

# Veeco Instruments

## Investor Presentation

February 2026



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## **Non-GAAP Financial Measures**

This presentation also includes references to financial measures that are calculated and presented on the basis of methodologies other than in accordance with generally accepted accounting principles in the United States of America (“GAAP”). These non-GAAP measures include, but are not limited to, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP net income and non-GAAP diluted earnings per share. Any non-GAAP financial measures used in this presentation are in addition to, and should not be considered superior to, or a substitute for, financial statements prepared in accordance with GAAP. Non-GAAP financial measures should not be considered in isolation or as an alternative to financial statements prepared in accordance with GAAP and are subject to significant inherent limitations. We believe these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Veeco’s financial condition and results of operations. The non-GAAP measures presented herein should not be comparable to similar non-GAAP measures presented by other companies. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. A reconciliation of non-GAAP financial measures used in this presentation to the most directly comparable GAAP financial measures is included in the Appendix.

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# Veeco at a glance



Global provider of  
semiconductor  
capital equipment



Financial strength  
and flexibility



Solving customers  
high value materials  
challenges



Differentiated  
technologies with  
opportunities to  
expand SAM



\$664M  
2025 Revenue

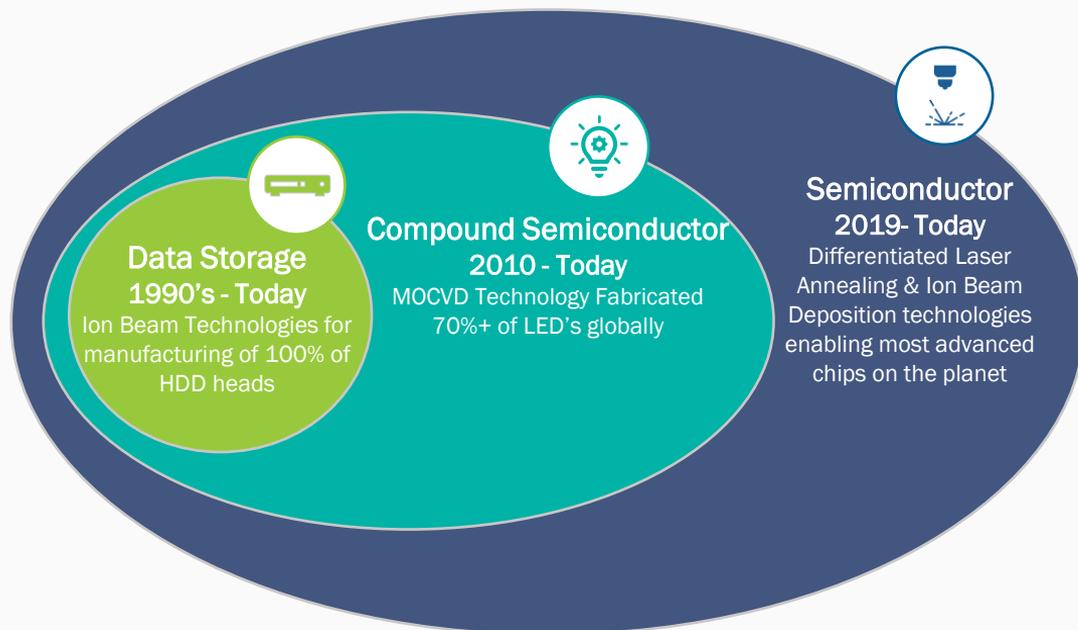


~1300  
Employees



~350  
Patents

# Who is Veeco ?



## Strong History

Solving materials challenges

## Growth Focus

Semiconductor & Compound Semiconductor

## Well Positioned

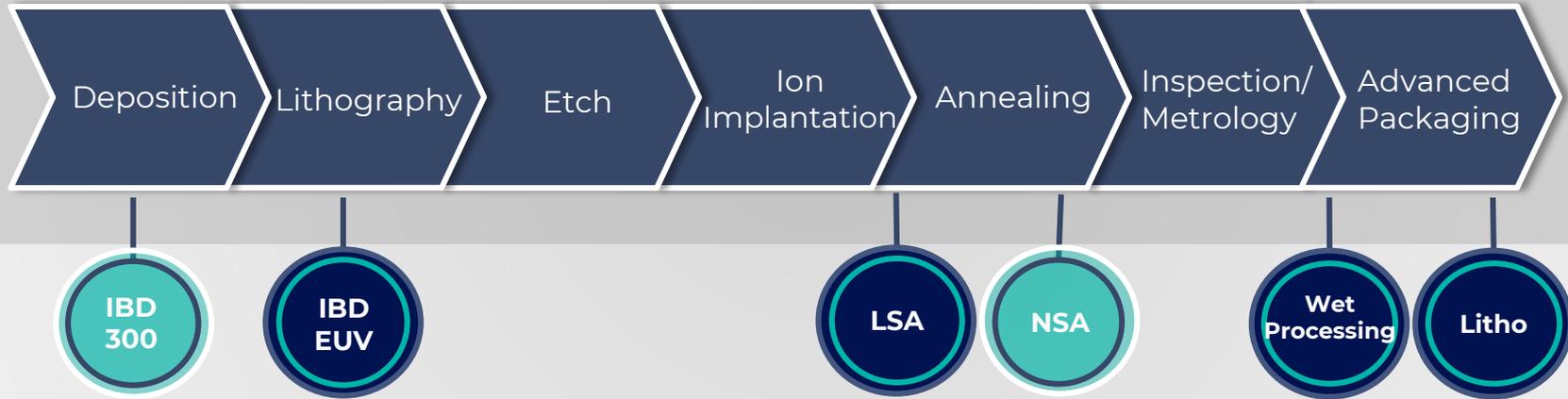
Leading edge customers drive growth

# Veeco Critical Role in Semi Manufacturing

## Representative Process Steps

FRONT END

BACK END



**Veeco Technologies are Critical for Several Semi Manufacturing Process Steps**

● Driving business today

● New products

# Strategy & SAM Opportunities

# Available Market



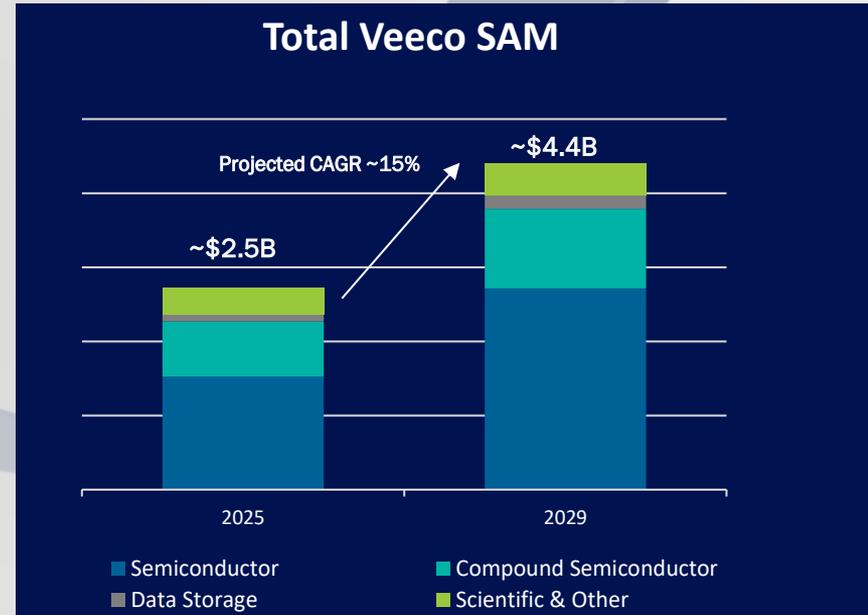
Veeco's Served Available Market projected to grow to ~\$4.4B



**Semiconductor** opportunity projected to grow to ~\$2.7B driven by Laser Annealing, Ion Beam Deposition, and Advanced Packaging equipment



**Compound Semiconductor** opportunity projected to grow to ~\$1.2B driven by equipment for GaN Power and Photonics



SAM – Served Available Market GaN – Gallium Nitride

# Semi Expansion To Drive Growth

Markets	Industry Inflections	Enabling Technologies
Advanced Logic	GAA/BSPD	 LSA  NSA  IBD 300  IBD EUV
	Device Shrink - EUV/High NA Lithography	
Memory	HBM/3D Devices	
	3D Packaging For AI	
Advanced Packaging	Heterogeneous Integration	 Wet Processing

Enabling technologies for industry inflections provide opportunity for growth

GAA: Gate-All-Around

BSPD: Backside Power Delivery

SAM: Served Available Market

HBM: High Bandwidth Memory



# Semiconductor SAM Projected Growth

## Key Growth Drivers

### Laser Spike Annealing (LSA)

- PTOR at 3 Tier 1 logic and 1 HBM DRAM customer
- Shipped 2<sup>nd</sup> HBM customer a LSA evaluation system in Q4 2025

2025

2029

~\$600M

~\$850M

### NEW Nanosecond Annealing (NSA)

- 2 evaluation systems at Tier 1 logic customers
- Strong pull from 3<sup>rd</sup> Tier 1 logic customer for evaluation tool

~\$100M

~\$450M

### IBD EUV Mask Blanks

- PTOR for EUV mask blank deposition

~\$70M

~\$150M

### NEW IBD300 Front End Semi

- 2 evaluation systems at HBM customers
- Strong pull from Tier 1 logic customers for evaluations

~\$50M

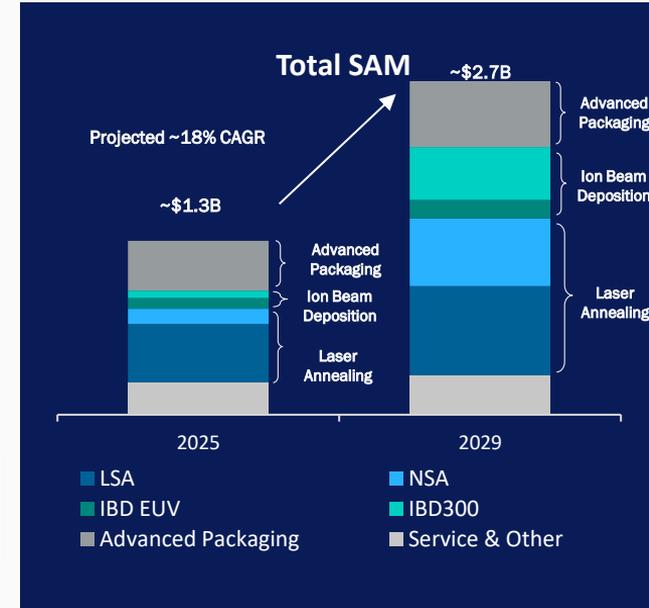
~\$350M

### Advanced Packaging

- Wet processing system PTOR for 3D Packaging for AI
- AP Litho system PTOR at Foundry and OSATs

~\$350M

~\$650M



Several substantial growth opportunities in Semiconductor market

# Nanosecond Annealing Opportunity

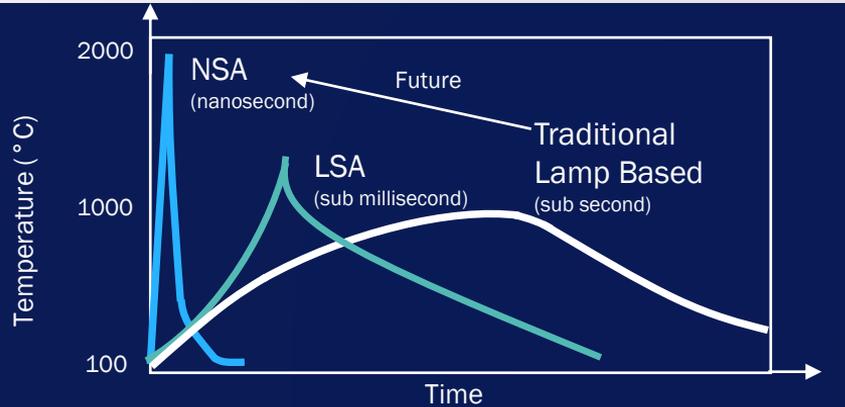
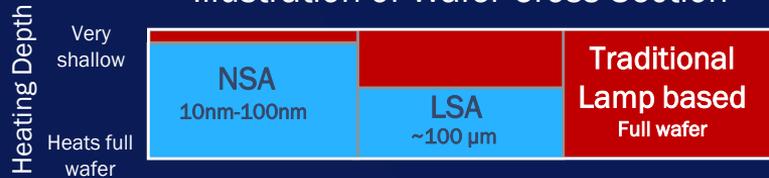


Illustration of Wafer Cross Section



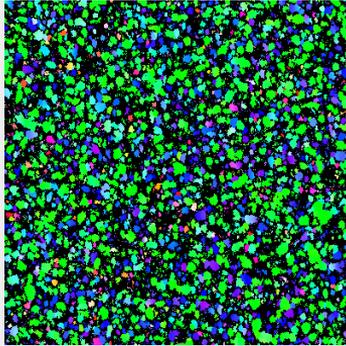
- Scaling challenges driving the need for new annealing capabilities
- NSA broadening Laser Annealing adoption to new leading-edge Logic and Memory applications
  - **Shallow anneals** enabling 3D devices
  - **Material Modification** steps to improve performance by changing device structure and properties
- Potential for additional logic HVM orders in 2026

Nanosecond Annealing a substantial opportunity to expand to new leading-edge applications

# IBD300– 300mm Front End Semi Opportunity

## ILLUSTRATION OF GRAIN SIZE AND DISTRIBUTION

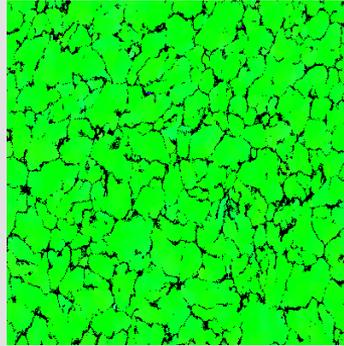
TODAY  
Incumbent Technology



Non-uniform, randomly oriented grains of small size = higher resistivity



FUTURE  
IBD



Uniformly oriented large grains = lowest resistivity

- Industry leader in Ion Beam Technology
- Lower resistance metals essential for customer scaling and have direct impact on device performance, speed, and battery life
- IBD achieving superior thin film properties vs incumbent technologies, including lower resistivity
- Ideal for advanced applications where low resistance is most critical

IBD achieving superior thin film properties versus incumbent technologies for advanced node applications

# Veeco Technologies for Artificial Intelligence

## GPU

### Current PTOR

- Laser-Spike Annealing (LSA)
- IBD for EUV mask blanks

### Additional Future Opportunities

- Nanosecond Annealing (NSA)
- IBD for low resistivity metals

## High-Bandwidth Memory (HBM) DRAM

### Current PTOR

- Laser-Spike Annealing (LSA)
- IBD for EUV mask blanks

### Additional Future Opportunities

- Nanosecond Annealing (NSA)
- IBD for low resistivity metals

## Advanced Packaging

### Current PTOR

- Wet Processing for micro-bump flux clean
- Lithography for Cu bumps

### Additional Future Opportunities

- Wet Processing for temporary bond clean

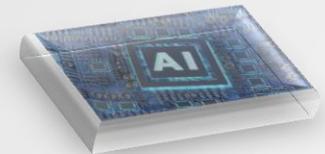
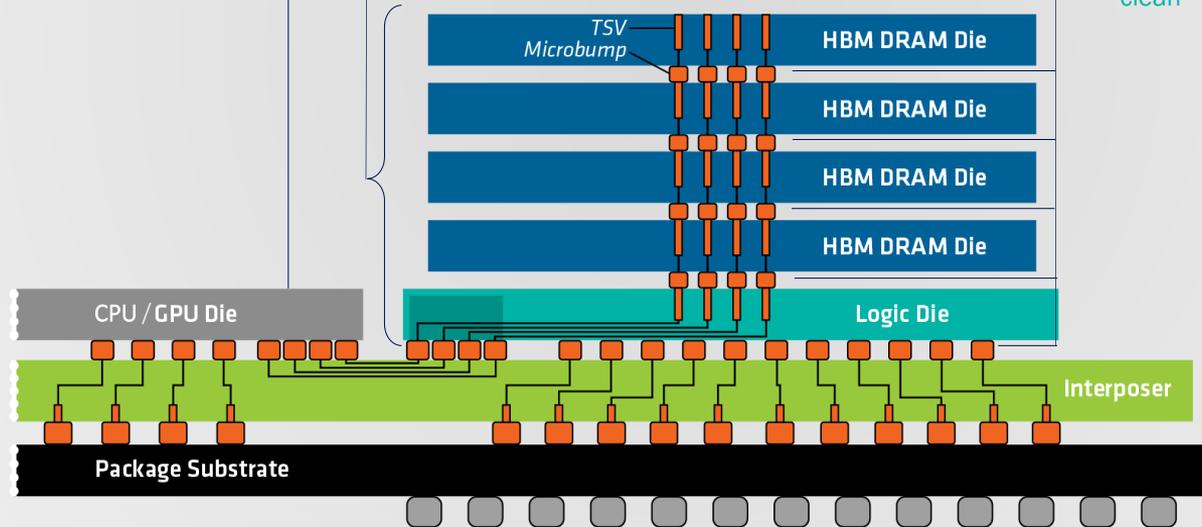


ILLUSTRATION OF A TYPICAL AI CHIP

# Semi Evaluations Capture Industry Inflections

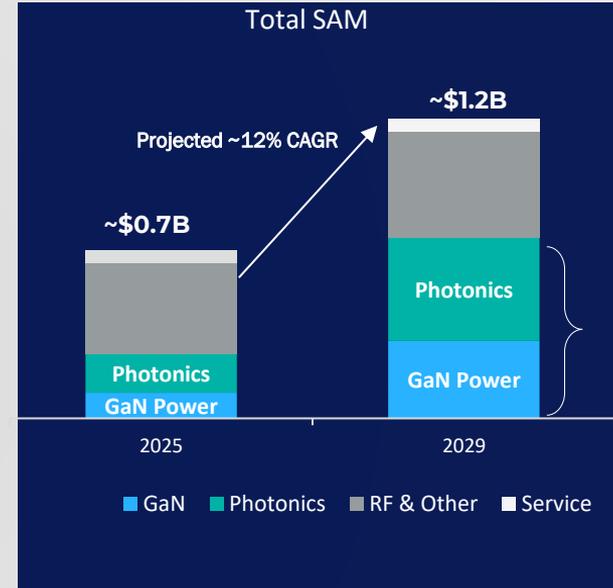
System	Tier 1 Customer	Tools at Customer	Forecasted Revenue Per Application Win 100K wspm*
LSA	Logic	1	\$40-50M
	Memory	1	\$40-50M
NSA	Logic	2	\$50-60M
	Memory	0	\$40-50M
IBD300	Logic	0	\$50-60M
	Memory	2	\$30-40M

\*Evaluations typically compete to win several applications. The number of applications under evaluation will vary by system, customer, and market.

Increase in Evaluations to Enable Penetration of Key SAM Growth Opportunities

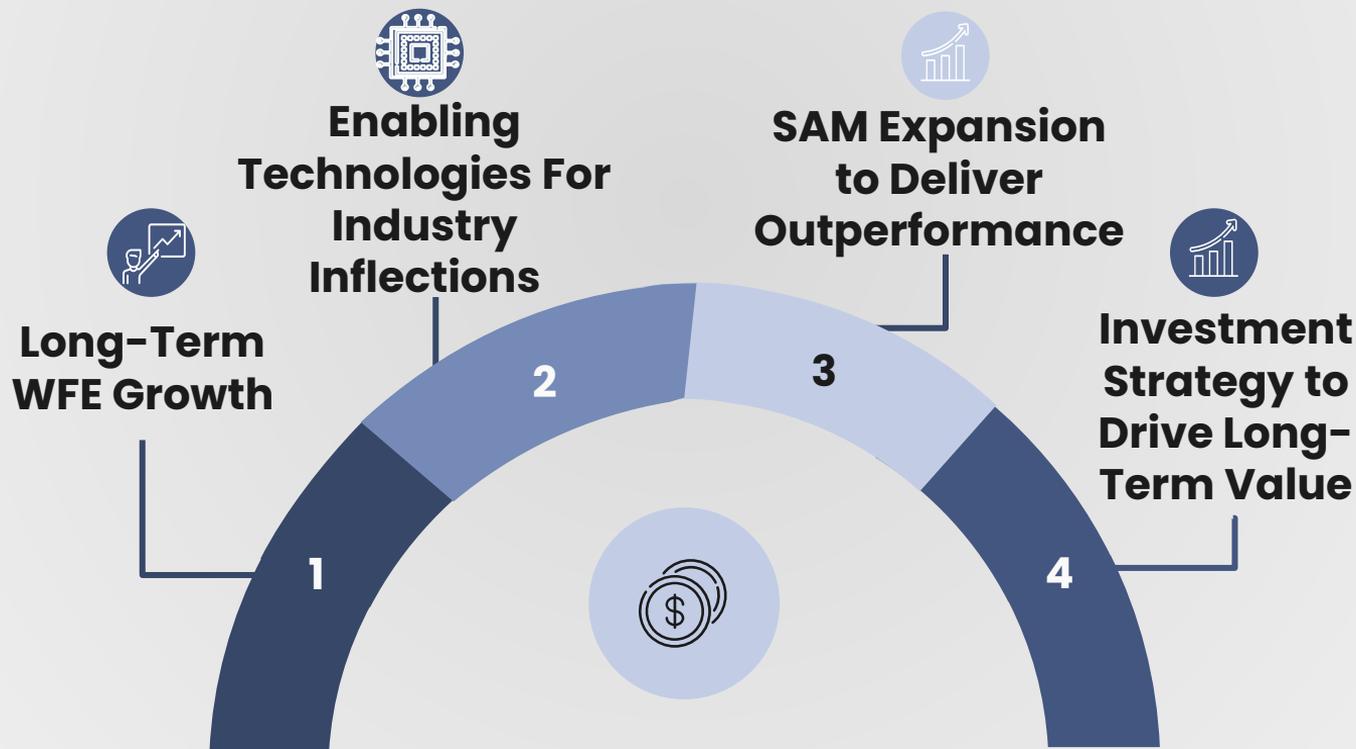
# Compound Semiconductor Projected SAM Growth

Key Growth Drivers		2025	2029
GaN Power	• Single wafer MOCVD platform for 200 and 300mm GaN wafer sizes	~\$100M	~\$300M
	• Shipped 300mm evaluation for GaN on Si Power to leading Power Device customer		
Photonics	• Batch platform for traditional red MicroLED	~\$150M	~\$400M
	• Single wafer platform for disruptive Red, Green and Blue MicroLEDs on same wafer using GaN on Si		
	• Batch platform for solar and other applications		



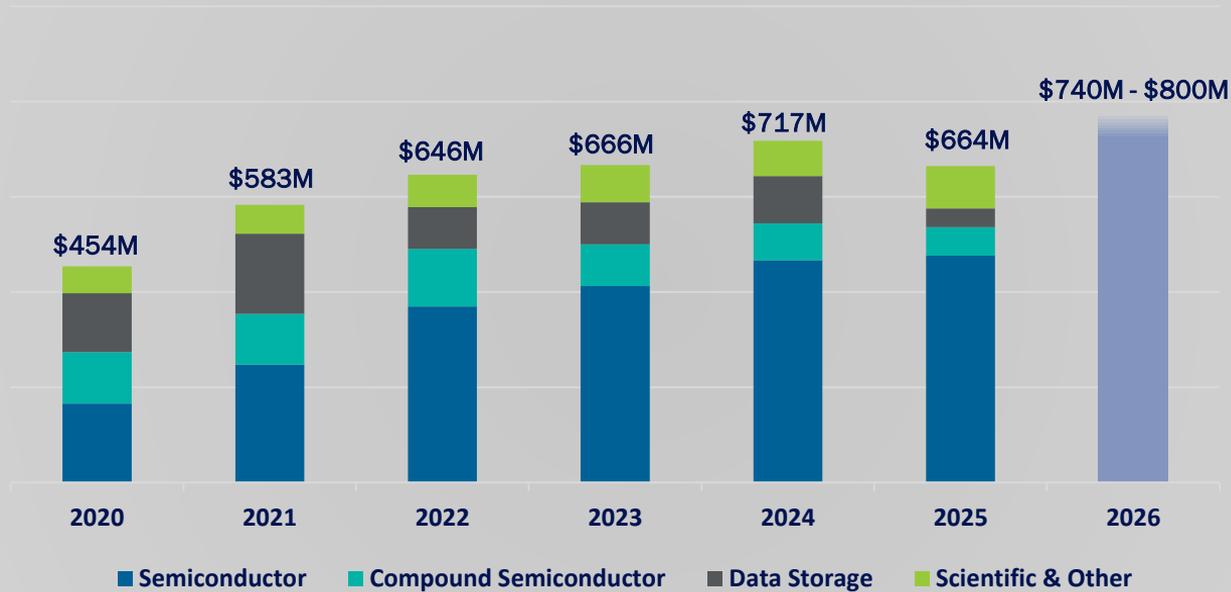
**Growth opportunities in GaN Power & Photonics**

# Why own Veeco?



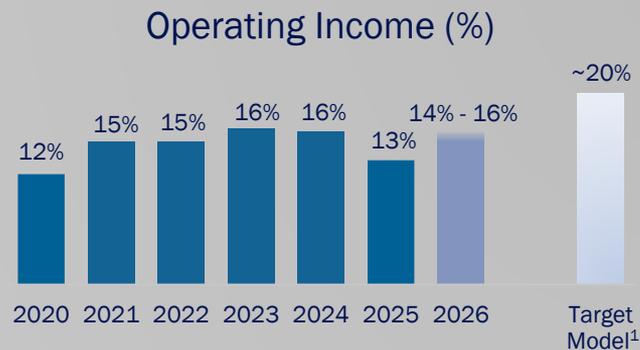
# Financials

# Revenue by End-Market



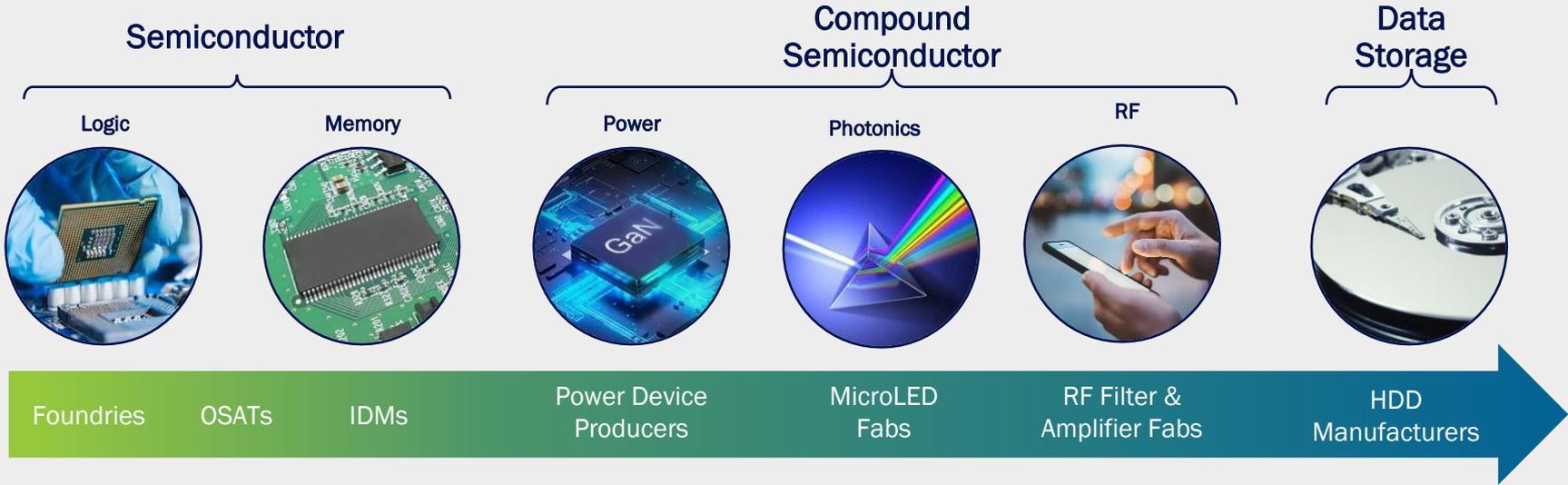
**Semiconductor CAGR of ~23% drives increase from 37% of total 2020 revenue to >70% in 2025**

# Historical Financials (Non-GAAP)



# Customers, Resource Alignment, Veeco Team & ESG

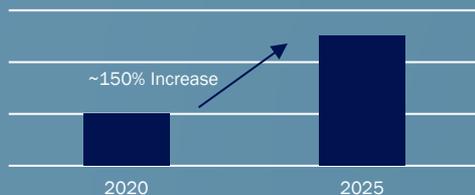
# Serving a Diverse Customer Base



# Resources Aligned for Growth

## Strategic Optimization of our R&D Spending Portfolio

R&D Applied to Semiconductor



R&D

In 2022 we completed our capacity build-out of a new leased facility in San Jose to support manufacturing our Semiconductor products.



Manufacturing

- Increasing investments in customer facing infrastructure
  - Semi experienced leaders
  - Service logistics
  - Quality team
- Investing ahead of revenue
  - Supporting evaluation systems
  - Training department & curriculum

Service

## Evaluations

	Historically	2021	2025+
Evals	1 to 2	~10	Similar*
Markets	Compound Semi	Semi & Compound Semi	Semi & Compound Semi

\* Number of evals will fluctuate given timing of acceptances and shipments

# Strong Management with Deep Semi Experience



**Bill Miller**  
CEO



**John Kiernan**  
CFO



**Susan Wilkerson**  
Global Customer  
Operations



**Adrian Devasahayam**  
Product Organization



**Peter Porshnev**  
Engineering



**Robert  
Bradshaw**  
CAO



**Jean-Charles Bossert**  
Global Operations



**Veeco United Team is Committed to Making a Material Difference**

# Sustainability Goals: Commitment to Corporate Responsibility

## Environment

- Renewable Energy
- Emissions Reduction
- Hazardous Chemical Management

## Social

- Representation of women and underrepresented employees
- Veeco STEM Scholarships
- Outreach & volunteerism

## Governance

- Expand ESG Reporting and Alignment

“Making a material difference as a **sustainable** and **transparent** company is at the core of the Veeco United team”

– Bill Miller, CEO



MSCI 

AA

### Quality Scores

Governance: 1

Social: 2

Environment: 4

### Corporate Score

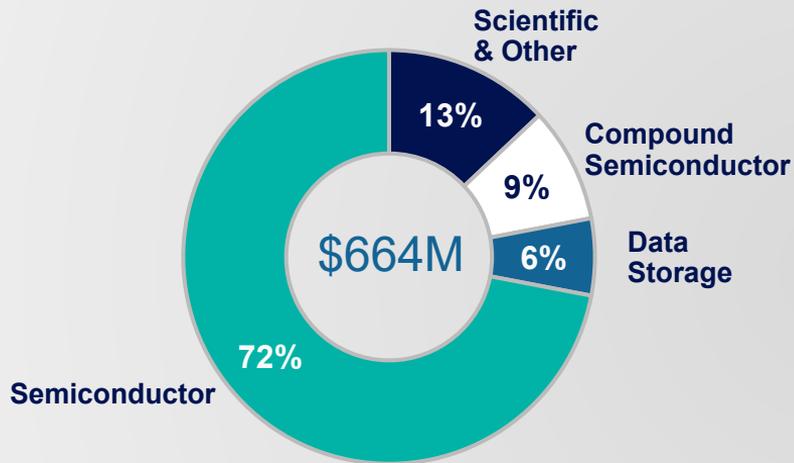
'21: D+ ⇨ '24: C

ISS ESG 

# Backup and Financial Tables

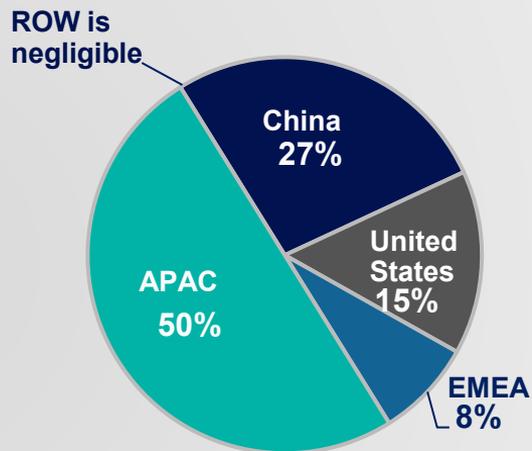
# FY 2025 Revenue by Market & Region

## Revenue by Market



Revenue Trend (\$M)	FY 23	FY 24	FY 25
Semiconductor	413	467	477
Compound Semi	87	78	60
Data Storage	88	99	39
Scientific & Other	78	74	89
Total	666	717	664

## Revenue by Region



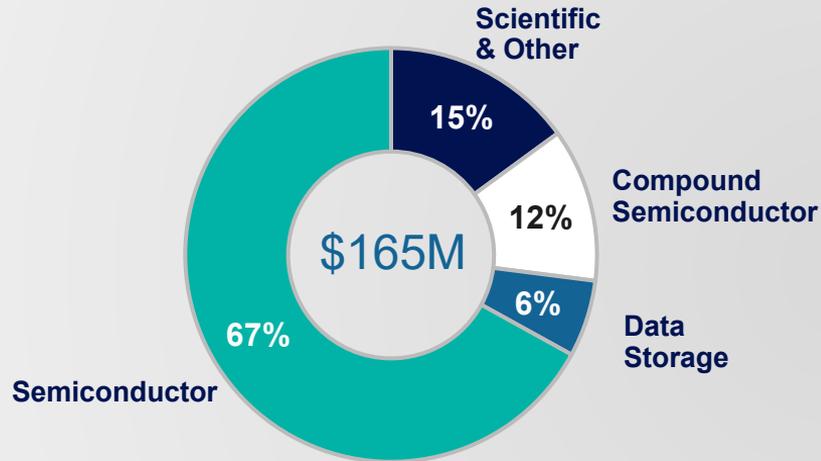
Revenue Trend (\$M)	FY 23	FY 24	FY 25
APAC	209	235	330
China	218	256	182
USA	163	165	101
EMEA & ROW	77	62	51
Total	666	717	664

# FY 2025 Operating Results

In millions (except per share amounts)	GAAP		Non-GAAP	
	FY 24	FY 25	FY 24	FY 25
<b>Revenue</b>	<b>\$717.3</b>	<b>\$664.3</b>	<b>\$717.3</b>	<b>\$664.3</b>
<b>Gross Profit</b>	<b>304.0</b>	<b>265.4</b>	<b>310.4</b>	<b>272.3</b>
<b>Gross Margin</b>	<b>42.4%</b>	<b>40.0%</b>	<b>43.3%</b>	<b>41.0%</b>
<b>Operating Expenses</b>	<b>237.0</b>	<b>229.7</b>	<b>194.4</b>	<b>188.0</b>
<b>Operating Income</b>	<b>67.0</b>	<b>35.7</b>	<b>116.1</b>	<b>84.3</b>
<b>Net Income</b>	<b>73.7</b>	<b>35.4</b>	<b>104.3</b>	<b>80.2</b>
<b>Diluted Earnings Per Share</b>	<b>1.23</b>	<b>0.59</b>	<b>1.74</b>	<b>1.33</b>
<b>Diluted Shares</b>	<b>61.6</b>	<b>60.6</b>	<b>61.2</b>	<b>60.5</b>

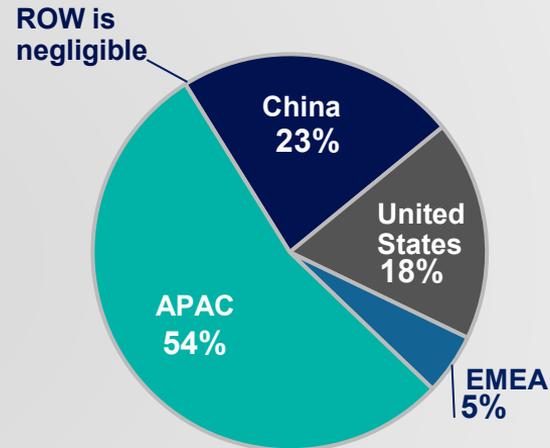
# Q4 2025 Revenue by Market & Region

## Revenue by Market



Revenue Trend (\$M)	Q4 24	Q3 25	Q4 25
Semiconductor	112	118	111
Compound Semi	23	11	20
Data Storage	14	10	10
Scientific & Other	33	27	24
Total	182	166	165

## Revenue by Region



Revenue Trend (\$M)	Q4 24	Q3 25	Q4 25
APAC	56	82	90
China	71	46	38
USA	35	27	29
EMEA & ROW	20	12	8
Total	182	166	165

# Q4 2025 Operating Results

In millions (except per share amounts)	GAAP		Non-GAAP		Non-GAAP
	Q3 25	Q4 25	Q3 25	Q4 25	Q4 25 Guidance (as of Nov 6 <sup>th</sup> , 2025)
Revenue	\$165.9	\$165.0	\$165.9	\$165.0	\$155M - \$175M
Gross Profit	67.7	60.5	69.5	62.3	
Gross Margin	40.8%	36.7%	41.9%	37.7%	37% - 39%
Operating Expenses	57.1	61.9	46.3	48.5	~\$48M
Operating Income (Loss)	10.6	(1.4)	23.1	13.8	
Net Income	10.6	1.1	21.8	14.7	\$10M - \$19M
Diluted Earnings Per Share	0.17	0.02	0.36	0.24	\$0.16 - \$0.32
Diluted Shares	60.9	61.5	60.9	61.5	

# Balance Sheet and Cash Flow Highlights

\$ millions	Q4 24	Q3 25	Q4 25
<b>Cash &amp; Short-Term Investments</b>	<b>345</b>	<b>369</b>	<b>390</b>
<b>Accounts Receivable</b>	<b>97</b>	<b>116</b>	<b>111</b>
<b>Inventories</b>	<b>247</b>	<b>263</b>	<b>275</b>
<b>Accounts Payable</b>	<b>44</b>	<b>44</b>	<b>55</b>
<b>Long-Term Debt</b>	<b>250</b>	<b>226</b>	<b>226</b>
<b>Cash Flow from Operations</b>	<b>28</b>	<b>16</b>	<b>25</b>
<b>Capital Expenditures</b>	<b>5</b>	<b>3</b>	<b>3</b>
<b>DSO (days)</b>	<b>48</b>	<b>63</b>	<b>60</b>
<b>DIO (days)</b>	<b>203</b>	<b>239</b>	<b>232</b>
<b>DPO (days)</b>	<b>37</b>	<b>41</b>	<b>48</b>

# Q1 2026 & FY 2026 Outlook

	Q1 2026		FY 2026	
	GAAP	Non-GAAP	GAAP	Non-GAAP
<b>Revenue</b>	\$150M - \$170M	\$150M - \$170M	\$740M - \$800M	\$740M - \$800M
<b>Gross Margin</b>	36% - 37%	37% - 38%	40% - 42%	41% - 43%
<b>Operating Expenses</b>	\$58M - \$60M	\$48M - \$50M	\$244M - \$259M	\$205M - \$220M
<b>Net Income (Loss)</b>	(\$2M) - \$4M	\$9M - \$15M	\$52M - \$73M	\$94M - \$115M
<b>Diluted Earnings Per Share (Loss)</b>	(\$0.03) - \$0.07	\$0.14 - \$0.24	\$0.83 - \$1.17	\$1.50 - \$1.85

# Historical Revenue by End-Market

\$M	2020	2021	2022	2023	2024					2025				
	FY	FY	FY	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Semi	166	247	369	413	120	110	124	112	467	124	124	118	111	477
Compound Semi	108	107	121	87	21	18	16	23	78	14	14	11	20	60
Data Storage	123	169	88	89	18	34	33	14	99	7	12	10	10	39
Scientific & Other	57	61	68	78	15	14	12	33	74	22	16	27	24	89
Total	454	583	646	666	175	176	185	182	717	167	166	166	165	664

# 2029 Convertible Notes Outstanding

As of December 31, 2025

Convertible Notes Due June 2029	Principal Amount	Carrying Value	Coupon	Annual Cash Interest	Annual Non-Cash Interest	Initial Conversion Price
	230M	226M	2.875%	6.6M	1.1M	29.22

## Effect of Convertible Notes on Diluted EPS (GAAP and Non-GAAP)\*

Average Stock Price per Common Share	Incremental Dilutive Shares (in thousands)
\$29.00	-
\$30.00	205
\$31.00	452
\$32.00	684
\$33.00	902
\$34.00	1,106
\$35.00	1,300
\$36.00	1,482
\$37.00	1,655
\$38.00	1,818
\$39.00	1,974
\$40.00	2,121
\$41.00	2,261
\$42.00	2,395
\$43.00	2,522
\$44.00	2,644
\$45.00	2,760

\* The Company is required to settle the principal amount of the 2029 Convertible Notes in cash, and has the option to settle in cash or shares. As such, only "in-the-money" shares above the implied conversion price of \$29.22 are added to the diluted share count, and there is no interest expense added back to the numerator for purposes of calculating diluted EPS.

# Note on Reconciliation Tables

These tables include financial measures adjusted for the impact of certain items; these financial measures are therefore not calculated in accordance with U.S. generally accepted accounting principles (“GAAP”). These Non-GAAP financial measures exclude items such as: share-based compensation expense; charges relating to restructuring initiatives; non-cash asset impairments; certain other non-operating gains and losses; and acquisition-related items such as transaction costs, non-cash amortization of acquired intangible assets, incremental transaction-related compensation, and certain integration costs.

These Non-GAAP financial measures may be different from Non-GAAP financial measures used by other companies. Non-GAAP financial measures should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. By excluding these items, Non-GAAP financial measures are intended to facilitate meaningful comparisons to historical operating results, competitors' operating results, and estimates made by securities analysts. Management is evaluated on key performance metrics including Non-GAAP Operating Income, which is used to determine management incentive compensation as well as to forecast future periods.

These Non-GAAP financial measures may be useful to investors in allowing for greater transparency of supplemental information used by management in its financial and operational decision-making. In addition, similar Non-GAAP financial measures have historically been reported to investors; the inclusion of comparable numbers provides consistency in financial reporting. Investors are encouraged to review the reconciliation of the Non-GAAP financial measures used in this news release to their most directly comparable GAAP financial measures.

# Supplemental Information—GAAP to Non-GAAP Reconciliation

\$ millions	2025	2024	2023	2022	2021	2020	\$ millions	2025	2024	2023	2022	2021	2020
Net sales	\$664.3	\$717.3	\$666.4	\$646.1	\$583.3	\$454.2	GAAP Net income (loss)	\$35.4	\$73.7	(\$30.4)	\$166.9	\$26.0	(\$8.4)
GAAP gross profit	265.4	304.0	285.1	263.1	242.3	194.3	Add: Share-based comp	37.0	35.9	28.6	23.0	15.2	12.7
GAAP gross margin	40.0%	42.4%	42.8%	40.7%	41.5%	42.8%	Add: Amortization	3.1	7.0	8.5	10.0	12.3	15.3
Add: Share-based comp	6.8	6.3	4.9	4.6	2.4	1.9	Add: Merger / Acquisition related expenses	8.9	-	1.1	-	-	-
Add: Other	-	0.2	0.2	3.3	0.4	0.3	Add: Restructuring	-	-	-	-	-	1.1
Non-GAAP gross profit	\$272.3	\$310.4	\$290.2	\$271.0	\$245.1	\$196.5	Add: Asset impairment	-	28.1	-	-	-	0.3
Non-GAAP gross margin	41.0%	43.4%	43.5%	41.9%	42.0%	43.3%	Add: Transition expense – San Jose expansion project	-	-	0.8	6.2	2.0	-
							Add: Changes in contingent consideration	(0.9)	(21.2)	0.7	-	-	-
							Add: Sale of productive assets	-	(2.0)	-	-	-	-
							Add: Other	1.1	1.4	-	0.3	0.3	0.5
							Add: Interest expense (income), net	(4.3)	(1.9)	1.2	9.3	26.0	23.2
							Add: Other (income) expense, net	-	-	97.1	-	5.0	7.8
							Add: Tax expense (benefit)	4.0	(4.9)	2.0	(116.0)	(0.4)	(0.1)
							Non-GAAP operating income	\$84.3	\$116.1	\$109.6	\$99.8	\$86.6	\$52.5

# Supplemental Information—GAAP to Non-GAAP Reconciliation

\$ millions, except per share amounts	2025	2024	2023	2022	2021	2020
GAAP Basic weighted average shares	59.3	56.4	53.8	49.9	49.1	48.4
GAAP Diluted weighted average shares	60.6	61.6	53.8	65.6	53.6	48.4
GAAP Basic EPS	\$0.60	\$1.31	(\$0.56)	\$3.35	\$0.53	(\$0.17)
GAAP Diluted EPS	\$0.59	\$1.23	(\$0.56)	\$2.71	\$0.49	(\$0.17)
GAAP Net income (loss)	\$35.4	\$73.7	(\$30.4)	\$166.9	\$26.0	(\$8.4)
Add: Share-based comp	37.0	35.9	28.6	23.0	15.2	12.7
Add: Amortization	3.1	7.0	8.5	10.0	12.3	15.3
Add: Merger / Acquisition related expenses	8.9	-	1.1	-	-	-
Add: Restructuring	-	-	-	-	-	1.1
Add: Asset impairment	-	28.1	-	-	-	0.3
Add: Transition expense – San Jose expansion project	-	-	0.8	6.2	2.0	-
Add: Changes in contingent consideration	(0.9)	(21.2)	0.7	-	-	-
Add: Sale of productive assets	-	(2.0)	-	-	-	-
Add: Other	1.1	1.4	-	0.3	0.3	0.5
Add: Non-cash interest expense	1.1	1.3	1.1	0.9	13.8	13.8
Add: Other (income) expense, net	-	-	97.1	-	5.0	7.8
Add: Release of valuation allowance on DTA	-	-	-	(105.0)	-	-
Add: Tax benefit associated with asset impairments	-	(12.2)	-	-	-	-
Add: Tax adjustment from GAAP to Non-GAAP	(5.5)	(7.5)	(9.1)	(12.9)	(1.1)	(0.8)
Non-GAAP net income	80.2	104.3	\$98.3	\$89.6	\$73.6	\$42.3
Non-GAAP basic EPS	\$1.35	\$1.85	\$1.83	\$1.79	\$1.50	\$0.88
Non-GAAP diluted EPS	\$1.33	\$1.74	\$1.69	\$1.57	\$1.43	\$0.86
Non-GAAP basic weighted average shares	59.3	56.4	53.8	49.9	49.1	48.4
Non-GAAP diluted weighted average shares	60.5	61.2	60.8	63.4	51.5	49.3

\$ millions	2025	2024	2023	2022	2021	2020
GAAP operating expenses	\$229.7	\$237.0	\$215.1	\$202.9	\$185.6	\$171.7
Share-based compensation	(30.2)	(29.6)	(23.6)	(18.4)	(12.9)	(10.8)
Amortization	(3.1)	(7.0)	(8.5)	(10.0)	(12.3)	(15.3)
Other	(8.4)	(6.1)	(2.4)	(3.2)	(1.9)	(1.5)
Non-GAAP operating expenses	\$188.0	\$194.4	\$180.6	\$171.2	\$158.5	\$144.0

Amounts may not calculate precisely due to rounding.

# Supplemental Information—GAAP to Non-GAAP Reconciliation

\$ millions	Q3 25	Q4 25
Net sales	\$165.9	\$165.0
GAAP gross profit	67.7	60.5
GAAP gross margin	40.8%	36.7%
Add: Share-based comp	1.8	1.7
Add: Other	-	-
Non-GAAP gross profit	\$69.5	\$62.3
Non-GAAP gross margin	41.9%	37.7%

\$ millions	Q3 25	Q4 25
GAAP Net income	\$10.6	\$1.1
Add: Share-based comp	9.1	9.0
Add: Amortization	0.8	0.7
Add: Merger related expenses	2.6	6.3
Add: Asset impairment	-	-
Add: Changes in contingent consideration	-	(0.9)
Add: Sale of productive assets	-	-
Add: Other	0.1	-
Add: Interest expense (income)	(1.3)	(1.3)
Add: Tax expense (benefit)	1.3	(1.2)
Non-GAAP operating income	\$23.1	\$13.8

\$ millions, except per share amounts	Q3 25	Q4 25
GAAP Basic weighted average shares	60.1	60.1
GAAP Diluted weighted average shares	61.0	61.5
GAAP Basic EPS	\$0.18	\$0.02
GAAP Diluted EPS	\$0.17	\$0.02
GAAP Net income	\$10.6	\$1.1
Add: Share-based comp	9.1	9.0
Add: Amortization	0.8	0.7
Add: Merger related expenses	2.6	6.3
Add: Asset impairment	-	-
Add: Changes in contingent consideration	-	(0.9)
Add: Sale of productive assets	-	-
Add: Other	0.1	-
Add: Non-cash interest expense	0.3	0.3
Add: Tax benefit associated with asset impairments	-	-
Add: Tax adjustment from GAAP to Non-GAAP	(1.7)	(1.8)
Non-GAAP net income	21.8	14.7
Non-GAAP basic EPS	\$0.36	\$0.24
Non-GAAP diluted EPS	\$0.36	\$0.24
Non-GAAP basic weighted average shares	60.1	60.1
Non-GAAP diluted weighted average shares	61.0	61.5
<b>\$ millions</b>	<b>Q3 25</b>	<b>Q4 25</b>
GAAP operating expenses	\$57.1	\$61.9
Share-based compensation	(7.4)	(7.3)
Amortization	(0.8)	(0.7)
Merger related expenses	(2.6)	(6.3)
Changes in contingent consideration and other	(0.1)	0.9
Non-GAAP operating expenses	\$46.3	\$48.5

# Q4 2025 Actual: GAAP to Non-GAAP Reconciliation

\$ millions	Non-GAAP Adjustments				Non-GAAP
	GAAP	Share-Based Compensation	Amortization	Other	
Net Sales	\$165.0				\$165.0
Gross Profit	60.5	1.7	—	—	62.3
Gross Margin	36.7%				37.7%
Operating Expenses	\$61.9	(7.3)	(0.7)	(5.4)	\$48.5
Operating Income (Loss)	(\$1.4)	9.0	0.7	5.4	\$13.8
Net Income	\$1.1	9.0	0.7	3.8	\$14.7

Other Non-GAAP Adjustments	
Merger related expenses	6.3
Changes in contingent consideration	(0.9)
Subtotal	5.4
Non-cash Interest Expense	0.3
Non-GAAP tax adjustment	(1.8)
Total Other	\$3.8

Income per Diluted Common Share		
	GAAP	Non-GAAP
Net Income available to common shareholders	\$1.1	\$14.7
Basic weighted average common shares	60.1	60.1
Add: Dilutive effect of share-based awards	1.3	1.3
Add: Dilutive effect of 2029 Convertible Senior Notes	0.1	0.1
Diluted weighted average common shares	61.5	61.5
Basic income per common share	\$0.02	\$0.24
Diluted income per common share	\$0.02	\$0.24

# FY 2025 Actual: GAAP to Non-GAAP Reconciliation

\$ millions	Non-GAAP Adjustments				Non-GAAP
	GAAP	Share-Based Compensation	Amortization	Other	
Net Sales	\$664.3				\$664.3
Gross Profit	265.4	6.8	—	—	272.3
Gross Margin	40.0%				41.0%
Operating Expenses	\$229.7	(30.2)	(3.1)	(8.4)	\$188.0
Operating Income	\$35.7	37.0	3.1	8.4	\$84.3
Net Income	\$35.4	37.0	3.1	4.7	\$80.2

Other Non-GAAP Adjustments	
Merger related expenses	8.9
Changes in contingent consideration	(0.9)
Other	0.4
Subtotal	8.4
Non-cash Interest Expense	1.1
Other (income) expense, net	0.7
Non-GAAP tax adjustment	(5.5)
Total Other	\$4.7

Income per Diluted Common Share		
	GAAP	Non-GAAP
Net Income	\$35.4	\$80.2
Add: Interest on Convertible Senior Notes	0.4	0.4
Net Income available to common shareholders	35.8	80.6
Basic weighted average common shares	59.3	59.3
Add: Dilutive effect of share-based awards	0.6	0.6
Add: Dilutive effect of 2025 Convertible Senior Notes	—	0.1
Add: Dilutive effect of 2027 Convertible Senior Notes	0.7	0.5
Diluted weighted average common shares	60.6	60.5
Basic income per common share	\$0.60	\$1.35
Diluted income per common share	\$0.59	\$1.33

# Q1 2026 Guidance

(\$ millions, except per share amounts)

Reconciliation of GAAP to non-GAAP Financial Data					
	GAAP	Non-GAAP Adjustments			Non-GAAP
		Share-Based Compensation	Amortization	Other	
Net Sales	\$150–\$170				\$150–\$170
Gross Profit	54–63	2	—	—	56–65
Gross Margin	36%–37%				37%–38%
Operating Expenses	\$58–\$60	(7)	(1)	(2)	\$48–\$50
Operating Income (Loss)	(\$3)–\$4	9	1	2	\$9–\$16
Net Income (Loss)	(\$2)–\$4	9	1	1	\$9–\$15
Income (Loss) per Diluted Share	(\$0.03)–\$0.07				\$0.14–\$0.24

Reconciliation of GAAP Net Income (Loss) to non-GAAP Operating Income	
GAAP Net Income (Loss)	(\$2)–\$4
Share-Based Compensation	9
Amortization	1
Merger related expenses	2
Interest expense (income)	(1)
Income tax expense (benefit)	0-1
Non-GAAP Operating Income	\$9–\$16

Income per Diluted Common Share		
	GAAP	Non-GAAP
Net income (loss) available to common shareholders	(\$2)–\$4	\$9–\$15
Basic weighted average common shares	60	60
Add: Dilutive effect of share-based awards	0-1	1
Add: Dilutive effect of 2029 Convertible Senior Notes	0-1	1
Diluted weighted average common shares	60-62	62
Income (Loss) per diluted common share	(\$0.03)–\$0.07	\$0.14–\$0.24

# FY 2026 Guidance

(\$ millions, except per share amounts)

Reconciliation of GAAP to non-GAAP Financial Data					
	GAAP	Non-GAAP Adjustments			Non-GAAP
		Share-Based Compensation	Amortization	Other	
Net Sales	\$740–\$800				\$740–\$800
Gross Profit	298–338	8	—	—	306–346
Gross Margin	40%–42%				41%–43%
Operating Expenses	\$244–\$259	(31)	(2)	(6)	\$205–\$220
Operating Income	\$54–\$79	39	2	6	\$101–\$126
Net Income	\$52–\$73	39	2	1	\$94–\$115
Income per Diluted Share	\$0.83–\$1.17				\$1.50–\$1.85

Reconciliation of GAAP Net Income to non-GAAP Operating Income	
GAAP Net Income	\$52–\$73
Share-Based Compensation	39
Amortization	2
Merger related expenses	6
Interest expense (income)	(4)
Income tax expense (benefit)	7-10
Non-GAAP Operating Income	\$101–\$126

Income per Diluted Common Share		
	GAAP	Non-GAAP
Net income available to common shareholders	\$52–\$73	\$94–\$115
Basic weighted average common shares	61	61
Add: Dilutive effect of share-based awards	1	1
Add: Dilutive effect of 2029 Convertible Senior Notes	1	1
Diluted weighted average common shares	63	63
Income per diluted common share	\$0.83–\$1.17	\$1.50–\$1.85