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9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**

12 _____, Individually and On
Behalf of All Others Similarly Situated,

13 Plaintiff,

14 v.

15 SEMTECH CORPORATION, HONG
16 Q. HOU, and MARK LIN,

17 Defendants.

Case No.

**CLASS ACTION COMPLAINT
FOR VIOLATIONS OF THE
FEDERAL SECURITIES LAWS**

DEMAND FOR JURY TRIAL

28

1 Plaintiff _____ (“Plaintiff”), individually and on behalf of all
2 others similarly situated, by and through her attorneys, alleges the following upon
3 information and belief, except as to those allegations concerning Plaintiff, which are
4 alleged upon personal knowledge. Plaintiff’s information and belief is based upon,
5 among other things, her counsel’s investigation, which includes without limitation:
6 (a) review and analysis of regulatory filings made by Semtech Corporation
7 (“Semtech” or the “Company”) with the United States (“U.S.”) Securities and
8 Exchange Commission (“SEC”); (b) review and analysis of press releases and media
9 reports issued by and disseminated by Semtech ; and (c) review of other publicly
10 available information concerning Semtech .

11 NATURE OF THE ACTION AND OVERVIEW

12 1. This is a class action on behalf of persons and entities that purchased or
13 otherwise acquired Semtech securities or options between August 27, 2024 and
14 February 7, 2025, inclusive (the “Class Period”). Plaintiff pursues claims against the
15 Defendants under the Securities Exchange Act of 1934 (the “Exchange Act”).

16 2. Semtech is a semiconductor, digital systems and cloud connectivity
17 service provider. It designs, manufactures, and markets an array of products for
18 commercial applications, the majority of which are sold into the infrastructure, high-
19 end consumer and industrial end markets. The Company’s portfolio includes
20 integrated circuits, modules, gateways, routers, and other specialized products.
21 Amongst its portfolio are its CopperEdge™ products which can be used in active
22 copper cables (“ACCs”).

23 3. Throughout the Class Period, the Company touted the tailwinds its ACCs
24 and CopperEdge products would provide, including a “well-documented application
25 where [the Company] partnered with Nvidia.” The Company promoted its positive
26 engagement with customers related to ACC sales and touted that this would lead to
27 significant “total availability and total opportunity” for “ACC opportunities [to]
28 continue to expand.”

1 control the contents of the Company’s reports to the SEC, press releases and
2 presentations to securities analysts, money and portfolio managers and institutional
3 investors, i.e., the market. The Individual Defendants were provided with copies of
4 the Company’s reports and press releases alleged herein to be misleading prior to, or
5 shortly after, their issuance and had the ability and opportunity to prevent their
6 issuance or cause them to be corrected. Because of their positions and access to
7 material non-public information available to them, the Individual Defendants knew
8 that the adverse facts specified herein had not been disclosed to, and were being
9 concealed from, the public, and that the positive representations which were being
10 made were then materially false and/or misleading. The Individual Defendants are
11 liable for the false statements pleaded herein.

12 **SUBSTANTIVE ALLEGATIONS**

13 **Background**

14 17. Semtech is a semiconductor, digital systems and cloud connectivity
15 service provider. It designs, manufactures, and markets an array of products for
16 commercial applications, the majority of which are sold into the infrastructure, high-
17 end consumer and industrial end markets. The Company’s portfolio includes
18 integrated circuits, modules, gateways, routers, and other specialized products.
19 Amongst its portfolio are its CopperEdge™ products which can be used in active
20 copper cables, or ACCs.

21 **Materially False and Misleading**

22 **Statements Issued During the Class Period**

23 18. The Class Period begins on August 27, 2024. On that day, the Company
24 issued a press release announcing its financial results for the quarter ended July 28,
25 2024. The press release touted the Company’s “solid second quarter financial
26
27
28

1 performance and a favorable outlook for our third quarter that forecasts acceleration
2 of this growth.”¹ Specifically, the press release stated in relevant part:

3 **Semtech Announces Second Quarter of Fiscal Year 2025 Results**

- 4 •Net sales of \$215.4 million, up 4% sequentially
- 5 •GAAP gross margin of 49.0%, up 70 basis points sequentially and Non-
6 GAAP gross margin of 50.4%, up 60 basis points sequentially
- 7 •GAAP operating margin of 3.6%, up 210 basis points sequentially and
8 Non-GAAP operating margin of 14.2%, up 200 basis points sequentially
- 9 •GAAP diluted loss per share of \$2.61 and Non-GAAP diluted earnings
10 per share of \$0.11
- 11 •Adjusted EBITDA margin of 18.8%, up 270 basis points sequentially

12 * * *

13 “Semtech continues to execute on an established strategy to grow our
14 business, as demonstrated by solid second quarter financial performance
15 and a favorable outlook for our third quarter that forecasts acceleration
16 of this growth,” said Hong Hou, Semtech’s president and chief executive
17 officer. “We are well-positioned to capture significant future market
18 opportunities through a disciplined growth-focused approach.”

19 19. On the same date, the Company hosted an earnings call pursuant to its
20 second quarter 2025 financial results (the “2Q25 Earnings Call”). During the 2Q25
21 Earnings Call, Defendant Hou offered his prepared remarks, which included
22 commentary on the Company’s CopperEdge products, stating in relevant part:

23 Over the past two months, I have visited many of our customers, our
24 suppliers in Semtech global locations and taken great pleasure in talking
25 to many people in person, getting to know them and hearing their
26 comments and feedback.

27 * * *

28 Semtech’s copper edge continuous time linear equalizers have a *well-
documented application where we partnered with Nvidia to implement
low power, low latency active copper cables or ACCs for Blackwell
racks and pods*. For our 200 g copper edge linear redrivers, we have
received the purchase orders from ACC cable manufacturers and expect
the shipments to start in our fiscal third quarter in limited quantities, a
nominal ramp in the fourth quarter and acceleration in the next fiscal
year. *Qualifications are on schedule and we currently estimate our
annual opportunities specific to the single platform exceeds the floor*

¹ Unless otherwise stated, all emphasis in bold and italics hereinafter is added.

1 *case we provided last quarter.* That said, Semtech’s ACC opportunities
2 extend beyond a single platform and a single customer.

3 20. Later, in the question and answer portion of the 2Q25 Earnings Call,
4 Defendant Hou was asked by an analyst to “go through the elements” of the
5 Company’s total addressable market calculation for active copper cable expectations
6 because Hou “mentioned a TAM that was larger than the TAM that was given by Paul
7 [the former CEO] before his departure.” Hou responded:

8 *And as I mentioned in the prepared remark that in the last quarter we*
9 *gave a floor case based on the number of recs and expected ASP share*
10 *allocation for a specific use case from a specific customer. Since then*
11 *we have expanded our engagement with the customers and right now*
12 *we have several customers discussing with us on the ACC*
13 *opportunities.*

14 *And we are very excited about the total availability and total*
15 *opportunity is above and beyond the floor case we guided and we will*
16 *see this ACC opportunities continue to expand.* As you know that there
17 are a lot of [indiscernible] cables, which is a passive copper cable in the
18 data center and installation base. There might be tens of millions.

19 And as the data rate goes higher, as connection length goes extended, the
20 signal integrity is going to be a challenge. So the progression from ACC
21 progress DAC cable to ACC is going to be inevitable. So very excited
22 about the opportunities and let’s see, you know, *we will start seeing*
23 *some revenue contribution from Q3 as we guide it and then we’ll be*
24 *ramping from there.* Thank you.

25 21. In response to Hou’s prior statement during the 2Q25 Earnings Call, a
26 second analyst asked Hou to “really to try to clarify that opportunity for the ACC
27 TAM. *It sounds like you said your floor case at a single platform, single customer*
28 *you think now exceeds \$100 million. I just want to clarify that.*” In response, Hou
stated, in relevant part:

29 Now let me first clarify. *The TAM I mentioned in the prepared remark*
30 *is with respect to the single platform, single customer situation, I feel*
31 *that our actual opportunities is going to be higher than the floor case.*
32 In addition to that, we’re engaging with the multiple customers in the
33 similar AI connectivity ecosystems for the similar purpose of low
34 latency, low power, extended reach applications. And those
35 opportunities are not accounted in what I was saying, increased
36 opportunity compared to the floor case.

37 22. On August 27, 2024, the Company submitted its quarterly report for the
38 period ended June 28, 2024 on a Form 10-Q filed with the SEC which affirmed the

1 previously reported financial results. The quarterly report also reported the
2 composition and mix of the Company’s net sales, and corresponding factors, by major
3 end markets, as follows in relevant part:

4 Net sales in the second quarter of fiscal year 2025 were \$215.4 million,
5 a decrease of 9.7% compared to \$238.4 million in the second quarter of
6 fiscal year 2024, which was primarily driven by lower net sales from our
7 industrial end market related to decreased sales volume and pricing
8 pressures, *offset by higher net sales in our infrastructure and high-end*
9 *consumer end markets due to stronger demand. Net sales from our*
10 *infrastructure end market increased \$10.6 million in the second*
11 *quarter of fiscal year 2025 compared to the second quarter of fiscal*
12 *year 2024, primarily driven by a \$7.3 million increase in data center*
13 *sales and a \$6.7 million increase in PON sales*, partially offset by a \$2.9
14 million decrease in TVS infrastructure product sales. Net sales from our
15 high-end consumer end market increased \$3.1 million in the second
16 quarter of fiscal year 2025 compared to the second quarter of fiscal year
17 2024, primarily driven by an increase in TVS consumer product sales.
18 Net sales from our industrial end market decreased \$36.7 million in the
19 second quarter of fiscal year 2025 compared to the second quarter of
20 fiscal year 2024, primarily driven by a \$43.3 million decrease in module
21 sales, a \$2.8 million decrease in router sales and a \$1.5 million decrease
22 in TVS industrial product sales, partially offset by a \$12.0 million
23 increase in LoRa-enabled sales in industrial applications.

23. On November 25, 2024, the Company issued a press release announcing
24 its financial results for the quarter ended October 27, 2024. The press release touted
25 the Company’s financial results and that these *“results validate that our customers*
26 *and target markets are moving toward us and highlight the effectiveness of our*
27 *initiatives to drive market share gain and SAM expansion.”* Specifically the press
28 release stated in relevant part:

Semtech Announces Third Quarter of Fiscal Year 2025 Results

- Net sales of \$236.8 million, up 10% sequentially
- Record data center net sales of \$43.1 million, up 58% sequentially
- GAAP gross margin of 51.1%, up 210 basis points sequentially and Non-GAAP gross margin of 52.4%, up 200 basis points sequentially
- GAAP operating margin of 7.5%, up 390 basis points sequentially and Non-GAAP operating margin of 18.3%, up 410 basis points sequentially
- GAAP diluted loss per share of \$0.10 and Non-GAAP diluted earnings per share of \$0.26

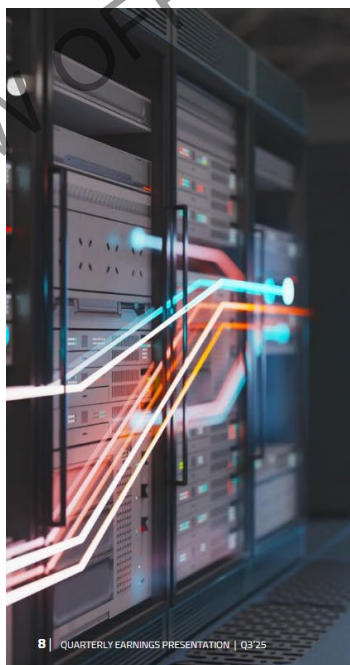
1 •Adjusted EBITDA margin of 21.6%, up 280 basis points sequentially

2 * * *

3 “We are very pleased to report broad-based growth across each of our
4 end markets, and particularly in data center, where we project AI-
5 driven product demand to be a long-term and transformational growth
6 engine for Semtech. Our results validate that our customers and target
7 markets are moving toward us and highlight the effectiveness of our
8 initiatives to drive market share gain and SAM expansion,” said Hong
9 Hou, Semtech’s president and chief executive officer. “I believe we
10 have achieved multi-generational roadmap alignment with customers
11 and aspire to become the partner of choice for key technical and
12 product solutions we provide.”

13 “Our reported results and outlook demonstrate leverage in our
14 operating model, targeting healthy net sales growth along with prudent
15 spending,” said Mark Lin, Semtech’s executive vice president and chief
16 financial officer. “We reported positive operating and free cash flows,
17 and consistent with our previously stated capital allocation priority, we
18 made principal prepayments on our credit facility in both the third and
19 fourth quarters of this fiscal year.”

20 24. On the same day, the Company provided an investor presentation in
21 conjunction with the third quarter 2025 earnings release. The investor presentation
22 reported the growth of the Company’s infrastructure end market, and instructed
23 investors to “*[e]xpect incrementally higher CopperEdge contribution in Q4’25,*
24 *followed by a ramp progressing through FY26.*” Specifically, the investor
25 presentation stated, in relevant part:



Infrastructure End Market

Data Center, PON/FTTH, Wireless, Infrastructure Circuit Protection

Q3’25 NET SALES



Q/Q Change +24%
Y/Y Change +52%

- Record data center net sales of \$43.1m, up 58% Q/Q
- Shipments commenced on CopperEdge used in 1.6T active copper cable
- Expect incrementally higher CopperEdge contribution in Q4’25, followed by a ramp progressing through FY26
- Semtech’s technical collaboration on CopperEdge with a number of cloud service providers and cable manufacturers has accelerated since last quarter
- Tri-Edge PAM4 products continue to contribute meaningful sequential and year-over-year growth
- Confidence in linear pluggable optics adoption has increased, with meaningful net sales contribution in the latter portion of FY26
- Telecom business supporting triple-gen 50G PON and 5G-Advanced deployments

1 *decision-makers and technical executives in the ecosystem*
2 *significantly streamlined the time between understanding our*
3 *customers' challenges and delivering Semtech proposed solutions. I*
4 *believe this is proven to be a positive differentiator in CopperEdge*
5 *proliferation and improve Semtech's NPI time-to-market.*

6 26. On December 3, 2024, the Company submitted its quarterly report for
7 the period ended October 27, 2024 on a Form 10-Q filed with the SEC which affirmed
8 the previously reported financial results. The quarterly report also reported
9 composition and mix of the Company's net sales, and corresponding factors, by major
10 end markets, as follows in relevant part:

11 Net sales in the third quarter of fiscal year 2025 were \$236.8 million, an
12 increase of 17.9% compared to \$200.9 million in the third quarter of
13 fiscal year 2024, which was primarily driven by higher net sales from
14 our infrastructure and industrial end markets due to stronger demand and
15 increased sales volume. Net sales from our infrastructure end market
16 increased \$22.6 million in the third quarter of fiscal year 2025 compared
17 to the third quarter of fiscal year 2024, primarily driven by a \$18.8
18 million increase in data center sales and a \$4.5 million increase in
19 telecommunications sales, partially offset by a \$0.7 million decrease in
20 TVS infrastructure and other product sales. Net sales from our industrial
21 end market increased \$10.9 million in the third quarter of fiscal year
22 2025 compared to the third quarter of fiscal year 2024, primarily driven
23 by a \$14.8 million increase in LoRa-enabled sales in industrial
24 applications, partially offset by a \$1.4 million decrease in IoT Hardware
25 sales. Net sales from our high-end consumer end market increased \$2.5
26 million in the third quarter of fiscal year 2025 compared to the third
27 quarter of fiscal year 2024, primarily driven by an increase in TVS
28 consumer product sales.

29 27. The above statements identified in ¶¶ 18-26 were materially false and/or
30 misleading, and failed to disclose material adverse facts about the Company's
31 business, operations, and prospects. Specifically, Defendants failed to disclose to
32 investors: (1) the Company had received negative feedback and was engaged in
33 discussions with customers related to issues with its CopperEdge products; (2) the
34 Company was aware of, but failed to disclose, that one or more key customers was
35 pursuing rack architecture changes which would negatively affect sales of
36 CopperEdge products; (3) as a result of the foregoing, the total addressable market of
37 the Company's ACC products had been materially overstated; and (4) that, as a result
38 of the foregoing, Defendants' positive statements about the Company's business,

1 operations, and prospects were materially misleading and/or lacked a reasonable
2 basis.

3 Disclosures at the End of the Class Period

4 28. On February 7, 2025, after market hours, Semtech announced “updates”
5 related to its CopperEdge products, including that “fiscal year 2026, net sales from its
6 CopperEdge products” “are expected to be *lower than the Company’s previously*
7 *disclosed floor case estimate of \$50 million due to rack architecture changes, with*
8 *no expected ramp-up over the course of fiscal year 2026.”* The Company revealed
9 these revised estimates were “*based on recent feedback from a server rack customer*
10 *and correlated to discussions with end users of the server rack platform.”*
11 Specifically, on that date, the Company submitted a disclosure on a Form 80-K filed
12 with the SEC which stated, in relevant part:

13 Semtech Corporation (the “Company”) is providing the following
14 updates:

15 •*For fiscal year 2026, net sales from its CopperEdge™ products used*
16 *in active copper cables are expected to be lower than the Company’s*
17 *previously disclosed floor case estimate of \$50 million due to rack*
18 *architecture changes, with no expected ramp-up over the course of*
19 *fiscal year 2026. The Company’s revised estimates are based on recent*
20 *feedback from a server rack customer and correlated to discussions*
21 *with end users of the server rack platform.*

22 •For fiscal year 2026, net sales from its CopperEdge portfolio are
23 expected to include multiple customers, end users and applications.

24 •Based on continued collaboration on future generation server rack
25 designs, its CopperEdge portfolio is expected to be included in these
26 designs.

27 29. On this news, Semtech’s stock price fell \$16.91, or 31%, to close at
28 \$37.60 per share on February 10, 2025, on unusually heavy trading volume.

29 CLASS ACTION ALLEGATIONS

30 Plaintiff brings this action as a class action pursuant to Federal Rule of
31 Civil Procedure 23(a) and (b)(3) on behalf of a class, consisting of all persons and
32 entities that purchased or otherwise acquired Semtech securities between August 27,
33 2024 and February 7, 2025, inclusive, and who were damaged thereby (the “Class”).

1 Excluded from the Class are Defendants, the officers and directors of the Company,
2 at all relevant times, members of their immediate families and their legal
3 representatives, heirs, successors, or assigns, and any entity in which Defendants have
4 or had a controlling interest.

5 31. The members of the Class are so numerous that joinder of all members
6 is impracticable. Throughout the Class Period, Semtech's shares actively traded on
7 the NASDAQ. While the exact number of Class members is unknown to Plaintiff at
8 this time and can only be ascertained through appropriate discovery, Plaintiff believes
9 that there are at least hundreds or thousands of members in the proposed Class.
10 Millions of Semtech shares were traded publicly during the Class Period on the
11 NASDAQ. Record owners and other members of the Class may be identified from
12 records maintained by Semtech or its transfer agent and may be notified of the
13 pendency of this action by mail, using the form of notice similar to that customarily
14 used in securities class actions.

15 32. Plaintiff's claims are typical of the claims of the members of the Class
16 as all members of the Class are similarly affected by Defendants' wrongful conduct
17 in violation of federal law that is complained of herein.

18 33. Plaintiff will fairly and adequately protect the interests of the members
19 of the Class and has retained counsel competent and experienced in class and
20 securities litigation.

21 34. Common questions of law and fact exist as to all members of the Class
22 and predominate over any questions solely affecting individual members of the Class.
23 Among the questions of law and fact common to the Class are:

24 (a) whether the federal securities laws were violated by Defendants'
25 acts as alleged herein;

26 (b) whether statements made by Defendants to the investing public
27 during the Class Period omitted and/or misrepresented material facts about the
28 business, operations, and prospects of Semtech ; and

1 (c) to what extent the members of the Class have sustained damages
2 and the proper measure of damages.

3 35. A class action is superior to all other available methods for the fair and
4 efficient adjudication of this controversy since joinder of all members is
5 impracticable. Furthermore, as the damages suffered by individual Class members
6 may be relatively small, the expense and burden of individual litigation makes it
7 impossible for members of the Class to individually redress the wrongs done to them.
8 There will be no difficulty in the management of this action as a class action.

9 **UNDISCLOSED ADVERSE FACTS**

10 36. The market for Semtech's securities was open, well-developed and
11 efficient at all relevant times. As a result of these materially false and/or misleading
12 statements, and/or failures to disclose, Semtech's securities traded at artificially
13 inflated prices during the Class Period. Plaintiff and other members of the Class
14 purchased or otherwise acquired Semtech's securities relying upon the integrity of the
15 market price of the Company's securities and market information relating to Semtech,
16 and have been damaged thereby.

17 37. During the Class Period, Defendants materially misled the investing
18 public, thereby inflating the price of Semtech's securities, by publicly issuing false
19 and/or misleading statements and/or omitting to disclose material facts necessary to
20 make Defendants' statements, as set forth herein, not false and/or misleading. The
21 statements and omissions were materially false and/or misleading because they failed
22 to disclose material adverse information and/or misrepresented the truth about
23 Semtech's business, operations, and prospects as alleged herein.

24 38. At all relevant times, the material misrepresentations and omissions
25 particularized in this Complaint directly or proximately caused or were a substantial
26 contributing cause of the damages sustained by Plaintiff and other members of the
27 Class. As described herein, during the Class Period, Defendants made or caused to
28 be made a series of materially false and/or misleading statements about Semtech's

1 financial well-being and prospects. These material misstatements and/or omissions
2 had the cause and effect of creating in the market an unrealistically positive
3 assessment of the Company and its financial well-being and prospects, thus causing
4 the Company's securities to be overvalued and artificially inflated at all relevant
5 times. Defendants' materially false and/or misleading statements during the Class
6 Period resulted in Plaintiff and other members of the Class purchasing the Company's
7 securities at artificially inflated prices, thus causing the damages complained of herein
8 when the truth was revealed.

9 **LOSS CAUSATION**

10 39. Defendants' wrongful conduct, as alleged herein, directly and
11 proximately caused the economic loss suffered by Plaintiff and the Class.

12 40. During the Class Period, Plaintiff and the Class purchased Semtech's
13 securities at artificially inflated prices and were damaged thereby. The price of the
14 Company's securities significantly declined when the misrepresentations made to the
15 market, and/or the information alleged herein to have been concealed from the market,
16 and/or the effects thereof, were revealed, causing investors' losses.

17 **SCIENTER ALLEGATIONS**

18 41. As alleged herein, Defendants acted with scienter since Defendants knew
19 that the public documents and statements issued or disseminated in the name of the
20 Company were materially false and/or misleading; knew that such statements or
21 documents would be issued or disseminated to the investing public; and knowingly
22 and substantially participated or acquiesced in the issuance or dissemination of such
23 statements or documents as primary violations of the federal securities laws. As set
24 forth elsewhere herein in detail, the Individual Defendants, by virtue of their receipt
25 of information reflecting the true facts regarding Semtech, their control over, and/or
26 receipt and/or modification of Semtech's allegedly materially misleading
27 misstatements and/or their associations with the Company which made them privy to
28

1 confidential proprietary information concerning Semtech, participated in the
2 fraudulent scheme alleged herein.

3 **APPLICABILITY OF PRESUMPTION OF RELIANCE**

4 **(FRAUD-ON-THE-MARKET DOCTRINE)**

5 42. The market for Semtech's securities was open, well-developed and
6 efficient at all relevant times. As a result of the materially false and/or misleading
7 statements and/or failures to disclose, Semtech's securities traded at artificially
8 inflated prices during the Class Period. On January 21, 2025, the Company's share
9 price closed at a Class Period high of \$77.15 per share. Plaintiff and other members
10 of the Class purchased or otherwise acquired the Company's securities relying upon
11 the integrity of the market price of Semtech's securities and market information
12 relating to Semtech, and have been damaged thereby.

13 43. During the Class Period, the artificial inflation of Semtech's shares was
14 caused by the material misrepresentations and/or omissions particularized in this
15 Complaint causing the damages sustained by Plaintiff and other members of the Class.
16 As described herein, during the Class Period, Defendants made or caused to be made
17 a series of materially false and/or misleading statements about Semtech's business,
18 prospects, and operations. These material misstatements and/or omissions created an
19 unrealistically positive assessment of Semtech and its business, operations, and
20 prospects, thus causing the price of the Company's securities to be artificially inflated
21 at all relevant times, and when disclosed, negatively affected the value of the
22 Company shares. Defendants' materially false and/or misleading statements during
23 the Class Period resulted in Plaintiff and other members of the Class purchasing the
24 Company's securities at such artificially inflated prices, and each of them has been
25 damaged as a result.

26 44. At all relevant times, the market for Semtech's securities was an efficient
27 market for the following reasons, among others:

1 (a) Semtech shares met the requirements for listing, and was listed
2 and actively traded on the NASDAQ, a highly efficient and automated market;

3 (b) As a regulated issuer, Semtech filed periodic public reports with
4 the SEC and/or the NASDAQ;

5 (c) Semtech regularly communicated with public investors via
6 established market communication mechanisms, including through regular
7 dissemination of press releases on the national circuits of major newswire services
8 and through other wide-ranging public disclosures, such as communications with the
9 financial press and other similar reporting services; and/or

10 (d) Semtech was followed by securities analysts employed by
11 brokerage firms who wrote reports about the Company, and these reports were
12 distributed to the sales force and certain customers of their respective brokerage firms.
13 Each of these reports was publicly available and entered the public marketplace.

14 45. As a result of the foregoing, the market for Semtech's securities
15 promptly digested current information regarding Semtech from all publicly available
16 sources and reflected such information in Semtech's share price. Under these
17 circumstances, all purchasers of Semtech's securities during the Class Period suffered
18 similar injury through their purchase of Semtech's securities at artificially inflated
19 prices and a presumption of reliance applies.

20 46. A Class-wide presumption of reliance is also appropriate in this action
21 under the Supreme Court's holding in *Affiliated Ute Citizens of Utah v. United States*,
22 406 U.S. 128 (1972), because the Class's claims are, in large part, grounded on
23 Defendants' material misstatements and/or omissions. Because this action involves
24 Defendants' failure to disclose material adverse information regarding the Company's
25 business operations and financial prospects—information that Defendants were
26 obligated to disclose—positive proof of reliance is not a prerequisite to recovery. All
27 that is necessary is that the facts withheld be material in the sense that a reasonable
28 investor might have considered them important in making investment decisions.

1 Given the importance of the Class Period material misstatements and omissions set
2 forth above, that requirement is satisfied here.

3 **NO SAFE HARBOR**

4 47. The statutory safe harbor provided for forward-looking statements under
5 certain circumstances does not apply to any of the allegedly false statements pleaded
6 in this Complaint. The statements alleged to be false and misleading herein all relate
7 to then-existing facts and conditions. In addition, to the extent certain of the
8 statements alleged to be false may be characterized as forward looking, they were not
9 identified as “forward-looking statements” when made and there were no meaningful
10 cautionary statements identifying important factors that could cause actual results to
11 differ materially from those in the purportedly forward-looking statements. In the
12 alternative, to the extent that the statutory safe harbor is determined to apply to any
13 forward-looking statements pleaded herein, Defendants are liable for those false
14 forward-looking statements because at the time each of those forward-looking
15 statements was made, the speaker had actual knowledge that the forward-looking
16 statement was materially false or misleading, and/or the forward-looking statement
17 was authorized or approved by an executive officer of Semtech who knew that the
18 statement was false when made.

19 **FIRST CLAIM**

20 **Violation of Section 10(b) of The Exchange Act and**

21 **Rule 10b-5 Promulgated Thereunder**

22 **Against All Defendants**

23 48. Plaintiff repeats and re-alleges each and every allegation contained
24 above as if fully set forth herein.

25 49. During the Class Period, Defendants carried out a plan, scheme and
26 course of conduct which was intended to and, throughout the Class Period, did: (i)
27 deceive the investing public, including Plaintiff and other Class members, as alleged
28 herein; and (ii) cause Plaintiff and other members of the Class to purchase Semtech’s

1 securities at artificially inflated prices. In furtherance of this unlawful scheme, plan
2 and course of conduct, Defendants, and each defendant, took the actions set forth
3 herein.

4 50. Defendants (i) employed devices, schemes, and artifices to defraud; (ii)
5 made untrue statements of material fact and/or omitted to state material facts
6 necessary to make the statements not misleading; and (iii) engaged in acts, practices,
7 and a course of business which operated as a fraud and deceit upon the purchasers of
8 the Company's securities in an effort to maintain artificially high market prices for
9 Semtech's securities in violation of Section 10(b) of the Exchange Act and Rule 10b-
10 5. All Defendants are sued either as primary participants in the wrongful and illegal
11 conduct charged herein or as controlling persons as alleged below.

12 51. Defendants, individually and in concert, directly and indirectly, by the
13 use, means or instrumentalities of interstate commerce and/or of the mails, engaged
14 and participated in a continuous course of conduct to conceal adverse material
15 information about Semtech's financial well-being and prospects, as specified herein.

16 52. Defendants employed devices, schemes and artifices to defraud, while in
17 possession of material adverse non-public information and engaged in acts, practices,
18 and a course of conduct as alleged herein in an effort to assure investors of Semtech's
19 value and performance and continued substantial growth, which included the making
20 of, or the participation in the making of, untrue statements of material facts and/or
21 omitting to state material facts necessary in order to make the statements made about
22 Semtech and its business operations and future prospects in light of the circumstances
23 under which they were made, not misleading, as set forth more particularly herein,
24 and engaged in transactions, practices and a course of business which operated as a
25 fraud and deceit upon the purchasers of the Company's securities during the Class
26 Period.

27 53. Each of the Individual Defendants' primary liability and controlling
28 person liability arises from the following facts: (i) the Individual Defendants were

1 high-level executives and/or directors at the Company during the Class Period and
2 members of the Company's management team or had control thereof; (ii) each of
3 these defendants, by virtue of their responsibilities and activities as a senior officer
4 and/or director of the Company, was privy to and participated in the creation,
5 development and reporting of the Company's internal budgets, plans, projections
6 and/or reports; (iii) each of these defendants enjoyed significant personal contact and
7 familiarity with the other defendants and was advised of, and had access to, other
8 members of the Company's management team, internal reports and other data and
9 information about the Company's finances, operations, and sales at all relevant times;
10 and (iv) each of these defendants was aware of the Company's dissemination of
11 information to the investing public which they knew and/or recklessly disregarded
12 was materially false and misleading.

13 54. Defendants had actual knowledge of the misrepresentations and/or
14 omissions of material facts set forth herein, or acted with reckless disregard for the
15 truth in that they failed to ascertain and to disclose such facts, even though such facts
16 were available to them. Such defendants' material misrepresentations and/or
17 omissions were done knowingly or recklessly and for the purpose and effect of
18 concealing Semtech's financial well-being and prospects from the investing public
19 and supporting the artificially inflated price of its securities. As demonstrated by
20 Defendants' overstatements and/or misstatements of the Company's business,
21 operations, financial well-being, and prospects throughout the Class Period,
22 Defendants, if they did not have actual knowledge of the misrepresentations and/or
23 omissions alleged, were reckless in failing to obtain such knowledge by deliberately
24 refraining from taking those steps necessary to discover whether those statements
25 were false or misleading.

26 55. As a result of the dissemination of the materially false and/or misleading
27 information and/or failure to disclose material facts, as set forth above, the market
28 price of Semtech's securities was artificially inflated during the Class Period. In

1 ignorance of the fact that market prices of the Company's securities were artificially
2 inflated, and relying directly or indirectly on the false and misleading statements made
3 by Defendants, or upon the integrity of the market in which the securities trades,
4 and/or in the absence of material adverse information that was known to or recklessly
5 disregarded by Defendants, but not disclosed in public statements by Defendants
6 during the Class Period, Plaintiff and the other members of the Class acquired
7 Semtech's securities during the Class Period at artificially high prices and were
8 damaged thereby.

9 56. At the time of said misrepresentations and/or omissions, Plaintiff and
10 other members of the Class were ignorant of their falsity, and believed them to be
11 true. Had Plaintiff and the other members of the Class and the marketplace known
12 the truth regarding the problems that Semtech was experiencing, which were not
13 disclosed by Defendants, Plaintiff and other members of the Class would not have
14 purchased or otherwise acquired their Semtech securities, or, if they had acquired
15 such securities during the Class Period, they would not have done so at the artificially
16 inflated prices which they paid.

17 57. By virtue of the foregoing, Defendants violated Section 10(b) of the
18 Exchange Act and Rule 10b-5 promulgated thereunder.

19 58. As a direct and proximate result of Defendants' wrongful conduct,
20 Plaintiff and the other members of the Class suffered damages in connection with
21 their respective purchases and sales of the Company's securities during the Class
22 Period.

23 **SECOND CLAIM**

24 **Violation of Section 20(a) of The Exchange Act**

25 **Against the Individual Defendants**

26 59. Plaintiff repeats and re-alleges each and every allegation contained
27 above as if fully set forth herein.

28

1 (b) Awarding compensatory damages in favor of Plaintiff and the other
2 Class members against all defendants, jointly and severally, for all damages sustained
3 as a result of Defendants' wrongdoing, in an amount to be proven at trial, including
4 interest thereon;

5 (c) Awarding Plaintiff and the Class their reasonable costs and expenses
6 incurred in this action, including counsel fees and expert fees; and

7 (d) Such other and further relief as the Court may deem just and proper.

8 **JURY TRIAL DEMANDED**

9 Plaintiff hereby demands a trial by jury.

10
11 DATED: _____, 2025

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By: _____

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23
24
25 *Counsel for Plaintiff* _____