

VMWARE INTERNATIONAL UNLIMITED COMPANY

Annual Return

For The Nine-Month Period Ended 3 November 2024

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DIRECTORS AND OTHER INFORMATION

Board of Directors at 23 January 2026

D Egan
I Pong
K Spears

Solicitors

Matheson Ormsby Prentice
70 Sir John Rogerson's Quay
Dublin 2

Secretary and Registered Office

Matsack Trust Limited
70 Sir John Rogerson's Quay
Dublin 2

Bankers

Citibank
Citigroup Centre
Canary Wharf
London
United Kingdom

Registered Number: 402208

Independent Statutory Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Albert Quay
Cork

DIRECTORS' REPORT

The directors present their annual report and financial statements of VMware International Unlimited Company ("the Company"), incorporated in the Republic of Ireland, for the nine-month period ended 3 November 2024. The comparative financial statements are prepared for the financial year from 4 February 2023 to 2 February 2024.

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and financial statements in accordance with Irish law.

Irish law requires the directors to prepare financial statements for each financial year giving a true and fair view of the Company's assets, liabilities and financial position at the end of the financial year and the profit or loss of the Company for the financial year. Under that law the directors have prepared the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the UK Financial Reporting Council, including Financial Reporting Standard 101 '*Reduced Disclosure Framework*' and Irish law).

Under Irish law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the Company for the financial year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities and future developments

During the financial period ended 3 November 2024, the principal activity of the Company is to sell, market and support VMware by Broadcom software products and related services in all jurisdictions outside of the United States and Brazil. These software products and services relate to the virtualisation of computer hardware and other associated hardware, including virtualisation software, management software, configuration and provisioning software, security-related software, test and measurement software and other supporting software.

During the financial period, the Company was the beneficial owner of certain intellectual property ("IP") rights to produce and distribute certain software products and services for all international jurisdictions outside of the United States and operated under a cost sharing agreement ("CSA") with VMware. This arrangement ended during the financial period. On 6 May 2024, the Company transferred all non-EUC (End-User Computing) IP to its immediate holding company, VMWare Technology Holding Limited ("VTH") which merged into VMware Management Inc on 7 May 2024. Subsequently, on 30 June 2024, the EUC IP was sold to Omnisia International Unlimited Company. Following the disposal, the Company no longer owns any IP.

Effective 6 May 2024, CA, Inc, a fellow group undertaking incorporated in the United States, appointed the Company as its distributor of CA and Symantec enterprise software products in all jurisdictions outside United States and Brazil.

DIRECTORS' REPORT - continued

Principal activities and future developments - continued

Additionally, on 7 May 2024, the Company entered into a Research and Development Agreement with VMware Management, Inc to engage in a program of research and development on an ongoing basis and provide with such support and research as requested by VMware Management, Inc. Accordingly, research and development expenses are cross charged to VMware Management, Inc at a cost plus basis.

Effective 7 May 2024, VMware Management, Inc. appointed the Company as its non-exclusive distributor outside the United States and Brazil. At the same time, VMware Management, Inc grants the non-exclusive right and license to the Company to use the Intellectual Property Rights, market and distribute the product as well as provide the professional services outside the United States and Brazil.

The Company also acts as an investment holding company in respect of certain Broadcom Inc. subsidiaries.

The Company's primary sources of revenues are subscription and software-as-a-service ("SaaS") revenues and licensing of virtual infrastructure software solutions and related support and services, through a variety of distribution channels, for use by businesses and organisations of all areas and across numerous industries in their information technology infrastructure. Broadcom's subscription and SaaS revenue related to VMware by Broadcom software consists of hosted services, consumption based licensing offerings and certain license sales of its software platform with open source licenses or offerings under which licenses and services are accounted for as combined performance obligations. VMware by Broadcom's virtual infrastructure software solutions run on industry-standard desktops and servers and support a wide range of operating system and application environments, as well as networking and storage infrastructures.

Broadcom remains focused on strengthening relationships and increasing penetration within its existing core, mainframe, VMware endpoint customers and expanding the adoption of its enterprise software offerings with these customers. The Company believes its enterprise-wide license model will continue to offer its customers reduced complexity, more flexibility and an easier renewal process that will help drive revenue growth.

Business review – trading performance

Turnover of the Company for the nine-month period ended 3 November 2024 amounted to \$5,195.2m (2 February 2024: \$6,440.2m), a decrease of \$1,245m. The comparability of the Company's trading performance in the profit and loss account is impacted by a nine-month financial period ended 3 November 2024 and a compared to a comparative twelve month period ended 2 February 2024. Cost of sales for the nine-month period ended 3 November 2024 amounted to \$2,447.5m (year ended 2 February 2024: \$3,006.2m) which included amortisation of intellectual property for rights and licences of \$350.8m (year ended 2 February 2024: \$1,418.2m). Gross profit for the nine-month period ended 3 November 2024 amounted to \$2,747.7m (year ended 2 February 2024: \$3,434m) with an operating loss of \$260.2m (year ended 2 February 2024: \$814.6m).

The Company's profit after tax for the nine-month period ended 3 November 2024 was \$1,990.3m (year ended 2 February 2024: loss after tax of \$1,854.2m). The Company's result was primarily driven by one-off gain on the disposal of IP and EUC amounting to \$3,762.0m.

Net liabilities at 3 November 2024 were \$4,629.1m (2 February 2024: net assets \$7,919.9m). The decrease in net assets is mainly due to dividend distributions and the disposal of the Company's IP during the financial period.

Accounting records

The measures taken by the directors to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to keeping adequate accounting records, are the employment of appropriate qualified accounting personnel and the maintenance of computerised accounting systems. The accounting records are kept at 3421 Hillview Avenue, Palo Alto, CA 94304, United States, and at Parnell House, Barrack Square, Ballincollig, Co. Cork, Ireland.

Dividends

During the nine-month period ended 3 November 2024, the directors paid a dividend of \$21,671.4m (year ended 2 February 2024: \$Nil).

DIRECTORS' REPORT - continued

Directors

The names of the persons who are currently or were directors for the nine-month period ended 3 November 2024 and up to the date of this report are set out below. Except where indicated, they served for the entire period.

I Pong
K Spears
D Egan
K Barry-Murphy (resigned 25 July 2024)

Directors' and secretary's interests in shares

The directors and secretary of the Company in office at 3 November 2024 did not have a beneficial interest in the share capital of the Company at 3 November 2024 or 2 February 2024. The directors' interests in the shares of the ultimate parent (Broadcom Inc.) are not disclosed as the Company is exempt under section 260 of the Companies Act 2014, as the directors' shares are less than 1% of the parent undertaking's issued share capital.

Financial risk management

The directors consider that the key financial risks attributable to the Company are foreign exchange, cash flow and liquidity, interest rate, and credit risk. The ultimate parent company, Broadcom Inc. has appropriate risk management programmes in place to manage any such risks that may arise. The Company has in place a risk management programme that seeks to manage the financial exposures of the Company and a treasury policy that has been approved by the directors. The policies are implemented by the Company's finance department and include specific guidelines to manage financial risk where it would be appropriate to use financial instruments to manage these risks.

Foreign exchange risk

The Company are exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from commercial transactions denominated in a currency that is not the Company's functional currency and from the change in value of recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company's policy is to ensure that its net exposure is kept to an acceptable level.

Cash flow and liquidity risk

The Company has in place a programme of financial and non-financial performance indicators as part of its management reporting systems. Management review key financial performance indicators of sales, margin, profitability, cash flow and investment in working capital. In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments. The Company's surplus funds are placed with related parties that facilitate demand on short notice under cash pooling arrangement. The Company's receivables due from CA, Inc. at period end amounting to \$187.4m (year ended 2 February 2024: due from VMware Pembroke Heights Designated Activity Company ("VPH") \$1,698.6m). Effective from 3 May 2024, VPH (a fellow group undertaking) terminated the master cash pooling agreement of which the Company was a member. On 6 May 2024, the Company joined the cash pooling co-ordinated by CA, Inc. (a fellow group undertaking).

Interest rate risks

The Company has no external borrowings; hence it is not exposed to interest rate risk.

Credit risk

Credit risk arises from credit exposure to trade receivables and cash and cash equivalents including deposits with banks and CA, Inc. as the Broadcom group cash pooling vehicle. Trade receivables arise from a wide and varied customer base and as such there is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilisation of credit limits is regularly monitored.

Due to the nature of the Company's business arrangements, the directors believe that risk attributable to interest rates, credit and cash flow are low. The ultimate parent company, Broadcom, has appropriate risk management programmes in place to manage any such risks that may arise.

DIRECTORS' REPORT - continued

Financial risk management - continued

Principal risks and uncertainties

Due to the nature of the Company's business arrangements, the directors have identified the following risks and uncertainties:

Adverse global economic conditions could have a negative effect on our business

A general slowdown in the global economy or in a particular region or industry, other unfavorable changes in economic conditions, such as inflation, higher interest rates, tightening of the credit markets, recession or slowing growth, or an increase in trade tensions with U.S. trading partners could negatively impact our business, financial condition and liquidity. Adverse global economic conditions have from time to time caused or exacerbated significant slowdowns in the industries and markets in which we operate, which have adversely affected our business and results of operations. Macroeconomic weakness and uncertainty also make it more difficult for us to accurately forecast operating results, and may make it more difficult to raise or refinance debt.

An escalation of trade tensions between the U.S. and China has resulted in trade restrictions, increased protectionism and increased tariffs that harm our ability to participate in Chinese markets or compete effectively with Chinese companies. Sustained uncertainty about, or worsening of, current global economic conditions and further escalation of trade tensions between the U.S. and its trading partners, especially China, and the decoupling of the U.S. and China economies, could result in a global economic slowdown and long-term changes to global trade. Such events may also (i) cause our customers and consumers to reduce, delay or forgo technology spending, (ii) result in customers sourcing products from other suppliers not subject to such restrictions or tariffs, (iii) lead to the insolvency or consolidation of key suppliers and customers, and (iv) intensify pricing pressures. Any or all of these factors could negatively affect demand for our products and our business, financial condition and results of operations.

Benefits of acquisition of VMware group by Broadcom group may not be realised

As part of Broadcom integration of the VMware business, Broadcom are focusing on VMware's core business of creating private cloud environments on-premises among large enterprises globally and divesting non-core assets. If VMware customers do not accept Broadcom's business strategy, including the transition from a perpetual to a subscription licensing model and a simplified product portfolio, VMware International Unlimited Company may lose significant customers, and our financial results may be adversely affected.

Cybersecurity breaches of our systems or the system of our vendors, partners and suppliers could materially harm our business

Our business depends on a wide variety of complex IT systems and services, including cloud-based and other critical corporate services relating to, among other things, product research and development, financial reporting, product orders and fulfillment, HR, benefit plan administration, IT network management, and electronic communication and collaboration services. These systems and services are both internally managed and outsourced, and in many cases we rely upon third-party data centers. Any failure of these internal or third-party systems and services to operate effectively could disrupt our operations and could have a material adverse effect on our business, financial condition and results of operations. Our operations are dependent upon our ability to protect our IT infrastructure against damage from business continuity events that could have a significant disruptive effect. Although these systems are designed to protect and secure our customers', suppliers' and employees' confidential information, as well as our own proprietary information, we are, out of necessity, dependent on our vendors to adequately address cybersecurity threats to their own systems.

Furthermore, geopolitical instability may increase the likelihood that we will experience direct or collateral consequences from cyber conflicts between nation-states or other politically motivated actors targeting critical technology infrastructure.

Despite our internal controls and investment in security measures, we have, from time to time, been subject to disruptive cyber-attacks and unauthorized network intrusions and malware on our own IT networks or those of our service providers or business partners. We continue to devote resources to protect our systems and data from unauthorized access or misuse, and we may be required to expend greater resources in the future.

DIRECTORS' REPORT - continued

Principal risks and uncertainties - continued

Geopolitical conflicts

In response to Russian military actions in Ukraine, the Company ceased business operations in Russia and suspended business operation in Belarus, including with respect to sales, support on existing contracts and professional services in both countries. Furthermore, the sanctions imposed by the US and other countries in connection with the Russian invasion of Ukraine include restrictions on selling or importing goods, services or technology in or from affected regions and travel bans and asset freezes impacting connected individuals and political, military, business and financial organizations in Russia. Sanctions imposed on Russia and our cessation of business operations in Russia could impact the fulfilment of existing orders, future revenue streams from impacted customers and the recoverability of certain financial assets. It is not possible to predict the broader consequences of this conflict, which have included and could in the future include further sanctions, embargoes, regional instability, geopolitical shifts and adverse effects on the global economy.

In light of the ongoing conflict in Israel and Palestine, the Company is closely monitoring developments in the region. At present, our business operations in the region have not been directly impacted and continue as normal. The directors will continue to assess the evolving situation and will act as necessary in order to mitigate any potential risks to the business.

Other principal risks and uncertainties

- Our business is subject to various governmental regulations and trade restrictions.
- The growth of our software business depends on customer acceptance of our newer products and services.
- A significant customer's business could fail with consequent credit risk exposure to the Company and a loss of future sales.
- Customers could stop purchasing from the Company and leave for a competing brand.
- Operations at the Company's facilities could be interrupted due to a fire, flood, or equipment failure.
- Failure of our software products to manage and secure IT infrastructures and environments could have a material adverse effect on our business.
- Laws and regulations could change with a negative impact on the Company.
- Our operating results may be adversely impacted by exposure to additional tax liabilities and higher than expected tax rates.
- Corporate responsibility matters may adversely affect our relationships with customers and investors and increase compliance costs.
- We are subject to privacy and data security laws and contractual commitments, and our actual or perceived failure to comply with such laws and commitments could harm our business.

Events since the end of the reporting period

Events after the end of the reporting period are set out in note 20.

Going concern

The directors' assessment on the going concern is set out in note 3(b).

Political donations

The Electoral (Amendment) (Political Funding) Act 2012 requires companies to disclose all political donations over €200 in aggregate made during the financial year/period. The directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company.

Research and development

The Company incurred research and development expenses during the the nine-month period ended 3 November 2024 of \$4.5m (2 February 2024: \$13.7m) related to employees employed by the Company.

The Company incurred intercompany R&D cross charges under a cost sharing agreement with VMware LLC. of \$361.8m (2 February 2024: \$1,160.7m) and cross charges from its subsidiaries for R&D activities of \$382m (2 February 2024: \$1,037.4m) during the period.

DIRECTORS' REPORT - continued

Disclosure of information to auditors

The directors in office at the date of this report have each confirmed that:

- as far as they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

Audit Committee

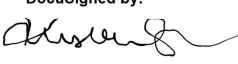
The directors of the Company have considered the requirements of section 167 of the Companies Act 2014 with regard to the establishment of an audit committee. Upon review, the directors have satisfied themselves that the intended activities and responsibilities set out in section 167 of the Companies Act 2014 are being appropriately discharged by the Audit Committee established by Broadcom Inc., as currently constituted. The directors intend to keep this under review during the 2024 financial year and in subsequent years, in conjunction with Broadcom Inc.'s Audit Committee, for the purposes of determining any additions to existing activities and responsibilities that may be introduced, as they see appropriate, in the context of the Company as a stand-alone entity. For these reasons the directors have decided not to establish a Company specific audit committee.

Statutory auditors

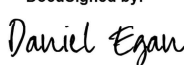
The statutory auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed by the directors.

On behalf of the board

K Spears

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D Egan

DocuSigned by:

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23 January 2026



Independent auditors' report to the members of VMware International Unlimited Company

Report on the audit of the financial statements

Opinion

In our opinion, VMware International Unlimited Company's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 3 November 2024 and of its profit for the 9 month period (the "period") then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 101 "Reduced Disclosure Framework" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Annual Report, which comprise:

- the statement of financial position as at 3 November 2024;
 - the profit and loss account for the period then ended;
 - the statement of changes in equity for the period then ended; and
 - the notes to the financial statements, which include a description of the accounting policies.
-

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the period ended 3 November 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.



Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
 - In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
 - The financial statements are in agreement with the accounting records.
-

Other exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Shane O'Regan

Shane O'Regan
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Cork
23 January 2026

PROFIT AND LOSS ACCOUNT
For the nine-month period ended 3 November 2024

| | Notes | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|--|-------|---|--|
| Turnover | 5 | 5,195,153 | 6,440,195 |
| Cost of sales | | <u>(2,447,453)</u> | <u>(3,006,222)</u> |
| Gross profit | | 2,747,700 | 3,433,973 |
| Operating expenses | | <u>(3,007,868)</u> | <u>(4,248,559)</u> |
| Operating loss | 6 | (260,168) | (814,586) |
| Dividend income | | 99 | 7,200 |
| Other income | 6 | <u>3,760,166</u> | <u>-</u> |
| Profit/(loss) before interest and tax | | 3,500,097 | (807,386) |
| Finance income | 7 | 54,968 | 73,830 |
| Finance expense | 8 | <u>(339,776)</u> | <u>(1,359,171)</u> |
| Finance costs net | | (284,808) | (1,285,341) |
| Profit/(loss) before taxation | | 3,215,289 | (2,092,727) |
| Tax (expense)/credit on profit/(loss) | 9 | <u>(1,225,038)</u> | <u>238,516</u> |
| Profit/(loss) for the financial period/year | | <u>1,990,251</u> | <u>(1,854,211)</u> |

There is no other comprehensive income other than those dealt with in the profit and loss account.

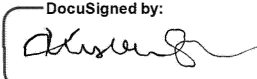
The notes on pages 15 to 47 form an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION
As at 3 November 2024

| | Notes | 3 November 2024 US\$'000 | 2 February 2024 US\$'000 |
|--|-------|--------------------------------|--------------------------------|
| Fixed assets | | | |
| Intangible assets | 10 | - | 34,356,573 |
| Tangible assets | 11 | 1,973 | 6,774 |
| Right-of-use assets | 16 | 5,933 | 21,277 |
| Investment in subsidiaries | 12 | 163,506 | 163,527 |
| | | <u>171,412</u> | <u>34,548,151</u> |
| Current assets | | | |
| Trade and other receivables | 13 | 2,374,914 | 4,593,357 |
| Cash and cash equivalents | | 4,492 | 18,268 |
| | | <u>2,379,406</u> | <u>4,611,625</u> |
| Creditors: amounts falling due within one year | 14 | <u>(4,357,588)</u> | <u>(6,266,824)</u> |
| Net current liabilities | | <u>(1,978,182)</u> | <u>(1,655,199)</u> |
| Total assets less current liabilities | | (1,806,770) | 32,892,952 |
| Creditors: amounts falling due after more than one year | 15 | <u>(2,822,327)</u> | <u>(24,973,067)</u> |
| Net (liabilities)/assets | | <u>(4,629,097)</u> | <u>7,919,885</u> |
| Equity | | | |
| Called up share capital presented as equity | 18 | 274 | 274 |
| Share premium | 18 | 11,448,053 | 4,354,127 |
| Capital contribution | 18 | 10,177,172 | 10,177,172 |
| Retained deficit | 18 | (26,403,775) | (6,722,592) |
| Share-based payment reserve | 17 | 149,179 | 110,904 |
| Total equity | | <u>(4,629,097)</u> | <u>7,919,885</u> |

The notes on pages 15 to 47 form an integral part of the financial statements.

On behalf of the board

K Spears 
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D Egan 
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STATEMENT OF CHANGES IN EQUITY

For the nine-month period ended 3 November 2024

| | Called-up share capital presented as equity US\$'000 | Share premium US\$'000 | Capital contribution US\$'000 | Share- based payment reserve US\$'000 | Non distributable reserve US\$'000 | Retained deficit US\$'000 | Total US\$'000 |
|---|--|------------------------------|-------------------------------------|---|---|---------------------------------|--------------------|
| At 4 February 2023 | 274 | 4,354,127 | 10,177,172 | 91,466 | 3,006 | (4,871,387) | 9,754,658 |
| Loss for the financial year | - | - | - | - | - | (1,854,211) | (1,854,211) |
| Total comprehensive expense for the financial year | - | - | - | - | - | (1,854,211) | (1,854,211) |
| <i>Transactions with owners, recognised directly to equity:</i> | | | | | | | |
| Release of non distributable reserve | - | - | - | - | (3,006) | 3,006 | - |
| Equity settled share-based payment expense (note 17) | - | - | - | 19,438 | - | - | 19,438 |
| <i>Transactions with owners, recognised directly in equity</i> | - | - | - | 19,438 | (3,006) | 3,006 | 19,438 |
| Balance at 2 February 2024 | 274 | 4,354,127 | 10,177,172 | 110,904 | - | (6,722,592) | 7,919,885 |
| At 3 February 2024 | 274 | 4,354,127 | 10,177,172 | 110,904 | - | (6,722,592) | 7,919,885 |
| Profit for the period | - | - | - | - | - | 1,990,251 | 1,990,251 |
| Total comprehensive income for the period | - | - | - | - | - | 1,990,251 | 1,990,251 |
| <i>Transactions with owners, recognised directly to equity:</i> | | | | | | | |
| Equity settled share-based payment expense (note 17) | - | - | - | 38,275 | - | - | 38,275 |
| Proceeds from issue of shares (note 18) | - | 7,093,926 | - | - | - | - | 7,093,926 |
| <i>Transactions with owners, recognised directly in equity</i> | - | 7,093,926 | - | 38,275 | - | - | 7,132,201 |
| Dividend paid | - | - | - | - | - | (21,671,434) | (21,671,434) |
| Balance at 3 November 2024 | 274 | 11,448,053 | 10,177,172 | 149,179 | - | (26,403,775) | (4,629,097) |

The notes on pages 15 to 47 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 General information

The principal activity of the Company is to sell, market and support VMware by Broadcom software products and related services in all jurisdictions outside of the United States and Brazil. These software products and services relate to the virtualisation of computer hardware and other associated hardware, including virtualisation software, management software, configuration and provisioning software, security-related software, test and measurement software and other supporting software.

Effective 6 May 2024, the Company is appointed as a distributor of CA and Symantec enterprise software products in all jurisdictions outside United States and Brazil.

The Company also acts as an investment holding company in respect of certain international Broadcom Inc. subsidiaries.

The Company's immediate parent undertaking changed during the period. The Company's immediate parent undertaking is VMware Management, Inc., a company incorporated in Delaware, since 7 May 2024. Prior to 7 May 2024, the Company's immediate parent was VMware Technology Holdings Limited, a company incorporated in Bermuda.

The Company has subsidiary undertakings (note 12). As the Company is included in consolidated accounts of Broadcom Inc. it is exempt, by virtue of Section 300 of the Companies Act 2014, from the requirement to prepare group financial statements.

The address of the Company's registered office is 70 Sir John Rogerson's Quay, Dublin 2. The Company's registered number is 402208.

Subsequent to 2 February 2024, the Company decided to amend its financial year-end to align with the Broadcom Inc., with the updated year-end date being the Sunday closest to 31 October. As a result, the current financial statements cover a nine month period from 3 February 2024 to 3 November 2024. The prior year financial statements, which are the comparative amounts in these financial statements, are for the financial year from 4 February 2023 to 2 February 2024. As a result, the comparative figures stated in the income statement and statement of changes in equity and the related notes are not directly comparable.

2 Scope of financial statements and status

The Company's ultimate parent undertaking is Broadcom Inc., a company incorporated in United States of America. A copy of the ultimate parent's consolidated financial statements may be obtained from the Secretary, Broadcom Inc., 3421 Hillview Avenue, Palo Alto, California 94304.

During the prior year, on 22 November 2023, the then ultimate parent, VMware LLC. (previously named VMware, Inc.) (a Delaware corporation headquartered in Palo Alto, California), was acquired by Broadcom Inc. (a Delaware corporation headquartered in San Jose, California), which is a global technology leader that designs, develops and supplies a broad range of semiconductor and infrastructure software solutions. Accordingly, with effect from 22 November 2023, Broadcom Inc. became the Company's new ultimate parent company and controlling party.

3 Summary of significant accounting policies

The significant accounting policies adopted by the Company in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the UK Financial Reporting Council and the Companies Act 2014). The financial statements comply with the Financial Reporting Standard 101 'Reduced Disclosure Framework' and Irish law). The financial statements have been prepared on the historical cost basis.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(a) Basis of preparation – continued

As permitted by the Companies Act 2014, the directors have adapted the prescribed format of the profit and loss account in a manner appropriate to the nature of the Company's business.

The preparation of financial statements in conformity with FRS 101 requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4 (Critical accounting judgements and estimation uncertainty).

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in FRS 101 which addresses the financial reporting requirements and disclosure exemptions in the financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS. The Company is a qualifying entity for the purposes of FRS 101. Details of the Company's parent and from where its consolidated financial statements prepared in accordance with US GAAP may be obtained are set out in note 2 to the financial statements.

In accordance with FRS 101 the Company has availed of an exemption from the following requirements of IFRS:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined).
- The requirements of IFRS 7 'Financial Instruments: Disclosures'.
- The requirements of paragraphs 91 to 99 of IFRS 13 'Fair Value Measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - The requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - i. paragraph 79(a)(iv) of IAS 1;
 - ii. paragraph 73(c) of IAS 16 Property, Plant and Equipment;
 - iii. paragraph 118(c) of IAS 38 Intangible Assets;
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B-D (additional comparative information);
 - 40A-D (requirements for a third statement of financial position);
 - 111 (cash flow statement information); and
 - 134-136 (capital management disclosures).

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(a) Basis of preparation – continued

In accordance with FRS 101 the Company has availed of an exemption from the following requirements of IFRS – continued:

- The requirements of IAS 7 'Statement of Cash Flows'.
- The requirements of paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- The requirements of paragraph 17 of IAS 24 'Related Party Disclosures' (key management compensation).
- The requirements of IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group where both parties to the transaction are wholly owned within the Company.
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(c) of IAS 36 'Impairment of Assets'.
- The requirements of second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 'Revenue from Contracts with Customers'.
- The requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases.

The remaining exemptions available under the Framework are not applicable to the Company at this time.

New standards, amendments and IFRIC interpretations

There are no other amendments to accounting standards, or IFRIC interpretations that are effective for the period ended 3 November 2024 that have had a material impact on the Company's financial statements.

(b) Going concern

The Company meets its day-to-day working capital requirements through cash resources and cash inflows from operations. The directors, after making enquiries and having regard to the Company's financial position and the Company's expected trading performance and cash flows, have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future. The Company has established a cash pooling arrangement with CA, Inc. effective May 2024. As of 3 November 2024, the Company has a \$187.4m receivable from CA, Inc. relating to the cash pooling arrangement.

In assessing whether the going concern assumption is appropriate, the directors have taken into account all available information for at least 12 months following the approval of these financial statements. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to continue to operate within the level of its current arrangements. The directors note that its parent undertaking, Broadcom Inc. has indicated its intent to provide the necessary financial support to enable the Company to continue to meet its liabilities as they fall due, if required. After making all necessary enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS - continued**3 Summary of significant accounting policies – continued****(c) Turnover and revenue recognition****Up to April 2024**

Revenue is measured based on the consideration in exchange for transferring promised goods or services to a customer. Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point of time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(i) License revenue

The Company generally sells its license software through distributors, resellers, system vendors, systems integrators and its direct sales force. Performance obligations related to license revenue, including the license portion of term licenses, represent functional intellectual property under which a customer has the legal right to the on-premises license. The license provides significant standalone functionality and is a separate performance obligation from the maintenance and support and professional services sold by the Company. On-premises license revenue is recognised at a point in time, upon delivery and transfer of control of the underlying license to the customer. License revenue from on-premises license software sold to original equipment manufacturers (“OEMs”) is recognised when the sale to the end user occurs. Revenue is recognised upon reporting by the OEMs of their sales, and for the period where information of the underlying sales has not been made available, revenue is recognised based upon estimated sales.

(ii) Subscription and SaaS Revenue

The Company’s subscription and SaaS revenue consists of hosted services, consumption based licensing under VMware Cloud Provider Program (“VCP”) offerings and certain license sales of its software platform with open source licenses or offerings under which licenses and services are accounted for as combined performance obligations.

The Company’s hosted services consist of certain software offerings sold as a service-based technology without the customer’s ability to take possession of the software over the subscription term. Hosted services are recognized as SaaS revenue over time as customers consume the services or ratably over the contract term, commencing upon provisioning of the service.

VCP partners license on-premises software from VMware on a monthly basis under usage-based model. Generally, contracts with VCP partners include cancellation rights. Revenue recognition is based on fees associated with reported license consumption by the VCP partners and includes estimates for the period when consumption information has not been made available.

Subscription sales of the Company’s software platform offering provides customers with a license to its platform over a period of time, which includes, among other items, open-source software, support, enhancements, upgrades and compatibility to certified systems, all of which are offered on an if-and-when available basis. Subscription revenue is recognized ratably over the contract term beginning on the date that the Company’s platform is made available to the customer.

Subscription sales also included offerings with licenses that provide customers with access to and the right to utilize the threat intelligence capabilities and ongoing support over a period of time. The Company considers the software license and access to critical threat intelligence capabilities to be a single performance obligation. Subscription revenue is recognized ratably over the contract term beginning on the date the software is delivered to the customer.

Subscription and SaaS offerings generally have a duration of one month, one-year, or three-years and are invoiced to the customers either upfront, annually, quarterly or monthly.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(c) Turnover and revenue recognition – continued

(iii) Service revenue

The Company's service revenue generally consists of software maintenance and support, professional services.

Software maintenance and support offerings entitle customers to receive major and minor product upgrades, on a when-and-if-available basis, and technical support. Maintenance and support services are comprised of multiple performance obligations including updates, upgrades to licenses and technical support. While separate performance obligations are identified within maintenance and support services, the underlying performance obligations generally have a consistent continuous pattern of transfer to a customer during the term of a contract. Maintenance and support services revenue is recognised over time on a rateable basis over the contract duration.

Professional services include design, implementation, training and consulting services. Professional services performed by the Company represent distinct performance obligations as they do not modify or customize licenses sold. These services are not highly interdependent or highly interrelated to licenses sold such that a customer would not be able to use the licenses without the professional services. Revenue from fixed fee professional services engagements is recognised based on progress made toward the total project effort, which can be reasonably estimated. As a practical expedient, the Company recognizes revenue from professional services engagements invoiced on a time and materials basis as the hours are incurred based on the Company's right to invoice amounts for performance completed to date.

(iv) Rebates reserves and marketing development funds

Rebates, which are offered to certain channel partners and represent a form of variable consideration, are accounted for as a reduction to the transaction price on eligible contracts.

Rebates are determined based on eligible sales during the quarter or based on actual achievement to quarterly target sales. The reduction of the aggregate transaction price against eligible contracts is allocated to the applicable performance obligations. The difference between the estimated rebates recognised and the actual amounts paid has not been material to date.

Certain channel partners are also reimbursed for direct costs related to marketing or other services that are defined under the terms of the marketing development programs. Estimated reimbursements for marketing development funds are accounted for as consideration payable to a customer, reducing the transaction price of the underlying contracts. The most likely amount method is used to estimate the marketing fund reimbursements at the end of the quarter and the reduction of transaction price is allocated to the applicable performance obligations. The difference between the estimated reimbursement and the actual amount paid to channel partners has not been material to date.

With limited exceptions, the Company's return policy does not allow product returns for a refund. The Company estimates and records reserves for product returns at the time of sale based on historical return rates. Amounts are recorded as a reduction of revenue or unearned revenue. Returns reserves are not material.

(iv) Contracts with multiple performance obligations

The Company enters into revenue contracts with multiple performance obligations in which a customer may purchase combinations of licenses, maintenance and support, training, consulting services, hosted services and rights to future products and services. For contracts with multiple performance obligations, the Company allocates total transaction value to the identified underlying performance obligations based on relative standalone selling price ("SSP"). The Company typically estimates SSP of services based on observable transactions when the services are sold on a standalone basis and those prices fall within a reasonable range.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(c) Turnover and revenue recognition – continued

(iv) Contracts with multiple performance obligations - continued

The Company utilizes the residual approach to estimate SSP of licenses as the licenses are not sold standalone and the same products are sold to different customers at a broad range of prices which are highly variable.

Unearned revenue substantially consists of customer billings and payments received in advance of revenue recognition for products and services described above.

Effective May 2024

Revenue recognition

The Company accounts for a contract with a customer when both parties have approved the contract and are committed to perform their respective obligations, each party's rights can be identified, payment terms can be identified, the contract has commercial substance, and it is probable the Company will collect substantially all of the consideration the Company is entitled to. Revenue is recognised when, or as, performance obligations are satisfied by transferring control of a promised product or service to a customer.

Payment terms and conditions vary by contract type, and terms between invoicing and when payment is due are short-term in duration. The timing of revenue recognition and required payments can differ and payment terms are generally structured to provide the customer with predictable and dependable ways to procure products, not to provide or receive financing from the customer.

Nature of Products and Services

The Company's products and services can be broadly categorised as sales of products and subscriptions and services. The following is a description of the principal activities from which the Company generates revenue.

Products

The Company recognises revenue from sales to direct customers and distributors when control transfers to the customer. Rebates and incentives offered to distributors, which are earned when sales to end customers are completed, are estimated at the point of revenue recognition. The Company has elected to exclude from the transaction price any taxes collected from a customer and to account for shipping and handling activities performed after a customer obtains control of the product as activities to fulfill the promise to transfer the product. From time to time, certain customers agree to pay the Company secure supply fees in exchange for prioritised fulfillment of product orders. Such fees are included in the transaction price of the product orders and are recognised as revenue in the period that control over the products is transferred to the customer.

Subscriptions and services

Subscriptions and services revenue consists of sales from software arrangements, support services, professional services, and non-recurring engineering ("NRE") arrangements.

Revenue from software arrangements primarily consists of fees, which may be paid either at contract inception or in installments over the contract term that provide customers with a right to use the software, access general support and maintenance, and utilize the professional services.

Software licenses have standalone functionality from which customers derive benefit, and the customer obtains control of the software when it is delivered or made available for download. The Company believes that for the majority of software arrangements, customers derive significant benefit from the ongoing support the Company provides. Certain of the Company's subscriptions and services arrangements permit customers to unilaterally terminate or cancel these arrangements at any time at the customer's convenience, referred to as termination for convenience provisions, without substantive termination penalty and receive a pro-rata refund of any prepaid fees. Accordingly, the Company accounts for arrangements with these termination for convenience provisions as a series of daily contracts, resulting in ratable revenue recognition of software revenue over the contractual period.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(c) Turnover and revenue recognition – continued

Subscriptions and services - continued

Support services consist primarily of telephone support and the provision of unspecified updates and upgrades on a when-and-if-available basis. Support services represent stand-ready obligations for which revenue is recognized ratably over the term of the arrangement.

Professional services consist of implementation, consulting, customer education and customer training services. The obligation to provide professional services is generally satisfied over time, with the customer simultaneously receiving and consuming the benefits as the Company satisfies the performance obligations.

There are two main categories of NRE contracts that the Company enters into with its customers: (a) NRE contracts in which the Company develops a custom chip and (b) NRE contracts in which the Company accelerates development of a new chip upon the customer's request. The majority of the Company's NRE contract revenues meet the over time criteria. As such, revenue is recognized over the development period with the measure of progress using the input method based on costs incurred to total cost as the services are provided. For NRE contracts that do not meet the over time criteria, revenue is recognized at a point in time when the NRE services are complete.

Material rights

Contracts with customers may also include material rights that are also performance obligations. These include the right to renew or receive products or services at a discounted price in the future. Revenue allocated to material rights is recognized when the customer exercises the right or the right expires.

Arrangements with Multiple Performance Obligations

The Company's contracts may contain more than one of the products and services listed above, each of which is separately accounted for as a distinct performance obligation.

Allocation of consideration

The Company allocates total contract consideration to each distinct performance obligation in a bundled arrangement on a relative standalone selling price basis. The standalone selling price reflects the price the Company charges for a specific product or service if it were sold separately in similar circumstances and to similar customers.

Standalone selling price. When available, the Company uses directly observable transactions to determine the standalone selling prices for performance obligations. When directly observable transactions are not available, the Company's estimates of standalone selling price for each performance obligation require judgment that considers multiple factors, including, but not limited to, reasonably available data points such as costs incurred to provide the good or service, market conditions, entity-specific factors such as pricing strategies and objectives, and information about the customer.

The Company separately determines the standalone selling prices by product or service type. Additionally, the Company segments the standalone selling prices for products where the pricing strategies differ, and where there are differences in customers and circumstances that warrant segmentation.

The Company also estimates the standalone selling price of its material rights. The Company estimates the value of the customer's option to purchase or receive additional products or services at a discounted price by estimating the incremental discount the customer would obtain when exercising the option and the likelihood that the option would be exercised.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(d) Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in US Dollar (\$), which is also the Company's functional currency on the basis that the cost of providing goods is primarily the intercompany fees which are denominated in US dollar. The US dollar's competitive forces influence sales prices.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

(e) Interest income/(expense)

Interest income/(expense) is recognised using the effective interest rate method. In calculating interest income/(expense), the effective interest rate is applied to the gross carrying amount of the asset, when the asset is not impaired or to the amortised cost of the liability for interest expense.

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

(g) Intangible assets

The Company's rights and licenses represent intellectual property rights acquired from group companies. Intangible assets acquired from group companies under common control are measured on initial recognition at fair value, based on accounting policy choice. Where there is a difference between the fair value of assets transferred and the consideration paid, the Company recognises any difference between fair value and agreed consideration as a contribution to or a distribution of equity. Following initial recognition, these intangible assets are carried at the amount initially recognised less any accumulated amortisation and accumulated impairment losses.

Other intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, these intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit and loss account in the expense category that is consistent with the function of the intangible assets.

The Company's policy is to review the remaining economic lives and residual values of intangible assets on an ongoing basis and to adjust the amortisation charge to reflect the remaining estimated life and residual value.

Fully amortised assets are retained in cost and the related accumulated amortisation until they are removed from service. In the case of disposals, assets and related amortisation are removed from the financial statements and the net amount, less proceeds from disposal, is charged or credited to the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(g) Intangible assets - continued

Amortisation

Amortisation is provided on a straight-line basis, so as to write off their cost less residual amounts over their estimated economic lives from the date the asset is available for use. The estimated economic lives assigned to intangible assets are as follows:

| | Years |
|---------------------|--------------|
| Software | 2 – 5 |
| Rights and licenses | 5 – 30 |

Internally developed software

Costs incurred in the research of new software products are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Intention to complete and ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Projects less than \$3m are expensed as incurred.

Technical feasibility is defined as the earlier of the completion of a detailed programme design or a working model. Such costs include salaries and benefits, including share-based compensation, consultants, facilities-related costs, equipment costs and depreciation.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

(h) Tangible assets

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses thereon. Property, plant and equipment comprise mainly computer equipment and software, furniture and fittings and leasehold improvements.

Depreciation is provided on property, plant and equipment (excluding land), on a straight-line basis, so as to write off their cost less residual amounts over their estimated economic lives from the date the asset is available for use. The estimated economic lives assigned to property, plant and equipment are as follows:

| Years | |
|---------------------------|------------------------------------|
| Leasehold Improvements | Lease term, not to exceed 20 years |
| Furniture and fixtures | 7 |
| Computer/office equipment | 3 – 6 |

The Company's policy is to review the remaining economic lives and residual values of property, plant and equipment on an ongoing basis and to adjust the depreciation charge to reflect the remaining estimated life and residual value.

Fully depreciated property, plant and equipment are retained in the cost of property, plant and equipment and related accumulated depreciation until they are removed from service. In the case of disposals, assets and related depreciation are removed from the financial statements and the net amount, less proceeds from disposal, is charged or credited to the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(h) Tangible assets - continued

Assets in the course of construction

Assets in the course of construction represent the cost of purchasing, constructing and installing property, plant and equipment ahead of their own productive use. No depreciation is charged on assets in the course of construction. Construction in progress assets comprise of expenses incurred to date for work-in-progress on capital projects. All capital projects which require a year of time for completion are categorised as construction in progress.

(i) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or companies of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in the profit and loss account in expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indications exist, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit and loss account.

(j) Investment in subsidiaries

Investment in subsidiary undertakings is stated in the Company's balance sheet as financial assets at cost less provision for any impairment in their value.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

(l) Provisions

A provision is recognised when, and only when (a) the Company has a present obligation (legal or constructive) as a result of a past event, (b) it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(m) Taxation

The Company is managed and controlled in the Republic of Ireland and, consequently, is tax resident in the Republic of Ireland.

Current tax is calculated on the profits of the period. Current tax is determined using tax rates (and laws) that have been enacted at the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(n) Called-up share capital presented as equity

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

(o) Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period. Interim dividends are recognised in the financial period they are authorised.

(p) Financial instruments

(i) *Financial assets at amortised cost:*

The Company classifies its financial assets as at amortised cost.

Subsequent to initial recognition these are measured at amortised cost using the effective interest method. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other (expenses)/income together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the profit or loss under 'net impairment losses on financial and contract assets.'

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(ii) *Financial liabilities*

Basic financial liabilities, including trade and other payables, bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(q) Trade and other receivables

Trade and other receivables are amounts due from customers for products sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at fair value which is normally the original invoiced amount and subsequently measured at amortised cost using the effective interest rate method less any provision for impairment, in accordance with the Company's held to collect business model. A provision for impairment of trade and other receivables is recognised using the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the lifetime expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and aging category and measured based on historical loss rates adjusted by forward looking estimates and individual assessment.

(r) Contingent liabilities and contingent assets

A contingent liability, including contingent liabilities in respect of financial guarantee contracts, is a possible obligation that arises from past events and the existence of which will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognised because: (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (ii) the amount of the obligation cannot be measured with sufficient reliability. A contingent liability is not recognised but is disclosed in the notes to the financial statements.

A contingent asset is a possible asset that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Company. Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain an asset is recognised.

(s) Employee benefits

Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the year in which the service is received.

Annual bonus plan

The Company operates an annual bonus plan for employees. An expense is recognised in the profit and loss account when the Company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

Post-employment benefit plans

The Company provides post-employment benefits through various defined contribution plans.

Defined contribution plans

The Company operates a post-employment scheme, in the form of a defined contribution pension plan. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years. For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(t) Share-based payments

The Company recognises compensation expense for time-based restricted stock units (“RSUs”) using the straight-line amortization method based on the fair value of RSUs on the date of grant. The fair value of RSUs is the closing market price of Broadcom common stock on the date of grant, reduced by the present value of dividends expected to be paid on Broadcom common stock prior to vesting.

Certain equity awards include both service and market conditions. The fair value of market-based awards is estimated on the date of grant using the Monte Carlo simulation technique. Compensation expense for market-based awards is amortized based upon a graded vesting method over the service period.

The Company estimates forfeitures expected to occur and recognise stock-based compensation expense for such awards expected to vest. The Company will recognise additional expense if actual forfeitures are lower than estimated and will recognize a benefit if actual forfeitures are higher than estimated. Changes in the estimated forfeiture rates can have a significant effect on stock-based compensation expense since the effect of adjusting the rate is recognized in the period the forfeiture estimate is changed.

Stock Split

On 12 July 2024, Broadcom completed a ten-for-one forward stock split of common stock, proportionately increasing the number of shares of authorized common stock from 2.9 billion to 29 billion without changing the par value of \$0.001 per share. All share, equity award and per share amounts and related stockholders’ equity balances presented herein have been retroactively adjusted, where applicable, to reflect the stock split.

2007 Equity and Incentive Plan

In connection with the VMware Merger, Broadcom assumed the VMware, Inc. Amended and Restated 2007 Equity and Incentive Plan (the “2007 Plan”) and outstanding unvested RSU awards originally granted by VMware under the 2007 Plan that were held by continuing employees. These assumed awards were converted into RSU awards and will vest in accordance with their original terms, generally over four years. Under the 2007 Plan, Broadcom may grant stock options and stock appreciation rights with an exercise price that is no less than the fair market value on the date of grant, restricted stock, RSUs, and other stock-based or cash-based awards to employees. Equity awards granted under the 2007 Plan following the VMware Merger are expected to be on similar terms and consistent with similar grants made pursuant to our Broadcom Inc. 2012 Stock Incentive Plan. Awards cancelled or forfeited, and shares withheld to satisfy tax withholding obligations become available for future issuance.

(u) Leases

The Company leases various offices. Rental contracts are typically made for fixed periods of 12 months to 12 years but may have extension options.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee and for which it has major leases, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(u) Leases – continued

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Company under residual value guarantees;
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss as interest expense over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised an expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

(v) Deferred commission/asset recognised for costs incurred to fulfil a contract

Direct sales commissions, including the employer portion of related payroll taxes, earned by the Company's sales force are considered incremental and recoverable costs of obtaining a contract, and are deferred and generally amortized on a straight-line basis over the expected period of benefit. The expected period of benefit is determined using the contract term or underlying technology life, if renewals are expected and the renewal commissions are not commensurate with the initial commissions. The determination of the expected period of benefit requires critical estimates and assumptions, including the life of the underlying technology and the estimated period of contract renewal. Differences in the estimated period of benefit could have a significant impact on the timing and amount of amortisation expense recognised.

NOTES TO THE FINANCIAL STATEMENTS - continued**4 Critical accounting judgements and estimation uncertainty**

Estimates and judgements made in the process of preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The directors make estimates and assumptions concerning the future in the process of preparing the financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Deferred commission

Sales commissions, including the employer portion of payroll taxes, earned by our sales force are considered incremental and recoverable costs of obtaining a contract, and are deferred and generally amortised on a straight-line basis over the expected period of benefit. The expected period of benefit is determined using the contract term or underlying technology life. If renewals are expected and the renewal commissions are not commensurate with the initial commissions, the determination of the expected period of benefit requires us to make significant estimates and assumptions, including the life of the underlying technology and the estimated period of contract renewal. Management considers the assumptions and estimates made to be reasonable. Differences in the estimated period of benefit could have a significant impact on the timing and amount of amortisation expense recognised. Refer to note 13 where this is recorded in 'assets recognised for costs incurred to fulfil a contact'.

(b) Recoverability of deferred tax asset

The directors have recognised a deferred tax asset amounting to \$2.4m (2 February 2024: \$1,144.7m). The majority of this relates to capital allowances related to the tangible assets which have not been utilised against current year or prior year taxable profits. The directors are satisfied that this will be utilised in the coming years against future tax profits. The directors intend to re-evaluate this estimate on an annual basis. Refer to note 13.

Critical judgements in applying the Company's accounting policies

The following judgements, apart from those involving estimates, made by the directors has had significant effect on the amounts recognised in the entity financial statements:

Turnover and revenue recognition

Revenue is recognised upon transfer of control of licenses, subscriptions or services to the customer in an amount that reflects the consideration the Company expects to receive in exchange for those licenses, services or subscriptions. The Company's contracts with customers may include a combination of licenses, subscriptions and services that are accounted for as distinct performance obligations. Management assesses relevant contractual terms in contracts with customers and applies judgement in identifying and accounting for all terms and conditions in certain contracts. See note 3(c) for revenue recognition accounting policies.

Effective May 2024

The Company accounts for a contract with a customer when both parties have approved the contract and are committed to perform their respective obligations, each party's rights can be identified, payment terms can be identified, the contract has commercial substance, and it is probable the Company will collect substantially all of the consideration it is entitled to. Revenue is recognised when, or as, performance obligations are satisfied by transferring control of a promised product or service to a customer. The Company's products and services can be broadly categorized as sales of products and subscriptions and services.

NOTES TO THE FINANCIAL STATEMENTS - continued

4 Critical accounting judgements and estimation uncertainty – continued

Critical judgements in applying the Company's accounting policies – continued

Turnover and revenue recognition – continued

The Company recognises products revenue from sales to direct customers and distributors when control transfers to the customer. An allowance for distributor credits covering price adjustments is made based on estimation of historical experience rates as well as considering economic conditions and contractual terms. To date, actual distributor claims activity has been materially consistent with the provisions the Company has made based on its historical estimates. However, because of the inherent nature of estimates, there is always a risk that there could be significant differences between actual amounts and the Company's estimates. Different judgments or estimates could result in variances that might be significant to reported operating results. The Company also records reductions of revenue for rebates in the same period that the related revenue is recorded. The Company accrues 100% of potential rebates at the time of sale. The Company reverses the accrual of unclaimed rebate amounts as specific rebate programs contractually end and when the Company believes unclaimed rebates are no longer subject to payment and will not be paid. Thus, the reversal of unclaimed rebates may have a positive impact on the Company's net revenue and net income in subsequent periods.

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Turnover

The Company is engaged in the marketing and sale of software products and solutions in all international jurisdictions outside of the United States and Brazil.

The Company's turnover by class of business all relates to the sale of services.

An analysis of sales by region is as follows:

| | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|--------------------------------|---|--|
| Region | | |
| Europe, Middle East and Africa | 3,285,924 | 4,001,814 |
| Asia Pacific | 1,279,163 | 1,650,052 |
| Latin America | 294,012 | 390,596 |
| Canada | 336,054 | 397,733 |
| | <u>5,195,153</u> | <u>6,440,195</u> |

(i) *Assets and liabilities related to contracts with customers*

The Company has recognised the following liabilities related to contracts with customers:

| | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|--|---|--|
| Contract assets (note 13) | 871,978 | 195,766 |
| Contract liabilities (notes 14 and 15) | <u>6,624,760</u> | <u>6,466,658</u> |

(a) *Significant changes in contract assets and liabilities:*

Changes in our contract assets and contract liabilities primarily result from the timing difference between our performance and the customer's payment.

(b) *Revenue recognised in relation to contract liabilities*

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

| | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|----------|---|--|
| Services | <u>2,868,037</u> | <u>3,547,327</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Turnover - continued

| <i>(ii) Assets recognised from costs incurred to fulfil a contract</i> | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|--|--|---|
| Asset recognised from costs to obtain a contract – gross | 955,051 | 955,816 |
| Amortisation recognised as cost of providing services during the period/year | <u>(524,586)</u> | <u>(328,785)</u> |
| Asset recognised from costs to obtain a contract – net (note 13) | <u>430,465</u> | <u>627,031</u> |

6 Operating loss

| | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|--|--|---|
| Operating loss has been arrived at after charging/(crediting): | | |
| Employee costs: | | |
| Wages and salaries | 49,251 | 107,925 |
| Restructuring | 67,502 | 3,533 |
| Social insurance costs | 3,829 | 16,407 |
| Pension costs (note 19) | 6,096 | 5,035 |
| Other employees costs | 3,001 | 41,145 |
| Share-based payment expense (note 17) | <u>38,275</u> | <u>19,438</u> |
| Employee costs recognised in the profit and loss account | <u>167,954</u> | <u>193,483</u> |

Additionally, no employee costs (2 February 2024: \$35.3m) were capitalised into software in development (note 10).

NOTES TO THE FINANCIAL STATEMENTS - continued

| 6 Operating loss - continued | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|---|--|---|
| Depreciation of tangible assets (note 11) | 748 | 1,937 |
| Depreciation of right-of-use asset (note 16) | 5,233 | 5,171 |
| Amortisation of intangible assets – rights and licenses (note 10) | 350,769 | 1,403,003 |
| Amortisation of intangible assets – software (note 10) | 4,311 | 15,224 |
| Corporate costs allocation | 18,850 | 822,633 |
| Tangible assets written-off (note 11) | 1,927 | 173 |
| Intangible assets written-off (note 10) | 35,673 | 35,116 |
| Foreign exchange gains | <u>(123,686)</u> | <u>(11,436)</u> |

Auditors' remuneration

Remuneration (including expenses) for the statutory audit and other services carried out by the Company's auditors is as follows:

| | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|--|--|---|
| Audit of financial statements of the Company | 389 | 442 |
| Other assurance services | 11 | 19 |
| Tax compliance and advisory services | 764 | 1,600 |
| Total fee for the Company | <u>1,164</u> | <u>2,061</u> |

Employees benefits expense

The average monthly number of persons (including executive directors) employed by the Company during the period was:

| | For the nine-month period ended 3 November 2024 Number | For the year ended 2 February 2024 Number |
|----------------------------|--|---|
| By activity | | |
| Selling and distribution | 319 | 608 |
| Finance and administration | 189 | 265 |
| Research and development | 118 | 183 |
| | <u>626</u> | <u>1,056</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Operating loss – continued

Directors and key management personnel

Key management are deemed to include the directors of the Company.

| | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|--|---|--|
| The directors' emoluments were as follows: | | |
| - Aggregate emoluments | 1,389 | 1,939 |
| - Contributions to defined contribution scheme | 19 | 69 |

The remuneration of two directors in office at the period end was paid by the parent company. These director's services to the Company and to a number of fellow subsidiaries are of a non-executive nature and their remuneration is deemed to be wholly attributable to their services to the parent company. Accordingly, the above details include no remuneration in respect of these individuals.

Other income

| | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|---------------------------------------|---|--|
| Other income comprises of as follows: | | |
| Gain on disposal of intangible assets | 3,329,100 | - |
| Gain on disposal of tangible assets | 2,278 | - |
| Loss on disposal of subsidiaries | (1,842) | - |

7 Finance income

| | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|--|---|--|
| Interest receivable on bank deposits | 26 | 73,830 |
| Interest receivable on intercompany deposits | 54,942 | - |
| | 54,968 | 73,830 |

8 Finance expense

| | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|---|---|--|
| Interest expense on loans and similar costs | 339,776 | 1,359,171 |

Interest expense of the Company primarily relates to intercompany loan notes (note 15). This amounted to \$337.7m (year ended 2 February 2024: \$1,356.4m).

NOTES TO THE FINANCIAL STATEMENTS - continued

| 9 Tax (expense)/credit on profit/(loss) | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|---|--|---|
| (a) Tax expense/(credit) included in profit and loss account | | |
| Current tax charge | | |
| Irish corporation tax on loss for the financial period/year | 51,272 | 32,001 |
| Under provision in respect of prior years | 22 | - |
| Foreign tax - Irrecoverable withholding tax | 31,491 | 92,469 |
| | <u>82,785</u> | <u>124,470</u> |
| Deferred tax charge/(credit) | | |
| Origination and reversal of temporary differences (note 13) | 1,142,253 | (362,986) |
| Total tax expense/(credit) for the period/year | <u>1,225,038</u> | <u>(238,516)</u> |
| (b) Reconciliation of effective tax rate | | |

The tax expense/(credit) on the Company's profit/(loss) before tax differs (2 February 2024: differs) from the theoretical amount that would arise using the standard rate of tax in the Republic of Ireland applicable to the profit/(loss) of the Company as follows:

| | For the nine-month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|--|--|---|
| Profit/(Loss) before tax | <u>3,215,289</u> | <u>(2,092,727)</u> |
| Income tax at the standard rate of Irish corporation tax (12.5%) | 401,911 | (261,591) |
| <i>Effects of:</i> | | |
| Foreign tax - Irrecoverable withholding tax | 31,491 | 92,469 |
| Under provision in respect of prior years | 22 | - |
| Foreign tax deduction | (1,998) | (14,453) |
| Non-deductible interest expenses | 42,211 | (64,343) |
| Double and R&D taxation relief | (84) | (2,793) |
| Income tax at higher rate | 8,031 | 8,393 |
| Intercompany dividend income | (12) | 1,029 |
| Derecognition of previously recognised deferred tax assets | 736,319 | - |
| Other items (including non-deductible expenditure) | 7,147 | 2,773 |
| Total tax expense/(credit) for the period/year | <u>1,225,038</u> | <u>(238,516)</u> |

The Irish Pillar Two legislation was enacted in December 2023 and effective from 31 December 2023. Broadcom Inc., as a large Multinational Enterprise ("MNE") falls into the scope of the Irish Pillar Two legislation with effect from the financial year commencing on 4 November 2024. Broadcom Inc. has performed an initial assessment of potential exposure to Pillar Two income taxes with respect to Ireland. Based on this assessment, it does not currently expect the enactment of this legislation to have a significant impact on the Company's financial statements

NOTES TO THE FINANCIAL STATEMENTS - continued

| 10 Intangible assets | Rights and licenses US\$'000 | Software US\$'000 | Total US\$'000 |
|--------------------------------------|------------------------------------|----------------------|-------------------|
| Cost | | | |
| At 2 February 2024 | 40,757,330 | 102,155 | 40,859,485 |
| Disposals | (40,757,330) | (51,879) | (40,809,209) |
| Written-off | - | (50,276) | (50,276) |
| At 3 November 2024 | <u>-</u> | <u>-</u> | <u>-</u> |
| Accumulated amortisation | | | |
| At 2 February 2024 | 6,473,235 | 29,677 | 6,502,912 |
| Charge for the financial period/year | 350,769 | 4,311 | 355,080 |
| Disposals | (6,824,004) | (19,385) | (6,843,389) |
| Written-off | - | (14,603) | (14,603) |
| At 3 November 2024 | <u>-</u> | <u>-</u> | <u>-</u> |
| Net book amount | | | |
| At 3 November 2024 | <u>-</u> | <u>-</u> | <u>-</u> |
| At 2 February 2024 | <u>34,284,095</u> | <u>72,478</u> | <u>34,356,573</u> |

Rights and licenses primarily related to certain intellectual property ("IP") rights to produce and distribute certain software products and services for all international jurisdictions outside of the United States.

These assets had a definite useful life of 5-30 years and were amortised on a straight-line over this period.

Amortisation for rights and licenses is recorded in cost of sales while the amortisation of software is recorded in operating expenses in the profit and loss account.

The intellectual property rights and patents as well as software with a net book value of \$34bn were sold during the period for \$37.3bn, resulting in a gain of \$3.3bn.

During the period, software with a net book value of \$35.7m (year ended 2 February 2024: nil) was written off by the Company due to no longer being in-use, resulting in a loss of \$35.7m.

NOTES TO THE FINANCIAL STATEMENTS - continued

| 11 Tangible assets | Leasehold improvements | Computer equipment | Furniture and fittings | Construction in progress | Total |
|------------------------------------|---------------------------|-----------------------|------------------------------|--------------------------------|--------------|
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Cost | | | | | |
| At 2 February 2024 | 10,177 | 18,709 | 3,220 | 29 | 32,135 |
| Disposals | (4,974) | (4,638) | (1,913) | - | (11,525) |
| Written off | (2,009) | (12,838) | (314) | (29) | (15,190) |
| At 3 November 2024 | <u>3,194</u> | <u>1,233</u> | <u>993</u> | <u>-</u> | <u>5,420</u> |
| Accumulated depreciation | | | | | |
| At 2 February 2024 | 7,022 | 16,109 | 2,230 | - | 25,361 |
| Charge for the financial period | 319 | 320 | 109 | - | 748 |
| Disposals | (3,849) | (4,113) | (1,437) | - | (9,399) |
| Written off | (1,311) | (11,643) | (309) | - | (13,263) |
| At 3 November 2024 | <u>2,181</u> | <u>673</u> | <u>593</u> | <u>-</u> | <u>3,447</u> |
| Net book amount | | | | | |
| At 3 November 2024 | <u>1,013</u> | <u>560</u> | <u>400</u> | <u>-</u> | <u>1,973</u> |
| At 2 February 2024 | <u>3,155</u> | <u>2,600</u> | <u>990</u> | <u>29</u> | <u>6,774</u> |

During the period, tangible assets with a net book value of \$1.9m (year ended 2 February 2024: \$0.17m) were written off by the Company due to no longer being in use.

During the period, tangible assets with a net book value of \$2.1m (year ended 2 February 2024: nil) were disposed of for \$4.4m, resulting in a gain of \$2.3m.

| 12 Investment in subsidiaries | US\$'000 |
|---|----------------|
| Cost | |
| At 2 February 2024 | 167,756 |
| Additions | 110,507 |
| Disinvestment | (21) |
| Disposals | (110,507) |
| At 3 November 2024 | <u>167,735</u> |
| Provision for impairment | |
| At 2 February 2024 and at 3 November 2024 | <u>(4,229)</u> |
| Net book amount | |
| At 2 February 2024 | <u>163,527</u> |
| At 3 November 2024 | <u>163,506</u> |

Additions in the period relate to capital contributions to new subsidiaries Omnissa (Australia) Pty Ltd, Omnissa (Canada) ULC, Omnissa (Germany) GmbH, Omnissa (Netherlands) B.V., Omnissa (UK) Limited, Omnissa (Japan) K.K., Omnissa (Bulgaria) LLC, Omnissa (France) SAS, Omnissa (Italy) S.r.l., Omnissa (Iberia) S.L.U., and AirWatch Softsync Solutions Private Limited. These investments were all subsequently disposed of during the financial period at a loss of \$1.8m.

NOTES TO THE FINANCIAL STATEMENTS - continued
12 Investment in subsidiaries – continued

The directors are satisfied that the investment in subsidiary undertakings is worth at least the amount at which it is stated. The subsidiary companies are involved in marketing and development activities.

Interest in group undertakings:

| Name of company | Registered office | Description of shares held | Proportion of nominal value |
|---|---|-----------------------------------|------------------------------------|
| VMware Australia Pty Ltd | L8, 175 Pitt Street Sydney NSW 2000, Australia | Ordinary shares | 100% |
| VMware Bulgaria EOOD | Garitage Park #2 ul., Donka Ushlinova 2, Sofia, 1766, Bulgaria | Ordinary shares | 100% |
| VMware Denmark ApS | Lyngby Hovedgade 10C 2800 Kongens Lyngby Denmark | Ordinary shares | 100% |
| VMware Italy S.r.l. | Piazza della Repubblica 32, 20124, Milano, Italy | Ordinary shares | 100% |
| VMware UK Limited | c/o Boyes Turner LLP, Fourth Floor, Abbots House, Abbey Street, Reading, Berkshire, RG1 3BD, United Kingdom | Ordinary shares | 100% |
| VMware, K.K. | Tamachi Station Tower N 18Fl., 1-1, Shibaura 3-chome, Minato-ku, Tokyo, 108-0023, Japan | Ordinary shares | 100% |
| VMware Singapore Pte Ltd | 1 Yishun Avenue 7, Singapore 768923 | Ordinary shares | 100% |
| VMware Sweden AB | Convendum Stockholm City AB, Gävlegatan 16, 113 30, Stockholm, Sweden | Ordinary shares | 100% |
| VMware Switzerland GmbH | Office LAB AG, Baslerstrasse 60, 8048, Zurich, Switzerland | Ordinary shares | 100% |
| VMware Malaysia SDN. BHD. | c/o ZICO Corporate Services Sdn. Bhd. Level 13A-6, Menara Millennium Jalan Damanlela Pusat Bandar Damansara 50490 Kuala Lumpur | Ordinary shares | 1% |
| Taiwan VMware Information Technology LLC | 6F.-1, No. 399, Ruiguang Rd., Neihu Dist., Taipei City 114675, Taiwan (R.O.C.) | Ordinary shares | 100% |
| VMware Turkey Software Solutions and Services Company Limited | Maslak Mah. Eski Büyükdere Cad. Orjin Maslak İş Merkezi Sitesi, No: 27 İç Kapı No: 31 Sarıyer/ İstanbul | Ordinary shares | 100% |
| VMware (Thailand) Co. Ltd. | No. 999 Gaysorn Plaza, 5th Floor, Unit 5B-1, Ploenchit Rd., Lumpini, Patumwan, Bangkok | Ordinary shares | 99.88% |

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Investment in subsidiaries – continued

| Name of company | Registered office | Description of shares held | Proportion of nominal value |
|----------------------------------|--|----------------------------|-----------------------------|
| VMware NZ Company | C/O Buddle Findlay Level 18, HSBC Tower 188 Quay Street Auckland, 1010, New Zealand | Ordinary shares | 100% |
| VMware Trading Company Limited* | Olaya Towers Building, 3074 Prince Muhammed Ibn Abdulaziz Road – Al Ulaya, Unit No 110, Riyadh, 12213-8022, Saudi Arabia | Ordinary shares | 99% |
| VMware Belgium BVBA | Battelsesteenweg 455 B, Businesspark E19 Building B, Floor 1 & 2, 2800 Mechelen | Ordinary shares | 99.99% |
| VMware Mexico S. de R.L. de C.V. | Avenida Paseo de la Reforma Torre A 250, Int Piso 9 Juarez Cuahtemoc, Ciudad de Mexico, 06600, Mexico | Ordinary shares | 99% |
| VMware South Africa (Pty) Ltd | 9 Kinross Street, Germiston South, 1401 South Africa | Ordinary shares | 100% |
| VMware Rus LLC | 125047 Russia, Moscow, Butyrsky Val, bld. 10, 06-122. | Ordinary shares | 99% |
| VMware Poland sp. Z.o.o | Grójecka 208/II P., 02-390 Warsaw, Poland. | Ordinary shares | 100% |
| VMware Argentina S.R.L | Calle Tucumán, 1 - Piso 3 - Ciudad Autónoma de Buenos Aires, Argentina | Ordinary shares | 95% |
| VMware Colombia SAS | Carrera 7 #71-52 TO B P, Bogota, D.C., Colombia | Ordinary shares | 100% |
| V M Ware Egypt | Office No. M012, located in Plot 133, Raya Building, 70th Street, Banks Complex, Fifth Settlement, New Cairo, Cairo, Egypt | Ordinary shares | 99% |
| VMware Chile SpA | Apoquindo 2930, Of 801 PS 8, Comuna Las Condes Santiago, Chile Region Metropolitana | Ordinary shares | 100% |
| VMware International Spain, S.L. | Luxa, Glories 86, Carrer de Tànger, 08018 Barcelona, Spain | Ordinary shares | 100% |

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Investment in subsidiaries – continued

| Name of company | Registered office | Description of shares held | Proportion of nominal value |
|--|---|----------------------------|-----------------------------|
| VMware Norway AS | Regus Centre 3690 Lysaker Lysaker Torg 5 Lysaker, Oslo 1366, Norway | Ordinary shares | 100% |
| VMware QFC LLC | 8th Floor, Unit 815-818, Unit 827-829, The Gate Tower 2, Doha, Qatar | Ordinary shares | 100% |
| VMware Software India Private Limited | Kalyani Magnum, Tower 1, 3rd Floor No165/2, Doraisanipalya, IIM Post Bannerghatta Road Bangalore Karnakata-KS 560076, India | Ordinary shares | 89.74% |
| PT VMware Software Indonesia | Menara Astra, Level 37, Jl. Jenderal Sudirman No. Kav. 5-6, Kelurahan Karet Tengsin, Kecamatan Tanah Abang, Kota Jakarta Pusat, DKI Jakarta 10220, Indonesia | Ordinary shares | 99% |
| VMware Philippines Inc. | 2207-2208 Cityland Condominium Tower 1, 6815 Ayala Avenue Cor. H.V. dela Costa Ext., Makati City, Philippines 1200 | Ordinary shares | 99.96% |
| VMware Canada ULC | Dentons Canada LLP 250 Howe Street 20th Floor Vancouver, British Columbia V6C 3R8 Canada | Ordinary shares | 100% |
| Pivotal Software Deutschland GmbH | Warth & Klein Grant Thornton AG, Wirtschaftsprüfungsgesellschaft Johannstrasse 3940476 Düsseldorf, Germany | Ordinary shares | 100% |
| GoPivotal Singapore Pte. Limited | 8 Marina Boulevard #05-02 Marina Bay Financial Centre Singapore 018981 | Ordinary shares | 100% |
| Pivotal Technology (Beijing) Co., Ltd. | Room 1202-1205 12th Floor, Building #1, No. 2 Kexueyuan South Road Beijing China | Ordinary shares | 100% |
| GoPivotal (UK) Limited* | Dell EMC Tower Great West Road Middlesex Brentford TW8 9AN United Kingdom | Ordinary shares | 100% |

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Investment in subsidiaries – continued

| Name of company | Registered office | Description of shares held | Proportion of nominal value |
|---|--|----------------------------|-----------------------------|
| Pivotal Labs Sydney Pty Ltd* | Level 11, 155 Clarence Street Sydney NSW 2000 Australia | Ordinary shares | 80% |
| VMware Vietnam Limited Liability Company | 6th and 7th Level, Friendship Tower, No. 31 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, 700000, Vietnam. | Ordinary shares | 100% |
| VMware Pembroke Heights Designated Activity Company | 70 Sir John Rogerson's Quay Dublin 2, Ireland | Ordinary shares | 100% |
| VMware Nigeria Limited | Mulliner Towers, 2nd floor, 39 Alfred Rewane Road, Lagos, Nigeria | Ordinary shares | 100% |

* Indirect subsidiaries as of 3 November 2024

The Company received dividend income during the period of \$0.1m (year ended 2 February 2024: \$7.2m) which was recorded in the profit and loss account.

The Company disposed of subsidiaries with a carrying value of \$110.5m for a consideration of \$108.7m, resulting in a loss on disposal of \$1.8m recognised in the profit and loss account.

| 13 Trade and other receivables | 3 November 2024 US\$'000 | 2 February 2024 US\$'000 |
|---|-----------------------------|-----------------------------|
| Amounts due within one year: | | |
| Trade debtors | 782,557 | 749,076 |
| Prepayments and other receivables | 54,846 | 137,272 |
| Contract assets | 402,029 | 195,766 |
| Assets recognised for costs incurred to fulfil a contract | 446 | 2,484 |
| Amounts due from parent and fellow group undertakings | 199,516 | 1,713,429 |
| Corporation tax receivable | 12,184 | 25,675 |
| | <u>1,451,578</u> | <u>2,823,702</u> |
| Amounts due after more than one year: | | |
| Assets recognised for costs incurred to fulfil a contract | 430,019 | 624,547 |
| Other assets | 20,971 | 458 |
| Contract assets | 469,949 | - |
| Deferred tax asset (see below) | 2,397 | 1,144,650 |
| | <u>2,374,914</u> | <u>4,593,357</u> |

Trade debtors are disclosed net of provisions of \$0.4m (2 February 2024: \$23.8m). Trade debtors have a remaining term of less than one year.

Prepayments and other receivables mainly consist of prepaid insurance and marketing receivables.

NOTES TO THE FINANCIAL STATEMENTS - continued

13 Trade and other receivables – continued

Included in amounts due from parent and fellow group undertakings, there is an intercompany receivable due from CA, Inc. pertaining to cash pooling arrangement amounted to \$187.4m (2 February 2024: due to from VMware Pembroke Heights Designated Activity Company (“VPH”) amounted to \$1,698.6m). The Company had a cash pooling arrangement in place with VPH. Effective from 3 May 2024, VPH terminated the master cash pooling agreement of which the Company was a member. On 6 May 2024, the Company joined the cash pooling co-ordinated by CA, Inc.. Following that transaction, the Company will generate interest income from CA, Inc.. Net interest income for Company on the cash pooling arrangement amounted to \$54.9m (year-ended 2 February 2024: Net interest income of \$72.8m) (note 7)

The interest rates applied (being the effective benchmark used including the applicable spread) in nine-month period ended 3 November 2024 and year ended 2 February 2024 were as follows:

| Year | Currency | Benchmark | Spread |
|-----------------|----------|---|-----------------|
| 3 November 2024 | USD | Effective 6 May 2024: 1-month TSOFR plus an arm's length spread | 5.427% – 5.571% |
| 2 February 2024 | USD | SOFR (USD 1-Month SOFR) | 0.120% |

Other amounts due from fellow subsidiary undertakings are non-interest bearing, unsecured, have no fixed date of repayment and are repayable on demand.

The fair value of debtors approximates their carrying amounts.

| | 3 November 2024 US\$'000 | 2 February 2024 US\$'000 |
|---|--------------------------------|--------------------------------|
| An analysis of the deferred tax asset of the Company is as follows: | | |
| Excess amortisation over capital allowances | 1,121 | 807,268 |
| Interest deductions timing differences | - | 338,537 |
| Other timing differences | 1,276 | (1,155) |
| Total deferred tax asset | <u>2,397</u> | <u>1,144,650</u> |

The movement during the year in the deferred tax asset was as follows:

| | 3 November 2024 US\$'000 | 2 February 2024 US\$'000 |
|--|--------------------------------|--------------------------------|
| At beginning of year | 1,144,650 | 781,664 |
| Deferred tax (charge)/credit in profit and loss (note 9) | (1,142,253) | 362,986 |
| At end of year | <u>2,397</u> | <u>1,144,650</u> |

14 Creditors: amounts falling due within one year

| | 3 November 2024 US\$'000 | 2 February 2024 US\$'000 |
|---|--------------------------------|--------------------------------|
| Trade creditors | 28,328 | 23,319 |
| Other creditors and accruals | 163,509 | 706,625 |
| Amounts due to parent and fellow group undertakings | 333,063 | 1,579,454 |
| Tax and social insurance payable (see below) | 14,938 | 9,284 |
| Lease liability (note 16) | 6,757 | 9,473 |
| Contract liabilities | <u>3,810,993</u> | <u>3,938,669</u> |
| | <u>4,357,588</u> | <u>6,266,824</u> |
| Tax and social insurance payable is comprised of: | | |
| Value added tax | 5,910 | - |
| PAYE and social insurance | <u>9,028</u> | <u>9,284</u> |
| | <u>14,938</u> | <u>9,284</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued

14 Creditors: amounts falling due within one year – continued

Trade creditors, other creditors and accruals are payable at various dates in the immediate months after the period/year end in accordance with the suppliers' usual and customary credit terms. Creditors for tax and social insurance are payable in the timeframe set down in the relevant legislation.

Amounts due to fellow subsidiary undertakings are non-interest bearing, unsecured, have no fixed date of repayment and are repayable on demand.

The fair value of amounts due to parent and fellow group undertakings approximates to their carrying amounts.

Contract liabilities balance of \$3,811m (2 February 2024: \$3,938.7m) contains balances related to fellow group undertakings of \$478.6m (2 February 2024: \$655.5m).

| 15 Creditors: amounts falling due after more than one year | 3 November 2024 US\$'000 | 2 February 2024 US\$'000 |
|---|--------------------------------|--------------------------------|
| Amounts due to parent and fellow group undertakings | - | 21,900,000 |
| Contract liabilities | 2,813,767 | 2,527,989 |
| Lease liability (note 16) | 8,560 | 14,185 |
| Other creditors and accruals | - | 530,893 |
| | <u>2,822,327</u> | <u>24,973,067</u> |

As at 2 February 2024, the amounts due to parent and fellow group undertakings due after more than one year comprised \$21,900m (undiscounted) of an unsecured, interest-bearing loan note at 6.1% per annum.

Interest bearing group loan

Interest on the interest-bearing loan note was calculated semi-annually on 30 April and 31 October of each year and payable within 30 days respectively following each of those dates. The original interest-bearing loan note of \$23,500.0m was listed in the Cayman Stock Exchange on 9 October 2019 and delisted on 10 May 2024.

The interest expense recognised on the interest-bearing loan note amounted to \$337.7m for the period (2 February 2024: \$1,356.4m) (note 8).

In May 2024, the loan was settled following the transfer of the non-EUC intellectual properties of the Company to VMware Technologies Holding Limited which merged into VMware Management Inc on 7 May 2024.

The Company's contract liabilities balance of \$2,813.8m (2 February 2024: \$2,528.0m) contains balances related to fellow group undertakings of \$280.6m (2 February 2024: \$487.8m).

NOTES TO THE FINANCIAL STATEMENTS - continued

16 Leases

The Company has lease contracts for offices used in the operations. The amount recognised in the financial statements in relation to the leases are as follows:

Right-of-use assets

The statement of financial position shows the following carrying amounts relating to right-of-use assets of the Company.

| | 3 November 2024 US\$'000 | 2 February 2024 US\$'000 |
|--------------------------------|--------------------------------|--------------------------------|
| Right-of-use assets | 17,096 | 34,923 |
| Less: accumulated depreciation | <u>(11,163)</u> | <u>(13,646)</u> |
| Net carrying amount | <u>5,933</u> | <u>21,277</u> |

Lease liabilities

Lease liabilities recognised by the Company are presented in the statement of financial position as follows:

| | 3 November 2024 US\$'000 | 2 February 2024 US\$'000 |
|--|--------------------------------|--------------------------------|
| Amounts falling due within one year | 6,757 | 9,473 |
| Amounts falling due after more than one year | <u>8,560</u> | <u>14,185</u> |
| Net carrying amount | <u>15,317</u> | <u>23,658</u> |

Amounts recognised in profit and loss account

| | For the nine- month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|---|--|--|
| Depreciation charge of right-of-use asset | 5,233 | 5,171 |
| Finance cost (included in 'operating expenses') | <u>453</u> | <u>813</u> |

17 Share-based payment reserve

Share-based incentive awards are provided to employees and directors under the terms of various equity incentive plans ("the Plans") issued by its ultimate parent company, Broadcom Inc. ("Broadcom"). The share-based compensation programs of the Company include restricted stock units ("RSUs"). The estimated fair value of RSUs is charged over the service period for each separately vesting period of the Plans.

The Company recognises compensation expenses relating to shared-based payments in the statement of comprehensive income. The market value of the shares at the date of grant is considered as employee compensation and is recognised over the vesting period with corresponding credit directly in equity as a capital contribution. These units vest to the employees on a quarterly basis across 4 years from date of grant.

The share-based payment charge for the period was \$38.3m (year-ended 2 February 2024: \$19.4m).

NOTES TO THE FINANCIAL STATEMENTS - continued

| 18 Share capital and reserves | Number of shares | US\$'000 |
|---|---------------------|--------------|
| Authorised | | |
| 1,000,000 ordinary shares of €1 each (€1 = US\$1.2833) | <u>1,000,000</u> | <u>1,283</u> |
| Allotted, called up and fully paid - presented as equity | | |
| At 3 February 2024: | | |
| 213,310 ordinary shares of €1 each (€1 = US\$1.2832) | <u>213,310</u> | <u>274</u> |
| Issued during the period | | |
| 1 ordinary shares of €1 each (€1 = US\$1.0767) | <u>1</u> | <u>-</u> |
| At 3 November 2024: | | |
| 213,311 ordinary shares of €1 each (€1 = US\$1.2845) | <u>213,311</u> | <u>274</u> |

The opening balance, closing balance and movements in each reserve are outlined in the statement of changes in equity. A description of each reserve within equity is outlined below:

Share premium

On 28 April 2021, the Company issued 92,520 ordinary shares with a par value of €1 (€1 = US\$1.2121) each to VTH in exchange of the capitalisation of non-interest bearing loan with VTH with a carrying value of \$3,818.2m as of that date. The difference between the share capital issued and the carrying value of the non-interest bearing loan at the date of share issuance of \$3,818.1m was recognised as share premium.

On 4 December 2020, following the merger of the Company with Pivotal Software International Limited on 1 April 2020, the interest-bearing promissory note used as the consideration for the Pivotal IP acquired was converted into shares. The Company issued 3,790 shares at €1 (€1 = US\$1.2177) par value each to VTH. In return, it was agreed that the Company would not be required to repay intercompany loans payable of \$536.0m. The difference between the share capital issued and the value of the interest-bearing promissory note was recognised as share premium of \$536m.

On 6 May 2024, the Company issued 1 ordinary share with a par value of €1 (€1 = US\$1.0767) each to VTH in exchange for the capitalisation of promissory note with VTH with a remaining carrying value of \$7,093.9m as of that date. The difference between the share capital issued and the subscription amount of \$7,093.9m was recognised as share premium.

VTH merged into VMware Management Inc on 7 May 2024.

Capital contribution

As at 2 February 2024 and 4 February 2023, the Company has a capital contribution amounting to \$10,177.2m arising as follows:

- Capital contributions of \$2.2m from its former immediate parent, VMware Bermuda Unlimited Company, and its former ultimate parent, VMware, Inc. These contributions are not repayable.
- Obtained a non-interest-bearing note from VMware Bermuda Unlimited Company amounting to \$13,500m (undiscounted) repayable in 2039. The difference between the principal amount and the fair value of non-interest-bearing notes, representing the market interest that would have been charged for such a facility, was recognised as a capital contribution of \$9,854.4m.
- Capital contributions totalling to \$320.6m from various entities in the VMware group.

Retained deficit

This represents accumulated comprehensive expense for the current period and prior financial years plus share-based payment adjustments and related tax credits, charges from the ultimate parent company for share-based payments, less dividends paid.

Dividend paid

During the nine-month period ended 3 November 2024, the Company paid a dividend of \$21,671.4m to its immediate parent, VMware Management, Inc. (2 February 2024: \$Nil).

NOTES TO THE FINANCIAL STATEMENTS - continued

19 Post-employment benefits

Defined contribution schemes

The pension entitlements of certain employees arise under a number of defined contribution pension schemes. The assets of the schemes are held separately from those of the Company in an independently administered fund.

The amount recognised as an expense for the defined contribution schemes was:

| | For the nine- month period ended 3 November 2024 US\$'000 | For the year ended 2 February 2024 US\$'000 |
|----------------------------|--|--|
| Current year contributions | <u>6,096</u> | <u>5,035</u> |

The contributions payable at 3 November 2024 are \$0.4m (2 February 2024: \$0.9m).

20 Events since the end of the financial period

Transfer or acquire subsidiaries' shares

On 16 January 2025, the Company entered into Share Purchase Agreements with CA (Singapore) Pte. Ltd. to transfer shares of GoPivotal Singapore Pte. Limited and VMware Singapore Pte. Ltd. to CA (Singapore) lte. Ltd. for a consideration of \$1.3m and \$47.9m respectively.

On 30 June 2025, the Company entered into a Quota Purchase Agreement with CA Computer Associates European Holding GmbH to purchase shares of Computer Associates S.r.l. at \$33.3m.

Business acquisition

On 1 May 2025, the Company entered into a Business Transfer Agreement ("BTA") with Broadcom (CA) Ireland Limited to acquire its business and undertaking, including the assets, liabilities and employees. The consideration was an intercompany receivable due from Broadcom (CA) Ireland Limited of \$0.8m.

Contracts assignment

On 2 March 2025, the Company entered into an Assignment and Assumption Agreement with VMware NZ Company to receive and accept the assignment of commercial contracts and assume and perform all liabilities and obligations related to these contracts. The purchase consideration was \$0.3m.

Purchase intercompany prepayment

On 2 June 2025, the Company entered into a Prepayment Purchase Agreement with CA (Singapore) Pte. Ltd. to purchase an intercompany prepayment due from CA, Inc. to CA (Singapore) Pte. Ltd. arising under the agreement regarding Prepayment of Distributor fees. The purchase price was \$128.6m.

Sale of VeloCloud business

On 30 June 2025, the Company entered into an Asset Transfer Agreement with Arista Networks Limited to sell the VeloCloud business at a selling price of \$40.2m.

Asset Distribution

On 15 October 2025, the Company entered into an Asset Distribution agreement with VMware NZ Company to accept and assume the assets and liabilities from VMware NZ Company. The distribution amount was \$10.3m.

NOTES TO THE FINANCIAL STATEMENTS - continued

21 Capital and other commitments

At 3 November 2024, the Company had no capital commitments (2 February 2024: None).

22 Related party transactions

The Company has applied the exemption available under FRS 101 not to disclose related party transactions entered into between two or more members of Broadcom Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Entities within the Dell Technologies Group ("Dell Group") were considered related parties of the Company until the VMware Merger closed on 22 November 2023. During the prior year period from 4 February 2023 to 22 November 2023, sales and purchases to or from entities within the Dell Group amounted to \$2,111.5m and \$54.8m respectively.

23 Approval of the financial statements

The financial statements were approved and authorised for issue by the board of directors on 23 January 2026 and were signed on its behalf on that date.