

InTest Corporation

Second Quarter 2025 Financial Results Conference Call

August 6, 2025



Nick Grant,
President and CEO



Duncan Gilmour,
CFO and Treasurer

NYSE American: INTT

Forward-looking Statements and Key Performance Metrics

Forward-Looking Statements

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These statements do not convey historical information but relate to predicted or potential future events and financial results, such as statements of the Company's plans, strategies and intentions, or our future performance or goals, that are based upon management's current expectations. These forward-looking statements can often be identified by the use of forward-looking terminology such as "believe," "continue," "expects," "guidance," "may," "outlook," "plan," "potential," "forecasts," "target," "estimates," or similar terminology. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such

statements. Such risks and uncertainties include, but are not limited to, any mentioned in this presentation as well as the Company's ability to execute on its Vision 2030 Growth Strategy, realize the potential benefits of acquisitions and successfully integrate any acquired operations, grow the Company's presence in its key target and international markets, manage supply chain challenges, convert backlog to sales and to ship product in a timely manner; the success of the Company's strategy to diversify its markets; the impact of inflation on the Company's business and financial condition; indications of a change in the market cycles in the semi market or other markets served; changes in business conditions and general economic conditions both domestically and globally including rising interest rates and fluctuation in foreign currency exchange rates; changes in the demand for semiconductors;

access to capital and the ability to borrow funds or raise capital to finance potential acquisitions or for working capital; changes in the rates and timing of capital expenditures by the Company's customers; and other risk factors set forth from time to time in the Company's Securities and Exchange Commission filings, including, but not limited to, the Annual Report on Form 10-K for the year ended December 31, 2024. Any forward-looking statement made by the Company in this presentation is based only on information currently available to management and speaks to circumstances only as of the date on which it is made. The Company undertakes no obligation to update the information in this presentation to reflect events or circumstances after the date hereof or to reflect the occurrence of anticipated or unanticipated events, except as required by law.

Key Performance Metrics

In addition to the non-GAAP measures described on the next slide, management uses orders and backlog as key performance metrics to analyze and measure the Company's financial performance and results of operations. Management uses orders and backlog as measures of current and future business and financial performance, and these may not be comparable with measures provided by other companies. Orders represent written communications received from customers requesting the Company to provide products and/or services. Backlog is calculated based on firm purchase orders we receive for which revenue has not yet been recognized. Management believes tracking orders and backlog are useful as they are often leading indicators of future performance. In accordance with industry practice, contracts may include provisions for cancellation, termination, or suspension at the discretion of the customer. Given that each of orders and backlog are operational measures and that the Company's methodology for calculating orders and backlog does not meet the definition of a non-GAAP measure, as that term is defined by the U.S. Securities and Exchange Commission, a quantitative reconciliation for each is not required or provided.

Non-GAAP Financial Measures

In addition to disclosing results that are determined in accordance with generally accepted accounting practices in the United States ("GAAP"), we also disclose non-GAAP financial measures. These non-GAAP financial measures consist of adjusted net earnings, adjusted earnings per diluted share ("adjusted EPS"), adjusted EBITDA, and adjusted EBITDA margin. The Company defines these non-GAAP measures as follows:

- Adjusted net earnings is derived by adding acquired intangible amortization, acquired inventory step-up expense, and restructuring costs adjusted for the related income tax expense (benefit), to net earnings.
- Adjusted earnings per diluted share ("adjusted EPS") is derived by dividing adjusted net earnings by diluted weighted average shares outstanding.
- Adjusted EBITDA is derived by adding acquired intangible amortization, acquired inventory step-up expense, restructuring costs, net interest expense, income tax expense, depreciation, and stock-based compensation expense to net earnings.
- Adjusted EBITDA margin is derived by dividing adjusted EBITDA by revenue.

These results are provided as a complement to the results provided in accordance with GAAP. Adjusted net earnings and adjusted earnings per diluted share (adjusted EPS) are non-GAAP financial measures presented to provide investors with meaningful, supplemental information regarding our baseline performance before acquired intangible amortization, restructuring costs, and inventory step-up charges as management believes these expenses may not be indicative of our underlying operating performance. Adjusted EBITDA and adjusted EBITDA margin are non-GAAP financial measures presented primarily as a measure of liquidity as they exclude non-cash charges for acquired intangible amortization, acquired inventory step-up, depreciation and stock-based compensation. In addition, adjusted EBITDA and adjusted EBITDA margin also exclude the impact of restructuring costs, interest income or expense and income tax expense or benefit, as management believes these expenses may not be indicative of our underlying operating performance.

The non-GAAP financial measures presented in this press release are used by management to make operational decisions, to forecast future operational results, and for comparison with our business plan, historical operating results and the operating results of our peers. Reconciliations from net earnings and earnings per diluted share (EPS) to adjusted net earnings and adjusted earnings per diluted share (adjusted EPS) and from net earnings and net margin to adjusted EBITDA and adjusted EBITDA margin, are contained in the tables below. Management believes these Non-GAAP financial measures are important in evaluating our performance, results of operations, and financial position. We use non-GAAP financial measures to supplement our GAAP results to provide a more complete understanding of the factors and trends affecting our business. Non-GAAP measures as presented in this presentation may differ from and may not be comparable to similarly titled measures used by other companies.

Executing on VISION 2030 Amid Customer Hesitation on Capital Spend



New record customer opportunity funnel

- Orders⁽¹⁾ up 6% y/y; 10% sequentially
- Revenue grew 6% sequentially
- Higher demand from Alfamation



Positioning for growth

- Driving adoption of new products
- Market diversification
- Geographic expansion



Further reduced debt

- Reduced debt by \$4.9M since Dec 31, 2024
- Includes \$1.7 million in Q2

1. Orders is a key performance metric. Further information can be found under "Key Performance Metrics."

5-POINT OPERATING SYSTEM



VISION 2030: Geographic Expansion

- Drive innovation and acquisitions to create even greater scale
- “In the Region, for the Region” Strategy
- Strive toward Operational Excellence



New Penang, Malaysia Facility

*Engineering Resources
having an impact*



*Mfg. Floorspace now
completed*

**VISION 2030
ADVANCING GROWTH STRATEGY**

**5-POINT STRATEGY
LAID THE FOUNDATION**

Orders and Backlog⁽¹⁾

(\$ in millions)

Sequentially, orders up 9.5%

- Auto/EV up 39.6% driven by 2027 model year program starts; Alfamation contributed \$5.6 million of orders
- Customers remain hesitant to spend
- Semi down \$2.3 million

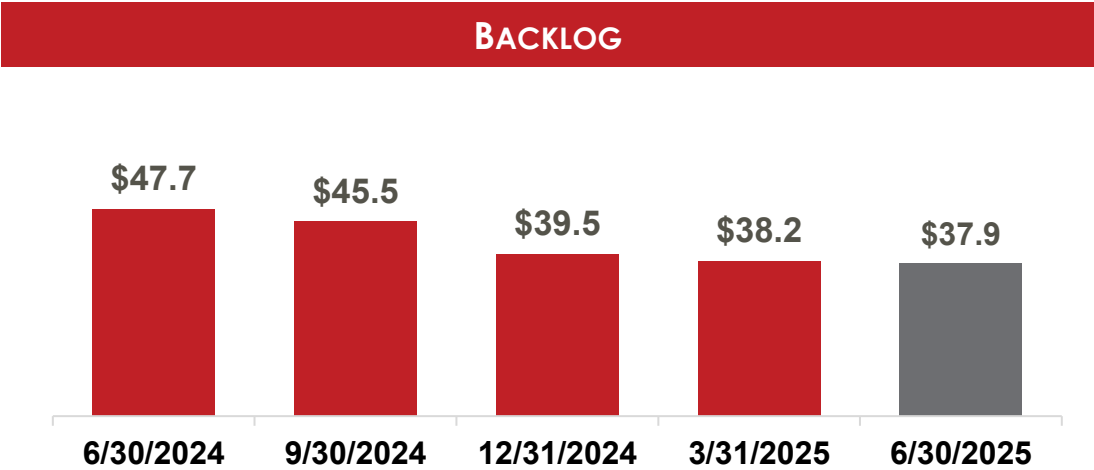
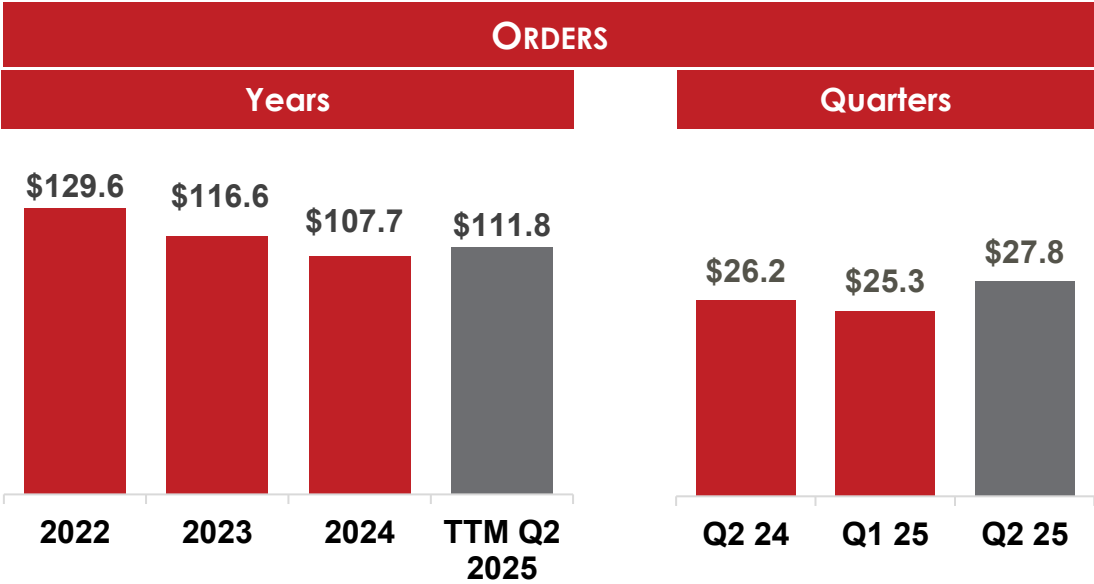
Q2 orders up 6.0% y/y

- Strength in Auto/EV, life sciences, industrials and safety/security
- Semi down \$3.7 million

Backlog essentially flat in 1H 2025

- Approximately 50% of backlog is expected to ship beyond Q3 2025

¹ Orders and backlog are key performance metrics. Further information can be found under "Key Performance Metrics."



Revenue

(\$ in millions)

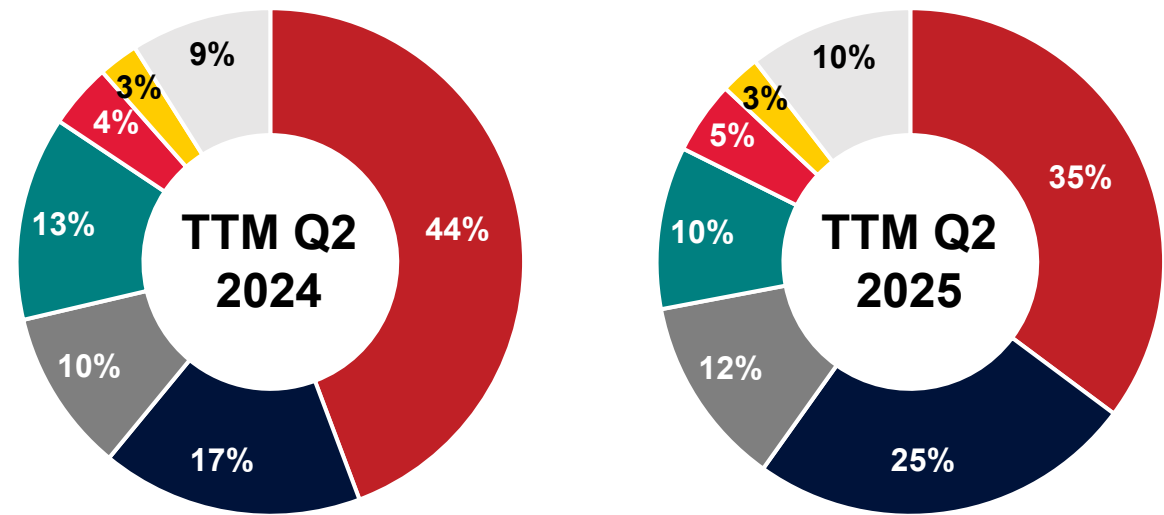
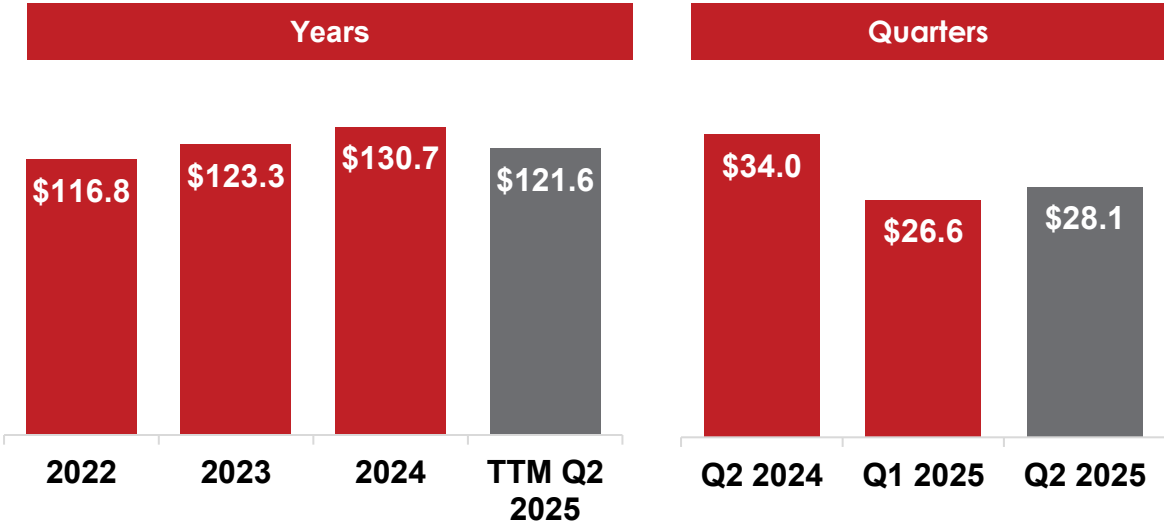
Revenue up \$1.5 million sequentially

- Increase was primarily related to semi, industrial, defense/aero, and safety/security
- Life sciences and other markets decreased compared with trailing first quarter

Q2 2025 revenue down \$5.9 million y/y

- Industrial sales saw an increase of 11%
- Semi was up 0.7%
- Auto/EV decreased \$4.9 million
- Life sciences were down \$0.8 million
- Other markets decreased \$0.6 million

Continue to diversify in target markets



■ Semi ■ Automotive/EV ■ Defense/Aero ■ Industrial
■ Life Sciences ■ Safety/Security ■ Other

Gross Profit and Margin

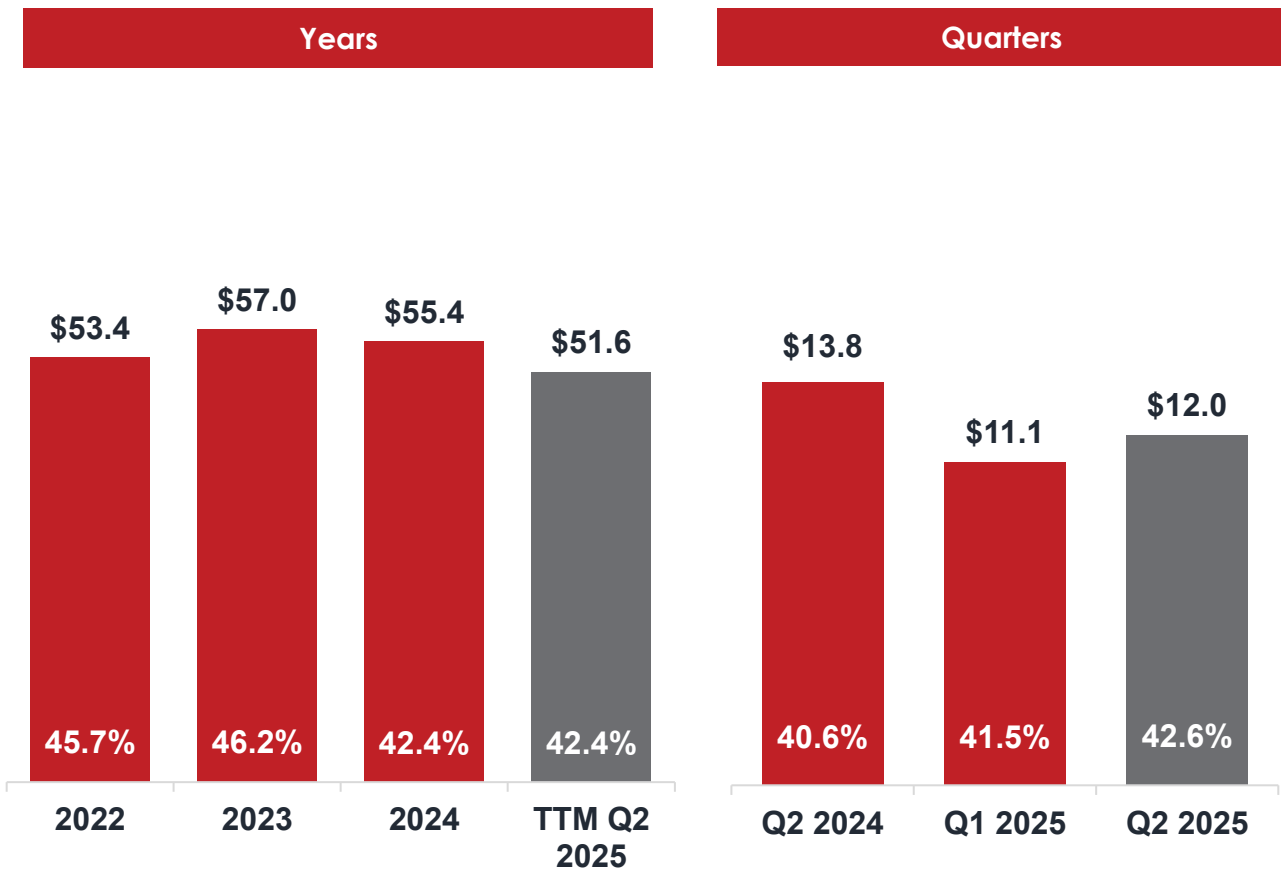
(\$ in millions)

Sequential margin expansion of 110 bps

- Higher volume and ongoing cost actions
- Executing tariff mitigation tactics and capturing price

Q2 gross margin of 42.6% improving 200 bps y/y

- Due to more favorable product mix
- Cost reduction efforts also benefited gross margin



Operating Expenses

(\$ in millions)

Q2 2025 operating expenses decreased \$1.0 million sequentially

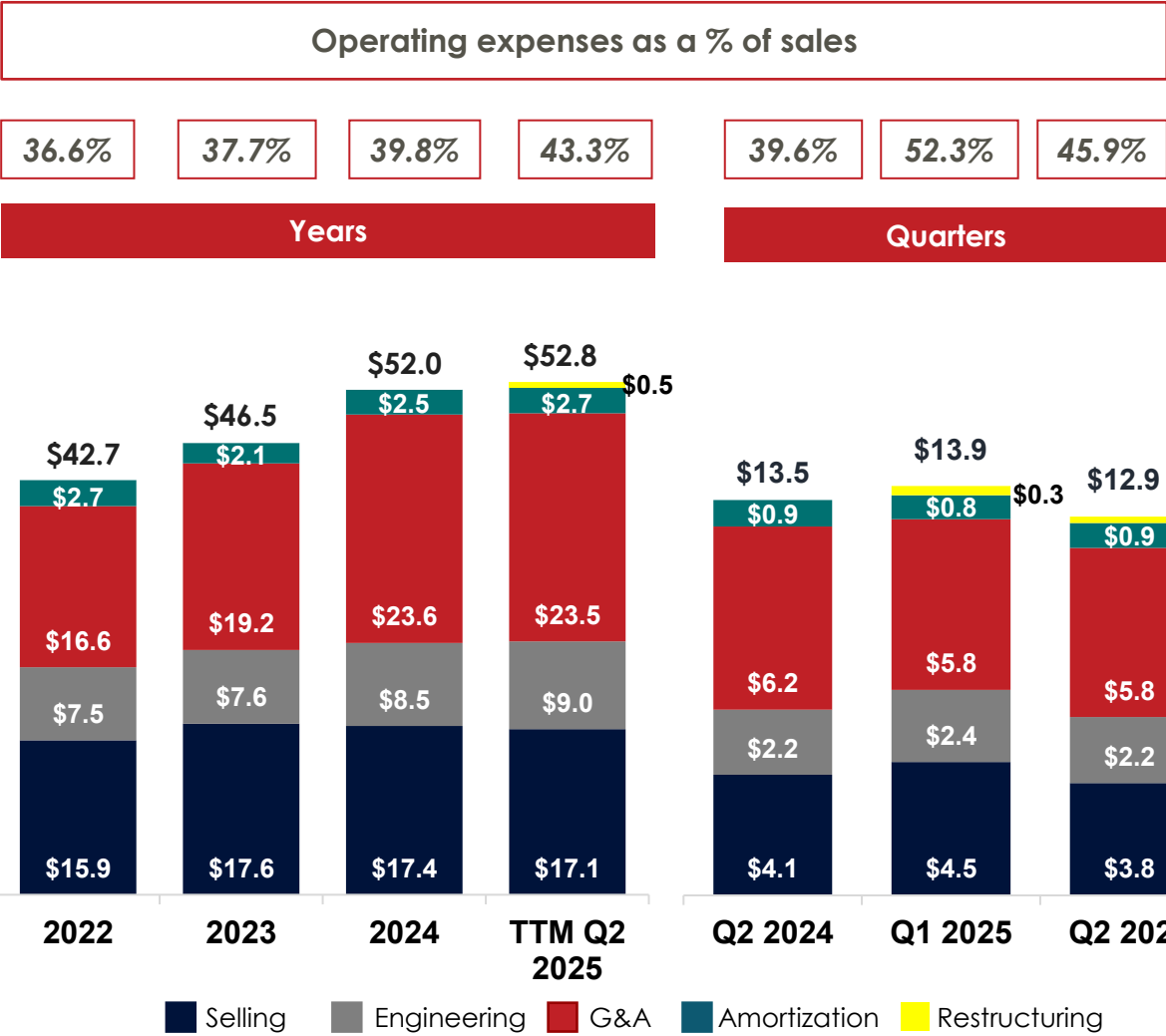
- Ongoing cost reduction efforts, including the recently announced leadership transition

Y/Y, operating expenses decreased \$0.6 million

- Cost reduction efforts and reduced corporate development costs

Company is focused on prudent cost management and austerity measures

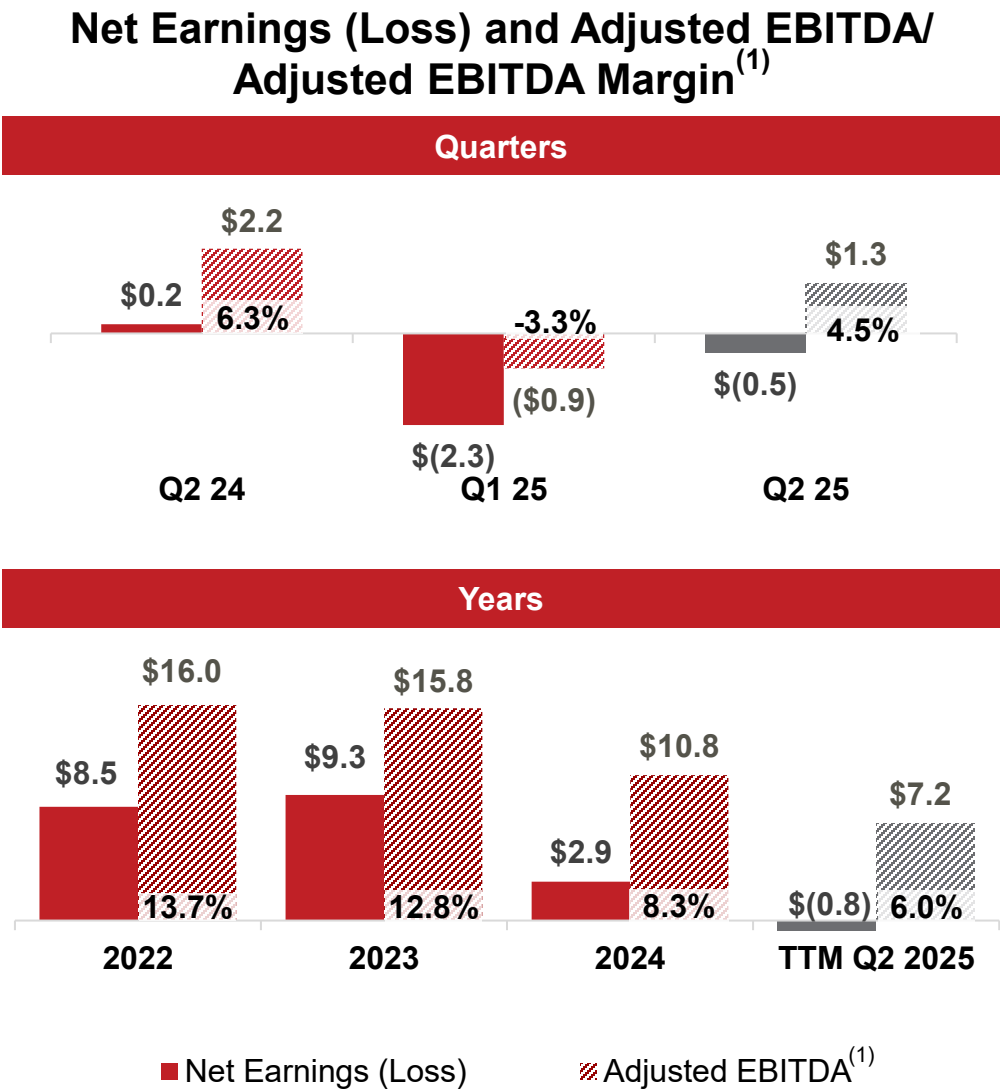
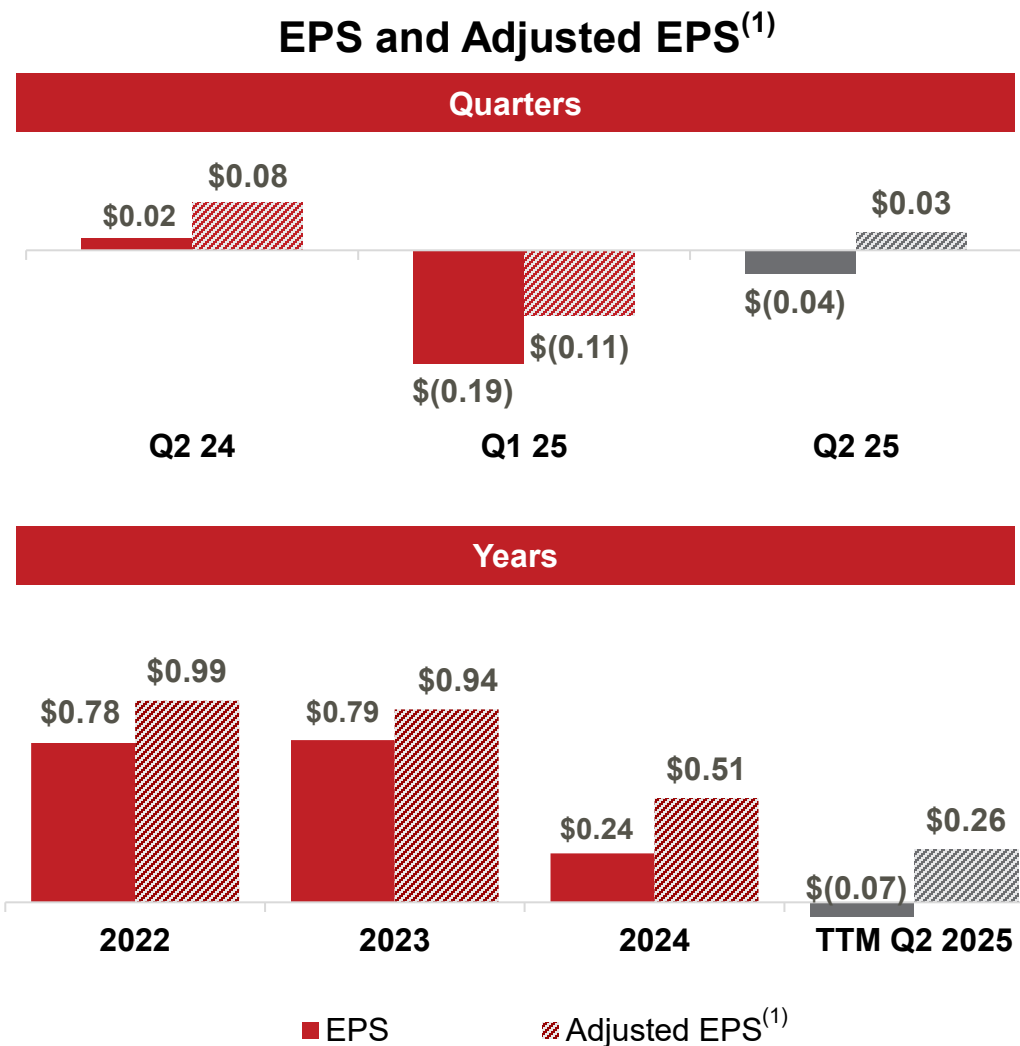
- Consolidating Videology facilities for estimated \$0.5 million annualized savings beginning in 2026
- Headcount management and cost controls



NOTE: Components may not add up to totals due to rounding.

Earnings (Loss) and Adjusted EBITDA⁽¹⁾

(\$ in millions, except per share data)



¹ Adjusted EPS, adjusted EBITDA and adjusted EBITDA margin are non-GAAP financial measures. Further information can be found under "Non-GAAP Financial Measure." See also the reconciliations of GAAP financial measures to non-GAAP financial measures that accompany this presentation.

Capital Structure and Cash Flow

(\$ in millions)

Cash Flow	Three Months Ended		Six Months Ended	
	6/30/25	6/30/24	6/30/25	6/30/24
Net cash (used) provided by operating activities (GAAP)	\$ (0.7)	\$ (5.1)	\$ 4.8	\$ (3.0)
Capital expenditures	(0.5)	(0.3)	(0.7)	(0.7)
Free cash flow (FCF) ¹ (Non-GAAP)	\$ (1.2)	\$ (5.4)	\$ 4.1	\$ (3.7)

Capitalization	6/30/25	6/30/24	12/31/24
Cash and cash equivalents	\$ 19.2	\$ 20.4	\$ 19.8
Total debt	\$ 10.1	\$ 21.1	\$ 15.0
Shareholders' equity	\$ 102.6	\$ 99.5	\$ 99.8
Total capitalization	\$ 112.7	\$ 120.6	\$ 114.8



Reduced debt by \$4.9 million during 1H 2025

- \$1.7 million in Q2 2025



Approximately \$59 million in liquidity at 6/30/2025

- Includes \$19 million in cash and cash equivalents²
- \$40 million borrowing capacity



Leverage ratio was 1.4x (debt/TTM Adj. EBITDA)¹

¹ Free cash flow and adjusted EBITDA are non-GAAP financial measures. Further information can be found under "Non-GAAP Financial Measures."

² On August 5, 2025, the Company entered into a covenant waiver agreement with its U.S. based lender through the first quarter 2026 in exchange for pledging cash equal to U.S. debt outstanding. At June 30, 2025, the Company held \$5.9 million of U.S. based debt.

Third Quarter Guidance

Expecting to deliver Q/Q Growth

- Revenue expected to be \$28 million to \$30 million
- Gross margin similar to Q2 2025
- Operating expenses of \$12.6 million to \$13.1 million
 - Excludes ~\$0.1 million in Videology and other restructuring expenses

Amortization and interest expense are expected to be similar to Q2 2025

Considerations for FY2025

- Visibility remains limited
- Continue to expect to deliver Q/Q growth through the year
- Long-term fundamentals remain intact with InTest maintaining strong market leadership in niche, high-value applications
 - Well positioned for recovery
- Pipeline is robust – customer funnel at new all-time high
 - Customer hesitation impacting project timing

Outlook excludes any potential acquisitions and incremental restructuring

Guidance provided as of August 6, 2025. The foregoing guidance is based on management's current views with respect to operating and market conditions and customers' forecasts. It also assumes macroeconomic conditions remain unchanged through the end of the year and does not take into account any extraordinary non-operating expenses that may occur from time to time. Actual results may differ materially from what is provided here today as a result of, among other things, the factors described under "Forward-Looking Statements" on slide 2.

5-POINT OPERATING SYSTEM



Executing our VISION 2030 Growth Strategy

Remain on track to achieve VISION 2030 goals

- Driving innovation, market diversification and geographic expansion
- Prioritizing operational excellence to improve profitability
- Well positioned to benefit when markets improve

New all-time high customer funnel of opportunities

- Customers recognize integral nature of InTest innovative solutions
- Encouraged with wins in auto/EV, life sciences and defense/aerospace

Healthy balance sheet and more than sufficient liquidity

- Reduced debt by \$4.9 million in 2025 with a cash balance of \$19.2 million at 6/30/2025
- \$30.0 million available under term loan and \$10.0 million under revolving credit

Conference Call Playback

- Replay Number: (412) 317-6671 passcode: 13754235
- Telephone replay available through Wednesday, August 20, 2025
- Webcast / Presentation / Replay available at www.intest.com/investor-relations
- Transcript, when available, at www.intest.com/investor-relations

Upcoming Events

- | | |
|----------------------|--|
| • August 21, 2025 | Needham Semiconductor & SemiCap Conference (Virtual) |
| • September 10, 2025 | H.C. Wainwright 27 th Annual Global Investment Conference |
| • September 11, 2025 | Lake Street Best Ideas Growth Conference |

Supplemental Information

Q2 2025 Financial Results Conference Call

Reconciliation of Net Earnings to Adjusted Net Earnings (Non-GAAP) and Earnings Per Diluted Share to Adjusted Earnings Per Diluted Share (Non-GAAP)

(\$ in thousands, except per share amounts)

	Three Months Ended				
	6/30/2024	9/30/2024	12/31/2024	3/31/2025	6/30/2025
Net earnings (loss)	\$ 230	\$ 495	\$ 1,504	\$ (2,329)	\$ (503)
Acquired intangible amortization	897	944	109	813	850
Restructuring costs	-	-	-	313	216
Acquired inventory step-up	-	-	1,570	-	-
Tax adjustments	(168)	(128)	(401)	(186)	(146)
Adjusted net earnings (loss) (Non-GAAP)	\$ 959	\$ 1,311	\$ 2,782	\$ (1,389)	\$ 417
Diluted weighted average shares outstanding	12,330	12,252	12,216	12,179	12,246
Net earnings (loss) per diluted share: ⁽¹⁾					
Net earnings (loss)	\$ 0.02	\$ 0.04	\$ 0.12	\$ (0.19)	\$ (0.04)
Acquired intangible amortization	0.07	0.08	0.01	0.07	0.07
Restructuring costs	-	-	-	0.03	0.02
Acquired inventory step-up	-	-	0.13	-	-
Tax adjustments	(0.01)	(0.01)	(0.03)	(0.02)	(0.01)
Adjusted net earnings (loss) per diluted share (Non-GAAP)	\$ 0.08	\$ 0.11	\$ 0.23	\$ (0.11)	\$ 0.03

Note: Components may not add up to totals due to rounding.

Reconciliation of Net Earnings to Adjusted Net Earnings (Non-GAAP) and Earnings Per Diluted Share to Adjusted Earnings Per Diluted Share (Non-GAAP)

(\$ in thousands, except per share amounts)

	Years Ended December 31,			TTM Q2
	2022	2023	2024	2025
Net earnings (loss)	\$ 8,461	\$ 9,342	\$ 2,891	\$ (833)
Acquired intangible amortization	2,694	2,095	2,545	2,716
Restructuring costs	-	-	-	529
Acquired inventory step-up	-	-	1,570	1,570
Tax adjustments	(447)	(324)	(792)	(861)
Adjusted net earnings (Non-GAAP)	\$ 10,708	\$ 11,113	\$ 6,214	\$ 2,592
Diluted weighted average shares outstanding	10,863	11,780	12,239	12,223
Net earnings (loss) per diluted share: ⁽¹⁾				
Net earnings (loss)	\$ 0.78	\$ 0.79	\$ 0.24	\$ (0.07)
Acquired intangible amortization	0.25	0.18	0.21	0.22
Restructuring costs	-	-	-	0.04
Acquired inventory step-up	-	-	0.13	0.13
Tax adjustments	(0.04)	(0.03)	(0.06)	(0.07)
Adjusted net earnings per diluted share (Non-GAAP)	\$ 0.99	\$ 0.94	\$ 0.52	\$ 0.26

Note: Components may not add up to totals due to rounding.

Reconciliation of Net Earnings and Net Margin to Adjusted EBITDA (Non-GAAP) and Adjusted EBITDA Margin (Non-GAAP)

(\$ in thousands)

	Three Months Ended				
	6/30/2024	9/30/2024	12/31/2024	3/31/2025	6/30/2025
Net earnings (loss)	\$ 230	\$ 495	\$ 1,504	\$ (2,329)	\$ (503)
Acquired intangible amortization	897	944	109	813	850
Acquired inventory step-up	-	-	1,570	-	-
Net interest expense	41	36	109	37	30
Income tax expense (benefit)	66	74	298	(460)	(80)
Depreciation	356	355	415	316	314
Restructuring costs	-	-	-	313	216
Non-cash stock-based compensation	564	537	407	423	435
Adjusted EBITDA (Non-GAAP)	\$ 2,154	\$ 2,441	\$ 4,412	\$ (887)	\$ 1,262
Revenue	33,991	30,272	36,603	26,637	28,130
Net margin	0.7%	1.6%	4.1%	-8.7%	-1.8%
Adjusted EBITDA margin (Non-GAAP)	6.3%	8.1%	12.1%	-3.3%	4.5%

Reconciliation of Net Earnings and Net Margin to Adjusted EBITDA (Non-GAAP) and Adjusted EBITDA Margin (Non-GAAP)

(\$ in thousands)

	Years Ended December 31,			TTM Ended
	2022	2023	2024	6/30/2025
Net earnings (loss)	\$ 8,461	\$ 9,342	\$ 2,891	\$ (833)
Acquired intangible amortization	2,694	2,095	2,545	2,716
Acquired inventory step-up	-	-	1,570	1,570
Net interest expense (income)	600	(404)	(7)	212
Income tax expense (benefit)	1,684	1,706	563	(168)
Depreciation	810	1,021	1,399	1,400
Restructuring costs	-	-	-	529
Non-cash stock-based compensation	1,787	2,047	1,857	1,802
Adjusted EBITDA (Non-GAAP)	\$ 16,036	\$ 15,807	\$ 10,818	\$ 7,228
Revenue	116,828	123,302	130,690	121,642
Net margin	7.2%	7.6%	2.2%	-0.7%
Adjusted EBITDA margin (Non-GAAP)	13.7%	12.8%	8.3%	5.9%

Segment Reporting (Quarterly)

(\$ in thousands)

	Three Months Ended									
	<u>6/30/2024</u>		<u>9/30/2024</u>		<u>12/31/2024</u>		<u>3/31/2025</u>		<u>6/30/2025</u>	
Electronic Test	\$ 16,159		\$ 15,481		\$ 21,122		\$ 13,259		\$ 13,733	
Environmental Technologies	8,273		6,734		7,063		6,268		7,215	
Process Technologies	9,559	% of	8,057	% of	8,418	% of	7,110	% of	7,182	% of
Total Revenue	<u>\$ 33,991</u>	divisional revenue	<u>\$ 30,272</u>	divisional revenue	<u>\$ 36,603</u>	divisional revenue	<u>\$ 26,637</u>	divisional revenue	<u>\$ 28,130</u>	divisional revenue
Electronic Test	\$ 1,743	11%	\$ 2,311	15%	\$ 2,865	14%	\$ 681	5%	\$ 1,560	11%
Environmental Technologies	993	12%	426	6%	682	10%	(255)	-4%	611	8%
Process Technologies	970	10%	1,070	13%	971	12%	207	3%	399	6%
Total income from divisional operations	3,706	11%	3,807	13%	4,518	12%	633	2%	2,570	9%
Corporate expense	(2,473)		(2,376)		(2,330)		(2,388)		(2,431)	
Acquired intangible amortization	(897)		(944)		(109)		(813)		(850)	
Restructuring costs	-		-		-		(313)		(216)	
Interest expense	(253)		(219)		(234)		(152)		(119)	
Other income (expense)	213		301		(43)		244		463	
Earnings (loss) before income tax expense	<u>\$ 296</u>		<u>\$ 569</u>		<u>\$ 1,802</u>		<u>\$ (2,789)</u>		<u>\$ (583)</u>	

Segment Reporting (12 Months)

(\$ in thousands)

	Years Ended				TTM	
	<u>12/31/2023</u>		<u>12/31/2024</u>		<u>6/30/2025</u>	
Electronic Test	\$ 41,016		\$ 63,878		\$ 63,595	
Environmental Technologies	30,801		28,898		27,280	
Process Technologies	51,485	% of	37,914	% of	30,767	% of
Total Revenue	<u>\$ 123,302</u>	divisional	<u>\$ 130,690</u>	divisional	<u>\$ 121,642</u>	divisional
		revenue		revenue		revenue
Electronic Test	\$ 10,189	25%	\$ 8,732	14%	\$ 7,417	12%
Environmental Technologies	3,073	10%	2,116	7%	1,464	5%
Process Technologies	9,544	19%	4,972	13%	2,647	9%
Total income from divisional operations	<u>22,806</u>	<u>18%</u>	<u>15,820</u>	<u>12%</u>	<u>11,528</u>	<u>9%</u>
Corporate expense	(10,272)		(9,881)		(9,525)	
Acquired intangible amortization	(2,095)		(2,545)		(2,716)	
Restructuring costs	-		-		(529)	
Interest expense	(679)		(846)		(724)	
Other income	1,288		906		965	
Earnings (loss) before income tax expense	<u>\$ 11,048</u>		<u>\$ 3,454</u>		<u>\$ (1,001)</u>	