



Veeco Instruments

Investor Presentation

January 2026



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No Offer or Solicitation

This communication is not intended to and shall not constitute an offer to purchase or the solicitation of an offer to buy or sell any securities, or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made, except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

How to Find Further Information

In connection with a proposed merger (the "proposed transaction") between Axcelis Technologies, Inc. ("Axcelis") and Veeco Instruments Inc. ("Veeco"), Axcelis and Veeco intend to prepare, and Axcelis intends to file with U.S. Securities and Exchange Commission (the "SEC"), a Registration Statement on Form S-4 (the "Registration Statement") containing a joint proxy statement/prospectus and certain other related documents, which will be both (i) the joint proxy statement to be distributed to Axcelis' and Veeco's respective stockholders in connection with Axcelis' and Veeco's solicitation of proxies for the vote by Axcelis' and Veeco's respective stockholders with respect to the proposed transaction and other matters as may be described in the joint proxy statement/prospectus and (ii) the prospectus relating to the offer and sale of the securities to be issued in connection with the proposed transaction. When available, Axcelis and Veeco will mail the definitive joint proxy statement/prospectus and other relevant documents to their respective stockholders as of the applicable record date to be established for voting on the proposed transaction. This communication is not a substitute for the Registration Statement, the definitive joint proxy statement/prospectus or any other document that Axcelis and/or Veeco will send to their respective stockholders in connection with the proposed transaction. Investors and security holders are urged to read, when available, the preliminary joint proxy statement/prospectus in connection with Axcelis' and Veeco's solicitation of proxies for their respective special meetings of stockholders to be held to approve the proposed transaction (and related matters) and general amendments thereto and the definitive joint proxy statement/prospectus because the joint proxy statement/prospectus will contain important information about the proposed transaction and the parties to the proposed transaction. Investors and security holders will be able to obtain free copies of the joint proxy statement/prospectus (if and when available) and other documents containing important information about Axcelis, Veeco and the proposed transaction, once such documents are filed with or furnished to the SEC through the website maintained by the SEC at www.sec.gov. Copies of the documents filed with or furnished to the SEC by Axcelis will be available free of charge on Axcelis' website at investor.axcelis.com or by contacting Axcelis' Investor Relations department by email at investor-relations@axcelis.com. Copies of the documents filed with or furnished to the SEC by Veeco will be available free of charge on Veeco's website at ir.veeco.com or by contacting Veeco's Investor Relations department by email at Investorrelations@veeco.com. Axcelis' and Veeco's respective website addresses are included in this communication for reference only. The information contained on, or accessible through, Axcelis' or Veeco's respective websites is not incorporated by reference into this communication or Axcelis' and Veeco's respective filings with the SEC.

Forward-looking Statements

This presentation contains "forward-looking statements", within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, as amended, that are based on management's expectations, estimates, projections and assumptions. Words such as "expects," "anticipates," "plans," "believes," "scheduled," "estimates" and variations of these words and similar expressions are intended to identify forward-looking statements. Forward-looking statements include, but are not limited to, those regarding anticipated growth and trends in our businesses and markets, industry outlooks and demand drivers, our investment and growth strategies, our development of new products and technologies, our business outlook for current and future periods, our ongoing transformation initiative and the effects thereof on our operations and financial results, the timing, completion and expected benefits of the proposed transaction and other statements that are not historical facts. These statements and their underlying assumptions are subject to risks and uncertainties and are not guarantees of future performance. Factors that could cause actual results to differ materially from those expressed or implied by such statements include, without limitation: the level of demand for our products; global economic and industry conditions; global trade issues, including the effects of foreign and domestic tariffs and the ongoing trade disputes between the U.S. and China; and changes in trade and export license policies; our dependency on third-party suppliers and outsourcing partners; the timing of customer orders; our ability to develop, deliver and support new products and technologies; our ability to expand our current markets, increase market share and develop new markets; the concentrated nature of our customer base; cybersecurity attacks and our ability to safeguard sensitive information and protect our intellectual property rights in key technologies; the effects of regional or global health epidemics; delays in or failure to complete the proposed transaction, whether due to an inability by either party to satisfy one or more conditions to closing, including an inability to obtain required shareholder approvals or certain regulatory approvals, the occurrence of events or changes in circumstances that give rise to the termination of the applicable merger agreement by either party, or otherwise; risks related to the pending of the proposed transaction and its effect on our business, financial condition, results of operations, cash flows and stock price; our ability to achieve the objectives of operational and strategic initiatives and attract, motivate and retain key employees, including as a result of the proposed transaction; diversion of management time and attention from ordinary course business operations to the proposed transaction and other potential disruptions to our business relating thereto; the variability of results among products and end-markets, and our ability to accurately forecast future results, market conditions, and customer requirements; the impact of our indebtedness, including our convertible senior notes and our capped call transactions; and other risks and uncertainties described in our SEC filings on Forms 10-K, 10-Q and 8-K, and from time-to-time in our other SEC reports. All forward-looking statements speak only to management's expectations, estimates, projections and assumptions as of the date of this presentation. The Company does not undertake any obligation to update or publicly revise any forward-looking statements to reflect events, circumstances or changes in expectations after the date of this presentation.

Participants in the Solicitation

Axcelis, Veeco and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information about the directors and executive officers of Axcelis, including a description of their direct or indirect interests, by security holdings or otherwise, is set forth in Axcelis' proxy statement for its 2025 annual meeting of stockholders, which was filed with the SEC on March 31, 2025. Information about the directors and executive officers of Veeco, including a description of their direct or indirect interests, by security holdings or otherwise, is set forth in Veeco's proxy statement for its 2025 annual meeting of stockholders, which was filed with the SEC on March 20, 2025. Other information regarding the participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials to be filed with or furnished to the SEC regarding the proposed transaction. You may obtain free copies of these documents using the sources indicated above.

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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



\$717M
2024 Revenue

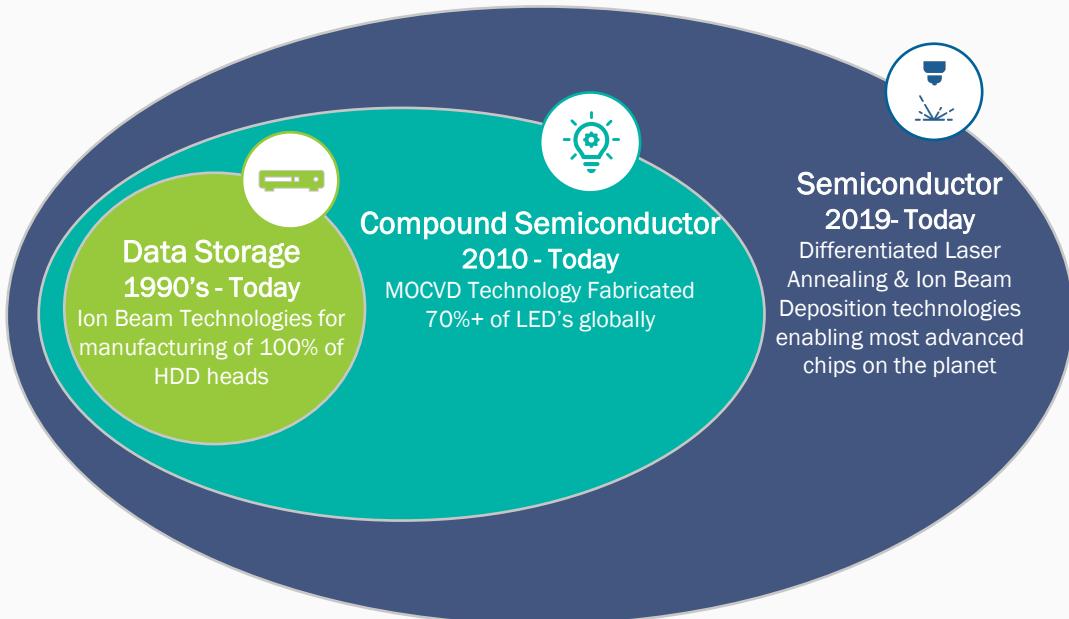


~1200
Employees



~350
Patents

Who is Veeco ?



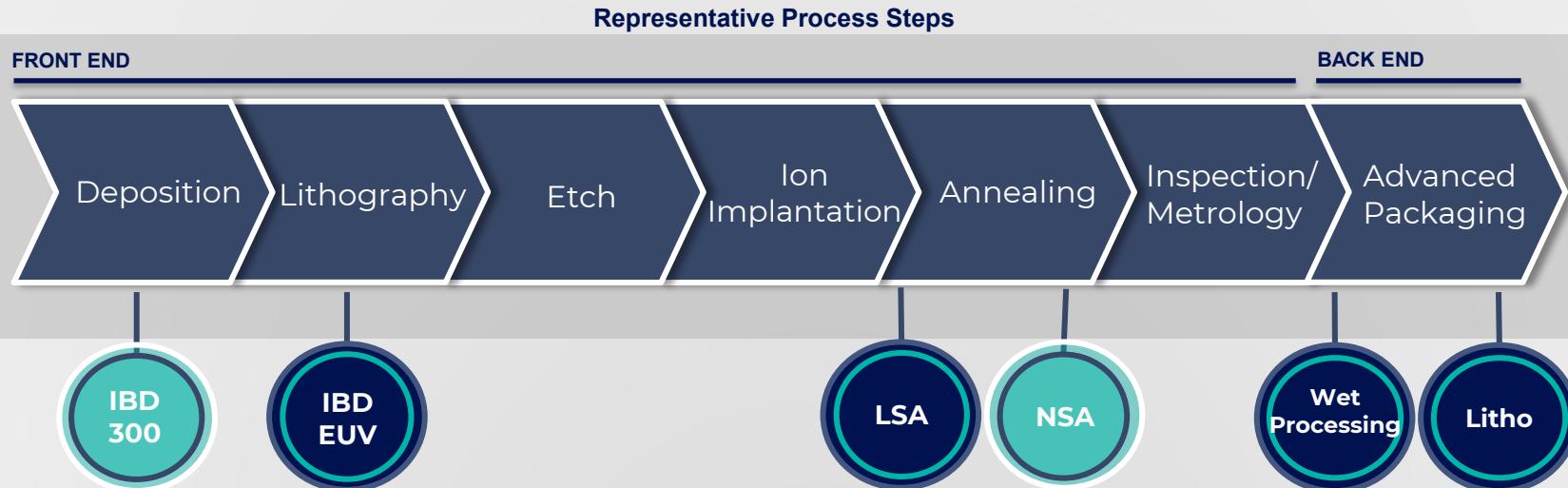
Strong History
Solving materials challenges

Growth Focus
Semiconductor & Compound Semiconductor

Well Positioned
Leading edge customers drive growth



Critical Role in Semi Manufacturing



Veeco Technologies are Critical for Several Semi Manufacturing Process Steps

Strategy & SAM Opportunities

Available Market



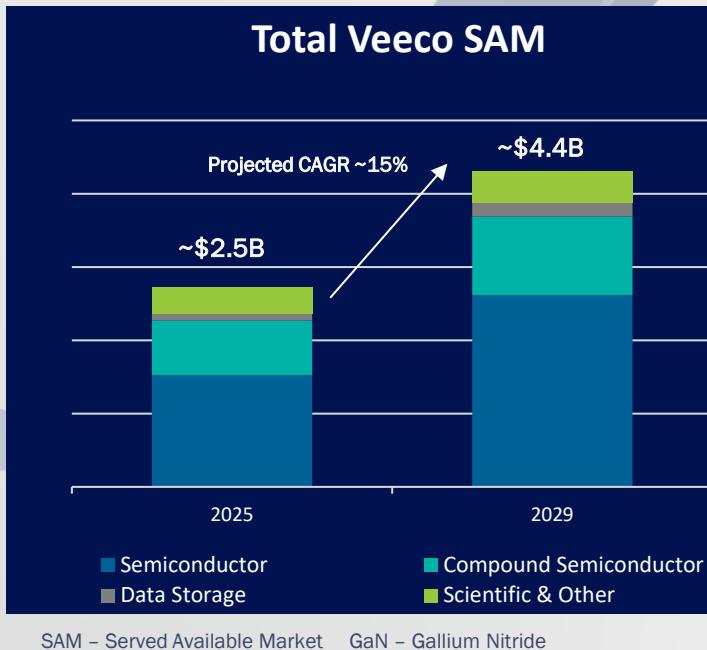
Veeco's Served Available Market projected to grow to ~\$4.4B



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

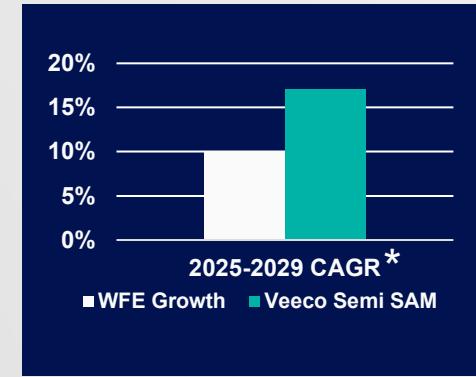


Compound Semiconductor opportunity projected to grow to ~\$1.2B driven by equipment for GaN Power and Photonics



Semi SAM Expansion To Drive Outperformance

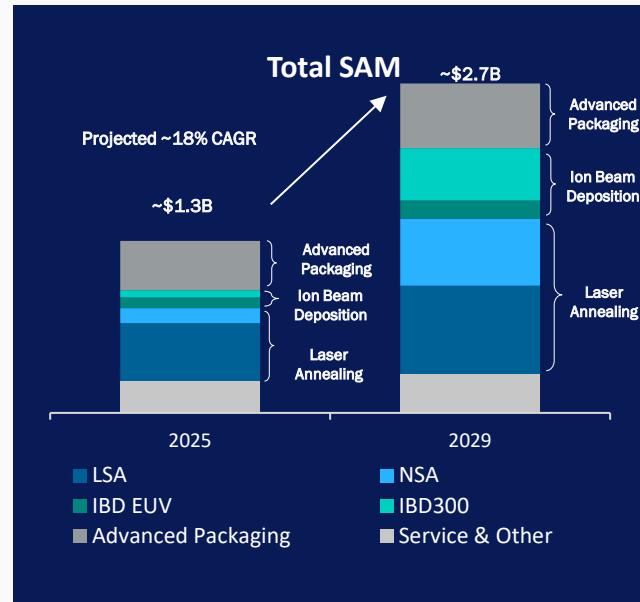
Markets	Industry Inflections	Enabling Technologies
Advanced Logic	GAA/BSPD	
Memory	Device Shrink - EUV/High NA Lithography	
Advanced Packaging	HBM/3D Devices	
	3D Packaging For AI	
	Heterogeneous Integration	



Enabling technologies for industry inflections provide opportunity to outperform WFE growth

Semiconductor SAM Projected Growth

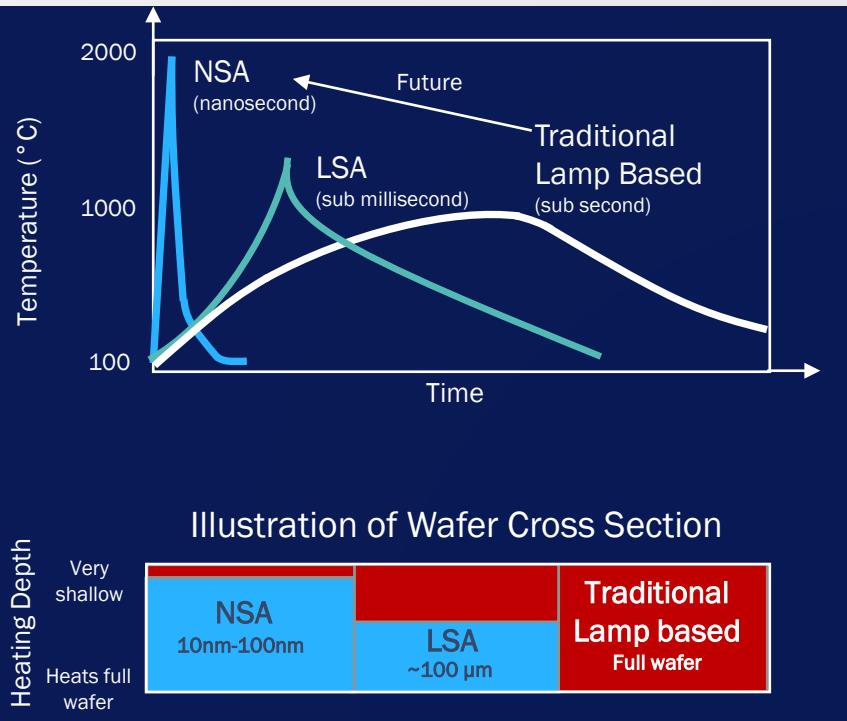
Key Growth Drivers	2025	2029	
Laser Spike Annealing (LSA)	• PTOR at 3 Tier 1 logic and 1 HBM DRAM customer • Shipped 2 nd HBM customer a LSA evaluation system in Q4 2025	~\$600M	~\$850M
NEW Nanosecond Annealing (NSA)	• 2 evaluation systems at Tier 1 logic customers • Strong pull from 3 rd Tier 1 logic 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

EUV – Extreme Ultraviolet
IBD – Ion Beam Deposition
PTOR – Production Tool of Record

Nanosecond Annealing Opportunity



- 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

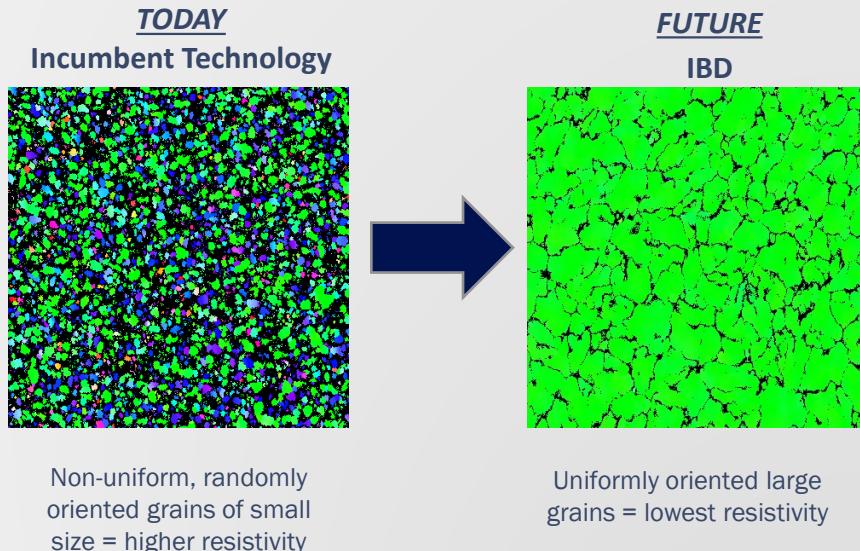
Nanosecond Annealing a substantial opportunity to expand to new leading-edge applications

HVM – High Volume Manufacturing

NSA – Nanosecond Annealing
LSA – Laser Spike Annealing

IBD300– 300mm Front End Semi Opportunity

ILLUSTRATION OF GRAIN SIZE AND DISTRIBUTION



- 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

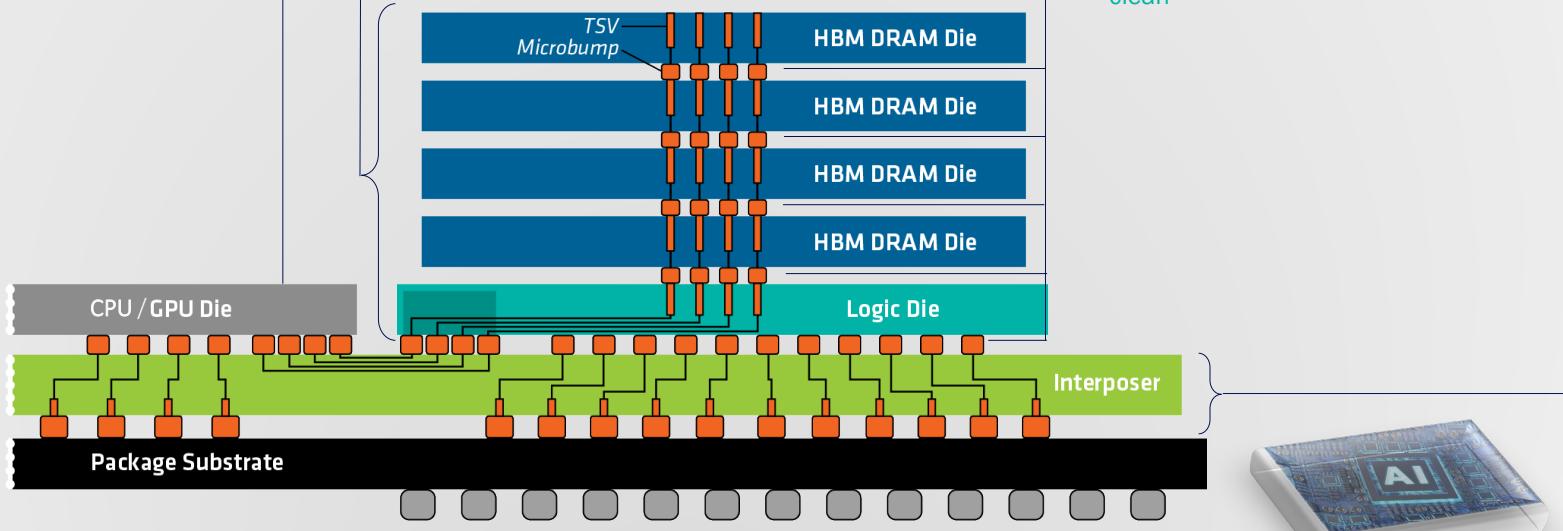
GPU

Current PTOR

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

Additional Future Opportunities

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



Semi Evaluations Capture Industry Inflections

System	Tier 1 Customer	Tools at Customer	Forecasted Revenue Per Application Win 100K wspm*
LSA	Logic	2	\$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

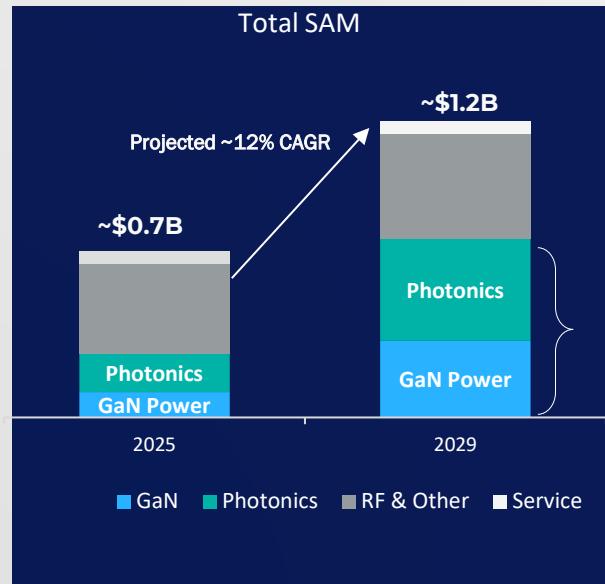
LSA- Laser Spike Annealing

NSA – Nanosecond Annealing

IBD – Ion Beam Deposition

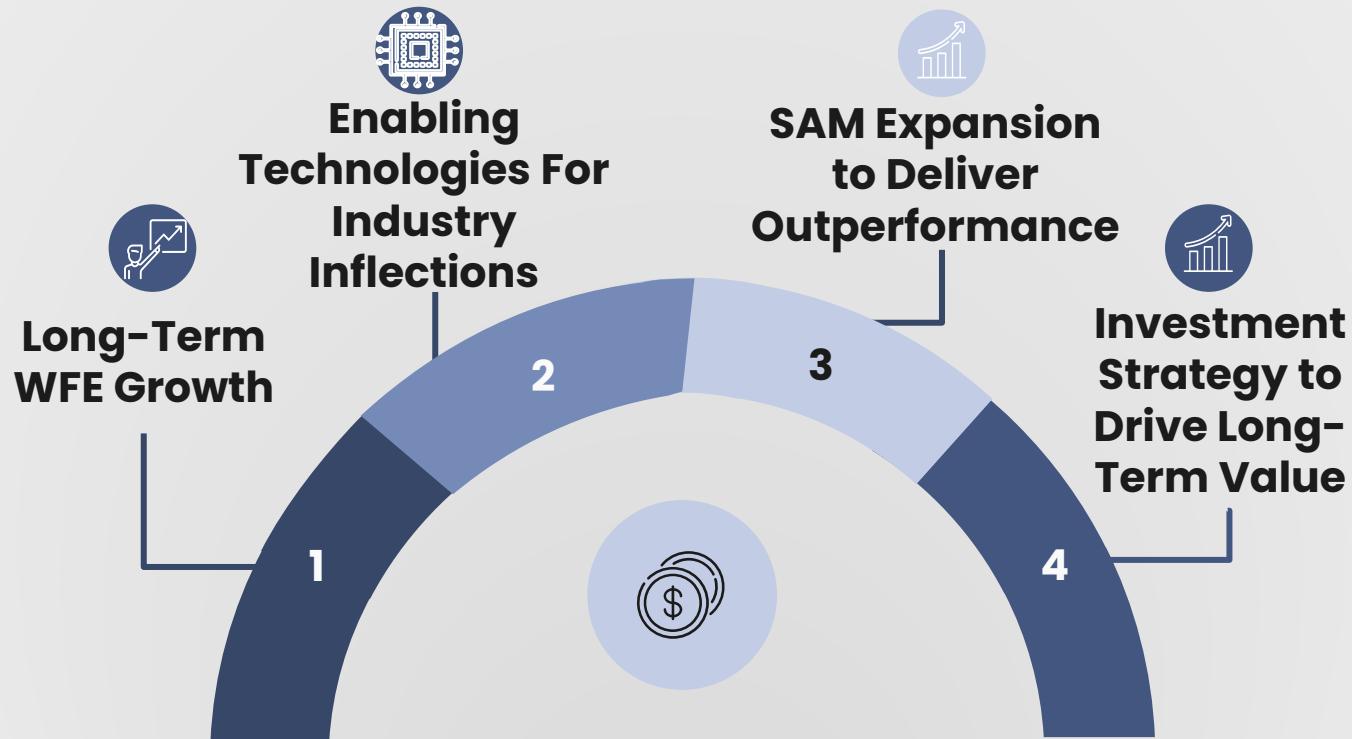
Compound Semiconductor Projected SAM Growth

Key Growth Drivers	2025	2029	
GaN Power	<ul style="list-style-type: none"> Single wafer MOCVD platform for 200 and 300mm GaN wafer sizes Shipped 300mm evaluation for GaN on Si Power to leading Power Device customer 	~\$100M	~\$300M
Photonics	<ul style="list-style-type: none"> Batch platform for traditional red MicroLED Single wafer platform for disruptive Red, Green and Blue MicroLEDs on same wafer using GaN on Si Batch platform for solar and other applications 	~\$150M	~\$400M



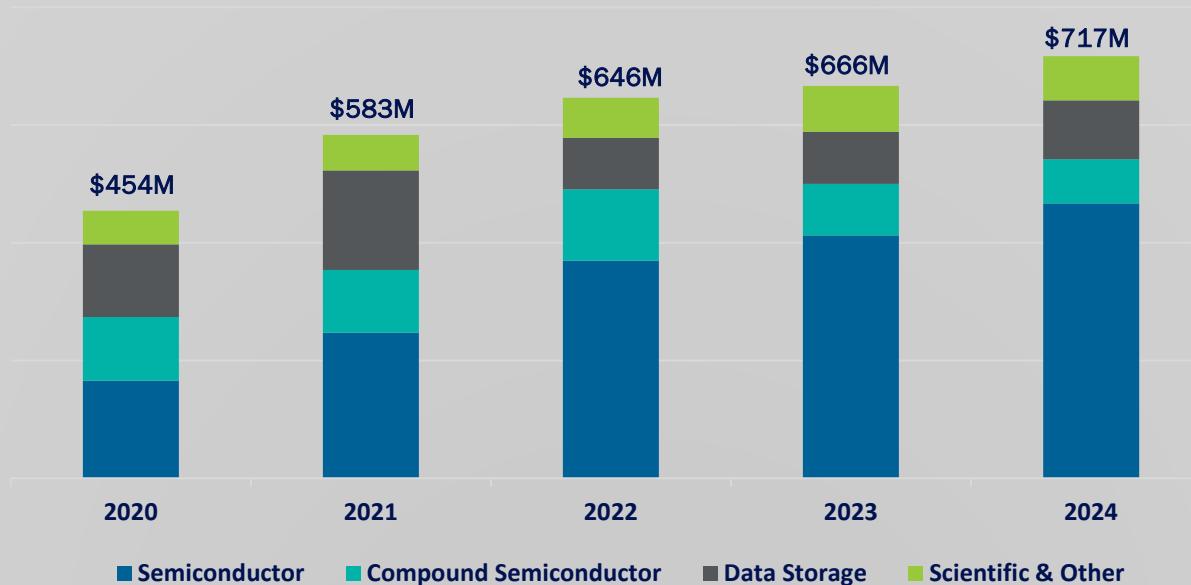
Growth opportunities in GaN Power & Photonics

Why own ?



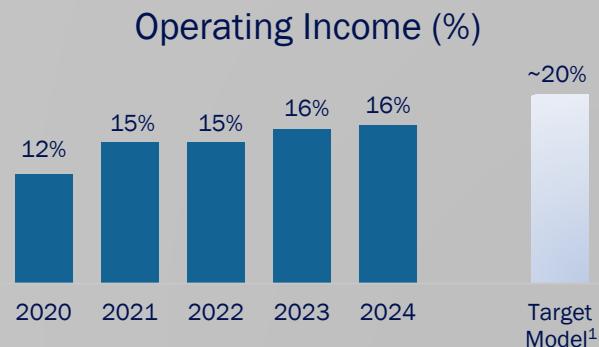
Financials

Revenue by End-Market



Semiconductor CAGR of ~30% drives increase from 37% of total 2020 revenue to >60% in 2024

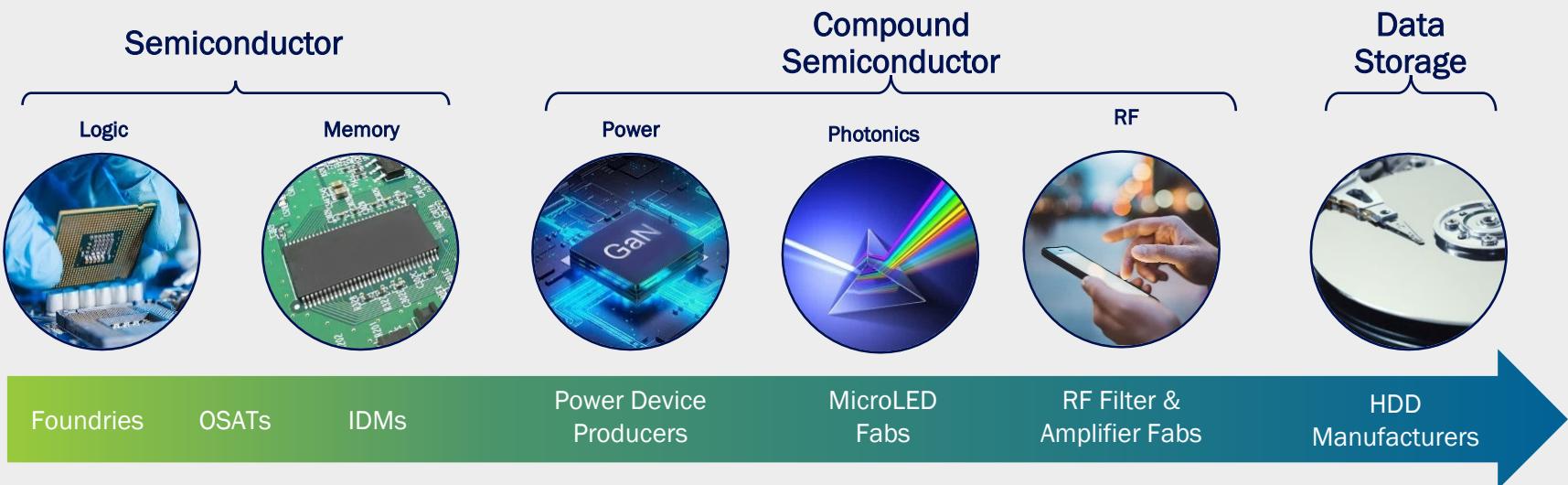
Historical Financials (Non-GAAP)



1. Target Model shown is the long-term projected model presented during the September 2021 Analyst Event. A reconciliation of GAAP to Non-GAAP financial measures can be found in the backup section of this presentation.

Customers, Resource Alignment, Veeco Team & ESG

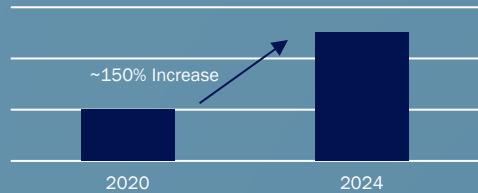
Serving a Diverse Customer Base



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	2024+
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

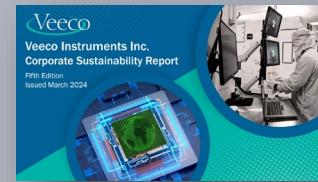


Governance

- 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

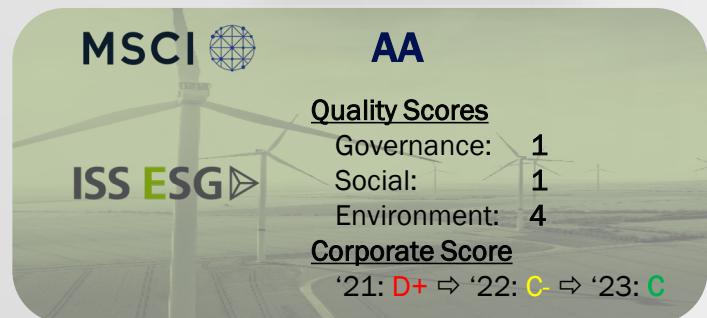
AA

Quality Scores

Governance: 1
Social: 1
Environment: 4

Corporate Score

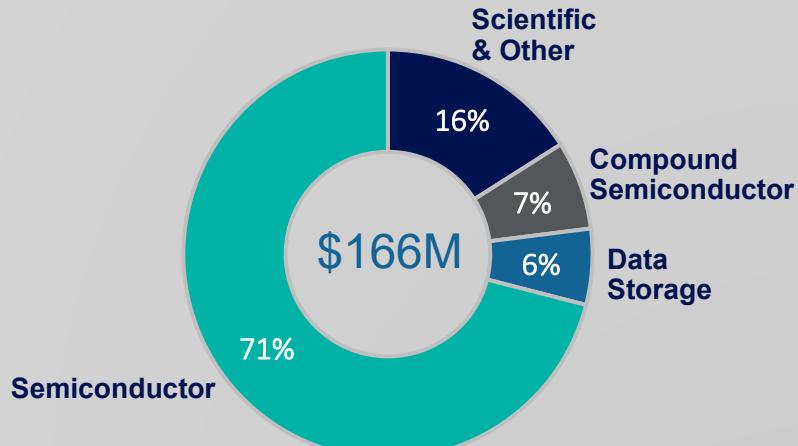
‘21: D+ ⇒ ‘22: C- ⇒ ‘23: C



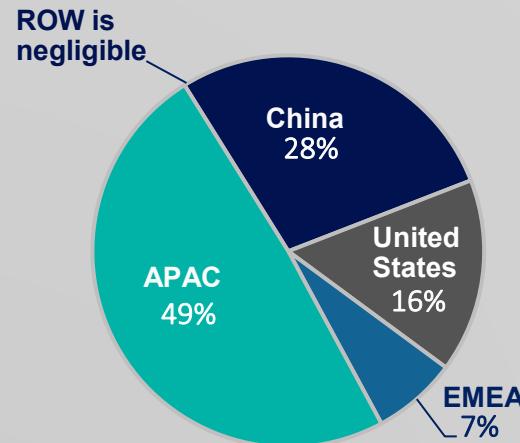
Backup and Financial Tables

Q3 Revenue by Market & Region

Revenue by Market



Revenue by Region



Revenue Trend (\$M)	Q3 24	Q2 25	Q3 25
Semiconductor	124	124	118
Compound Semi	16	14	11
Data Storage	33	12	10
Scientific & Other	12	16	27
Total	185	166	166

Revenue Trend (\$M)	Q3 24	Q2 25	Q3 25
APAC	61	98	82
China	55	27	46
USA	59	22	27
EMEA & ROW	10	18	12
Total	185	166	166

Amounts may not calculate precisely due to rounding.

Q3 Operating Results

In millions (except per share amounts)	GAAP		Non-GAAP		Non-GAAP Q3 25 Guidance (as of Aug 7 th , 2025)
	Q2 25	Q3 25	Q2 25	Q3 25	
Revenue	\$166.1	\$165.9	\$166.1	\$165.9	\$150M - \$170M
Gross Profit	68.7	67.7	70.7	69.5	
Gross Margin	41.4%	40.8%	42.6%	41.9%	40% - 42%
Operating Expenses	56.4	57.1	47.6	46.3	\$48M - \$49M
Operating Income	12.4	10.6	23.1	23.1	
Net Income	11.7	10.6	21.5	21.8	\$12M - \$21M
Diluted Earnings Per Share	0.20	0.17	0.36	0.36	\$0.20 - \$0.35
Diluted Shares	60.2	60.9	60.0	60.9	

Amounts may not calculate precisely due to rounding. A reconciliation of GAAP to Non-GAAP financial measures can be found in the backup section of this presentation.



Balance Sheet and Cash Flow Highlights

\$ millions	Q2 25	Q3 25
Cash & Short-Term Investments	355	369
Accounts Receivable	107	116
Inventories	259	263
Accounts Payable	50	44
Long-Term Debt	225	226
Cash Flow from Operations	9	16
Capital Expenditures	3	3
DSO (days)	58	63
DIO (days)	237	239
DPO (days)	46	41

Amounts may not calculate precisely due to rounding. A reconciliation of GAAP to Non-GAAP financial measures can be found in the backup section of this presentation.



Q4 2025 Guidance

	GAAP	Non-GAAP
Revenue	\$155M - \$175M	\$155M - \$175M
Gross Margin	36% - 38%	37% - 39%
Operating Expenses	\$62M - \$64M	~\$48M
Net Income (Loss)	(\$4M) - \$3M	\$10M - \$19M
Diluted Earnings Per Share (Loss)	(\$0.07) - \$0.05	\$0.16 - \$0.32



A reconciliation of GAAP to Non-GAAP financial measures can be found in the backup section of this presentation.

Historical Revenue by End-Market

\$M	2022					2023					2024					2025		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
Semi	77.6	97.5	100.4	93.8	369.4	93.1	106.3	98.2	115.2	412.7	120.4	109.9	124.1	112.1	466.6	123.8	123.9	118.3
Compound Semi	37.1	31.1	28.1	24.9	121.2	21.2	24.1	25.7	16.3	87.3	21.0	18.2	15.6	22.8	77.6	14.4	14.2	10.9
Data Storage	21.6	21.5	27.7	16.7	87.5	21.5	13.9	34.0	19.1	88.5	18.0	34.0	32.8	14.1	98.9	6.7	12.4	10.0
Scientific & Other	20.1	13.8	15.7	18.4	68.0	17.7	17.4	19.6	23.4	78.0	15.1	13.8	12.4	33.0	74.2	22.4	15.7	26.7
Total	156.4	164.0	171.9	153.8	646.1	153.5	161.6	177.4	173.9	666.4	174.5	175.9	184.8	182.1	717.3	167.3	166.1	165.9

Amounts may not calculate precisely due to rounding.



Convertible Notes – Outstanding

As of September 30, 2025

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

Effect of Convertible Notes on Diluted EPS

(Effective Q3 2025)

2029 Convertible Notes (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 the excess above principal in any combination of 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	2024	2023	2022	2021	2020	In millions, except per share amounts	2024	2023	2022	2021	2020
							2024	2023	2022	2021	2020
Net sales	\$717.3	\$666.4	\$646.1	\$583.3	\$454.2	GAAP Basic weighted average shares	56.4	53.8	49.9	49.1	48.4
GAAP gross profit	304.0	285.1	263.1	242.3	194.3	GAAP Diluted weighted average shares	61.6	53.8	65.6	53.6	48.4
GAAP gross margin	42.4%	42.8%	40.7%	41.5%	42.8%	GAAP Basic EPS	\$1.31	(\$0.56)	\$3.35	\$0.53	(\$0.17)
Add: Share-based comp	6.3	4.9	4.6	2.4	1.9	GAAP Diluted EPS	\$1.23	(\$0.56)	\$2.71	\$0.49	(\$0.17)
Add: Other	0.2	0.2	3.3	0.4	0.3	GAAP Net income (loss)	\$73.7	(\$30.4)	\$166.9	\$26.0	(\$8.4)
Non-GAAP gross profit	310.4	\$290.2	\$271.0	\$245.1	\$196.5	Add: Share-based comp	35.9	28.6	23.0	15.2	12.7
Non-GAAP gross margin	43.4%	43.5%	41.9%	42.0%	43.3%	Add: Amortization	7.0	8.5	10.0	12.3	15.3
In millions	2024	2023	2022	2021	2020	Add: Asset Impairment	28.1	-	-	-	0.3
GAAP Net income (loss)	\$73.7	(\$30.4)	\$166.9	\$26.0	(\$8.4)	Add: Changes in contingent consideration	(21.2)	0.7	-	-	-
Add: Share-based comp	35.9	28.6	23.0	15.2	12.7	Add: Transition expenses related to San Jose expansion project	-	0.8	6.2	2.0	-
Add: Amortization	7.0	8.5	10.0	12.3	15.3	Add: Depreciation of PP&E fair value step-up for purchase accounting	-	-	0.3	0.3	0.2
Add: Asset impairment	28.1	-	-	-	0.3	Add: Sale of productive assets	(2.0)	-	-	-	-
Add: Transition expenses related to San Jose expansion project	-	0.8	6.2	2.0	-	Add: Acquisition related	-	1.1	-	-	-
Add: Depreciation of PP&E fair value step-up for purchase accounting	-	-	0.3	0.3	0.2	Add: Other	1.4	-	-	-	1.4
Add: Changes in contingent consideration	(21.2)	0.7	-	-	-	Add: Non-cash interest expense	1.3	1.1	0.9	13.8	13.8
Add: Acquisition related	-	1.1	-	-	-	Add: Other (income) expense, net	-	97.1	-	5.0	7.8
Add: Sale of productive assets	(2.0)	-	-	-	-	Add: Release of valuation allowance on DTA	-	-	(105.0)	-	-
Add: Other	1.4	-	-	-	1.4	Add: Tax benefit associated with asset impairments	(12.2)	-	-	-	-
Add: Interest expense (income), net	(1.9)	1.2	9.3	26.0	23.2	Add: Tax adjustment from GAAP to Non-GAAP	(7.5)	(9.1)	(12.9)	(1.1)	(0.8)
Add: Other (income) expense, net	-	97.1	-	5.0	7.8	Non-GAAP net income	104.3	\$98.3	\$89.6	\$73.6	\$42.3
Add: Tax expense (benefit)	(4.9)	2.0	(116.0)	(0.4)	(0.1)	Non-GAAP basic EPS	\$1.85	\$1.83	\$1.79	\$1.50	\$0.88
Non-GAAP operating income (loss)	\$116.1	\$109.6	\$99.8	\$86.6	\$52.5	Non-GAAP diluted EPS	\$1.74	\$1.69	\$1.57	\$1.43	\$0.86
						Non-GAAP basic weighted average shares	56.4	53.8	49.9	49.1	48.4
						Non-GAAP diluted weighted average shares	61.2	60.8	63.4	51.5	49.3
						In millions	2024	2023	2022	2021	2020
						GAAP operating expenses	\$237.0	\$215.1	\$202.9	\$185.6	\$171.7
						Share-based compensation	(29.6)	(23.6)	(18.4)	(12.9)	(10.8)
						Amortization	(7.0)	(8.5)	(10.0)	(12.3)	(15.3)
						Other	(6.1)	(2.4)	(3.2)	(1.9)	(1.5)
						Non-GAAP operating expenses	\$194.4	\$180.6	\$171.2	\$158.5	\$144.0

Supplemental Information—GAAP to Non-GAAP Reconciliation

\$ millions	Q2 25	Q3 25
Net sales	\$166.1	\$165.9
GAAP gross profit	68.7	67.7
GAAP gross margin	41.4%	40.8%
Add: Share-based comp	2.0	1.8
Non-GAAP gross profit	\$70.7	\$69.5
Non-GAAP gross margin	42.6%	41.9%

\$ millions, except per share amounts	Q2 25	Q3 25
GAAP Basic weighted average shares	59.1	60.1
GAAP Diluted weighted average shares	60.2	61.0
GAAP Basic EPS	\$0.20	\$0.18
GAAP Diluted EPS	\$0.20	\$0.17
GAAP Net income	\$11.7	\$10.6
Add: Share-based comp	9.7	9.1
Add: Amortization	0.8	0.8
Add: Merger related expenses	-	2.6
Add: Other	0.9	0.1
Add: Non-cash interest expense	0.3	0.3
Add: Tax adjustment from GAAP to Non-GAAP	(1.9)	(1.7)
Non-GAAP net income	21.5	21.8
Non-GAAP basic EPS	\$0.36	\$0.36
Non-GAAP diluted EPS	\$0.36	\$0.36
Non-GAAP basic weighted average shares	59.1	60.1
Non-GAAP diluted weighted average shares	60.0	61.0
\$ millions	Q2 25	Q3 25
GAAP operating expenses	\$56.4	\$57.1
Share-based compensation	(7.7)	(7.4)
Amortization	(0.8)	(0.8)
Merger related expenses	-	(2.6)
Other	(0.3)	(0.1)
Non-GAAP operating expenses	\$47.6	\$46.3

Q3 2025 Actual: GAAP to Non-GAAP Reconciliation

\$ millions	Non-GAAP Adjustments				
	GAAP	Share-Based Compensation	Amortization	Other	Non-GAAP
Net Sales	\$165.9				\$165.9
Gross Profit	67.7	1.8	—	—	69.5
Gross Margin	40.8%				41.9%
Operating Expenses	\$57.1	(7.4)	(0.8)	(2.7)	\$46.3
Operating Income	\$10.6	9.1	0.8	2.7	\$23.1
Net Income	\$10.6	9.1	0.8	1.3	\$21.8

Other Non-GAAP Adjustments	
Merger related expenses	2.6
Other	0.1
Subtotal	2.7
Non-cash Interest Expense	0.3
Non-GAAP tax adjustment	(1.7)
Total Other	\$1.3

Income per Diluted Common Share		
	GAAP	Non-GAAP
Net Income available to common shareholders	\$10.6	\$21.8
Basic weighted average common shares	60.1	60.1
Add: Dilutive effect of share-based awards	0.9	0.9
Diluted weighted average common shares	61.0	61.0
Basic income per common share	\$0.18	\$0.36
Diluted income per common share	\$0.17	\$0.36

Q4 2025 Guidance

(\$ millions, except per share amounts)

Reconciliation of GAAP to non-GAAP Financial Data					
		Non-GAAP Adjustments			
	GAAP	Share-Based Compensation	Amortization	Other	Non-GAAP
Net Sales	\$155–\$175				\$155–\$175
Gross Profit	57–68	2	—	—	58–69
Gross Margin	36%–38%				37%–39%
Operating Expenses	\$62–\$64	(7)	(1)	(6) – (8)	\$48–\$48
Operating Income	(\$5)–\$4	9	1	6 – 8	\$11–\$22
Net Income	(\$4)–\$3	9	1	4 – 6	\$10–\$19
Income per Diluted Share	(\$0.07)–\$0.05				\$0.16–\$0.32

Reconciliation of GAAP Net Income to non-GAAP Operating Income	
GAAP Net Income	(\$4)–\$3
Share-Based Compensation	9
Amortization	1
Merger related expenses	6–8
Interest expense (income)	(1)
Income tax expense (benefit)	0–2
Non-GAAP Operating Income	\$11–\$22

Income per Diluted Common Share		
	GAAP	Non-GAAP
Net income (loss) available to common shareholders	(\$4)–\$3	\$10–\$19
Basic weighted average common shares	60–60	60
Add: Dilutive effect of share-based awards	0–2	2
Diluted weighted average common shares	60–62	62
Income per diluted common share	(\$0.07)–\$0.05	\$0.16–\$0.32