



Supplemental Financial Information

November 1, 2023

Revenue by Geographic Region (in millions)

	<u>Q3 2023</u>	<u>Q2 2023</u>	<u>Q1 2023</u>	<u>Q4 2022</u>	<u>Q3 2022</u>
United States	\$ 43.7	\$ 42.7	\$ 37.7	\$ 32.8	\$ 38.1
Taiwan	43.0	29.5	40.3	29.9	36.8
South Korea	35.1	27.9	20.8	26.2	28.9
China	21.8	23.5	27.1	35.8	36.7
Europe	9.3	10.8	9.4	11.0	11.8
Japan	7.0	7.9	11.0	11.4	7.7
Malaysia	6.0	6.7	11.3	5.1	6.5
Singapore	3.7	2.8	5.3	11.0	10.4
Rest of World	2.0	4.1	4.5	2.8	4.0
	<u>\$ 171.6</u>	<u>\$ 155.9</u>	<u>\$ 167.4</u>	<u>\$ 166.0</u>	<u>\$ 180.9</u>

Revenue by Market Segment (in millions)

	<u>Q3 2023</u>	<u>Q2 2023</u>	<u>Q1 2023</u>	<u>Q4 2022</u>	<u>Q3 2022</u>
Foundry & Logic	\$ 96.4	\$ 81.9	\$ 101.6	\$ 82.1	\$ 90.6
DRAM	27.5	30.5	19.8	27.3	34.9
Flash	4.5	2.9	5.9	15.0	13.9
Systems	43.2	40.6	40.1	41.6	41.5
	<u>\$ 171.6</u>	<u>\$ 155.9</u>	<u>\$ 167.4</u>	<u>\$ 166.0</u>	<u>\$ 180.9</u>

Customers > 10% of Total Revenue

	<u>Q3 2023</u>	<u>Q2 2023</u>	<u>Q1 2023</u>	<u>Q4 2022</u>	<u>Q3 2022</u>
Intel Corporation	17.1 %	14.2 %	20.0 %	16.5 %	17.0 %
Samsung Electronics Co., LTD.	11.2%	*	*	*	*
SK hynix Inc.	*	*	*	*	10.7 %
	<u>28.3 %</u>	<u>14.2 %</u>	<u>20.0 %</u>	<u>16.5 %</u>	<u>27.7 %</u>

* Customer represents less than 10% of revenue for respective period

GAAP to Non-GAAP Reconciliation

(In thousands, except for per share amounts)

	GAAP	Adjustments				Non-GAAP
	Three Months Ended September 30, 2023	Stock-based Compensation	Amortization of Intangibles	Acquisition Fair Value Adjustments and Other	Sale of Business	Three Months Ended September 30, 2023
Revenues	\$ 171,575	\$ —	\$ —	\$ —	\$ —	\$ 171,575
Cost of revenues	102,290	(1,376)	(837)	(281)	—	99,796
Gross profit	69,285	1,376	837	281	—	71,779
Operating expenses:						
Research and development	31,014	(3,173)	—	16	—	27,857
Sales and marketing	19,227	(2,832)	(440)	10	—	15,965
General and administrative	16,337	(3,458)	—	(52)	(2,139)	10,688
Total operating expenses	66,578	(9,463)	(440)	(26)	(2,139)	54,510
Operating profit	2,707	10,839	1,277	307	2,139	17,269
Interest income	1,765	—	—	—	—	1,765
Interest expense	(103)	—	—	—	—	(103)
Other income (expense), net	788	—	—	—	—	788
Income before income taxes	5,157	10,839	1,277	307	2,139	19,719
Provision for income taxes	786	1,203	142	34	238	2,403
Net income	\$ 4,371	\$ 9,636	\$ 1,135	\$ 273	\$ 1,901	\$ 17,316
Net income per share:						
Basic	\$ 0.06	\$ 0.12	\$ 0.01	\$ —	\$ 0.02	\$ 0.22
Diluted	\$ 0.06	\$ 0.12	\$ 0.01	\$ —	\$ 0.02	\$ 0.22
Weighted-average number of shares						
Basic	77,571	77,571	77,571	77,571	77,571	77,571
Diluted	78,412	78,412	78,412	78,412	78,412	78,412

The presentation provides the calculations for Non-GAAP net income and Non-GAAP net income per share. FormFactor excluded the following items from one or more of the Non-GAAP measures: stock-based compensation expense, amortization of intangibles and other fair value adjustments due to acquisitions, divestiture related expenses, and other. By publishing the Non-GAAP measures, the company's management intends to provide investors with additional information to further analyze the company's performance, core results and underlying trends. FormFactor's management evaluates results and makes operating decisions using both GAAP and Non-GAAP measures. Non-GAAP results are not prepared in accordance with GAAP, and Non-GAAP information should be considered a supplement to, and not a substitute for, financial statements prepared in accordance with GAAP.

Non-GAAP Adjustments & EPS

(In thousands, except for per share amounts)

	Three Months Ended			Nine Months Ended	
	September 30, 2023	July 1, 2023	September 24, 2022	September 30, 2023	September 24, 2022
GAAP net income	\$ 4,371	\$ 828	\$ 4,351	\$ 6,541	\$ 64,465
Adjustments:					
Amortization of intangibles, inventory and fixed asset fair value adjustments due to acquisitions and other	1,584	2,656	2,808	7,143	8,202
Stock-based compensation	10,839	9,204	7,995	29,333	21,873
Restructuring charges	—	618	6,174	1,540	7,068
Sale of business	2,139	—	—	2,139	—
Income tax effect of non-GAAP adjustments	(1,617)	(2,068)	(3,017)	(5,650)	(7,813)
Non-GAAP net income	<u>\$ 17,316</u>	<u>\$ 11,238</u>	<u>\$ 18,311</u>	<u>\$ 41,046</u>	<u>\$ 93,795</u>
Non-GAAP net income per share:					
Basic	<u>\$ 0.22</u>	<u>\$ 0.15</u>	<u>\$ 0.24</u>	<u>\$ 0.53</u>	<u>\$ 1.21</u>
Diluted	<u>\$ 0.22</u>	<u>\$ 0.14</u>	<u>\$ 0.24</u>	<u>\$ 0.53</u>	<u>\$ 1.19</u>
Weighted-average number of shares used in per share calculations:					
Basic	<u>77,571</u>	<u>77,159</u>	<u>77,245</u>	<u>77,265</u>	<u>77,796</u>
Diluted	<u>78,412</u>	<u>77,616</u>	<u>77,688</u>	<u>77,860</u>	<u>78,492</u>

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Gross Profit and Gross Margin by Segment (GAAP)

(In thousands, except for percentages)

	Three Months Ended							
	September 30, 2023				September 24, 2022			
	Probe Cards	Systems	Corporate and Other	Total	Probe Cards	Systems	Corporate and Other	Total
Revenues	\$ 128,339	\$ 43,236	\$ —	\$ 171,575	\$ 139,365	\$ 41,504	\$ —	\$ 180,869
Gross profit	49,383	22,396	(2,494)	69,285	48,252	22,284	(8,323)	62,213
Gross margin	38.5%	51.8%		40.4%	34.6%	53.7%		34.4%

	Nine Months Ended							
	September 30, 2023				September 24, 2022			
	Probe Cards	Systems	Corporate and Other	Total	Probe Cards	Systems	Corporate and Other	Total
Revenues	\$ 370,970	\$ 123,969	\$ —	\$ 494,939	\$ 467,056	\$ 114,894	\$ —	\$ 581,950
Gross profit	135,118	64,266	(8,738)	190,646	203,874	59,967	(13,035)	250,806
Gross margin	36.4%	51.8%		38.5%	43.7%	52.2%		43.1%