

**PDF/SOLUTIONS®**



# PDF Solutions Investor Presentation

March 2026

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# PDF Solutions: Enabling the Digital Transformation of Semiconductor Manufacturing

We generate and integrate data across the supply chain, and using AI we drive fast improvements in yield, quality, and efficiency.

founded  
**1991**

**HQ** Santa Clara, CA, USA  
offices & support teams worldwide

**PDFS**  
Nasdaq exchange  
ticker

**600**  
Employees  
(as of 12/31/2025)

more than  
**340**  
customers

CY2025  
**\$219M**  
total revenue

more than  
**\$150M**  
R&D spending +  
CapEx \*  
(last 2 years)

more than  
**160**  
patents issued

\*Non-GAAP R&D and CapEx through Q4' 2025

# Key Industry Themes

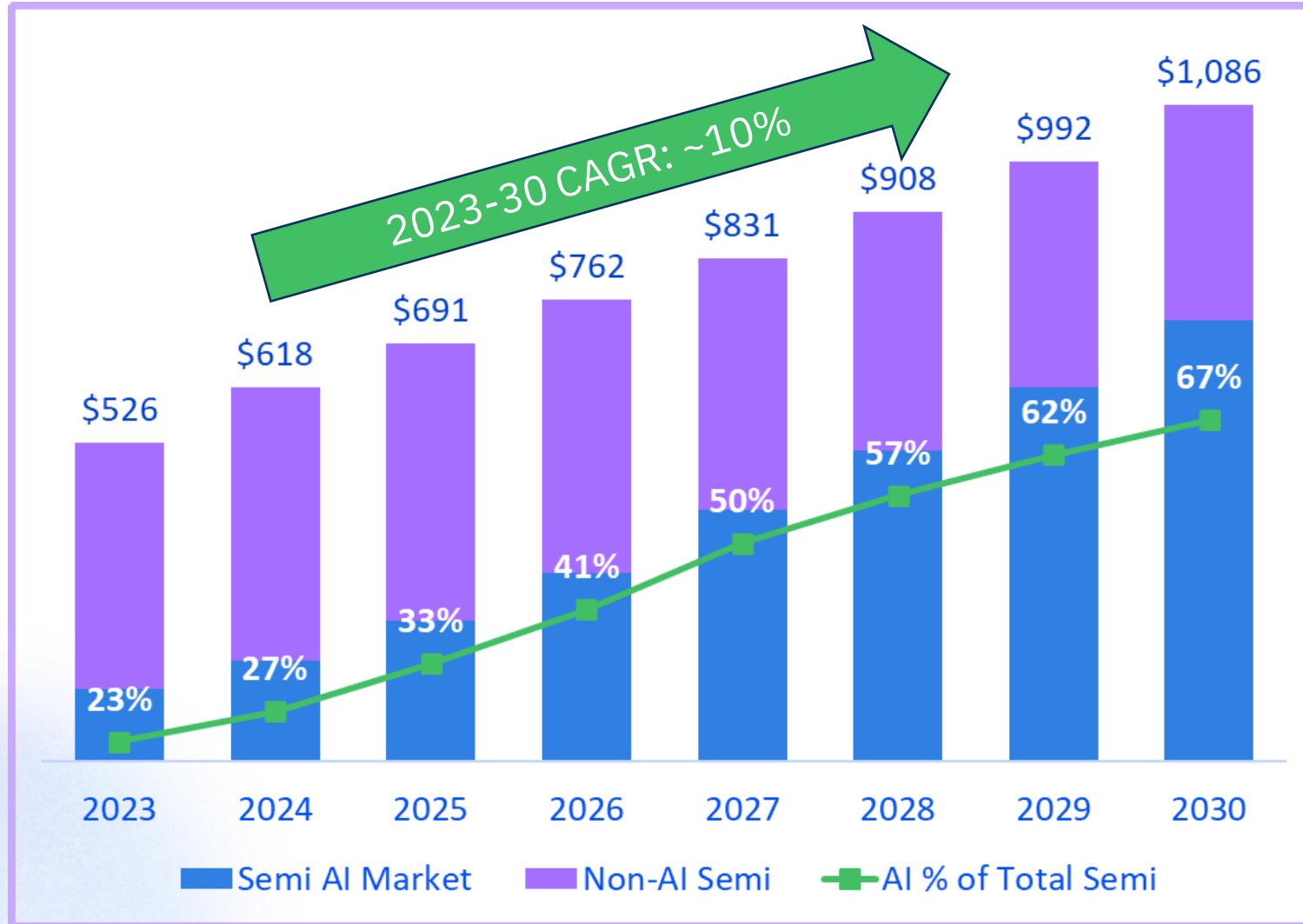
**The semiconductor industry is evolving to the 3D era**

**The semiconductor market is growing rapidly: ~\$1.1T in 2030**

**The industry needs a unified analytics platform**

**PDF is the largest independent analytics platform, growing in industry relevance**

# Semiconductor Industry Growth Driven By AI



- By 2030, AI represents ~**67%** of the semi market
- AI expected to grow **3x faster** than the semi market at ~30% CAGR
- AI growth driven by both **Cloud** and **Edge** applications

# The Market Opportunity Requires Solutions to Three Key Manufacturing and R&D Challenges



innovations in 3D



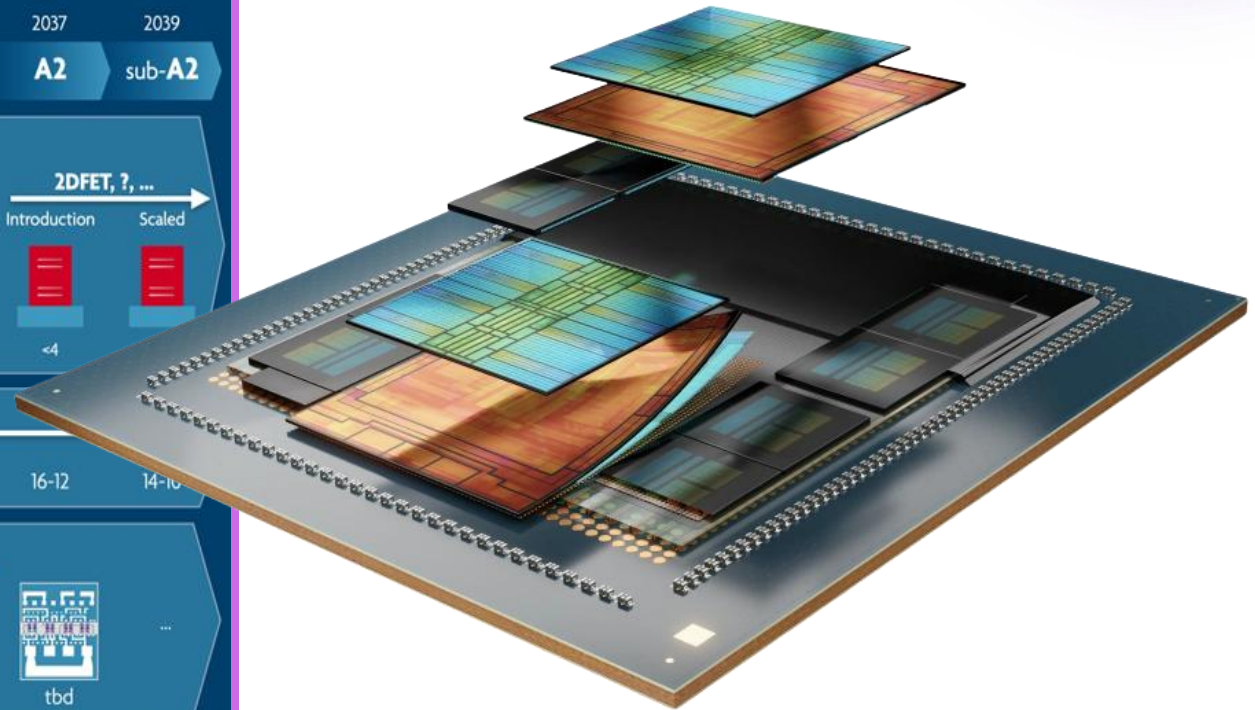
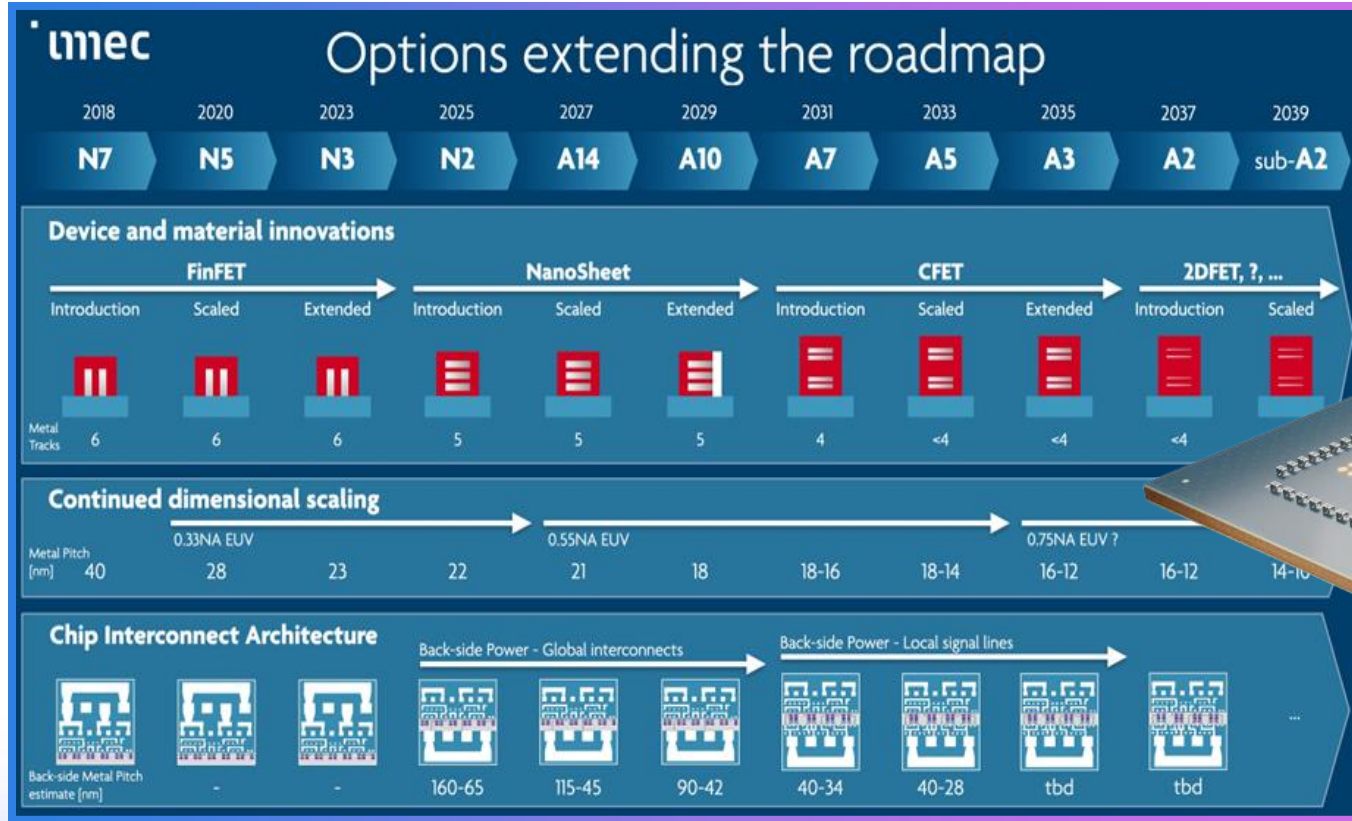
operating through a  
complex global  
supply chain



leveraging AI at all  
levels, from design to  
manufacturing

PDF Solutions is instrumental to addressing these challenges

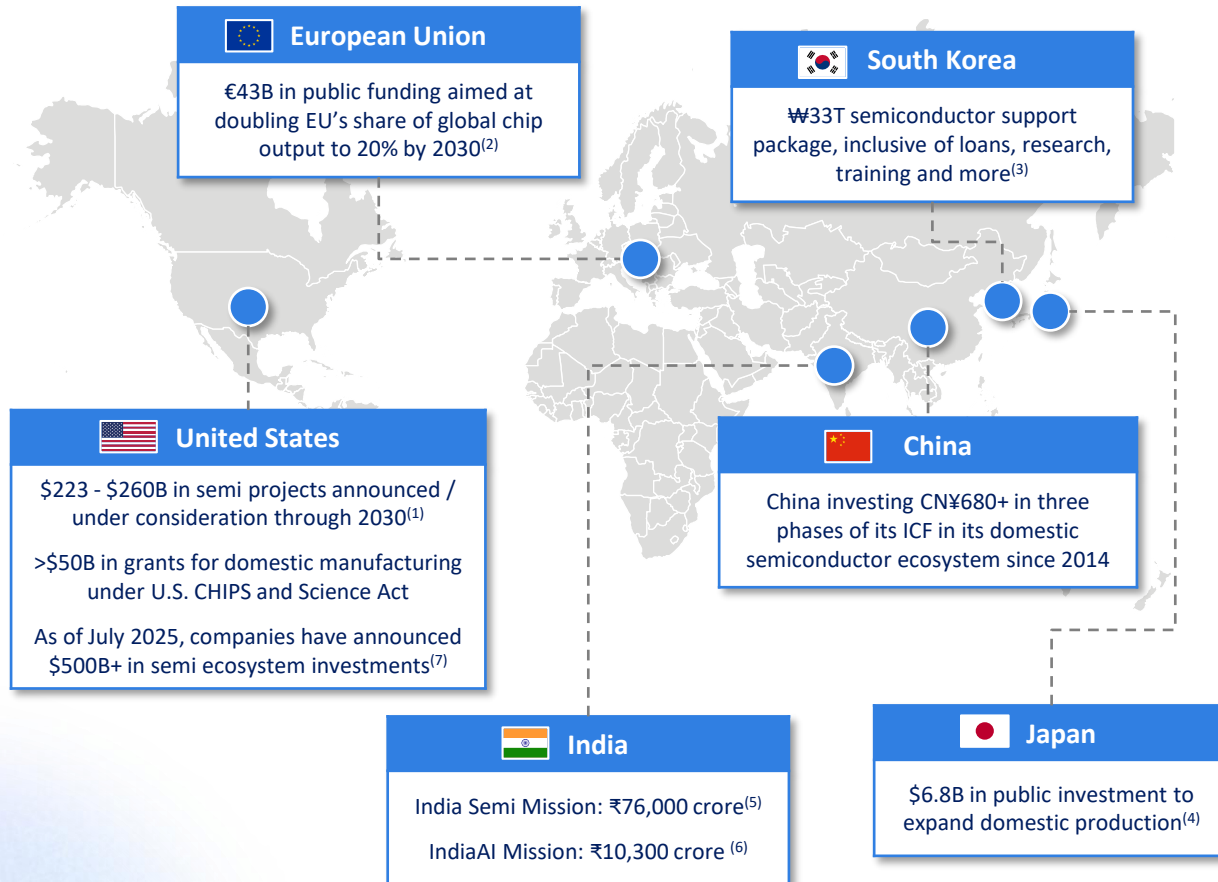
# Rapidly Growing Market Opportunity In 3D



2030 Foundry Market: ~\$100B for  $\leq 2$ nm wafers

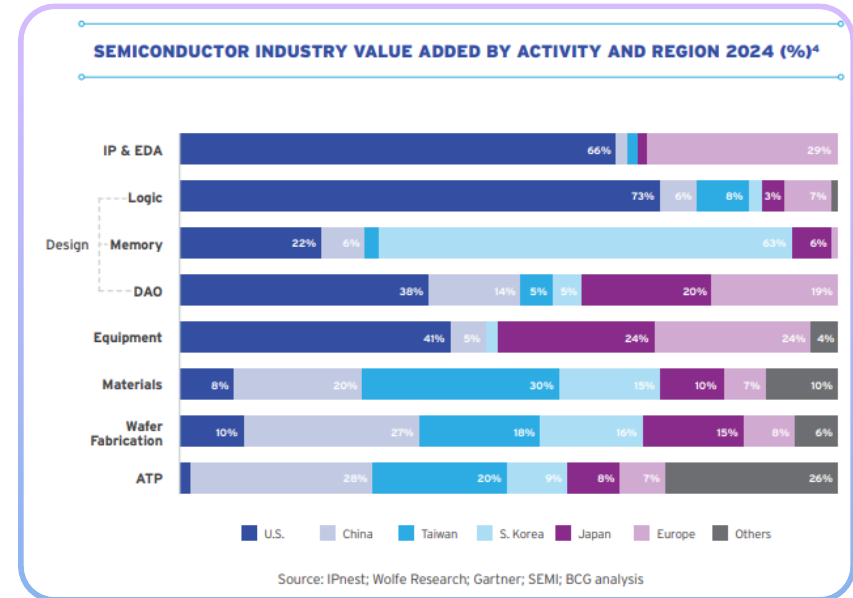
2030 Advanced Packaging Market: ~\$80B

# An Expanding, Complex Global Semiconductor Supply Chain



Governments expected to deploy over \$1.5T in the semi ecosystem through 2030

Global investments have started to rebalance manufacturing concentration and increase supply chain resiliency

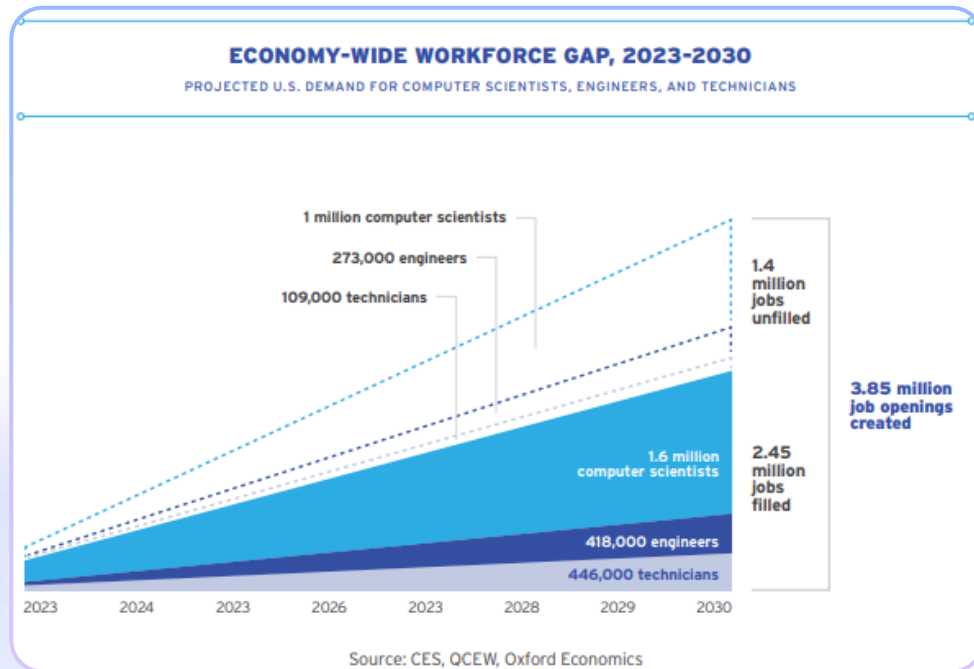


Notes: (1) Based on announcements as of January 2023; (2) Announced February 2022; (3) CNBC, April 2025; (4) Bloomberg, November 2021; (5) As of 2021; (6) March 2024; (7) SIA "State of the U.S. Semiconductor Industry"

# AI Adoption to Support Centralized Learning Across A Global Network

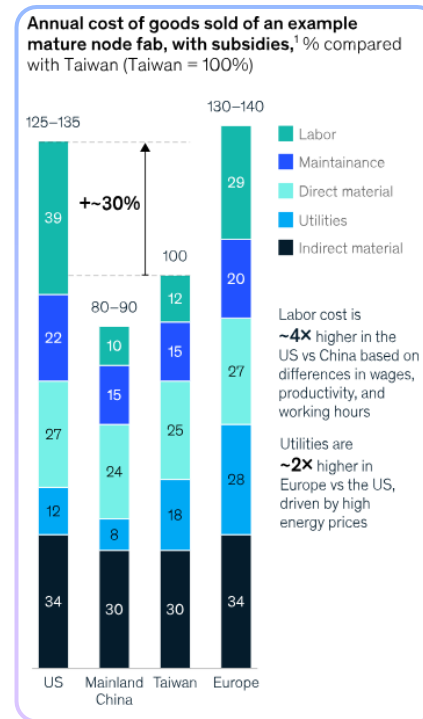
## Talent Shortage

McKinsey estimates **shortfall of semiconductor engineers** could reach **>100k** in US and Europe and **>200k** in APAC (ex-China)



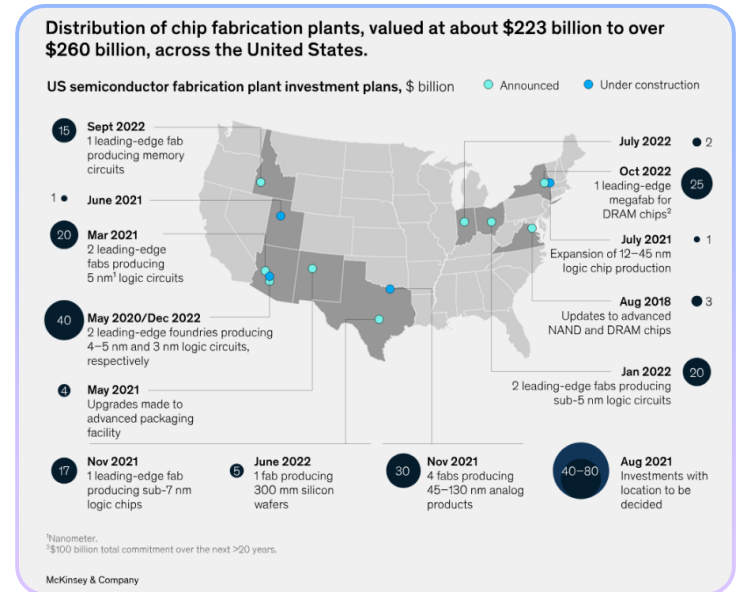
## Labor Cost Variances

Regional differences in labor costs also helping to **drive AI Adoption** – Europe and US **2-4x** higher costs vs. Asia



## Dispersed Manufacturing

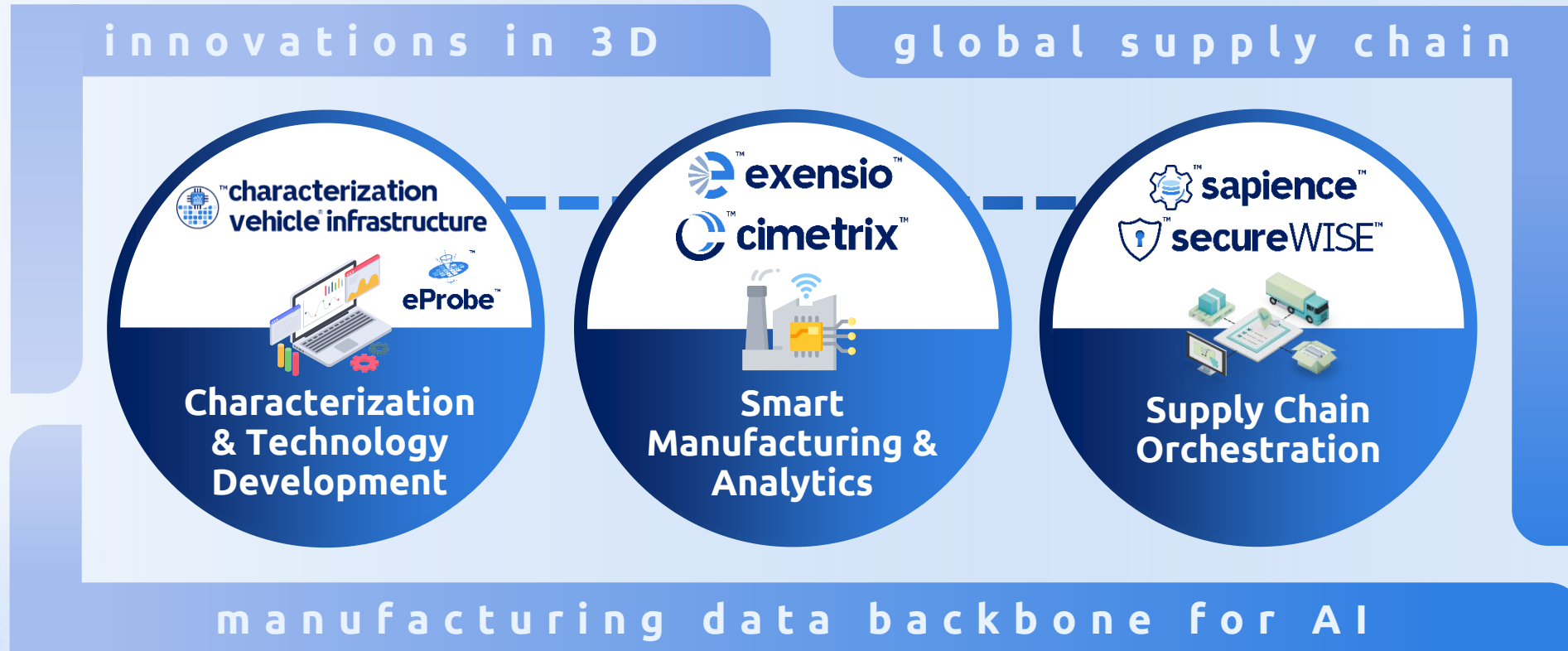
Use engineering centers to drive improvements **globally** (e.g., Intel – Oregon, Arizona, Ireland, Ohio, etc.; TSMC – Taiwan, Arizona, etc.)



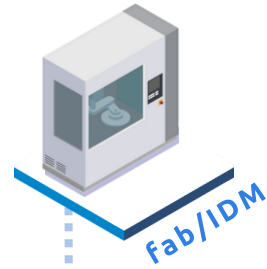
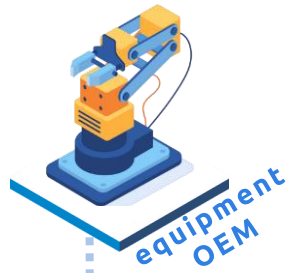
# The PDF Platform brings together **data, analytics, and orchestration** to meet the challenges facing the semiconductor ecosystem.

## PDF/SOLUTIONS®

Big Data Infrastructure • Analytics & AI • Mission Critical Actions



# The Semiconductor Ecosystem



Representative companies, not intended to disclose customers

# Trusted by the Top Companies in the Industry

**Qualcomm**

*“Exensio links together the huge variety of data types necessary to perform analysis across the value chain”*

- Dan Rubens (Manager, IT)

**intel**

*“PDFS integrates data [...] and provides templates to standardize, streamline, and automate data access and analysis...”*

- Aziz Safa (Corporate VP)

**ANALOG DEVICES**

*“PDF Solutions: a partner **Committed, Experienced, and trusted** in the industry”*

- Michael O’Sullivan (VP)

**RENESAS**

*“Exensio GA is rolled out to ~96% of production volume and more than ~2000 products loaded to PDF cloud database”*

- Helen Yu (VP)

**ST**

*“The benefits of test cell automation with PDF Solutions include **OEE Improvement, large labor saving, and ECC reduction**”*

- Massimo Longaretti (Manager)

**GlobalFoundries**

*“Without Remote Tool Operations **we would have ground to a halt** (during COVID)”*

- Randy Bakken (Engineer)

# Our Partners - Based on Industry Standards & Integrated with Leading Solutions Providers



**Financial:** Links business & supply chain data with E2E manufacturing data for automation/analysis of quality & cost

**Collaboration with pT agents:** monitors integrated for rapid diagnosis of chip product health

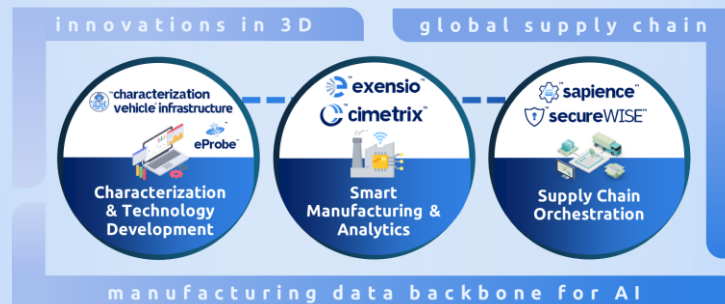


**Assembly:** Differentiated data & enhanced solutions

**Design:** E2E manufacturing data integration with test pattern layout & design



## PDF / SOLUTIONS™



**MES:** Integrated offering with PDF analytics

**Test:** Enhanced solutions for dynamic parametric test



**Cloud platform:** analytics partner for semiconductor supply chain solutions – over 78 products cloud ready.

**Security:** network, applications & edge server security



Semiconductor **industry-standard** organizations



**Gen AI solution** for fab systems performance and productivity improvement

# The Operations Operating System of the Industry

## LEAD WITH INDUSTRY STANDARDS

SEMI INDUSTRY  
Eg, E187, 188, 190, 191  
Chair 10 committees

### CYBERSECURITY

SOC2

ISO27001

NIS2

CRA

sox

end to end zero trust approach

## ENTERPRISE READINESS

ENTERPRISE APPLICATIONS  
INTEGRATION  
MES, PLM, ERP, SCM

**Petabytes**  
of cloud-managed data  
**Exabytes**  
Ready data exchange

**99.9%**  
uptime across  
all 8 regions

**24/7**  
global support

## ECOSYSTEM REACH

**10s of Ks**  
tools

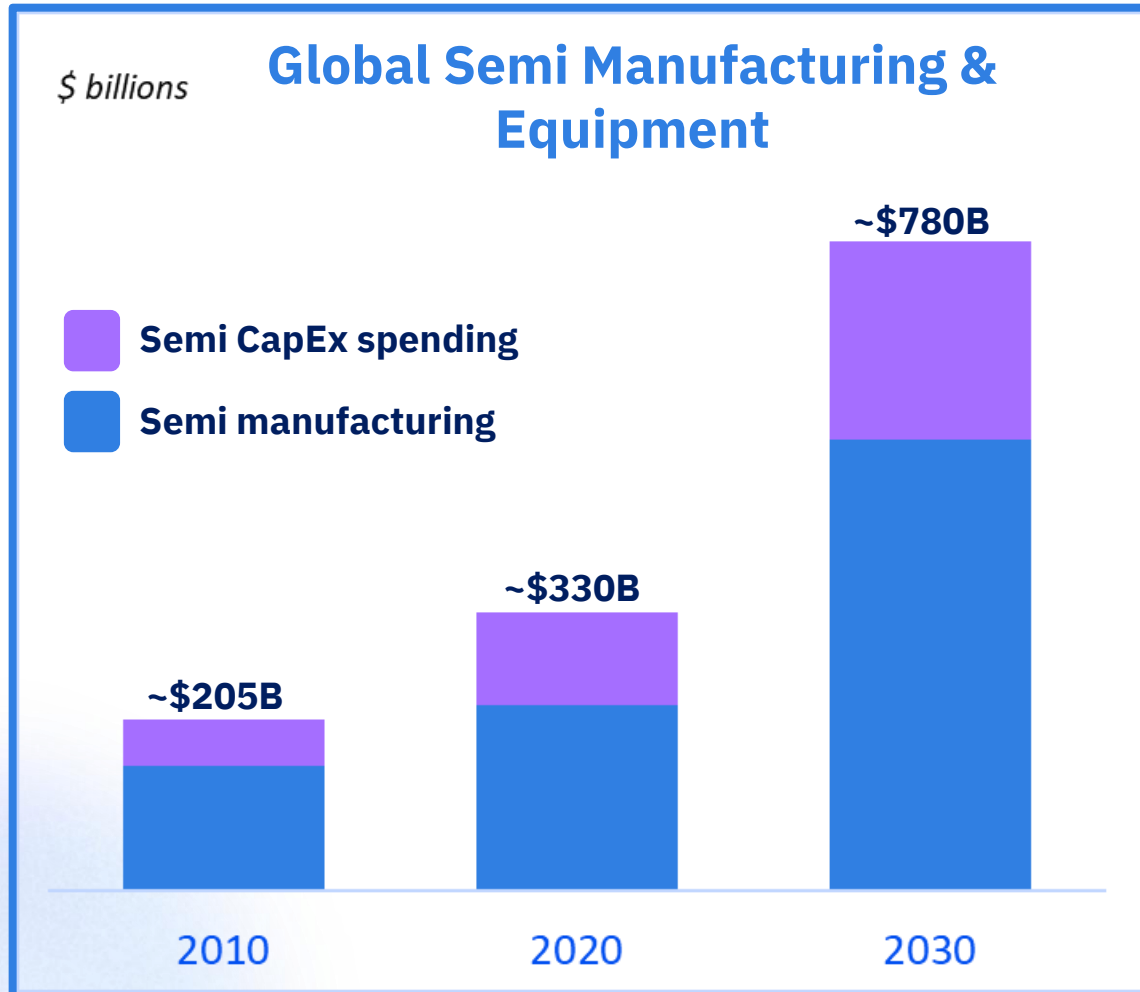
**100+**  
equipment  
OEMs

**>300**  
manufacturing sites connected

**1000**  
Process Characterizations

**top 6**  
foundries

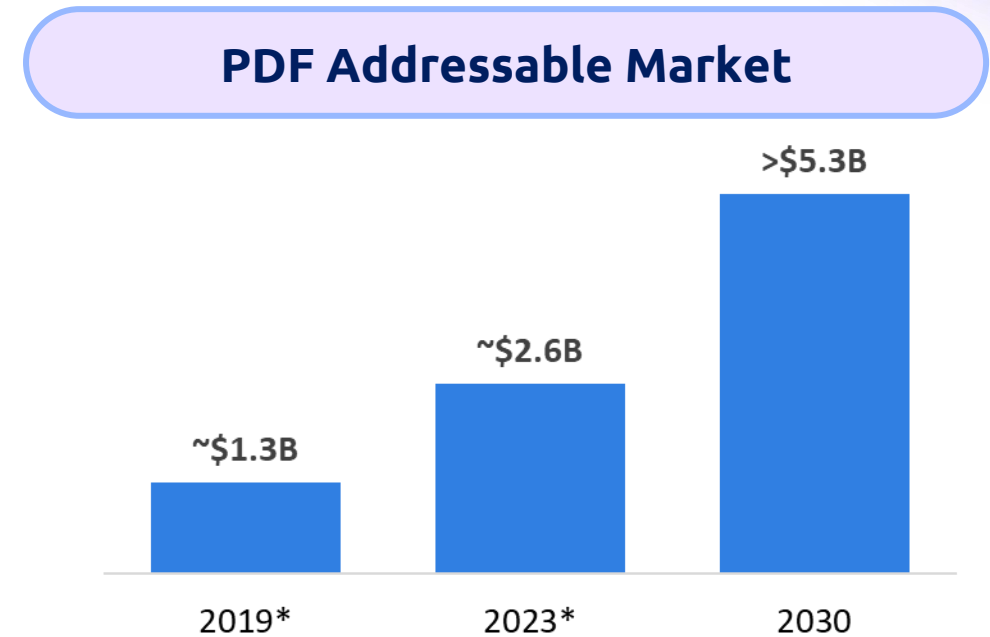
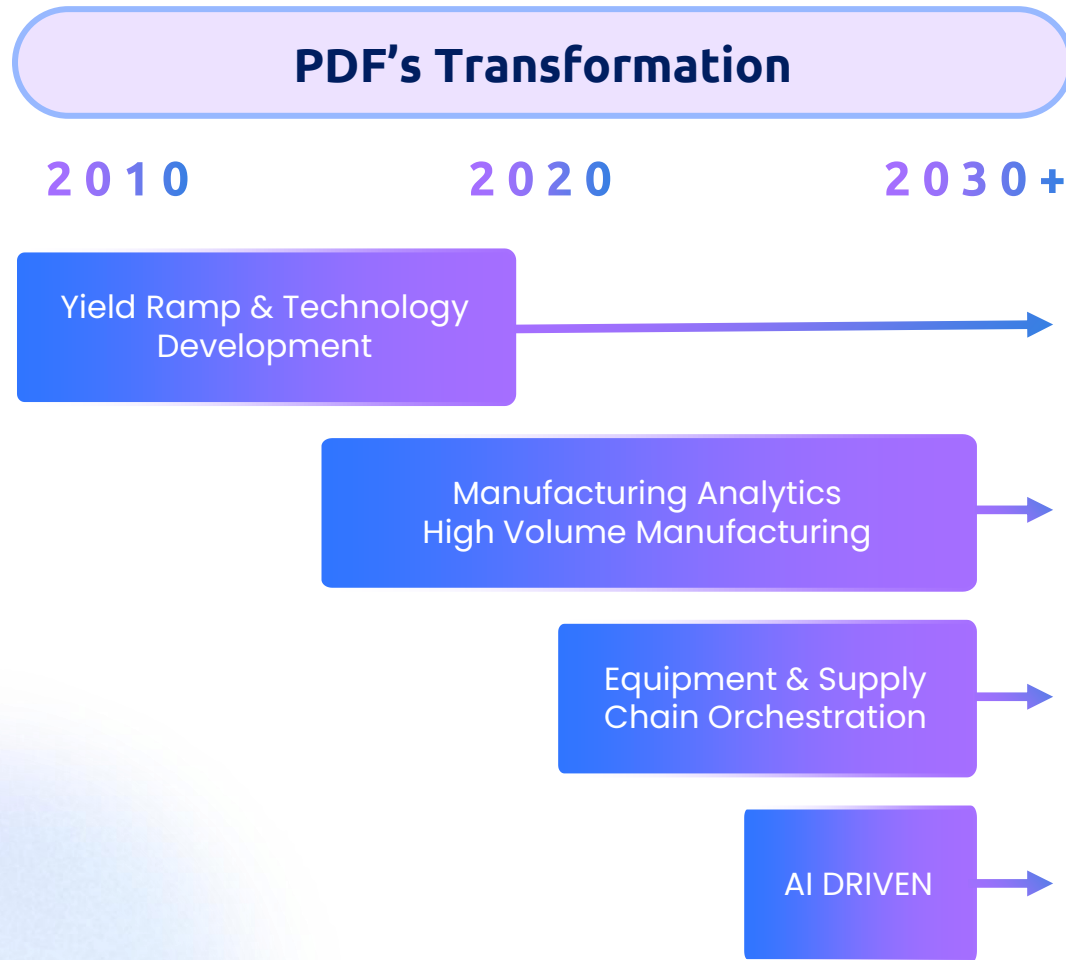
# Growing Manufacturing Costs and CapEx Necessitate the Need for Analytics to Drive Efficiency



- Semi wafer **manufacturing** represents **~50%** of the **semiconductor market**
- Growing need for **analytics** driven by
  - Technology scaling
  - Disaggregated supply chain
  - Product/process complexity
- Digital transformation across the supply chain is **accelerating adoption** of the **PDF platform across** the supply chain and **within** customer's multiple internal groups

Sources: International Business Strategies, SIA, Gartner, TSMC, CSIMarket Company and PDF Solutions

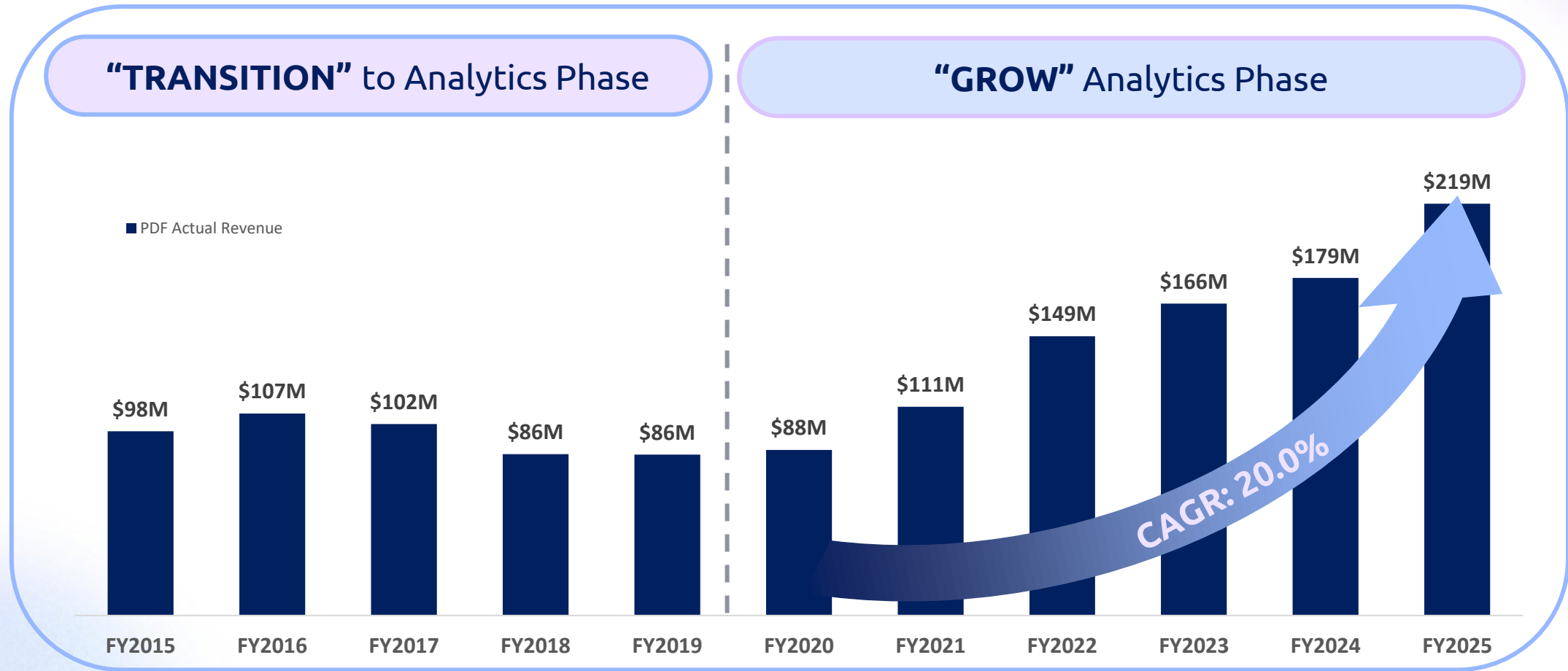
# PDF Solutions Transformation and Addressable Market Expansion



- 2019 – 2023 addressable market expansion exceeded the industry growth
- Expect addressable market to grow from 2023 – 2030 at least in line with the semiconductor industry

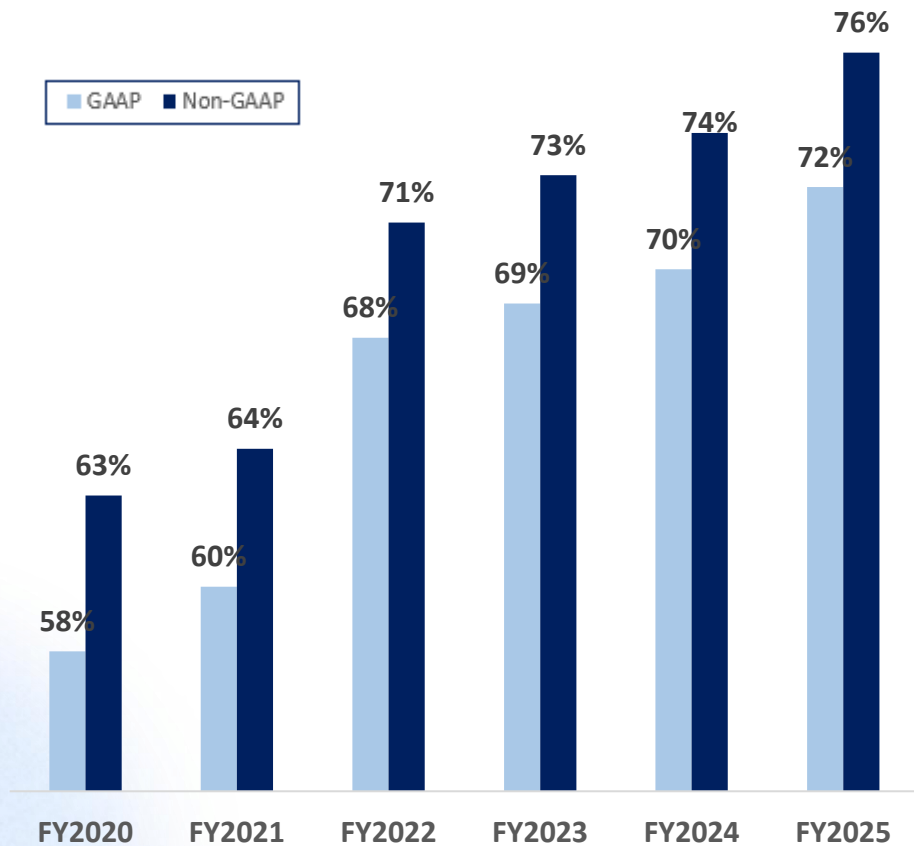
*\*as presented at the 2019 and 2023 PDF Analyst Days, respectively*

# Annual revenue trend from FY2015 to FY2025

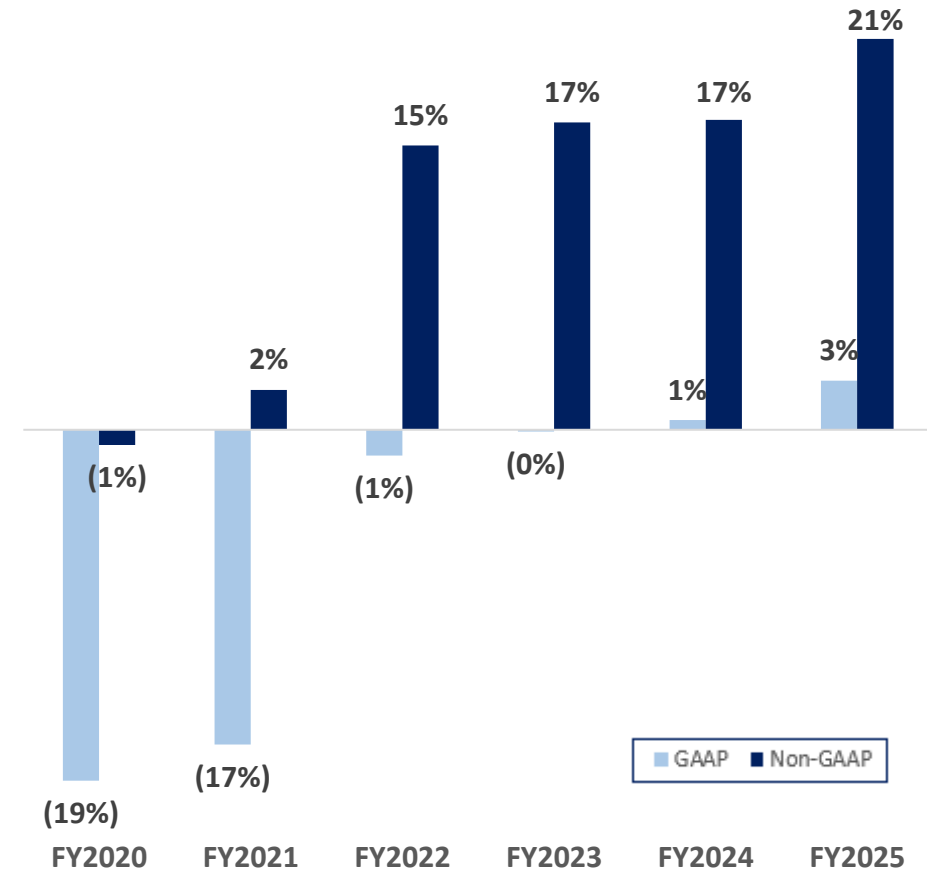


# Strong Expansion on Gross and Operating Margin

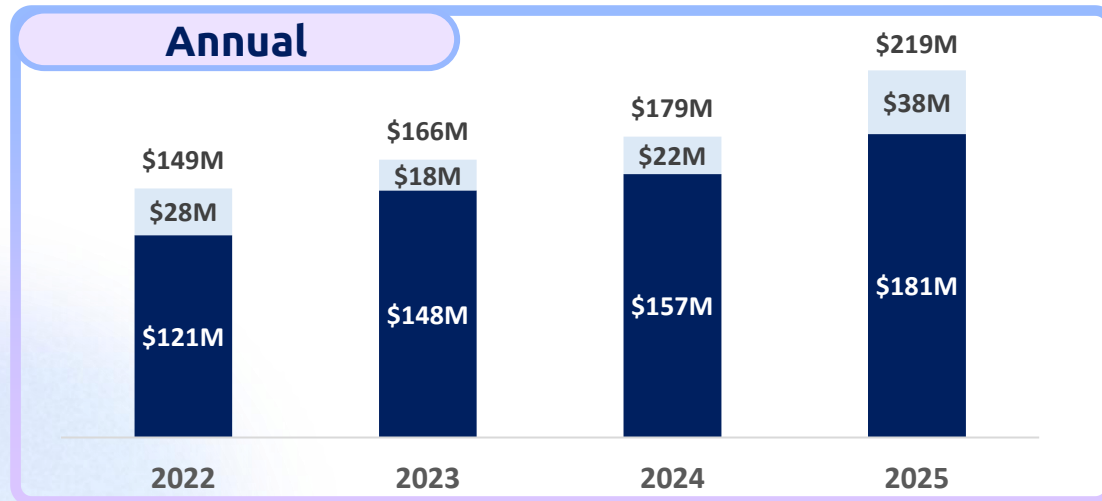
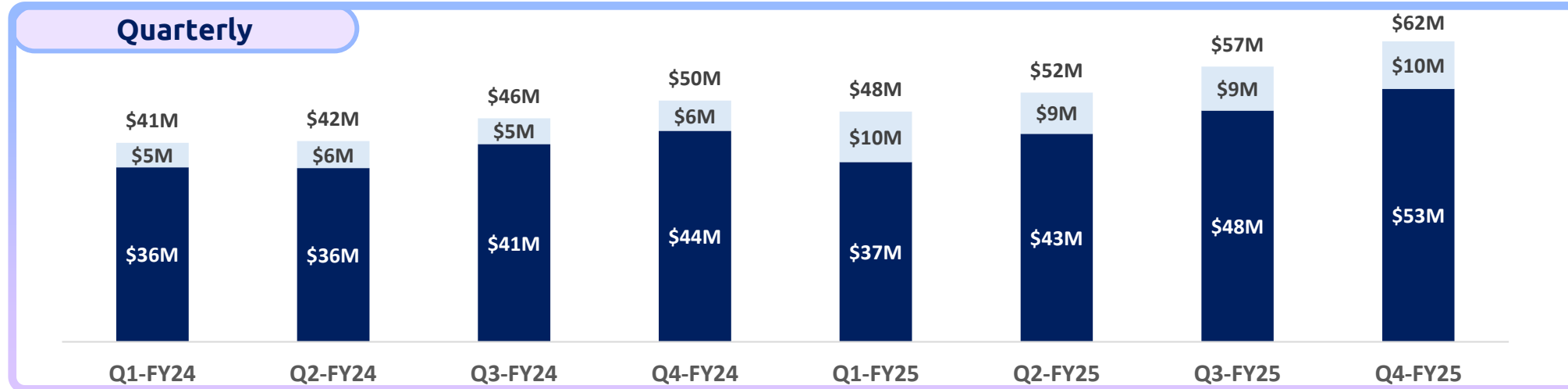
## Gross Margin (%)



## Operating Margin (%)



# Revenue Mix: Platform vs. Volume-Based



■ Platform Revenue    ■ Volume-based Revenue

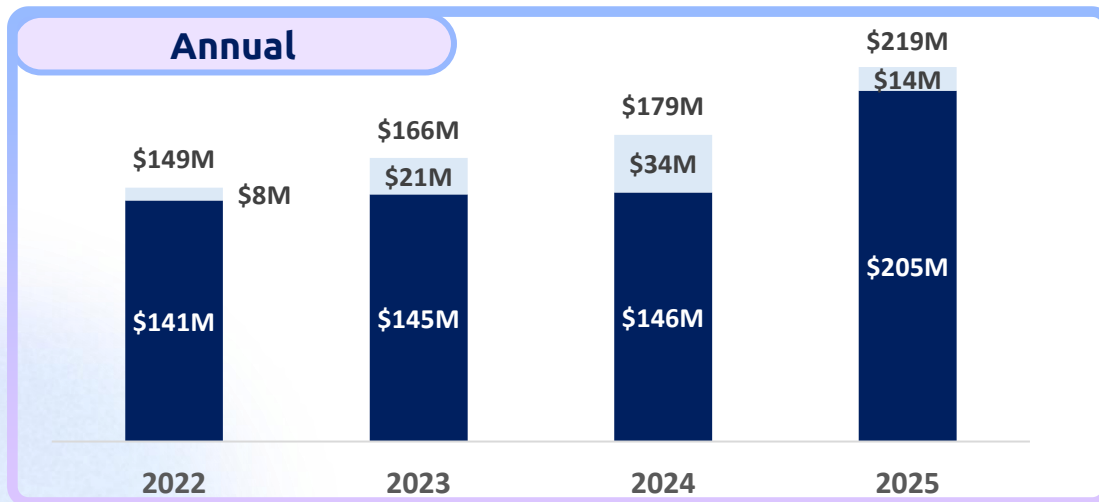
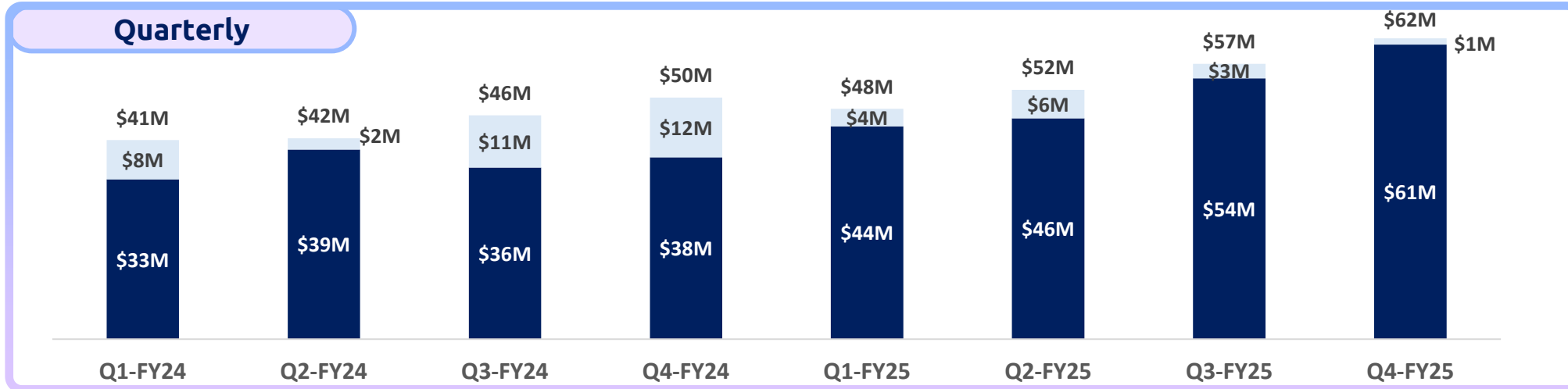
## Platform Revenue

- SaaS, TBL, perpetual software licenses and services
- Fixed fees for DFI and CV systems

## Volume-Based Revenue

- Cimetricx run-time license fees
- secureWISE data fees
- Gainshare royalty fees

# Revenue Mix: Recurring vs. Upfront



■ Recurring Revenue    ■ Upfront Revenue

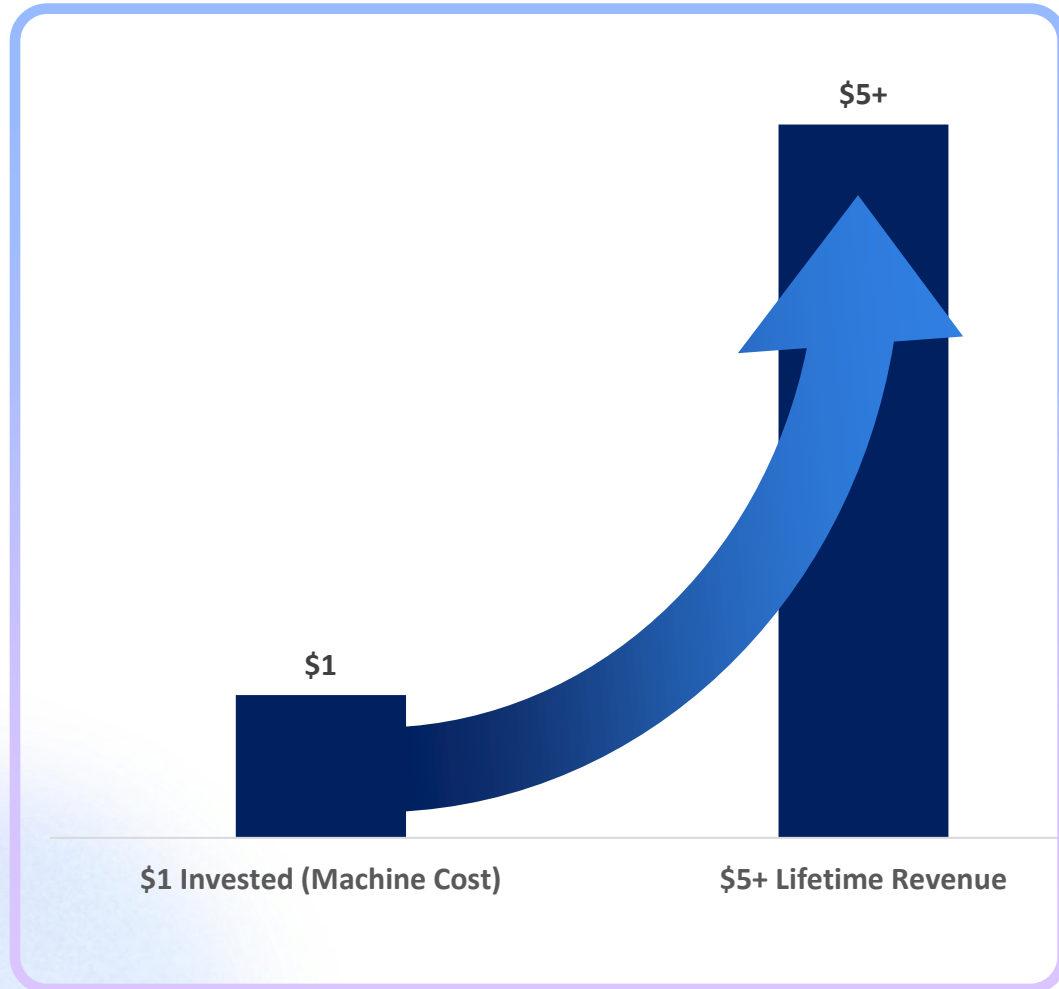
## Recurring Revenue

- SaaS, TBL software, M&S, services, DFI and CV system subscriptions, Cimetrix, secureWISE, and Gainshare

## Upfront Revenue

- Perpetual software licenses
- Sale of DFI systems
- Certain IP licenses

# Meaningful Leverage from eProbe Machine Investment



## EXPECTED ROI

>5x machine cost in lifetime revenue

## STRATEGIC SHIFT

From owned hardware → **subscription**

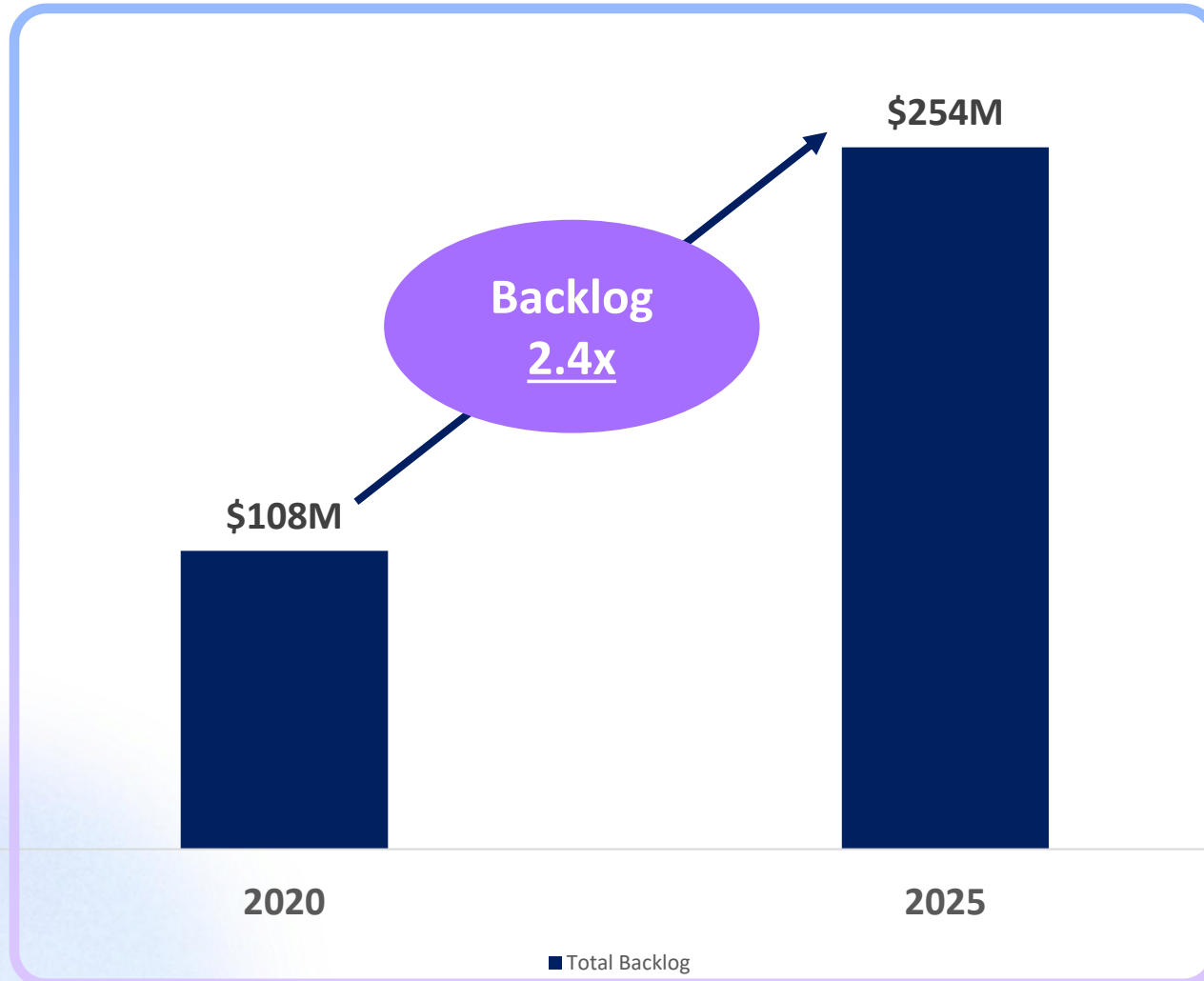
Mirrors **cloud platform transition** in industry

## SUBSCRIPTION ADVANTAGE

To customer: **Ability to upgrade** with minimal cost

To PDF: **Recurring revenue**

# Strong Backlog Growth Increases Revenue Visibility



## DUAL FOCUS

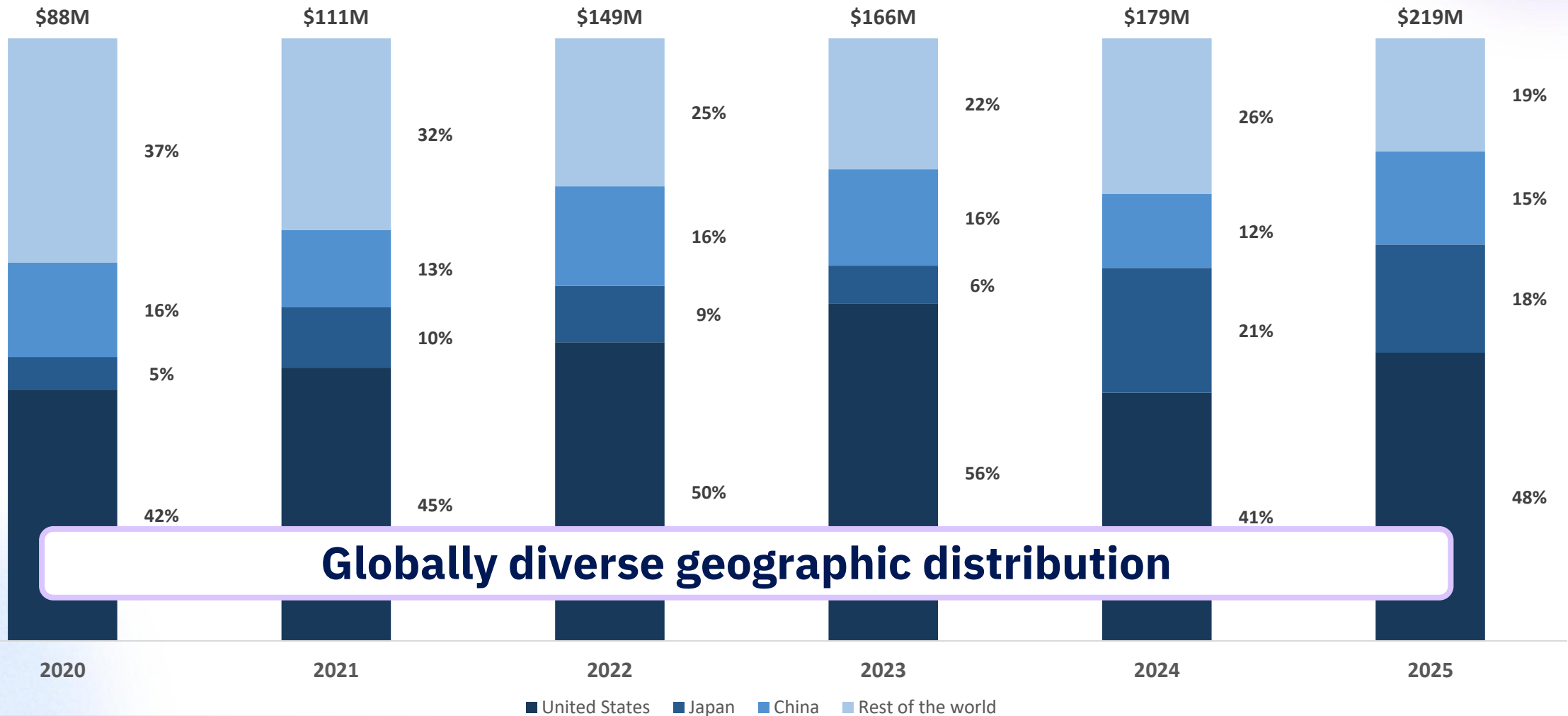
Growing backlog + building long-term customer relationships

## STRONG GROWTH METRICS

Revenue **CAGR**: 20% (2020 → 2025)

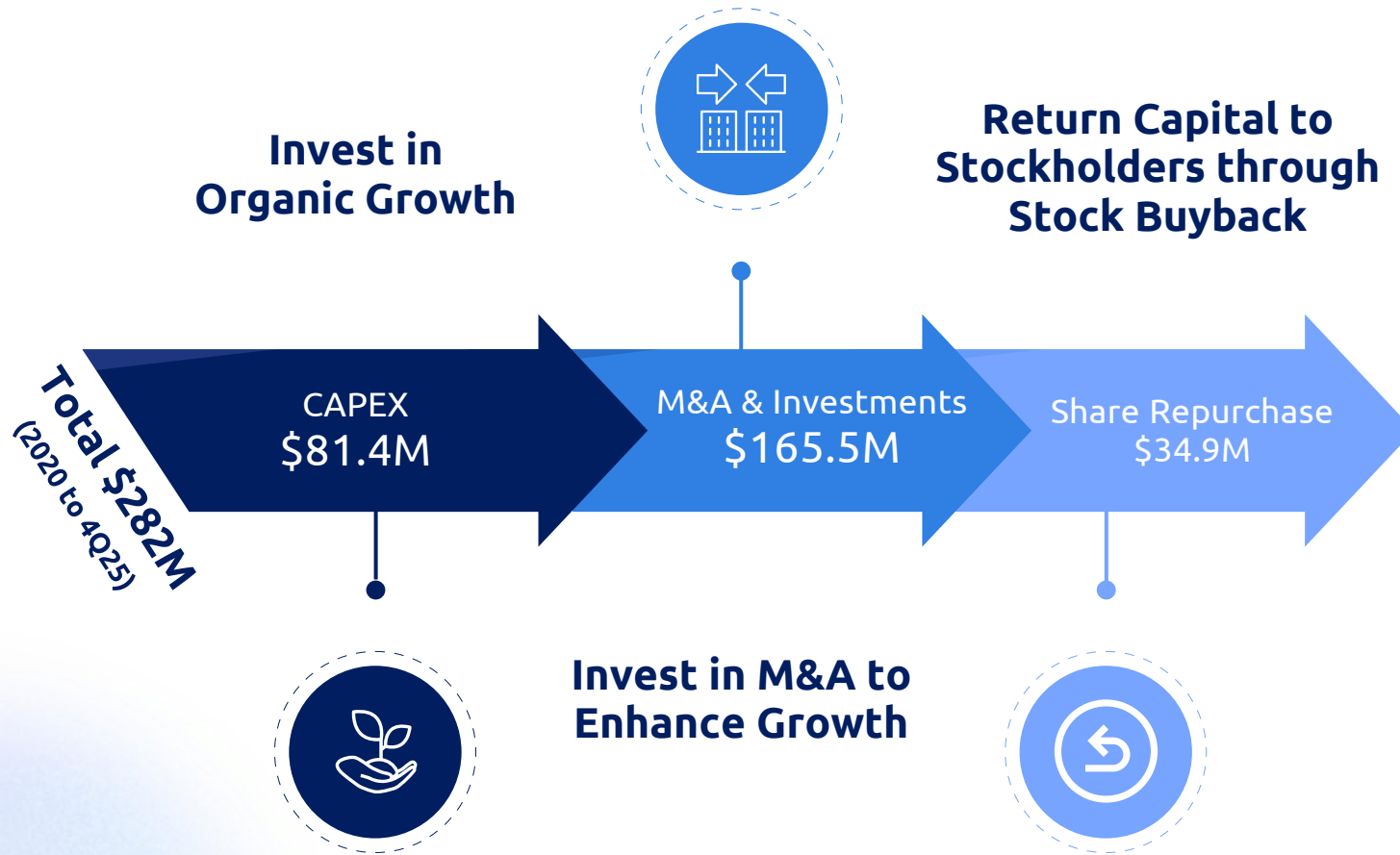
Backlog: 2.4x growth from 2020

# Global Geographic Revenue Distribution



**Globally diverse geographic distribution**

# Capital Allocation over 2020 to 2025 period



## BALANCE SHEET

**\$42.2M**

Q4 2025 cash

**\$67.0M**

Q4 2025 debt

# Long-Term Financial Targets

	Prior Targets	New Targets
Total Revenue Growth	>20%	20%
Non-GAAP Gross Margins	>75%	>77%
Non-GAAP Operating Margin	20%	>27%

*Assumes Semi Industry and Semi CapEx both grow 10% or greater per year*

# Q4 2025 Results Summary



## Revenue

\$62.4M



## Gross Margin

Non-GAAP: 77%  
GAAP: 73%



## Operating Margin

Non-GAAP: 24%  
GAAP: 6%



## Diluted EPS

Non-GAAP:  
\$0.30  
GAAP: \$(0.00)



## Backlog

\$254.2M



## Geographic Mix

US: 58%  
Japan: 13%  
China: 12%  
ROW: 17%



## Cash and Debt

Cash: \$42.2M  
Debt: \$67.0M

# Financials - Appendix

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PDF  
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# Reconciliation of GAAP Net Income (Loss) to Non-GAAP Net Income

## Quarterly

(in thousands, except for per share amounts)

	Q4'25	Q3'25	Q2'25	Q1'25	Q4'24
GAAP net income (loss)	\$ (48)	\$ 1,294	\$ 1,146	\$ (3,032)	\$ 539
Adjustments to reconcile GAAP net income (loss) to non-GAAP net income:					
Stock-based compensation expense	6,866	6,264	6,199	6,596	6,507
Amortization of acquired intangible assets	2,066	2,067	2,066	1,056	765
Expenses for certain legal proceedings (1)	2,574	170	112	115	69
Acquisition-related and integration costs	2	22	159	4,345	940
Loss on damaged equipment in-transit, net of (recovery) from previously written-off property and equipment	—	—	(663)	—	663
Amortization of debt issuance costs	55	54	71	5	—
Tax impact of valuation allowance for deferred tax assets and reconciling items (2)	495	(66)	(1,789)	(970)	375
Non-GAAP net income	\$ 12,010	\$ 9,805	\$ 7,301	\$ 8,115	\$ 9,858
GAAP net income (loss) per diluted share	\$ (0.00)	\$ 0.03	\$ 0.03	\$ (0.08)	\$ 0.01
Non-GAAP net income per diluted share	\$ 0.30	\$ 0.25	\$ 0.19	\$ 0.21	\$ 0.25
Weighted average common shares used in GAAP net income (loss) per diluted share calculation	39,524	39,619	39,260	39,088	39,104
Weighted average common shares used in Non-GAAP net income per diluted share calculation	39,911	39,619	39,260	39,285	39,104

(1) Represents legal costs and expenses related to a certain litigation and an arbitration proceeding, which are expected to continue until these matters are resolved.

(2) The difference between the GAAP and non-GAAP income tax provisions is primarily due to the valuation allowance on a GAAP basis and non-GAAP adjustments. For example, on a GAAP basis, the Company does not receive a deferred tax benefit for foreign tax credits or research and development credits after the valuation allowance. The Company's non-GAAP tax rate and resulting non-GAAP tax expense is not calculated with a full U.S. federal or state valuation allowance due to the Company's cumulative non-GAAP income and management's conclusion that it is more likely than not to utilize its net deferred tax assets (DTAs). Each reporting period, management evaluates the need for a valuation allowance and may place a valuation allowance against its U.S. net DTAs on a non-GAAP basis if it concludes it is more likely than not that it will not be able to utilize some or all of its U.S. DTAs on a non-GAAP basis.

# Reconciliation of GAAP Net Income (Loss) to Non-GAAP Net Income

## Full Year

(in thousands, except for per share amounts)

	Twelve Months Ended December 31,		
	2025	2024	2023
GAAP net income (loss)	\$ (640)	\$ 4,057	\$ 3,105
Adjustments to reconcile GAAP net income (loss) to non-GAAP net income:			
Stock-based compensation expense	25,925	25,047	21,484
Amortization of acquired intangible assets	7,255	3,231	3,551
Expenses for certain legal proceedings (1)	2,971	69	2,600
Acquisition-related and integration costs	4,528	940	209
Loss on damaged equipment in-transit, net of (recovery) from previously written-off property and equipment	(663)	608	(105)
Amortization of debt issuance costs	185	—	—
Tax impact of valuation allowance for deferred tax assets and reconciling items (2)	(2,330)	(1,335)	(2,374)
Non-GAAP net income	\$ 37,231	\$ 32,617	\$ 28,470
GAAP net income (loss) per diluted share	\$ (0.02)	\$ 0.10	\$ 0.08
Non-GAAP net income per diluted share	\$ 0.94	\$ 0.84	\$ 0.73
Weighted average common shares used in GAAP net income (loss) per diluted share calculation	39,317	39,047	38,937
Weighted average common shares used in Non-GAAP net income per diluted share calculation	39,521	39,047	38,937

(1) Represents legal costs and expenses related to a certain litigation and an arbitration proceeding, which are expected to continue until these matters are resolved.

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# Reconciliation of GAAP to Non-GAAP Spending by Function

## Quarterly

(in thousands)

	Q4'25	Q3'25	Q2'25	Q1'25	Q4'24
<b>Cost of Revenue - GAAP</b>	<b>\$ 16,942</b>	<b>\$ 15,840</b>	<b>\$ 14,886</b>	<b>\$ 12,955</b>	<b>\$ 15,901</b>
Adjustments to reconcile GAAP Cost of Revenue to Non-GAAP Cost of Revenue:					
Stock-based compensation expense	(1,379)	(1,274)	(1,257)	(1,342)	(1,336)
Amortization of acquired technology	(998)	(998)	(998)	(678)	(583)
<b>Cost of Revenue - Non-GAAP</b>	<b>\$ 14,565</b>	<b>\$ 13,568</b>	<b>\$ 12,631</b>	<b>\$ 10,935</b>	<b>\$ 13,982</b>
<b>Research &amp; Development - GAAP</b>	<b>\$ 19,258</b>	<b>\$ 15,435</b>	<b>\$ 14,913</b>	<b>\$ 14,628</b>	<b>\$ 14,417</b>
Adjustments to reconcile GAAP R&D to Non-GAAP R&D:					
Stock-based compensation expense	(2,586)	(2,204)	(2,251)	(2,419)	(2,318)
<b>Research &amp; Development - Non-GAAP</b>	<b>\$ 16,672</b>	<b>\$ 13,231</b>	<b>\$ 12,662</b>	<b>\$ 12,209</b>	<b>\$ 12,099</b>
<b>Selling, General, &amp; Administrative - GAAP</b>	<b>\$ 21,676</b>	<b>\$ 19,944</b>	<b>\$ 19,744</b>	<b>\$ 23,372</b>	<b>\$ 19,073</b>
Adjustment to reconcile GAAP SG&A to Non-GAAP SG&A:					
Stock-based compensation expense	(2,901)	(2,786)	(2,691)	(2,835)	(2,853)
Expenses for certain legal proceedings (1)	(2,574)	(170)	(112)	(115)	(69)
Acquisition-related and integration costs	(2)	(22)	(159)	(4,345)	(940)
<b>Selling, General, &amp; Administrative - Non-GAAP</b>	<b>\$ 16,199</b>	<b>\$ 16,966</b>	<b>\$ 16,782</b>	<b>\$ 16,077</b>	<b>\$ 15,211</b>

(1) Represents legal costs and expenses related to a certain litigation and an arbitration proceeding, which are expected to continue until these matters are resolved.

# Reconciliation of GAAP to Non-GAAP Spending by Function

## Full Year

(in thousands)

	Twelve Months Ended December 31,		
	2025	2024	2023
<b>Cost of Revenue - GAAP</b>	<b>\$ 60,623</b>	<b>\$ 54,144</b>	<b>\$ 51,749</b>
Adjustments to reconcile GAAP Cost of Revenue to Non-GAAP			
Cost of Revenue:			
Stock-based compensation expense	(5,252)	(5,087)	(4,169)
Amortization of acquired technology	(3,672)	(2,335)	(2,266)
<b>Cost of Revenue - Non-GAAP</b>	<b>\$ 51,699</b>	<b>\$ 46,722</b>	<b>\$ 45,314</b>
<b>Research &amp; Development - GAAP</b>	<b>\$ 64,234</b>	<b>\$ 53,566</b>	<b>\$ 50,736</b>
Adjustments to reconcile GAAP R&D to Non-GAAP R&D:			
Stock-based compensation expense	(9,460)	(8,958)	(7,711)
<b>Research &amp; Development - Non-GAAP</b>	<b>\$ 54,774</b>	<b>\$ 44,608</b>	<b>\$ 43,025</b>
<b>Selling, General, &amp; Administrative - GAAP</b>	<b>\$ 84,736</b>	<b>\$ 69,924</b>	<b>\$ 62,216</b>
Adjustment to reconcile GAAP SG&A to Non-GAAP SG&A:			
Stock-based compensation expense	(11,213)	(11,002)	(9,604)
Expenses for certain legal proceedings (1)	(2,971)	(69)	(2,600)
Acquisition-related and integration costs	(4,528)	(940)	(209)
<b>Selling, General, &amp; Administrative - Non-GAAP</b>	<b>\$ 66,024</b>	<b>\$ 57,913</b>	<b>\$ 49,803</b>

(1) Represents legal costs and expenses related to a certain litigation and an arbitration proceeding, which are expected to continue until these matters are resolved.

## Forward Looking Statements

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## GAAP / Non-GAAP Presentation

*In addition to providing results that are determined in accordance with accounting principles generally accepted in the United States of America (“GAAP”), the Company also provides certain non-GAAP financial measures. Non-GAAP gross profit and margin exclude stock-based compensation expense and the amortization of acquired technology under costs of revenues. Non-GAAP net income excludes stock-based compensation expense, amortization of acquired technology under costs of revenues, amortization of other acquired intangible assets, amortization of debt issuance costs, and the effects of certain non-recurring items, such as expenses for certain legal proceedings, acquisition-related and integration costs, loss on damaged equipment in-transit, net of (recovery) from previously written-off property and equipment, and their related income tax effects, as applicable, as well as adjustments for the valuation allowance for deferred tax assets and reconciling items. These non-GAAP financial measures are used by management internally to measure the Company’s profitability and performance. PDF Solutions’ management believes that these non-GAAP measures provide useful supplemental information to investors regarding the Company’s ongoing operations in light of the fact that none of these categories of expense and income has a current effect on the future uses of cash (with the exception of expenses related to certain legal proceedings and acquisition-related and integration costs) nor do they impact the generation of current or future revenues. These non-GAAP results should not be considered an alternative to, or a substitute for, GAAP financial information, and may differ from similarly titled non-GAAP measures used by other companies. In particular, these non-GAAP financial measures are not a substitute for GAAP measures of income or loss as a measure of performance, or to cash flows from operating, investing and financing activities as a measure of liquidity. Since management uses these non-GAAP financial measures internally to measure profitability and performance, PDF Solutions has included these non-GAAP measures to give investors an opportunity to see the Company’s financial results as viewed by management. A reconciliation of the comparable GAAP financial measures to the non-GAAP financial measures is included herein.*

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