

## MACOM Reports Fiscal Third Quarter 2025 Financial Results

**LOWELL, MA, August 7, 2025** – MACOM Technology Solutions Holdings, Inc. (“MACOM”) (Nasdaq: MTSI), a leading supplier of semiconductor products, today announced its financial results for its fiscal third quarter ended July 4, 2025.

### Third Quarter Fiscal Year 2025 GAAP Results

- Revenue was \$252.1 million, an increase of 32.3%, compared to \$190.5 million in the previous year fiscal third quarter and an increase of 6.9% compared to \$235.9 million in the prior fiscal quarter;
- Gross margin was 55.3%, compared to 53.2% in the previous year fiscal third quarter and 55.2% in the prior fiscal quarter;
- Income from operations was \$37.7 million, or 14.9% of revenue, compared to income from operations of \$19.7 million, or 10.4% of revenue, in the previous year fiscal third quarter and income from operations of \$34.9 million, or 14.8% of revenue, in the prior fiscal quarter; and
- Net income was \$36.5 million, or \$0.48 income per diluted share, compared to net income of \$19.9 million, or \$0.27 per diluted share, in the previous year fiscal third quarter and net income of \$31.7 million, or \$0.42 per diluted share, in the prior fiscal quarter.

### Third Quarter Fiscal Year 2025 Adjusted Non-GAAP Results

- Adjusted gross margin was 57.6%, compared to 57.5% in the previous year fiscal third quarter and 57.5% in the prior fiscal quarter;
- Adjusted income from operations was \$63.5 million, or 25.2% of revenue, compared to adjusted income from operations of \$45.6 million, or 24.0% of revenue, in the previous year fiscal third quarter and adjusted income from operations of \$59.8 million, or 25.4% of revenue, in the prior fiscal quarter; and
- Adjusted net income was \$68.2 million, or \$0.90 per diluted share, compared to adjusted net income of \$48.9 million, or \$0.66 per diluted share, in the previous year fiscal third quarter and adjusted net income of \$64.3 million, or \$0.85 per diluted share, in the prior fiscal quarter.

### Management Commentary

“Our team did a great job this quarter,” said Stephen G. Daly, President and Chief Executive Officer, MACOM. “Our results demonstrate the growing competitiveness of MACOM’s diverse product portfolio and our increasing momentum in the market.”

### Business Outlook

For the fiscal fourth quarter ending October 3, 2025, MACOM expects revenue to be in the range of \$256 million to \$264 million. Adjusted gross margin is expected to be between 56.0% and 58.0%, and adjusted earnings per diluted share is expected to be between \$0.91 and \$0.95 utilizing an anticipated non-GAAP income tax rate of 3% and 76.5 million fully diluted shares outstanding.

### Conference Call

MACOM will host a conference call on Thursday, August 7, 2025, at 8:30 a.m. Eastern Time to discuss its fiscal third quarter 2025 financial results and business outlook. Investors and analysts may visit MACOM’s Investor Relations website at <https://ir.macom.com/events-webcasts> to register for a user-specific access code for the live call or to access the live webcast. A replay of the call will be available within 24 hours and remain accessible by all interested parties for approximately 90 days.

## **About MACOM**

MACOM designs and manufactures high-performance semiconductor products for the Industrial and Defense, Data Center and Telecommunications industries. MACOM services over 6,000 customers annually with a broad product portfolio that incorporates RF, Microwave, Analog and Mixed Signal and Optical semiconductor technologies. MACOM has achieved certification to the IATF16949 automotive standard, the AS9100D aerospace standard, the ISO9001 international quality standard and the ISO14001 environmental management standard. MACOM operates facilities across the United States, Europe, Asia and is headquartered in Lowell, Massachusetts.

## **Special Note Regarding Forward-Looking Statements**

This press release and the associated earnings call contains forward-looking statements. These forward-looking statements include, among others, statements about MACOM's strategic plans, priorities and long-term growth drivers, our ability to execute our long-term strategy, strengthen our position and drive market share gains and growth, our ability to develop new products, achieve market acceptance of those products and better address certain markets, expand our capabilities and extend our product offerings, including through the acquisitions of ENGIN-IC, Inc., Linearizer Communications Group and the radio frequency (RF) business of Wolfspeed, Inc., including our ability to effectively integrate the Research Triangle Park, North Carolina RF business fabrication facility, and through the establishment and growth of our European Semiconductor Center and potential collaboration and sales opportunities with private and public sector partners resulting therefrom, and the teams' capabilities and technologies and expansion thereof and any potential financial benefits derived by and financial impact to MACOM therefrom, strength and competitiveness of new product introductions and technology portfolio expansion, including the anticipated rate of new product introductions, anticipated demand for our products, MACOM's profitability, revenue targets, prospects and growth opportunities in our three primary markets, the potential impact to our business of an economic downturn or recession, anticipated financial and business performance improvements, MACOM's strategic investment plan, including negotiation and finalization of a definitive agreement with, and receipt of, funding from the Federal and State governments, the estimated financial results for our 2025 fiscal fourth quarter and the stated business outlook and future results of operations.

These forward-looking statements reflect MACOM's current views about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause those events or our actual activities or results to differ materially from those indicated by the forward-looking statements, including our ability to develop new products and achieve market acceptance of those products; component shortages or other disruptions in our supply chain, including as a result of geopolitical unrest or otherwise; inflationary pressures; any failure to accurately anticipate demand for our products and effectively manage our inventory; our dependence on a limited number of customers; risks related to any weakening of global economic conditions, including as a result of the evolving impacts from tariffs, sanctions or other trade tensions (including implementation of new tariffs or retaliatory trade measures); the impact of the July 4, 2025 Bill on our business; our ability to compete effectively; and those other factors described in "Risk Factors" in MACOM's filings with the Securities and Exchange Commission ("SEC"), including its Annual Report on Form 10-K, its Quarterly Reports on Form 10-Q and other filings with the SEC. These forward-looking statements speak only as of the date of this press release, and MACOM undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

## **Discussion Regarding the Use of Historical and Forward-Looking Non-GAAP Financial Measures**

In addition to United States Generally Accepted Accounting Principles ("GAAP") reporting, MACOM provides investors with financial measures that have not been calculated in accordance with GAAP, such as: non-GAAP gross profit and gross margin, non-GAAP operating expenses, non-GAAP income from operations and operating margin, non-GAAP EBITDA, non-GAAP net income, non-GAAP diluted earnings per share, non-GAAP income tax rate and non-GAAP interest income. In this release or elsewhere, we may alternatively refer to such non-GAAP measures as "adjusted" measures. This non-GAAP information excludes the effect, where applicable, of intangible amortization expense, share-based compensation expense, non-cash interest, net, acquisition and integration related costs, loss on debt extinguishment and the tax effect of each non-GAAP adjustment.

Management believes these excluded items are not reflective of our underlying performance and uses these non-GAAP financial measures to: evaluate our ongoing operating performance and compare it against prior periods, make operating decisions, forecast future periods, evaluate potential acquisitions, compare our operating performance against peer companies and assess certain compensation programs. We believe this non-GAAP financial information provides additional insight into our ongoing performance and have therefore chosen to provide this information to investors to help them evaluate the results of our ongoing operations and enable more meaningful period-to-period comparisons. These non-GAAP measures are provided in addition to, and not as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

A reconciliation between GAAP and non-GAAP financial data is included in the supplemental financial data attached to this press release. We have not provided a reconciliation with respect to any forward-looking non-GAAP financial data presented because we do not have and cannot reliably estimate certain key inputs required to calculate the most comparable GAAP financial data, such as future acquisition costs, the possibility and impact of any litigation costs, changes in our GAAP effective tax rate and impairment charges. We believe these unknown inputs are likely to have a significant impact on any estimate of the comparable GAAP financial data.

Investors are cautioned against placing undue reliance on non-GAAP financial measures and are urged to review and consider carefully the adjustments made by management to the most directly comparable GAAP financial measures. Non-GAAP financial measures may have limited value as analytical tools because they may exclude certain expenses that some investors consider important in evaluating our operating performance or ongoing business performance. Further, non-GAAP financial measures may have limited value for purposes of drawing comparisons between companies because different companies may calculate similarly titled non-GAAP financial measures in different ways because non-GAAP measures are not based on any comprehensive set of accounting rules or principles.

*Additional information and management's assessment regarding why certain items are excluded from our non-GAAP measures are summarized below:*

*Amortization Expense* – is related to acquired intangible assets which are based upon valuation methodologies and are generally amortized over the expected life of the intangible asset at the time of acquisition, which may result in amortization amounts that vary over time. This non-cash expense is not considered by management in making operating decisions.

*Share-Based Compensation Expense* – includes share-based compensation expense for awards that are equity and liability classified on our balance sheet and the related employer tax expense at vesting. Share-based compensation expense is partially outside of our control due to factors such as stock price volatility and interest rates, which may be unrelated to our operating performance during the period in which the expense is incurred. It is an expense based upon valuation methodologies and assumptions that vary over time, and the amount of the expense can vary significantly between companies. Share-based compensation expense amounts are not considered by management in making operating decisions.

*Non-cash Interest, Net* – includes amounts associated with the amortization of certain fees associated with the establishment or amendment of our convertible notes that are being amortized over the life of the agreements. We believe these amounts are non-cash in nature, are not correlated to future business operations and do not reflect our ongoing operations.

*Acquisition and Integration Related Costs* – includes items such as professional fees, employee severance and other costs incurred in connection with acquisitions and integration specific activities which are not expected to have a continuing contribution to operations and the amortization of the fair market step-up value of acquired inventory and fixed assets. We believe the exclusion of these items is useful in providing management a basis to evaluate ongoing operating activities and strategic decision making.

*Loss on Debt Extinguishment* – includes the loss on exchange of our convertible notes. This loss is primarily non-cash and we do not believe this amount is reflective of our ongoing operations.

*Tax Effect of Non-GAAP Adjustments* – includes adjustments to arrive at an estimate of our non-GAAP income tax rate associated with our non-GAAP income over a period of time. We determine our non-GAAP income tax rate using applicable rates in taxing jurisdictions and assessing certain factors including our historical and forecast earnings by jurisdiction, discrete items, cash taxes paid in relation to our non-GAAP net income before income taxes and our ability to realize tax assets. We generally assess this non-GAAP income tax rate quarterly and have utilized 3% for our first three fiscal quarters of fiscal year 2025 and for our fiscal year 2024. Our historical effective income tax rate under GAAP has varied significantly from our non-GAAP income tax rate due primarily to income taxed in foreign jurisdictions at generally lower tax rates, research and development tax credits and acquisition expenses. We believe it is beneficial for management to review our non-GAAP income tax rate on a consistent basis over periods of time. Items such as those noted above may have a significant impact on our GAAP income tax expense and associated effective tax rate over time.

*Adjusted EBITDA* – is a calculation that adds depreciation expense to our adjusted income from operations. Management reviews and utilizes this measure for operational analysis purposes. We believe competitors and others in the financial industry also utilize this measure for analysis purposes.

*Incremental Shares* – is the number of potential shares of common stock issuable upon the exercise of stock options, restricted stock, restricted stock units and conversion of convertible debt which were not included in the calculation of our GAAP diluted shares. We believe competitors and others in the financial industry utilize this non-GAAP measure for analysis purposes.

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**MACOM TECHNOLOGY SOLUTIONS HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

*(unaudited and in thousands, except per share data)*

	Three Months Ended			Nine Months Ended	
	July 4, 2025	April 4, 2025	June 28, 2024	July 4, 2025	June 28, 2024
Revenue	\$ 252,079	\$ 235,887	\$ 190,486	\$ 706,088	\$ 528,868
Cost of revenue	112,643	105,731	89,077	319,387	244,937
Gross profit	139,436	130,156	101,409	386,701	283,931
Operating expenses:					
Research and development	63,380	57,837	47,531	181,586	132,566
Selling, general and administrative	38,396	37,449	34,162	115,058	105,233
Total operating expenses	101,776	95,286	81,693	296,644	237,799
Income from operations	37,660	34,870	19,716	90,057	46,132
Other income (expense):					
Interest income	7,598	7,239	5,820	21,837	16,742
Interest expense	(1,178)	(1,179)	(1,288)	(3,723)	(3,862)
Loss on extinguishment of debt	—	—	—	(193,098)	—
Total other income (expense)	6,420	6,060	4,532	(174,984)	12,880
Income (loss) before income taxes	44,080	40,930	24,248	(84,927)	59,012
Income tax expense	7,546	9,264	4,309	14,403	11,567
Net income (loss)	\$ 36,534	\$ 31,666	\$ 19,939	\$ (99,330)	\$ 47,445
Net income (loss) per share:					
Income (loss) per share - Basic	\$ 0.49	\$ 0.43	\$ 0.28	\$ (1.35)	\$ 0.66
Income (loss) per share - Diluted	\$ 0.48	\$ 0.42	\$ 0.27	\$ (1.35)	\$ 0.65
Weighted average common shares:					
Shares - Basic	74,427	74,358	72,143	73,828	71,881
Shares - Diluted	75,864	75,741	74,217	73,828	73,258

**MACOM TECHNOLOGY SOLUTIONS HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
*(unaudited and in thousands)*

	July 4, 2025	September 27, 2024
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 125,466	\$ 146,806
Short-term investments	609,760	435,082
Accounts receivable, net	129,494	105,700
Inventories	215,388	194,490
Prepaid and other current assets	47,247	21,000
Total current assets	1,127,355	903,078
Property and equipment, net	208,987	176,017
Goodwill and intangible assets, net	411,824	408,289
Deferred income taxes	211,259	212,495
Other long-term assets	43,847	55,761
Total assets	<u>\$ 2,003,272</u>	<u>\$ 1,755,640</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Short-term debt	160,844	—
Accounts payable	60,643	43,202
Accrued liabilities	72,467	64,336
Current portion of finance lease obligations	693	646
Total current liabilities	294,647	108,184
Finance lease obligations, less current portion	30,667	31,130
Financing obligation	37,150	9,006
Long-term debt obligations	339,351	448,281
Other long-term liabilities	38,106	32,696
Total liabilities	739,921	629,297
Stockholders' equity	1,263,351	1,126,343
Total liabilities and stockholders' equity	<u>\$ 2,003,272</u>	<u>\$ 1,755,640</u>

**MACOM TECHNOLOGY SOLUTIONS HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*(unaudited and in thousands)*

	Nine Months Ended	
	July 4, 2025	June 28, 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net (loss) income	\$ (99,330)	\$ 47,445
Depreciation and intangible asset amortization	45,646	49,419
Share-based compensation	61,593	34,092
Deferred income taxes	53	6,655
Loss on extinguishment of debt	193,098	—
Other adjustments, net	(1,068)	(1,207)
Accounts receivable	(22,829)	(17,882)
Inventories	(20,638)	(25,103)
Accrued and other liabilities	(4,781)	(6,072)
Change in other operating assets and liabilities	13,988	12,964
Net cash provided by operating activities	165,732	100,311
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Acquisition of business, net	(12,684)	(72,615)
Sales, purchases and maturities of investments	(171,333)	(56,604)
Purchases of property and equipment	(22,332)	(17,252)
Purchase of property under financing arrangement	(28,750)	—
Other investing	(11,032)	(2,144)
Net cash used in investing activities	(246,131)	(148,615)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from convertible notes	86,629	—
Proceeds from financing arrangement	28,750	—
Payments for fee on convertible note exchange and debt issuance costs	(23,166)	—
Payments on finance leases and other financing obligations	(942)	(1,062)
Proceeds from stock option exercises and employee stock purchases	10,209	6,505
Common stock withheld for taxes on employee equity awards	(42,684)	(13,877)
Net cash provided by (used in) financing activities	58,796	(8,434)
Foreign currency effect on cash	263	90
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(21,340)</b>	<b>(56,648)</b>
<b>CASH AND CASH EQUIVALENTS — Beginning of period</b>	<b>146,806</b>	<b>173,952</b>
<b>CASH AND CASH EQUIVALENTS — End of period</b>	<b>\$ 125,466</b>	<b>\$ 117,304</b>



**MACOM TECHNOLOGY SOLUTIONS HOLDINGS, INC.**  
**RECONCILIATIONS OF GAAP TO NON-GAAP RESULTS**  
*(unaudited and in thousands, except per share data)*

	Three Months Ended						Nine Months Ended					
	July 4, 2025		April 4, 2025		June 28, 2024		July 4, 2025		June 28, 2024			
	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue
Gross profit - GAAP	\$ 139,436	55.3	\$ 130,156	55.2	\$ 101,409	53.2	\$ 386,701	54.8	\$ 283,931	53.7		
Amortization expense	3,349	1.3	3,343	1.4	4,344	2.3	10,024	1.4	10,485	2.0		
Share-based compensation expense	2,058	0.8	1,765	0.7	1,681	0.9	7,321	1.0	5,051	1.0		
Acquisition and integration related costs	355	0.1	356	0.2	2,059	1.1	2,105	0.3	6,575	1.2		
Adjusted gross profit (Non-GAAP)	\$ 145,198	57.6	\$ 135,620	57.5	\$ 109,493	57.5	\$ 406,151	57.5	\$ 306,042	57.9		

	Three Months Ended						Nine Months Ended					
	July 4, 2025		April 4, 2025		June 28, 2024		July 4, 2025		June 28, 2024			
	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue
Operating expenses - GAAP	\$ 101,776	40.4	\$ 95,286	40.4	\$ 81,693	42.9	\$ 296,644	42.0	\$ 237,799	45.0		
Amortization expense	(1,618)	(0.6)	(1,617)	(0.7)	(4,332)	(2.3)	(6,412)	(0.9)	(13,251)	(2.5)		
Share-based compensation expense	(17,510)	(6.9)	(17,331)	(7.3)	(13,010)	(6.8)	(60,730)	(8.6)	(32,637)	(6.2)		
Acquisition and integration related costs	(966)	(0.4)	(522)	(0.2)	(493)	(0.3)	(2,093)	(0.3)	(10,244)	(1.9)		
Adjusted operating expenses (Non-GAAP)	\$ 81,682	32.4	\$ 75,816	32.1	\$ 63,858	33.5	\$ 227,409	32.2	\$ 181,667	34.4		

	Three Months Ended						Nine Months Ended					
	July 4, 2025		April 4, 2025		June 28, 2024		July 4, 2025		June 28, 2024			
	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue
Income from operations - GAAP	\$ 37,660	14.9	\$ 34,870	14.8	\$ 19,716	10.4	\$ 90,057	12.8	\$ 46,132	8.7		
Amortization expense	4,967	2.0	4,960	2.1	8,676	4.6	16,436	2.3	23,736	4.5		
Share-based compensation expense	19,568	7.8	19,096	8.1	14,691	7.7	68,051	9.6	37,688	7.1		
Acquisition and integration related costs	1,321	0.5	878	0.4	2,552	1.3	4,198	0.6	16,819	3.2		
Adjusted income from operations (Non-GAAP)	\$ 63,516	25.2	\$ 59,804	25.4	\$ 45,635	24.0	\$ 178,742	25.3	\$ 124,375	23.5		
Depreciation expense	6,856	2.7	6,803	2.9	7,333	3.8	20,399	2.9	20,840	3.9		
Adjusted EBITDA (Non-GAAP)	\$ 70,372	27.9	\$ 66,607	28.2	\$ 52,968	27.8	\$ 199,141	28.2	\$ 145,215	27.5		

	Three Months Ended						Nine Months Ended					
	July 4, 2025		April 4, 2025		June 28, 2024		July 4, 2025		June 28, 2024			
	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue
Net income (loss) - GAAP	\$ 36,534	14.5	\$ 31,666	13.4	\$ 19,939	10.5	\$ (99,330)	(14.1)	\$ 47,445	9.0		
Amortization expense	4,967	2.0	4,960	2.1	8,676	4.6	16,436	2.3	23,736	4.5		
Share-based compensation expense	19,568	7.8	19,096	8.1	14,691	7.7	68,051	9.6	37,689	7.1		
Non-cash interest, net	381	0.2	380	0.2	287	0.2	1,068	0.2	860	0.2		
Acquisition and integration related costs	1,321	0.5	878	0.4	2,552	1.3	4,198	0.6	16,819	3.2		
Loss on debt extinguishment	—	—	—	—	—	—	193,098	27.3	—	—		
Tax effect of non-GAAP adjustments	5,436	2.2	7,276	3.1	2,795	1.5	8,465	1.2	7,423	1.4		
Adjusted net income (Non-GAAP)	\$ 68,207	27.1	\$ 64,256	27.2	\$ 48,940	25.7	\$ 191,986	27.2	\$ 133,972	25.3		

	Three Months Ended						Nine Months Ended					
	July 4, 2025		April 4, 2025		June 28, 2024		July 4, 2025		June 28, 2024			
	Net income	Income per diluted share	Net income (loss)	Income per diluted share	Net income	Income per diluted share	Net income (loss)	Income (loss) per diluted share	Net income	Income per diluted share	Net income	Income per diluted share
Net income (loss) - GAAP diluted	\$ 36,534	\$ 0.48	\$ 31,666	\$ 0.42	\$ 19,939	\$ 0.27	\$ (99,330)	\$ (1.35)	\$ 47,445	\$ 0.65		
Adjusted net income (Non-GAAP)	\$ 68,207	\$ 0.90	\$ 64,256	\$ 0.85	\$ 48,940	\$ 0.66	\$ 191,986	\$ 2.54	\$ 133,972	\$ 1.83		

	Three Months Ended			Nine Months Ended		
	July 4, 2025			July 4, 2025		
	Shares	Shares	Shares	Shares	Shares	Shares
Diluted shares - GAAP	75,864	75,741	74,217	73,828	73,258	
Incremental shares	—	—	—	1,902	—	
Adjusted diluted shares (Non-GAAP)	75,864	75,741	74,217	75,730	73,258	

	Three Months Ended						Nine Months Ended					
	July 4, 2025		April 4, 2025		June 28, 2024		July 4, 2025		June 28, 2024			
	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue	Amount	% Revenue
Interest income - GAAP	\$ 7,598	3.0	\$ 7,239	3.1	\$ 5,820	3.1	\$ 21,837	3.1	\$ 16,742	3.2		
Interest expense - GAAP	(1,178)	(0.5)	(1,179)	(0.5)	(1,288)	(0.7)	(3,723)	(0.5)	(3,862)	(0.7)		
Non-cash interest expense	381	0.2	380	0.2	287	0.2	1,068	0.2	860	0.2		
Adjusted interest income (Non-GAAP)	\$ 6,801	2.7	\$ 6,440	2.7	\$ 4,819	2.5	\$ 19,182	2.7	\$ 13,740	2.6		