



Supplemental Financial Information

February 7, 2024

Revenue by Geographic Region (in millions)

	<u>Q4 2023</u>	<u>Q3 2023</u>	<u>Q2 2023</u>	<u>Q1 2023</u>	<u>Q4 2022</u>
United States	\$ 47.7	\$ 43.7	\$ 42.7	\$ 37.7	\$ 32.8
Taiwan	35.0	43.0	29.5	40.3	29.9
South Korea	34.0	35.1	27.9	20.8	26.2
China	19.4	21.8	23.5	27.1	35.8
Japan	10.9	7.0	7.9	11.0	11.4
Europe	9.3	9.3	10.8	9.4	11.0
Singapore	6.5	3.7	2.8	5.3	11.0
Malaysia	2.7	6.0	6.7	11.3	5.1
Rest of World	2.7	2.0	4.1	4.5	2.8
	<u>\$ 168.2</u>	<u>\$ 171.6</u>	<u>\$ 155.9</u>	<u>\$ 167.4</u>	<u>\$ 166.0</u>

Revenue by Market Segment (in millions)

	<u>Q4 2023</u>	<u>Q3 2023</u>	<u>Q2 2023</u>	<u>Q1 2023</u>	<u>Q4 2022</u>	<u>CY</u>	<u>PY</u>	<u>CY v PY</u>
Foundry & Logic	\$ 83.8	\$ 96.4	\$ 81.9	\$ 101.6	\$ 82.1	\$ 363.5	\$ 409.1	\$ (45.6) (11.2)%
DRAM	35.9	27.5	30.5	19.8	27.3	113.8	133.5	(19.7) (14.7)%
Flash	7.3	4.5	2.9	5.9	15.0	20.6	48.8	(28.2) (57.8)%
Systems	41.2	43.2	40.6	40.1	41.6	165.2	156.5	8.7 5.5 %
	<u>\$ 168.2</u>	<u>\$ 171.6</u>	<u>\$ 155.9</u>	<u>\$ 167.4</u>	<u>\$ 166.0</u>	<u>\$ 663.1</u>	<u>\$ 747.9</u>	<u>\$ (84.8) (11.3)%</u>

Customers > 10% of Total Revenue

	<u>Q4 2023</u>	<u>Q3 2023</u>	<u>Q2 2023</u>	<u>Q1 2023</u>	<u>Q4 2022</u>	<u>2023</u>	<u>2022</u>
Intel Corporation	16.7 %	17.1 %	14.2 %	20.0 %	16.5 %	17.1 %	19.0 %
SK hynix Inc.	10.7%	*	*	*	*	*	*
Samsung Electronics Co., LTD.	*	11.2 %	*	*	*	*	*
	<u>27.4 %</u>	<u>28.3 %</u>	<u>14.2 %</u>	<u>20.0 %</u>	<u>16.5 %</u>	<u>17.1 %</u>	<u>19.0 %</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 December 30, 2023	Stock-based Compensation	Amortization of Intangibles	Amortization of Acquisition Fair Value Adjustments and Other	Sale of Business	Three Months Ended December 30, 2023	
Revenues	\$ 168,163	\$ —	\$ —	\$ —	\$ —	\$ 168,163	
Cost of revenues	100,229	(2,053)	(575)	(181)	—	97,420	
Gross profit	67,934	2,053	575	181	—	70,743	
Operating expenses:							
Research and development	28,166	(2,744)	—	(238)	—	25,184	
Sales and marketing	16,797	(1,242)	(232)	—	—	15,323	
General and administrative	14,654	(3,244)	—	(48)	(268)	11,094	
Total operating expenses	59,617	(7,230)	(232)	(286)	(268)	51,601	
Gain on sale of business	72,953	—	—	—	(72,953)	—	
Operating profit (loss)	81,270	9,283	807	467	(72,685)	19,142	
Interest income	2,478	—	—	—	—	2,478	
Interest expense	(102)	—	—	—	—	(102)	
Other income (expense), net	(1,546)	—	—	—	—	(1,546)	
Income (loss) before income taxes	82,100	9,283	807	467	(72,685)	19,972	
Provision (benefit) for income taxes	6,254	303	26	15	(2,370)	4,228	
Net income (loss)	\$ 75,846	\$ 8,980	\$ 781	\$ 452	\$ (70,315)	\$ 15,744	
Net income (loss) per share:							
Basic	\$ 0.98	\$ 0.12	\$ 0.01	\$ 0.01	\$ (0.91)	\$ 0.20	
Diluted	\$ 0.97	\$ 0.11	\$ 0.01	\$ 0.01	\$ (0.90)	\$ 0.20	
Weighted-average number of shares							
Basic	77,684	77,684	77,684	77,684	77,684	77,684	
Diluted	78,410	78,410	78,410	78,410	78,410	78,410	

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			Fiscal Year Ended	
	December 30, 2023	September 30, 2023	December 31, 2022	December 30, 2023	December 31, 2022
GAAP net income (loss)	\$ 75,846	\$ 4,371	\$ (13,727)	\$ 82,387	\$ 50,738
Adjustments:					
Amortization of intangibles, inventory and fixed asset fair value adjustments due to acquisitions	1,274	1,584	2,890	8,417	11,092
Stock-based compensation	9,283	10,839	9,464	38,616	31,337
Restructuring charges	—	—	8,371	1,540	15,439
Gain on sale of business and related costs	(72,685)	2,139	—	(70,546)	—
Income tax effect of non-GAAP adjustments	2,026	(1,617)	(2,850)	(3,624)	(10,663)
Non-GAAP net income	<u>\$ 15,744</u>	<u>\$ 17,316</u>	<u>\$ 4,148</u>	<u>\$ 56,790</u>	<u>\$ 97,943</u>
Non-GAAP net income per share:					
Basic	\$ 0.20	\$ 0.22	\$ 0.05	\$ 0.73	\$ 1.26
Diluted	<u>\$ 0.20</u>	<u>\$ 0.22</u>	<u>\$ 0.05</u>	<u>\$ 0.73</u>	<u>\$ 1.25</u>
Weighted-average number of shares used in per share calculations:					
Basic	<u>77,684</u>	<u>77,571</u>	<u>76,972</u>	<u>77,370</u>	<u>77,578</u>
Diluted	<u>78,410</u>	<u>78,412</u>	<u>76,972</u>	<u>78,159</u>	<u>78,201</u>

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: amortization of intangibles, inventory, and fixed asset fair value adjustment due to acquisitions, stock-based compensation expense, restructuring charges, divestiture and acquisition related expenses. 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.

Gross Profit and Gross Margin by Segment (GAAP)

(In thousands, except for percentages)

	Three Months Ended							
	December 30, 2023				December 31, 2022			
	Probe Cards	Systems	Corporate and Other	Total	Probe Cards	Systems	Corporate and Other	Total
Revenues	\$ 126,933	\$ 41,230	\$ —	\$ 168,163	\$ 124,366	\$ 41,621	\$ —	\$ 165,987
Gross profit	50,274	20,469	(2,809)	67,934	31,688	20,970	(7,455)	45,203
Gross margin	39.6%	49.6%		40.4%	25.5%	50.4%		27.2%

	Fiscal Year Ended							
	December 30, 2023				December 31, 2022			
	Probe Cards	Systems	Corporate and Other	Total	Probe Cards	Systems	Corporate and Other	Total
Revenues	\$ 497,903	\$ 165,199	\$ —	\$ 663,102	\$ 591,422	\$ 156,515	\$ —	\$ 747,937
Gross profit	185,392	84,735	(11,547)	258,580	235,562	80,937	(20,490)	296,009
Gross margin	37.2%	51.3%		39.0%	39.8%	51.7%		39.6%