



Supplemental Financial Information

May 3, 2023

Revenue by Geographic Region (in millions)

	<u>Q1 2023</u>	<u>Q4 2022</u>	<u>Q3 2022</u>	<u>Q2 2022</u>	<u>Q1 2022</u>
Taiwan	\$ 40.3	\$ 29.9	\$ 36.8	\$ 50.0	\$ 53.1
United States	37.7	32.8	38.1	31.2	25.6
China	27.1	35.8	36.7	49.7	38.4
South Korea	20.8	26.2	28.9	28.8	27.5
Malaysia	11.3	5.1	6.5	16.2	22.2
Japan	11.0	11.4	7.7	9.9	9.4
Europe	9.4	11.0	11.8	8.1	8.4
Singapore	5.3	11.0	10.4	7.1	10.9
Rest of World	4.5	2.8	4.0	2.9	1.7
	<u>\$ 167.4</u>	<u>\$ 166.0</u>	<u>\$ 180.9</u>	<u>\$ 203.9</u>	<u>\$ 197.2</u>

Revenue by Market Segment (in millions)

	<u>Q1 2023</u>	<u>Q4 2022</u>	<u>Q3 2022</u>	<u>Q2 2022</u>	<u>Q1 2022</u>
Foundry & Logic	\$ 101.6	\$ 82.1	\$ 90.6	\$ 122.4	\$ 114.1
DRAM	19.8	27.3	34.9	36.8	34.5
Flash	5.9	15.0	13.9	8.5	11.4
Systems	40.1	41.6	41.5	36.2	37.2
	<u>\$ 167.4</u>	<u>\$ 166.0</u>	<u>\$ 180.9</u>	<u>\$ 203.9</u>	<u>\$ 197.2</u>

Customers > 10% of Total Revenue

	<u>Q1 2023</u>	<u>Q4 2022</u>	<u>Q3 2022</u>	<u>Q2 2022</u>	<u>Q1 2022</u>
Intel Corporation	20.0 %	16.5 %	17.0 %	20.9 %	20.8 %
SK hynix Inc.	*	*	10.7 %	*	*
Taiwan Semiconductor Manufacturing Co., LTD.	*	*	*	*	10.7 %
	<u>20.0 %</u>	<u>16.5 %</u>	<u>27.7 %</u>	<u>20.9 %</u>	<u>31.5 %</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 April 1, 2023	Stock-based Compensation	Amortization of Intangibles	Amortization of Acquisition Fair Value Adjustments	Restructuring	Three Months Ended April 1, 2023
Revenues	\$ 167,448	\$ —	\$ —	\$ —	\$ —	\$ 167,448
Cost of revenues	106,370	(1,910)	(831)	(525)	(25)	103,079
Gross profit	61,078	1,910	831	525	25	64,369
Operating expenses:						
Research and development	28,245	(2,372)	—	—	(70)	25,803
Sales and marketing	19,844	(2,053)	(1,547)	—	(772)	15,472
General and administrative	12,898	(2,955)	—	—	(55)	9,888
Total operating expenses	60,987	(7,380)	(1,547)	—	(897)	51,163
Operating profit	91	9,290	2,378	525	922	13,206
Interest income	1,383	—	—	—	—	1,383
Interest expense	(107)	—	—	—	—	(107)
Other income (expense), net	23	—	—	—	—	23
Income before income taxes	1,390	9,290	2,378	525	922	14,505
Provision for income taxes	48	1,392	356	79	138	2,013
Net income	\$ 1,342	\$ 7,898	\$ 2,022	\$ 446	\$ 784	\$ 12,492
Net income per share:						
Basic	\$ 0.02	\$ 0.10	\$ 0.03	\$ 0.01	\$ 0.01	\$ 0.16
Diluted	\$ 0.02	\$ 0.10	\$ 0.03	\$ 0.01	\$ 0.01	\$ 0.16
Weighted-average number of shares						
Basic	77,066	77,066	77,066	77,066	77,066	77,066
Diluted	77,255	77,255	77,255	77,255	77,255	77,255

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, and restructuring charges. 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		
	April 1, 2023	December 31, 2022	March 26, 2022
GAAP net income (loss)	\$ 1,342	\$ (13,727)	\$ 29,872
Adjustments:			
Amortization of intangibles, inventory and fixed asset fair value adjustments due to acquisitions	2,903	2,890	2,729
Stock-based compensation	9,290	9,464	7,520
Restructuring charges	922	8,371	313
Income tax effect of non-GAAP adjustments	(1,965)	(2,850)	(1,725)
Non-GAAP net income	<u>\$ 12,492</u>	<u>\$ 4,148</u>	<u>\$ 38,709</u>
Non-GAAP net income per share:			
Basic	<u>\$ 0.16</u>	<u>\$ 0.05</u>	<u>\$ 0.49</u>
Diluted	<u>\$ 0.16</u>	<u>\$ 0.05</u>	<u>\$ 0.49</u>
Weighted-average number of shares used in per share calculations:			
Basic	<u>77,066</u>	<u>76,972</u>	<u>78,246</u>
Diluted	<u>77,255</u>	<u>76,972</u>	<u>79,468</u>

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Gross Profit and Gross Margin by Segment (GAAP)

(In thousands, except for percentages)

	Three Months Ended							
	April 1, 2023				March 26, 2022			
	Probe Cards	Systems	Corporate and Other	Total	Probe Cards	Systems	Corporate and Other	Total
Revenues	\$ 127,328	\$ 40,120	\$ —	\$ 167,448	\$ 159,983	\$ 37,191	\$ —	\$ 197,174
Gross profit	43,623	20,746	(3,291)	61,078	77,202	19,407	(2,385)	94,224
Gross margin	34.3%	51.7%		36.5%	48.3%	52.2%		47.8%