



# Earnings Presentation

Q1 2025

May 2, 2025



# Forward-looking Statements and Non-GAAP Measures

- These slides may contain forward-looking statements. These statements relate to future events or to future financial performance and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as “may,” “could,” “expect,” “intend,” “plan,” “seek,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” or “continue” or the negative of these terms or other comparable terminology. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond our control and that could materially affect actual results, levels of activity, performance, or achievements.
- Other factors that could materially affect actual results, levels of activity, performance or achievements can be found in Protolabs’ SEC filings, including its most recent Annual Report on Form 10-K and subsequently filed Quarterly Reports on Form 10-Q. If any of these risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from what we projected. Any forward-looking statement you see or hear during this presentation reflects our current views with respect to future events and is subject to these and other risks, uncertainties, and assumptions relating to our operations, results of operations, growth strategy, and liquidity. We assume no obligation to publicly update or revise these forward-looking statements for any reason, whether as a result of new information, future events, or otherwise.
- Non-GAAP Financial Measures: Protolabs management believes that presenting certain non-GAAP financial measures provides meaningful information to investors in understanding operating results and may enhance investors’ ability to analyze financial and business trends. Non-GAAP measures are not a substitute for GAAP measures and should be considered together with the GAAP financial measures. As calculated, our non-GAAP measures may not be comparable to other similarly titled measures of other companies. In addition, Protolabs management believes that these non-GAAP financial measures provide additional information for investors to compare period to period by excluding items that could have a disproportionately negative or positive impact on results in any particular period. GAAP to non-GAAP reconciliations are included in this presentation.



# 2025 Priorities – Q1 Update



# 2025 Priorities – Q1 Update

## Increase number of customers using the combined offer

- Customer contacts using combined offer in LTM up over 45% YoY

## Drive higher revenue per customer through larger orders

- Revenue per customer contact in Q1 2025 grew 3% YoY



# Customer Examples



# 100% of Fortune 500 Aerospace Companies Served



# Leveraging Production at Protolabs

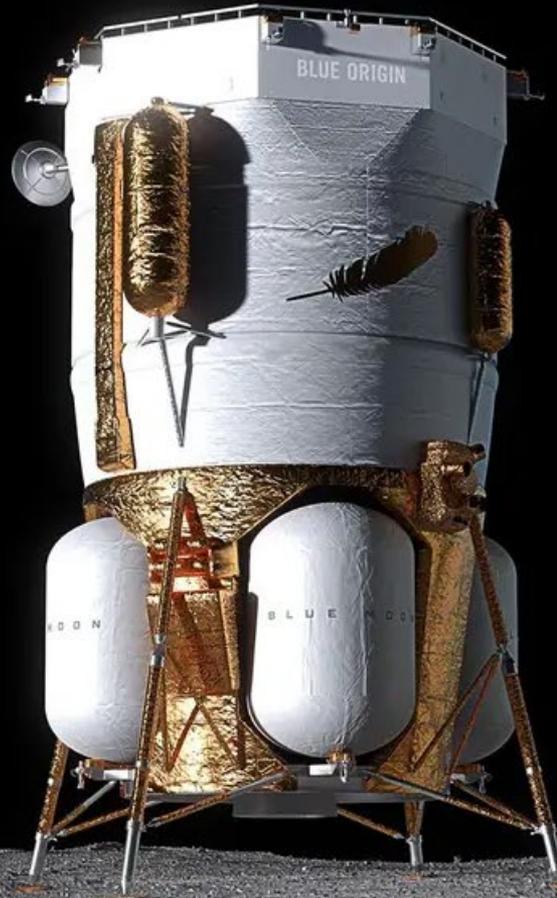
- Machining and 3D printing facilities AS9100-certified
- Expanding use to Protolabs Network for extended ITAR capabilities
- On-demand production for generative AI component designs

**BLUE ORIGIN**  
FOR THE BENEFIT OF EARTH

**LOCKHEED MARTIN** 



**BLUE ORIGIN**  
FOR THE BENEFIT OF EARTH



Protolabs is part of a team supporting Blue Origin's Blue Moon Mark 1. The single-launch, lunar cargo lander will remain on the moon's surface, providing safe, reliable, and affordable access to the lunar environment.

# Q1 2025 Financial Overview



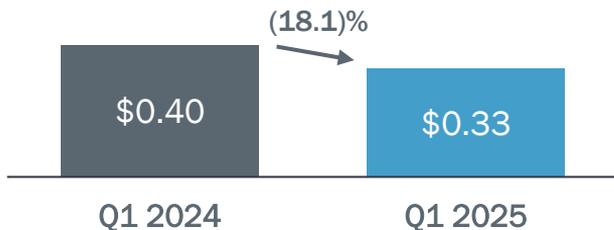
# Financial Summary | Q1 2025

## Revenue



- Revenue of \$126.2 million, down 1.0%<sup>1</sup> YoY
- Revenue fulfilled through the Protolabs Network was \$26.3 million, up 11.5% YoY in constant currencies
- Q1 2025 revenue up 4% sequentially

## Non-GAAP EPS\*



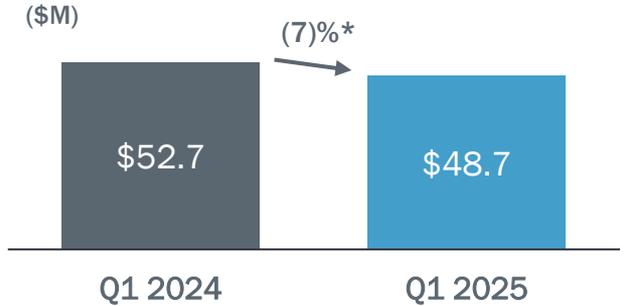
- Non-GAAP EPS of \$0.33, down \$0.07 YoY
- YoY decline driven by lower volume and increased OpEx

\*Non-GAAP: adjusted for stock-based compensation, intangible amortization, benefit related to exit and disposal activities, and unrealized gain/loss on foreign currency. See reconciliation in Appendix.



# Revenue by Service | Q1 2025 YoY

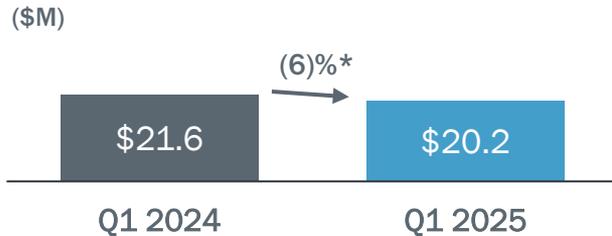
## Injection Molding - Revenue



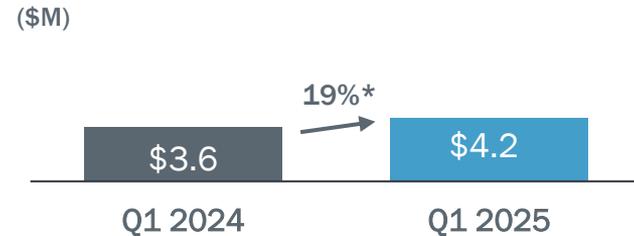
## CNC Machining - Revenue



## 3D Printing - Revenue



## Sheet Metal - Revenue



\*YoY change reflected in constant currencies  
See reconciliation in Appendix.



# Financial Results | Q1 2025

	Q1 2025		Q4 2024	QoQ Change		Q1 2024	YoY Change
Revenue	\$126.2		\$121.8	3.7%		\$127.9	(1.3)%
Non-GAAP Gross Margin*	44.8%		43.4%	140 bps		45.6%	(80) bps
Non-GAAP Operating Margin*	7.4%		7.6%	(20) bps		9.5%	(210) bps
Non-GAAP Earnings Per Share*	\$0.33		\$0.38	(12.0)%		\$0.40	(18.1)%

\*Non-GAAP: adjusted for stock-based compensation, intangible amortization, (benefit)/costs related to exit and disposal activities, and unrealized gain/loss on foreign currency. See reconciliation in Appendix.



# Cash Flow and Balance Sheet | Q1 2025

\$M	Q1 2025	Q4 2024	Q1 2024
Operating Cash Flow	\$18.4	\$17.3	\$21.3
Capital Expenditures	\$1.3	\$0.8	\$2.6
Share Repurchases	\$20.9	\$14.3	\$16.0
Cash and Investments*	\$116.3	\$120.9	\$112.9
Debt*	\$0	\$0	\$0

\*Balance sheet items as of the end of the period.



**Q2 2025**

**Financial Outlook**



# Outlook | Q2 2025

## Q2 2025 Revenue

Revenue	\$124M - \$132
---------	----------------

## Q2 2025 Non-GAAP\* EPS

Non-GAAP* EPS	\$0.30 - \$0.38
---------------	-----------------

## Outlook Commentary

- Expect foreign currency to have an approximately \$0.3M favorable impact on Q2 2025 revenue
- Expect Q2 2025 Non-GAAP\* effective tax rate between 25% and 27%
- Expect Q2 2025 diluted shares outstanding of approximately 24.4 million

\*Non-GAAP: adjusted for stock-based compensation, intangible amortization, costs related to exit and disposal activities, and unrealized gain/loss on foreign currency. See reconciliation in Appendix.



# Thank You!

---



# Appendix



# Q1 2025

## Detailed Financial Information



# YoY GAAP to Non-GAAP P&L | Q1 2025

\$ in thousands	Three Months Ended March 31, 2025			Three Months Ended March 31, 2024		
	GAAP	Adjustments	Non-GAAP*	GAAP	Adjustments	Non-GAAP*
Revenue	\$ 126,205	—	\$ 126,205	\$ 127,890	—	\$ 127,890
Cost of revenue	70,507	(802)	69,705	70,423	(801)	69,622
Gross profit	\$ 55,698	\$ 802	\$ 56,500	\$ 57,467	\$ 801	\$ 58,268
Marketing and sales	23,749	(778)	22,971	23,160	(833)	22,327
Research and development	10,609	(625)	9,984	11,167	(692)	10,475
General and administrative	16,848	(2,695)	14,153	16,313	(2,937)	13,376
Benefit related to exit/disposal activities	(39)	39	—	—	—	—
Total operating expenses	51,167	(4,059)	47,108	50,640	(4,462)	46,178
Income from operations	\$ 4,531	\$ 4,861	\$ 9,392	\$ 6,827	\$ 5,263	\$ 12,090
Adjusted EBITDA	N/A	N/A	\$ 17,389	N/A	N/A	\$ 20,230

## % of Revenue

Gross Margin	44.1%		44.8%	44.9%		45.6%
Marketing and sales	18.8%		18.2%	18.1%		17.5%
Research and development	8.4%		7.9%	8.7%		8.2%
General and administrative	13.3%		11.2%	12.8%		10.5%
Benefit related to exit/disposal activities	— %		— %	— %		— %
Total operating expenses	40.5%		37.3%	39.6%		36.1%
Income from operations	3.6%		7.4%	5.3%		9.5%
Adjusted EBITDA	N/A		13.8%	N/A		15.8%

\*Non-GAAP: adjusted for stock-based compensation, intangible amortization, benefit related to exit and disposal activities, and unrealized gain/loss on foreign currency. See reconciliation in Appendix.



# QoQ GAAP to Non-GAAP P&L | Q1 2025

\$ in thousands	Three Months Ended March 31, 2025			Three Months Ended December 31, 2024		
	GAAP	Adjustments	Non-GAAP*	GAAP	Adjustments	Non-GAAP*
Revenue	\$ 126,205	—	\$ 126,205	\$ 121,750	—	\$ 121,750
Cost of revenue	70,507	(802)	69,705	69,793	(876)	68,917
Gross profit	\$ 55,698	\$ 802	\$ 56,500	\$ 51,957	\$ 876	\$ 52,833
Marketing and sales	23,749	(778)	22,971	23,003	(734)	22,269
Research and development	10,609	(625)	9,984	9,698	(690)	9,008
General and administrative	16,848	(2,695)	14,153	15,166	(2,894)	12,272
(Benefit)/costs related to exit/disposal activities	(39)	39	—	5,585	(5,585)	—
Total operating expenses	51,167	(4,059)	47,108	53,452	(9,903)	43,549
Income (loss) from operations	\$ 4,531	\$ 4,861	\$ 9,392	\$ (1,495)	\$ 10,779	\$ 9,284
Adjusted EBITDA	N/A	N/A	\$ 17,389	N/A		\$ 16,861

## % of Revenue

Gross Margin	44.1%		44.8%	42.7%		43.4%
Marketing and sales	18.8%		18.2%	18.9%		18.3%
Research and development	8.4%		7.9%	8.0%		7.4%
General and administrative	13.3%		11.2%	12.5%		10.1%
(Benefit)/costs related to exit/disposal activities	— %		— %	4.6%		— %
Total operating expenses	40.5%		37.3%	43.9%		35.8%
Income (loss) from operations	3.6%		7.4%	(1.2)%		7.6%
Adjusted EBITDA	N/A		13.8%	N/A		13.8%

\*Non-GAAP: adjusted for stock-based compensation, intangible amortization, (benefit)/costs related to exit and disposal activities, and unrealized gain/loss on foreign currency. See reconciliation in Appendix.



# GAAP to Non-GAAP Reconciliations



# GAAP to NON-GAAP Reconciliation | Revenue by Region

**Proto Labs, Inc.**  
**Comparison of GAAP to Non-GAAP Revenue Growth by Region**  
(In thousands)  
(Unaudited)

	Three Months Ended March 31, 2025			Three Months Ended March 31, 2024		% Change <sup>2</sup>	% Change Organic <sup>3</sup>
	GAAP	Foreign Currency <sup>1</sup>	Non-GAAP	GAAP			
<b>Revenues</b>							
United States	\$ 100,267	\$ —	\$ 100,267	\$ 101,481	(1.2%)	(1.2%)	
Europe	25,938	463	26,401	26,409	(1.8)	—	
Total revenue	<u>\$ 126,205</u>	<u>\$ 463</u>	<u>\$ 126,668</u>	<u>\$ 127,890</u>	(1.3%)	(1.0%)	

1 Revenue for the three months ended March 31, 2025 has been recalculated using 2024 foreign currency exchange rates in effect during comparable periods to provide information useful in evaluating the underlying business trends excluding the impact of changes in foreign currency exchange rates.

2 This column presents the percentage change from GAAP revenue for the three months ended March 31, 2024 to GAAP revenue for the three months ended March 31, 2025.

3 This column presents the percentage change from GAAP revenue for the three months ended March 31, 2024 to non-GAAP revenue for the three months ended March 31, 2025 (as recalculated using the foreign currency exchange rates in effect during the three months ended March 31, 2024) in order to provide a constant-currency comparison.



# GAAP to NON-GAAP Reconciliation | Revenue by Service

**Proto Labs, Inc.**  
**Comparison of GAAP to Non-GAAP Revenue Growth by Service Line**  
(In thousands)  
(Unaudited)

	Three Months Ended March 31, 2025			Three Months Ended March 31, 2024		% Change <sup>2</sup>	% Change Organic <sup>3</sup>
	GAAP	Foreign Currency <sup>1</sup>	Non-GAAP	GAAP			
<b>Revenues</b>							
Injection Molding	\$ 48,723	\$ 81	\$ 48,804	\$ 52,663		(7.5%)	(7.3%)
CNC Machining	52,843	305	53,148	49,932		5.8	6.4
3D Printing	20,194	64	20,258	21,582		(6.4)	(6.1)
Sheet Metal	4,211	10	4,221	3,553		18.5	18.8
Other Revenue	234	3	237	160		46.3	48.1
<b>Total revenue</b>	<b>\$ 126,205</b>	<b>\$ 463</b>	<b>\$ 126,668</b>	<b>\$ 127,890</b>		<b>(1.3%)</b>	<b>(1.0%)</b>

<sup>1</sup> Revenue for the three months ended March 31, 2025 has been recalculated using 2024 foreign currency exchange rates in effect during comparable periods to provide information useful in evaluating the underlying business trends excluding the impact of changes in foreign currency exchange rates.

<sup>2</sup> This column presents the percentage change from GAAP revenue for the three months ended March 31, 2024 to GAAP revenue for the three months ended March 31, 2025.

<sup>3</sup> This column presents the percentage change from GAAP revenue for the three months ended March 31, 2024 to non-GAAP revenue for the three months ended March 31, 2025 (as recalculated using the foreign currency exchange rates in effect during the three months ended March 31, 2024) in order to provide a constant-currency comparison.



# GAAP to NON-GAAP Reconciliation | Gross Margin

**Proto Labs, Inc.**  
**Reconciliation of GAAP to Non-GAAP Gross Margin**  
**(In thousands)**  
**(Unaudited)**

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Revenue	\$ 126,205	\$ 127,890
Gross profit	55,698	57,467
GAAP gross margin	44.1%	44.9%
Add back:		
Stock-based compensation expense	460	459
Amortization expense	342	342
Total adjustments	802	801
Non-GAAP gross profit	\$ 56,500	\$ 58,268
Non-GAAP gross margin	44.8%	45.6%



# GAAP to NON-GAAP Reconciliation | Operating Margin

**Proto Labs, Inc.**  
**Reconciliation of GAAP to Non-GAAP Operating Margin**  
(In thousands)  
(Unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Revenue	\$ 126,205	\$ 127,890
Income from operations	4,531	6,827
GAAP operating margin	3.6%	5.3%
Add back:		
Stock-based compensation expense	3,992	4,276
Amortization expense	908	987
Benefit related to exit and disposal activities	(39)	—
Total adjustments	4,861	5,263
Non-GAAP income from operations	\$ 9,392	\$ 12,090
Non-GAAP operating margin	7.4%	9.5%



# GAAP to NON-GAAP Reconciliation | EBITDA

**Proto Labs, Inc.**  
**Reconciliation of GAAP Net Income to EBITDA and Adjusted EBITDA**  
(In thousands)  
(Unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Revenue	\$ 126,205	\$ 127,890
GAAP net income	3,599	5,268
GAAP net income margin	2.9%	4.1%
Add back:		
Amortization expense	\$ 908	\$ 987
Depreciation expense	7,786	8,116
Interest income, net	(1,108)	(1,112)
Provision for income taxes	2,386	2,458
EBITDA	<u>13,571</u>	<u>15,717</u>
EBITDA Margin	10.8%	12.3%
Add back:		
Stock-based compensation expense	3,992	4,276
Unrealized (gain) loss on foreign currency	(135)	237
Benefit related to exit and disposal activities	(39)	—
Total adjustments	<u>3,818</u>	<u>4,513</u>
Adjusted EBITDA	<u>\$ 17,389</u>	<u>\$ 20,230</u>
Adjusted EBITDA Margin	13.8%	15.8%



# GAAP to NON-GAAP Reconciliation | EPS

Proto Labs, Inc.  
Reconciliation of GAAP to Non-GAAP Net Income and Non-GAAP Net Income per Share  
(In thousands, except share and per share amounts)  
(Unaudited)

	Three Months Ended March 31,	
	2025	2024
Non-GAAP net income, adjusted for stock-based compensation expense, amortization expense, unrealized (gain) loss on foreign currency and benefits related to exit and disposal activities		
GAAP net income	\$ 3,599	\$ 5,268
Add back:		
Stock-based compensation expense	3,992	4,276
Amortization expense	908	987
Unrealized (gain) loss on foreign currency	(135)	237
Benefit related to exit and disposal activities	(39)	—
Total adjustments <sup>1</sup>	4,726	5,500
Income tax benefits on adjustments <sup>2</sup>	(242)	(354)
Non-GAAP net income	\$ 8,083	\$ 10,414
Non-GAAP net income per share:		
Basic	\$ 0.33	\$ 0.41
Diluted	\$ 0.33	\$ 0.40
Shares used to compute non-GAAP net income per share:		
Basic	24,135,320	25,624,949
Diluted	24,435,844	25,784,987

<sup>1</sup> Stock-based compensation expense, amortization expense, unrealized (gain) loss on foreign currency and benefits related to exit and disposal activities were included in the following GAAP consolidated statement of operations categories:

	Three Months Ended March 31,	
	2025	2024
Cost of revenue	\$ 802	\$ 801
Marketing and sales	778	833
Research and development	625	692
General and administrative	2,695	2,937
Benefit related to exit and disposal activities	(39)	—
Total operating expenses	4,059	4,462
Other income (loss), net	(135)	237
Total adjustments	\$ 4,726	\$ 5,500

<sup>2</sup> For the three months ended March 31, 2025 and 2024, income tax effects were calculated using the effective tax rate for the relevant jurisdictions. The Company's non-GAAP tax rates differ from its GAAP tax rates due primarily to the mix of activity incurred in domestic and foreign tax jurisdictions and removing effective tax rate benefits from stock-based compensation activity in the quarter.



# GAAP to NON-GAAP Reconciliation | Q2 2025 Outlook

**Proto Labs, Inc.**  
**Reconciliation of GAAP to Non-GAAP Guidance**  
**(Unaudited)**

	<b>Q2 2025 Outlook</b>	
	<b>Low</b>	<b>High</b>
GAAP diluted net income per share	\$ 0.11	\$ 0.19
Add back:		
Stock-based compensation expense	0.16	0.16
Amortization expense	0.03	0.03
Unrealized (gain) loss on foreign currency	0.00	0.00
Total adjustments	0.19	0.19
Non-GAAP diluted net income per share	<u>\$ 0.30</u>	<u>\$ 0.38</u>

