outstanding Award or make any other adjustment to the Awards then outstanding as the Committee deems necessary or appropriate to reflect such transaction or change. The number of Shares subject to any Award shall be rounded to the nearest whole number.

15.5 Powers Not Affected. The existence of the Plan and the Awards granted hereunder shall not affect in any way the right or power of the Board or of the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change of the Company's capital structure or business, any merger or consolidation of the Company, any issue of debt or equity securities ahead of or affecting Shares or the rights thereof, the dissolution or liquidation of the Company or any sale, lease, exchange or other disposition of all or any part of its assets or business or any other corporate act or proceeding.

15.6 No Adjustment for Certain Awards. Except as hereinabove expressly provided, the issuance by the Company of shares of any class or securities convertible into shares of any class, for cash, property, labor or services, upon direct sale, upon the exercise of rights or warrants to subscribe therefor or upon conversion of shares or obligations of the

value, shall not affect previously granted Awards, and no adjustment by reason thereof shall be made with respect to the number of Shares subject to Awards theretofore granted or the purchase price per Share, if applicable.

ARTICLE XVI
AMENDMENT AND TERMINATION OF PLAN

The Plan shall continue in effect, unless sooner terminated pursuant to this Article XVI, until the tenth (10th) anniversary of the date on which it is adopted by a majority of the Independent Directors of the Board (except as to Awards outstanding on that date). A majority of the Independent Directors of the Board in its discretion may terminate the Plan at any time with respect to any shares for which Awards have not theretofore been granted; provided, however, that the Plan's termination shall not materially and adversely impair the rights of a Holder with respect to any Award theretofore granted without the consent of the Holder. The Board shall have the right to alter or amend the Plan or any part hereof from time to time. In addition, no change in any Award theretofore granted may be made which would materially and adversely impair the rights of a Holder with respect to such Award without the consent of the Holder (unless such change is required in order to exempt the Plan or any Award from Section 409A of the Code).

ARTICLE XVII
MISCELLANEOUS

17.1 No Right to Award. Neither the adoption of the Plan by the Company nor any action of the Board or the Committee shall be deemed to give an Eligible Person any right to an Award except as may be evidenced by an Award Agreement duly executed on behalf of the Company, and then solely to the extent and on the terms and conditions expressly set forth therein.

17.2 No Rights Conferred. Nothing contained in the Plan shall (i) confer upon any Employee any right with respect to continuation of employment with the Company or any Affiliate, (ii) interfere in any way with any right of the Company or any Affiliate to terminate the employment of an Employee at any time, (iii) confer upon any Director any right with respect to continuation of such Director's membership on the Board, (iv) interfere in any way with any right of the Company or an Affiliate to terminate a Director's membership on the Board at any time, (v) confer upon any Consultant any right with respect to continuation of his or her consulting engagement with the Company or any Affiliate, or (vi) interfere in any way with any right of the Company or an Affiliate to terminate a Consultant's consulting engagement with the Company or an Affiliate at any time.

17.3 Other Laws; No Fractional Shares; Withholding. The Company shall not be obligated by virtue of any provision of the Plan to recognize the exercise of any Award or to otherwise sell or issue Shares in violation of any laws, rules or regulations, and any postponement of the exercise or settlement of any Award under this provision shall not extend the term of such Award. Neither the Company nor its directors or officers shall have any obligation or liability to a Holder with respect to any Award (or Shares issuable thereunder) (i) that shall lapse because of such postponement, or (ii) for any failure to comply with the requirements of any applicable law, rules or regulations, including but not limited to any failure to comply with the requirements of Section 409A of this Code. No fractional Shares shall be delivered, nor shall any cash in lieu of fractional Shares be paid. The Company shall have the right to deduct in cash (whether under this Plan or otherwise) in connection with all Awards any taxes required by law to be withheld and to require any payments required to enable it to satisfy its withholding obligations. In the case of any Award satisfied in the form of Shares, no Shares shall be issued unless and until arrangements satisfactory to the Company shall have been made to satisfy any tax withholding obligations applicable with respect to such Award. Subject to such terms and conditions as the Committee may impose, the Company shall have the right to retain, or the Committee may, subject to such terms and conditions as it may establish from time to time, permit Holders to elect to tender, Shares (including Shares issuable in respect of an Award) to satisfy, in whole or in part, the amount required to be withheld.

17.4 No Restriction on Corporate Action. Nothing contained in the Plan shall be construed to prevent the Company or any Affiliate from taking any corporate action which is deemed by the Company or such Affiliate to be appropriate or in its best interest, whether or not such action would have an adverse effect on the Plan or any Award made under the Plan. No Eligible Person, beneficiary or other person shall have any claim against the Company or any Affiliate as a result of any such action.

17.5 Restrictions on Transfer. No Award under the Plan or any Award Agreement and no rights or interests herein or therein, shall or may be assigned, transferred, sold, exchanged, encumbered, pledged or otherwise hypothecated or disposed of by a Holder except (i) by will or by the laws of descent and distribution, or (ii) where permitted under applicable tax rules, by gift to any Family Member of the Holder, subject to compliance with applicable laws. An Award may be exercisable during the lifetime of the Holder only by such Holder or by the Holder's guardian or legal representative unless it has been transferred by gift to a Family Member of the Holder, in

which case it shall be exercisable solely by such transferee. Notwithstanding any such transfer, the Holder shall continue to be subject to the withholding requirements provided for under Section 17.3 hereof.

17.6 Beneficiary Designations. Each Holder may, from time to time, name a beneficiary or beneficiaries (who may be contingent or successive beneficiaries) for purposes of receiving any amount which is payable in connection with an Award under the Plan upon or subsequent to the Holder's death. Each such beneficiary designation shall serve to revoke all prior beneficiary designations, be in a form prescribed by the Company and be effective solely when filed by the Holder in writing with the Company during the Holder's lifetime. In the absence of any such written beneficiary designation, for purposes of the Plan, a Holder's beneficiary shall be the Holder's estate.

17.7 Rule 16b-3. It is intended that the Plan and any Award made to a person subject to Section 16 of the Exchange Act shall meet all of the requirements of Rule 16b-3. If any provision of the Plan or of any such Award would disqualify the Plan or such Award under, or would otherwise not comply with the requirements of, Rule 16b-3, such provision or Award shall be construed or deemed to have been amended as necessary to conform to the requirements of Rule 16b-3.

17.8 Clawback Policy. Notwithstanding anything contained herein or in any incentive "performance based" award, Awards under the Plan shall be subject to reduction, forfeiture or repayment by reason of a correction or restatement of the Company's financial information if and to the extent such reduction or repayment is required by any applicable law or any then-effective Company clawback policy.

17.9 No Obligation to Notify or Minimize Taxes. The Company shall have no duty or obligation to any Holder to advise such Holder as to the time or manner of exercising any Award. Furthermore, the Company shall have no duty or obligation to warn or otherwise advise such Holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of an Award to any person.

17.10 Section 409A. Notwithstanding any other provision of the Plan, the Committee shall have no authority to issue an Award under the Plan with terms and/or conditions which would cause such Award to constitute non-qualified "deferred compensation" under Section 409A of the Code unless such Award shall be structured to be exempt from or comply with all requirements of Code Section 409A. The Plan and all Award Agreements are intended to comply with the requirements of Section 409A of the Code (or to be exempt therefrom) and shall be so interpreted and construed and no amount shall be paid or distributed from the Plan unless and until such payment complies with all requirements of Code Section 409A. If an Award is subject to Section 409A of the Code, (i) distributions shall only be made in a manner and upon an event permitted under Section 409A of the Code, (ii) payments to be made upon a termination of employment or service shall only be made upon a "separation from service" under section 409A of the Code, (iii) unless the Award specifies otherwise, each installment payment shall be treated as a separate payment for purposes of Section 409A of the Code, and (iv) in no event shall a Holder, directly or indirectly, designate the calendar year in which a distribution is made except in accordance with Section 409A of the Code. Any Award that is subject to Section 409A of the Code and that is to be distributed to a Key Employee (as defined below) upon separation from service shall be administered so that any distribution with respect to such Award shall be postponed for six months following the date of the Holder's separation from service (unless an earlier death), if required by Section 409A. The determination of "Key Employees," including the number and identity of persons considered Key Employees and the identification date, shall be made by the Committee or its delegate each year in accordance with section 416(i) of the Code and the "specified employee" requirements of Section 409A of the Code. It is the intent of the Company that the provisions of this Plan and all other plans and programs sponsored by the Company be interpreted to comply in all respects with Code Section 409A, however, the Company shall have no liability to the Holder, or any successor or beneficiary thereof, in the event taxes, penalties or excise taxes may ultimately be determined to be applicable to any payment or benefit received by the Holder or any successor or beneficiary thereof.

17.11 Indemnification. Each person who is or shall have been a member of the Committee or of the Board shall be indemnified and held harmless by the Company against and from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred thereby in connection with or resulting from any claim, action, suit, or proceeding to which such person may be made a party or may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid thereby in settlement thereof, with the Company's approval, or paid thereby in satisfaction of any judgment in any such action, suit, or proceeding against such person; provided, however, that such person shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive and shall be independent of any other rights of indemnification to which such persons may be entitled under the Company's Articles of Incorporation or By-laws, by contract, as a matter of law, or otherwise.

17.12 Other Benefit Plans. No Award, payment or amount received hereunder shall be taken into account in computing an Employee's salary or compensation for the purposes of determining any benefits under any pension, retirement, life insurance or other benefit plan of the Company or any Affiliate, unless such other plan specifically

provides for the inclusion of such Award, payment or amount received. Nothing in the Plan shall be construed to limit the right of the Company to establish other plans or to pay compensation to its employees, in cash or property, in a manner which is not expressly authorized under the Plan.

17.13 Limits of Liability. Any liability of the Company with respect to an Award shall be based solely upon the contractual obligations created under the Plan and the Award Agreement. None of the Company, any member of the Board nor any member of the Committee shall have any liability to any party for any action taken or not taken, in good faith, in connection with or under the Plan.

17.14 Governing Law. Except as otherwise provided herein, the Plan shall be construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of law.

17.15 Subplans. The Board may from time to time establish one or more sub-plans under the Plan for purposes of satisfying applicable blue sky, securities or tax laws of various jurisdictions. The Board shall establish such sub-plans by adopting supplements to the Plan setting forth (i) such limitations on the Committee's discretion under the Plan as the Board deems necessary or desirable and (ii) such additional terms and conditions not otherwise inconsistent with the Plan as the Board shall deem necessary or desirable. All supplements adopted by the Board shall be deemed to be part of the Plan, but each supplement shall apply only to Holders within the affected jurisdiction and the Company shall not be required to provide copies of any supplement to Holders in any jurisdiction that is not affected.

17.16 Severability of Provisions. If any provision of the Plan is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision of the Plan, and the Plan shall be construed and enforced as if such invalid or unenforceable provision had not been included in the Plan.

17.17 No Funding. The Plan shall be unfunded. The Company shall not be required to establish any special or separate fund or to make any other segregation of funds or assets to ensure the payment of any Award. Prior to receipt of Shares or a cash distribution pursuant to the terms of an Award, such Award shall represent an unfunded unsecured contractual obligation of the Company and the Holder shall have no greater claim to the Shares underlying such Award or any other assets of the Company or Affiliate than any other unsecured general creditor.

17.18 Headings. Headings used throughout the Plan are for convenience only and shall not be given legal significance.

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Exhibit 31.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Donald McClymont, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of indie Semiconductor, 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 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:
 1. 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; and
 2. 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; and
 3. 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

4. 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.
5. The registrant's other certifying officer 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):
 1. 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
 2. 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.

August 11, November 9, 2023

Date

/s/ Donald McClymont

Donald McClymont
Chief Executive Officer and Director

Exhibit 31.2

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Thomas Schiller, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of indie Semiconductor, 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 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:
 1. 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; and
 2. 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; and
 3. 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
 4. 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.
5. The registrant's other certifying officer 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):

1. 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
2. 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.

August 11, November 9, 2023

Date

/s/ Thomas Schiller

Thomas Schiller
Chief Financial Officer & EVP of Strategy

Exhibit 32

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
AND CHIEF FINANCIAL OFFICER PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of indie Semiconductor, Inc. (the "Company") on Form 10-Q for the quarter ended **June 30, 2023** **September 30, 2023** as filed with the Securities and Exchange Commission (the "Report"), we, Donald McClymont, Chief Executive Officer of the Company, and Thomas Schiller, Chief Financial Officer and EVP of Strategy of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to our knowledge: (1). The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and (2). The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Donald McClymont

Donald McClymont
Chief Executive Officer and Director

/s/ Thomas Schiller

Thomas Schiller
Chief Financial Officer and EVP of Strategy

August 11, November 9, 2023

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