

Kulicke & Soffa

Nasdaq: KLIC

Quarterly Earnings Review

August 6, 2025

Q3F25

Ended June 28, 2025

Earnings Review

Safe Harbor

In addition to historical statements, this presentation contains statements relating to future events and our future results based on management's expectations as of August 6, 2025. These statements are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995.

While these forward-looking statements represent our judgments and future expectations concerning our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, the factors listed or discussed in our 2024 Annual Report on Form 10-K and our other filings with the Securities and Exchange Commission. Kulicke and Soffa Industries, Inc. is under no obligation to (and expressly disclaims any obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

A reconciliation of non-GAAP items is included in this presentation and available within our most recently filed earnings release.

Use of Non-GAAP Financial Results

In addition to U.S. GAAP ("GAAP") results, this presentation also contains the following non-GAAP financial results: income from operations, operating margin, operating expenses, net income, net margin, net income per fully diluted share and adjusted free cash flow. The Company's non-GAAP results exclude amortization related to intangible assets acquired through business combinations, costs associated with restructuring and severance, equity-based compensation, acquisition and integration costs, impairment relating to assets acquired through business combinations, long-lived asset impairment relating to business cessation or disposal, impairment relating to equity investments, income tax expense/benefit arising from discrete tax items triggered by acquisition, disposal of business (both via a sale or an abandonment), restructuring and significant changes in tax laws, gain/loss on disposal of business, as well as tax benefits or expenses associated with the foregoing non-GAAP items. The non-GAAP adjustments may or may not be infrequent or nonrecurring in nature, but are a result of periodic or non-core operating activities. These non-GAAP measures are consistent with the way management analyzes and assesses the Company's operating results. The Company believes these non-GAAP measures enhance investors' understanding of the Company's underlying operational performance, as well as their ability to compare the Company's period-to-period financial results and the Company's overall performance to that of its competitors.

Management uses both GAAP metrics as well as these non-GAAP metrics to evaluate the Company's operating and financial results. Non-GAAP financial measures may not provide information that is directly comparable to that provided by other companies in the Company's industry, as other companies in the industry may calculate non-GAAP financial results differently. In addition, there are limitations in using non-GAAP financial measures because the non-GAAP financial measures are not prepared in accordance with GAAP, may be different from non-GAAP financial measures used by other companies and exclude expenses that may have a material impact on the Company's reported financial results. The presentation of non-GAAP items is meant to supplement, but not substitute for, GAAP financial measures or information. The Company believes the presentation of non-GAAP results in combination with GAAP results provides better transparency to the investment community when analyzing business trends, providing meaningful comparisons with prior period performance and enhancing investors' ability to view the Company's results from management's perspective. A reconciliation of each non-GAAP financial measure to the most directly comparable GAAP measure presented in this presentation is contained in the Appendix to this presentation.

Q3F25 Update

Internally Focused & Optimized for Growth

Overview

Positive Core Market Dynamics

- Utilization rates within key regions strengthened
- General Semi & Memory orders improving
- Trade progress anticipated to enhance market visibility

Growth efforts are unlocking long-term technology transitions

- Vertical Wire positioned well for mobile-HBM
- New Wedge solutions enabling more capable & efficient Power-Semi
- Advanced Dispense gaining traction
- Fluxless Thermo-Compression (FTC) portfolio expanding - chemical & physical preparation

Q3F25 Results

Revenue	\$148.4M
Net Loss	\$(3.3)M
Non-GAAP Net Income*	\$3.8M
EPS	\$(0.06)
Non-GAAP EPS*	\$0.07

- *Internally focused on efficiency, customer engagement & new product execution*
- *Macro order hesitation, primarily effected Auto/Industrial demand, contributed to sequential revenue change*
- *Technology & capacity-related order activity driving General Semi & Memory recovery*

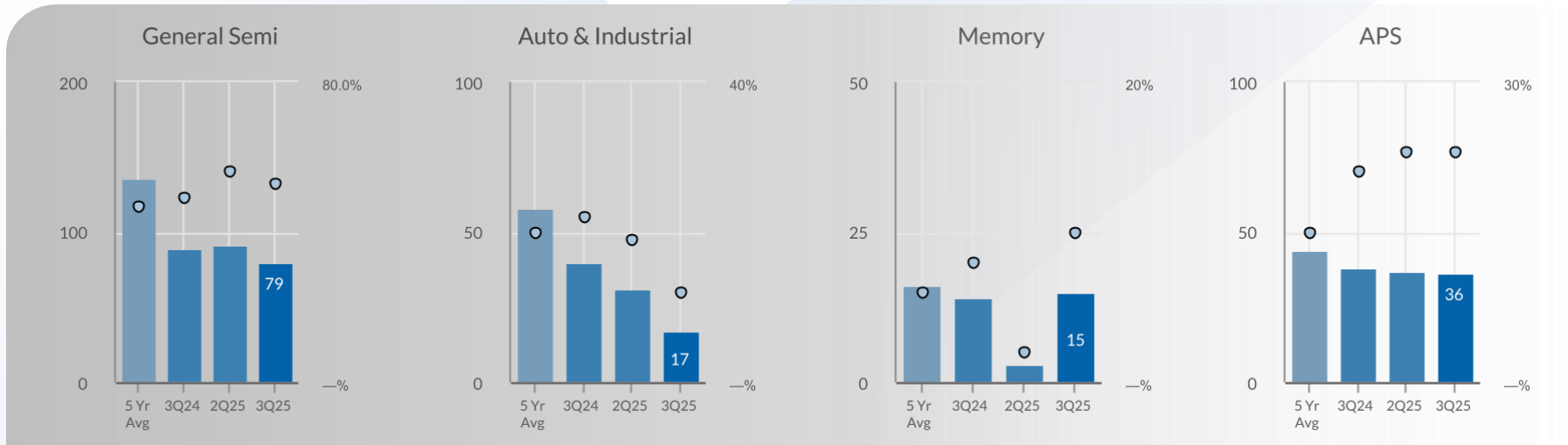
*Please see [Non-GAAP Reconciliation](#) for a reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures.

Q3F25 Revenue Composition

By End Market

■ Revenue per quarter (millions USD)
 5Yr Avg = quarterly average of preceding five fiscal years

○ As a percent of total Company revenue



General Semi
Auto & Industrial
Memory
APS

Trade related uncertainty contributed to early FQ3 order hesitation
 Auto demand in SEA and LED-related demand remained soft
 Share gains expected as low-power and high-power HBM assembly evolve
 Core field utilization improvements still anticipated

Q3F25 Update

Aligned with Technology Transitions

Ball

- Vertical Wire on track, expecting high volume production in FY26
- “Lower-power HBM” or “mobile HBM”
- Core utilization improved in HV regions/markets

Advanced Dispense

- Expanding portfolio & customer base
- Solid state battery ramp anticipated
- Adjacent opportunities across served markets

Wedge

- PowerSemi demanding more complex assembly
- Both technology transitions & long-term capacity needs
- Recently launched - Asterion® pin-welding system with Sonotrode™ technology

Thermo-Compression

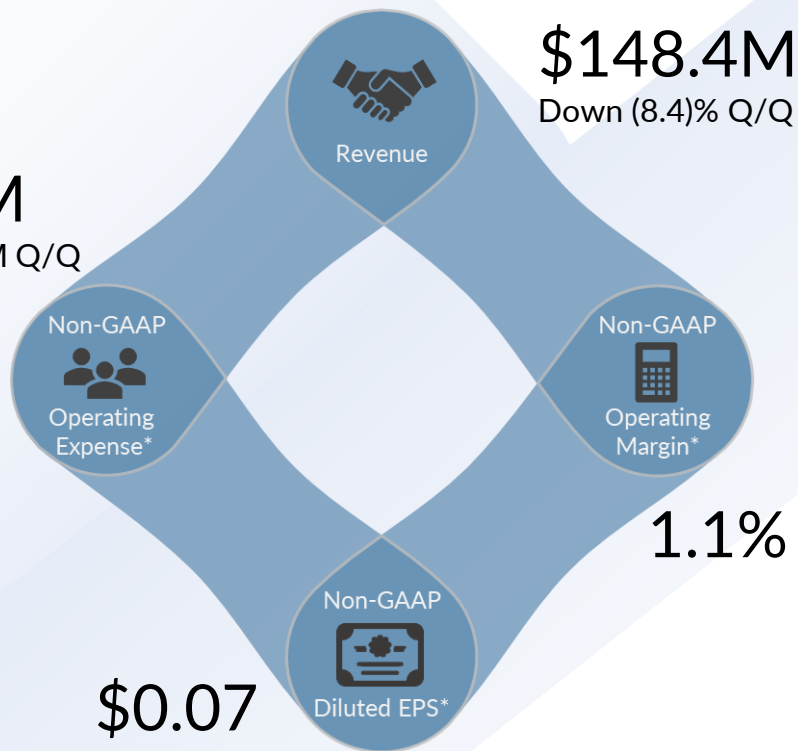
- Gaining share in advanced logic
- Embedded in many leading AI, HPC & Mobile roadmaps
- Preparing for initial HBM shipment in C25
- Broadest set of FTC solutions - chemical & physical

Q3F25

Financial Results

\$68.0M

Down \$(0.1)M Q/Q



Tariff uncertainty impacted order activity

Execution on close market engagements is ongoing

Ongoing focus on cost control

*Please see [Non-GAAP Reconciliation](#) for a reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures.

Income Statement

Q3F25 Summary Items

\$Millions, except %, EPS, and share count

	Q3F24	Q2F25	Q3F25	Q/Q	Y/Y
Revenue	\$181.7	\$162.0	\$148.4	\$(13.6)	\$(33.2)
Gross Margin	46.6%	24.9%	46.7%	2,180 bps	10 bps
Operating Expenses	\$76.5	\$125.1	\$75.3	\$(49.7)	\$(1.1)
Operating Income / (Loss)	\$8.3	\$(84.7)	\$(6.1)	\$78.6	\$(14.4)
Non-GAAP Income / (Loss)*	\$19.3	\$(27.9)	\$3.8	\$31.6	\$(15.5)
Diluted EPS	\$0.22	\$(1.59)	\$(0.06)	\$1.53	\$(0.28)
Non-GAAP Diluted EPS*	\$0.35	\$(0.52)	\$0.07	\$0.59	\$(0.28)
Diluted Share Count	55.7 M	53.3 M	52.7 M	(0.6) M	(3.0) M

*Please see [Non-GAAP Reconciliation](#) for a reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures. 7

Balance Sheets & Cash Flow

Q3F25 Summary Items

<i>\$Millions</i>	Q3F24	Q4F24	Q1F25	Q2F25	Q3F25
Accounts and Other Receivables	\$200.3	\$193.9	\$247.9	\$173.9	\$173.8
Inventory	\$175.6	\$177.7	\$185.1	\$155.7	\$158.3
Accounts Payable	\$52.1	\$58.8	\$49.0	\$48.4	\$52.7
Net Cash*	\$435.9	\$393.4	\$369.2	\$398.5	\$368.0
Working Capital Days**	420	403	458	425	450
Share Repurchases	\$44.0	\$42.7	\$36.9	\$21.3	\$21.6
Dividends	\$11.0	\$10.8	\$11.0	\$10.9	\$10.8

*Net cash = Total Cash & Investments less Current Liabilities

**Calculated using ending period values

Outlook

Q4F25

Demand improvement in
highest volume regions &
markets

Tariff progress anticipated to
improve market visibility

Well positioned to support
market recovery & new
opportunities into F26

\$68.0M
+/- 2%

Non-GAAP
Operating
Expense*

\$0.22
+/- 10%

Non-GAAP
Diluted EPS*


Revenue

\$170M
+/- \$10M


Gross
Margin

47.0%
+/- 100
bps

*Please see [Non-GAAP Reconciliation](#) for composition of Non-GAAP guidance items.

Earnings Review

Q&A

For additional information



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Non-GAAP Reconciliations

**Reconciliation of U.S. GAAP
to Non-GAAP Income from Operations and Operating Margin**
(In thousands, except percentages)
(Unaudited)

	Three months ended		
	June 28, 2025	June 29, 2024	March 29, 2025
Net revenue	\$ 148,413	\$ 181,650	161,986
U.S. GAAP (loss) / income from operations	(6,094)	8,277	(84,667)
U.S. GAAP operating margin	(4.1)%	4.6 %	(52.3)%
Pre-tax non-GAAP items:			
Amortization related to intangible assets	308	1,250	1,171
Restructuring	287	—	8,806
Equity-based compensation	7,092	6,363	7,493
Impairment charges	—	—	39,817
Non-GAAP income / (loss) from operations	<u>\$ 1,593</u>	<u>\$ 15,890</u>	<u>\$ (27,380)</u>
Non-GAAP operating margin	1.1 %	8.7 %	(16.9)%

Non-GAAP Reconciliations

**Reconciliation of U.S. GAAP
to Non-GAAP Operating Expenses
(In thousands)
(Unaudited)**

	Three months ended		
	June 28, 2025	June 29, 2024	March 29, 2025
U.S. GAAP operating expenses	\$ 75,337	\$ 76,453	\$ 125,051
Total Non-GAAP adjustments			
Equity-based compensation - Selling, general and administrative	4,527	4,300	4,920
Equity-based compensation - Research and development	2,189	1,748	2,186
Amortization related to intangible assets	308	1,250	1,171
Restructuring	287	—	8,806
Impairment charges	—	—	39,817
Non-GAAP operating expenses	\$ 68,026	\$ 69,155	\$ 68,151

Non-GAAP Reconciliations

Reconciliation of U.S. GAAP Net Income to Non-GAAP Net Income and Non-GAAP Net Margin and
U.S. GAAP net income per share to Non-GAAP net income per share
(In thousands, except percentages and per share data)
(Unaudited)

	Three months ended		
	June 28, 2025	June 29, 2024	March 29, 2025
Net revenue	\$ 148,413	\$ 181,650	\$ 161,986
U.S. GAAP net (loss) / income	(3,289)	12,264	(84,519)
U.S. GAAP net margin	(2.2)%	6.8 %	(52.2)%
Non-GAAP adjustments:			
Amortization related to intangible assets	308	1,250	1,171
Restructuring	287	—	8,806
Equity-based compensation	7,092	6,363	7,493
Impairment charges	—	—	39,817
Net income tax benefit on non-GAAP items	(626)	(568)	(639)
Total non-GAAP adjustments	\$ 7,061	\$ 7,045	\$ 56,648
Non-GAAP net income / (loss)	\$ 3,772	\$ 19,309	\$ (27,871)
Non-GAAP net margin	2.5 %	10.6 %	(17.2)%

Non-GAAP Reconciliations

**Reconciliation of U.S. GAAP Net Income to Non-GAAP Net Income and Non-GAAP Net Margin and
U.S. GAAP net income per share to Non-GAAP net income per share
(In thousands, except percentages and per share data)
(Unaudited)**

	Three months ended		
	June 28, 2025	June 29, 2024	March 29, 2025
U.S. GAAP net (loss) / income per share:			
Basic	\$ (0.06)	\$ 0.22	\$ (1.59)
Diluted ^(a)	\$ (0.06)	\$ 0.22	\$ (1.59)
Non-GAAP adjustments per share: ^(b)			
Basic	\$ 0.13	\$ 0.13	\$ 1.07
Diluted	\$ 0.13	\$ 0.13	\$ 1.07
Non-GAAP net income / (loss) per share:			
Basic	\$ 0.07	\$ 0.35	\$ (0.52)
Diluted ^(c)	\$ 0.07	\$ 0.35	\$ (0.52)
Weighted average shares outstanding:			
Basic	52,692	55,280	53,311
Diluted	52,866	55,724	53,311

- a. GAAP diluted net earnings per share reflects any dilutive effect of outstanding restricted stock, but that effect is excluded when calculating GAAP diluted net loss per share because it would be anti-dilutive.
- b. Non-GAAP adjustments per share include amortization related to intangible assets acquired through business combinations, costs associated with restructuring and severance, equity-based compensation expenses, impairment relating to assets acquired through business combinations, long-lived asset impairment relating to business cessation or disposal, gain relating to disposal or cessation of business, and income tax effects associated with the foregoing non-GAAP items.
- c. Non-GAAP diluted net earnings per share reflects any dilutive effect of outstanding restricted stock, but that effect is excluded when calculating Non-GAAP diluted net loss per share because it would be anti-dilutive.

Non-GAAP Reconciliations

Reconciliation of U.S. GAAP Cash provided by Operating Activities to Non-GAAP Adjusted Free Cash Flow (In thousands) (unaudited)

	Three months ended		
	June 28, 2025	June 29, 2024	March 29, 2025
U.S. GAAP net cash provided by operating activities	\$ 7,380	\$ 26,897	\$ 79,877
Purchases of property, plant and equipment	(2,090)	(2,683)	(1,954)
Proceeds from sales of property, plant and equipment	147	—	60
Non-GAAP adjusted free cash flow	\$ 5,437	\$ 24,214	\$ 77,983

Non-GAAP Reconciliations

Reconciliation of U.S. GAAP to Non-GAAP Outlook (In millions, except per share data) (Unaudited)

Fourth quarter of fiscal 2025 ending October 4, 2025

	GAAP Outlook	Adjustments	Non-GAAP Outlook
Net revenue	\$170 million +/- \$10 million	—	\$170 million +/- \$10 million
Operating expenses	\$75.5 million +/- 2%	\$7.5 million ^{B,C}	\$68.0 million +/- 2%
Diluted EPS ⁽¹⁾	\$0.08 +/- 10%	\$0.14 ^{A, B, C, D}	\$0.22 +/- 10%
Non-GAAP Adjustments			
A. Equity-based compensation - Cost of sales			0.39
B. Equity-based compensation - Selling, general and administrative and Research and development			7.18
C. Amortization related to intangible assets			0.31
D. Net income tax effect of the above items			(0.59)

(1) GAAP and non-GAAP diluted EPS based on approximately 52.0 million diluted weighted average shares outstanding.

The tables above reconcile our GAAP to non-GAAP guidance based on the current outlook. The guidance does not incorporate the impact of any potential business combinations, divestitures, restructuring activities, strategic investments and other significant transactions. The timing and impact of such items are dependent on future events that may be uncertain or outside of our control.

