



LEADING

THE DEFENSE TECH SECTOR

RAYMOND JAMES // NEW YORK // DECEMBER 2024

KEVIN MCDONELL // CFO

AV
AeroVironment™

Safe Harbor Statement

Certain words in this presentation may contain "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words such as "believe," "anticipate," "expect," "estimate," "intend," "project," "plan," or words or phrases with similar meaning. Forward-looking statements are based on current expectations, forecasts and assumptions that involve risks and uncertainties, including, but not limited to, economic, competitive, governmental and technological factors outside of our control, that may cause our business, strategy or actual results to differ materially from the forward-looking statements.

Factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, the impact of our ability to successfully close and integrate acquisitions into our operations and avoid disruptions from acquisition transactions that will harm our business; the recording of goodwill and other intangible assets as part of acquisitions that are subject to potential impairments in the future and any realization of such impairments; any actual or threatened disruptions to our relationships with our distributors, suppliers, customers and employees, including shortages in components for our products; the ability to timely and sufficiently integrate international operations into our ongoing business and compliance programs; reliance on sales to the U.S. government, including uncertainties in classification, pricing or potentially burdensome imposed terms for certain types of government contracts; availability of U.S. government funding for defense procurement and R&D programs; our ability to win U.S. and international government R&D and procurement programs; changes in the timing and/or amount of government spending, including due to continuing resolutions; adverse impacts of a U.S. government shutdown; our ability to consummate the acquisition of BlueHalo and realize the anticipated benefits of the transaction; our reliance on limited relationships to fund our development of HAPS UAS; our ability to execute contracts for anticipated sales, perform under such contracts and other existing contracts and obtain new contracts; risks related to our international business, including compliance with export control laws; the extensive and increasing regulatory requirements governing our contracts with the U.S. government and international customers; the consequences to our financial position, business and reputation that could result from failing to comply with such regulatory requirements; unexpected technical and marketing difficulties inherent in major research and product development efforts; the impact of potential security and cyber threats or the risk of unauthorized access to and resulting misuse of our, our customers' and/or our suppliers' information and systems; failure to remain a market innovator, to create new market opportunities or to expand into new markets; our ability to increase production capacity to support anticipated growth; unexpected changes in significant operating expenses, including components and raw materials; failure to develop new products or integrate new technology into current products; any increase in litigation activity or unfavorable results in legal proceedings, including pending class actions; or litigation that may arise from our pending acquisition of BlueHalo; our ability to respond and adapt to legal, regulatory and government budgetary changes, including those resulting from the impact of pandemics and similar outbreaks; our ability to comply with the covenants in our loan documents; and our merger agreement with BlueHalo; our ability to attract and retain skilled employees; the impact of inflation; and general economic and business conditions in the United States and elsewhere in the world; and the failure to establish and maintain effective internal control over financial reporting.

For a further list and description of such risks and uncertainties, see the reports we file with the Securities and Exchange Commission. We do not intend, and undertake no obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional Information

ADDITIONAL INFORMATION AND WHERE TO FIND IT

This presentation references the proposed transaction between AeroVironment and BlueHalo. In connection with the proposed transaction, AeroVironment will file with the SEC a registration statement on Form S-4, which will include a proxy statement and a prospectus, to register the shares of AeroVironment stock that will be issued to BlueHalo's shareholders (the "Proxy and Registration Statement"), as well as other relevant documents regarding the proposed transaction. INVESTORS ARE URGED TO READ IN THEIR ENTIRETY THE PROXY AND REGISTRATION STATEMENT REGARDING THE TRANSACTION WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

A free copy of the Proxy and Registration Statement, as well as other filings containing information about the Company, may be obtained at the SEC's website (<http://www.sec.gov>). You will also be able to obtain these documents, free of charge, from the Company at <https://investor.avinc.com/> or by emailing ir@avinc.com.

PARTICIPANTS IN THE SOLICITATION

AeroVironment and its respective directors and executive officers may be deemed to be participants in the solicitation of proxies from its respective stockholders in respect of the proposed transactions contemplated by the Proxy and Registration Statement. Information regarding the persons who are, under the rules of the SEC, participants in the solicitation of the stockholders of AeroVironment in connection with the proposed transactions, including a description of their direct or indirect interests, by security holdings or otherwise, will be set forth in the Proxy and Registration Statement when it is filed with the SEC. Information regarding AeroVironment's directors and executive officers is contained in its Annual Report on Form 10-K for the year ended April 30, 2024 and its Proxy Statement on Schedule 14A, dated August 12, 2024, which are filed with the SEC.

NO OFFER OR SOLICITATION

This presentation is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote in any jurisdiction pursuant to the proposed transactions or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act. Subject to certain exceptions to be approved by the relevant regulators or certain facts to be ascertained, the public offer will not be made directly or indirectly, in or into any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction, or by use of the mails or by any means or instrumentality (including without limitation, facsimile transmission, telephone and the internet) of interstate or foreign commerce, or any facility of a national securities exchange, of any such jurisdiction.

NON-GAAP MEASURES

In addition to the financial measures prepared in accordance with generally accepted accounting principles (GAAP), this presentation also contains non-GAAP financial measures. See in the financial tables below the calculation of these measures, the reasons why we believe these measures provide useful information to investors, and a reconciliation of these measures to the most directly comparable GAAP measures.

Corporate Snapshot

AVAV

NASDAQ

Arlington, VA

HQ

1971

FOUNDED

~1,450

EMPLOYEES

ANNUAL REVENUE (m)



Operate in three business segments

LMS

Loitering Munitions



UxS

Uncrewed Systems*



*formerly
Unmanned
Systems

MW

MacCready Works



GLOBAL FOOTPRINT

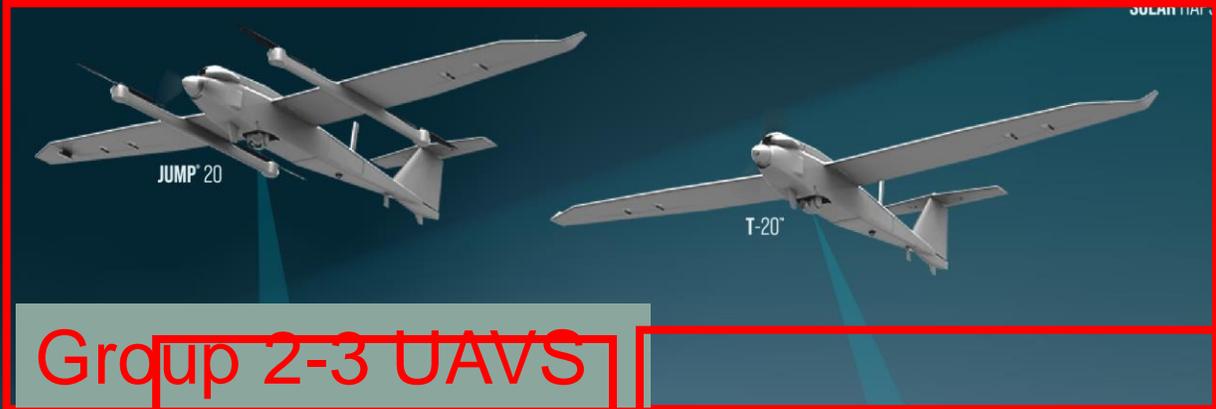

55+

customers in allied nations

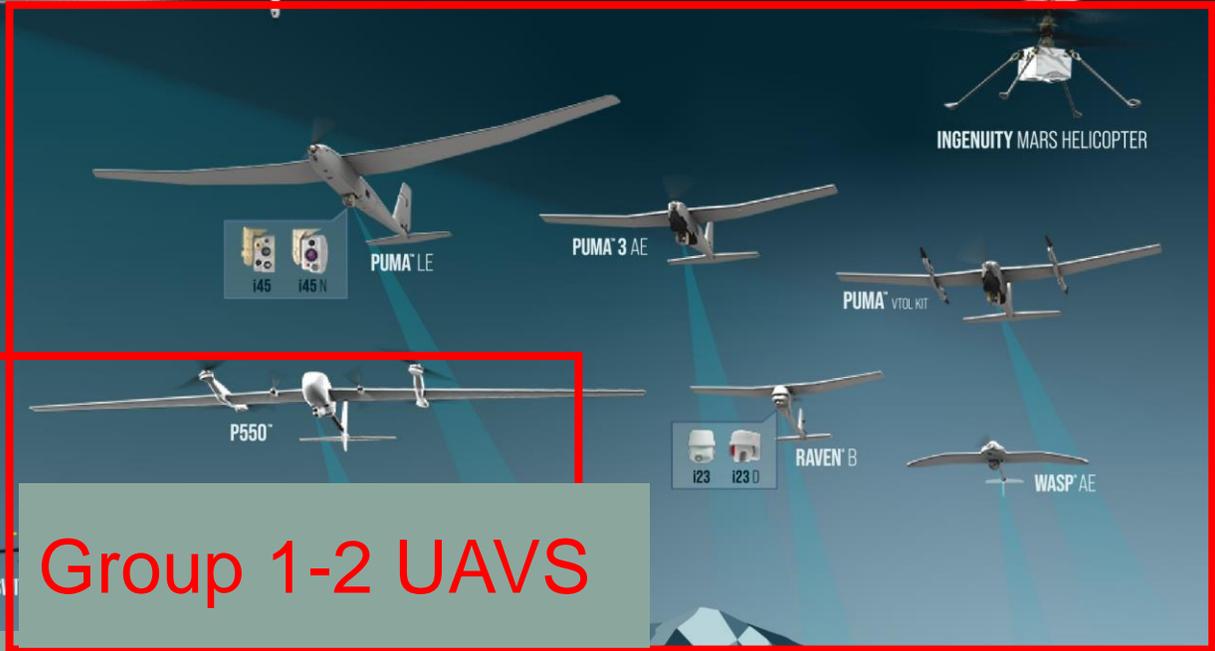
35,000+

of AV platforms execute missions in demanding environments

OUR UNMATCHED PORTFOLIO: *Accomplishing Missions in the Most Demanding Environments*



Group 2-3 UAVS



Group 1-2 UAVS

Loitering Munitions



LRTA



ERA



STANDARD



pDDL



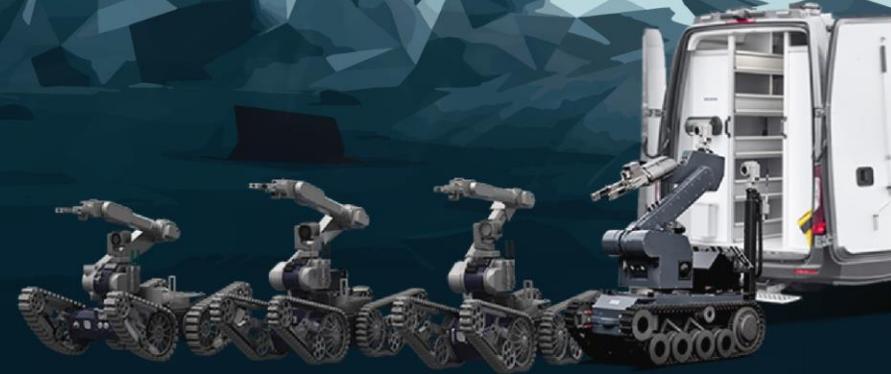
CRYSLIS



TOMAHAWK



MPL



telemax UGV

tEODor EVO

Smart solutions that respond to evolving customer needs

PLATFORMS

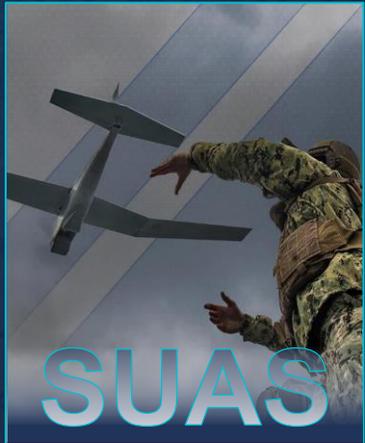
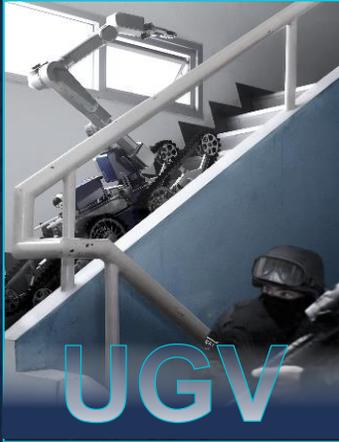
- Group 1 UAVs
- Group 2-3 UAVs
- Loitering Munitions
- Lethal Drones
- Ground Robots
- Logistic UAVs
- Space Helicopters

- Communications
- Command and Control
- Autonomy / AI
- Computer Vision / Object ID
- Visual Navigation
- Flight Control Systems
- Advanced Solutions

SOFTWARE

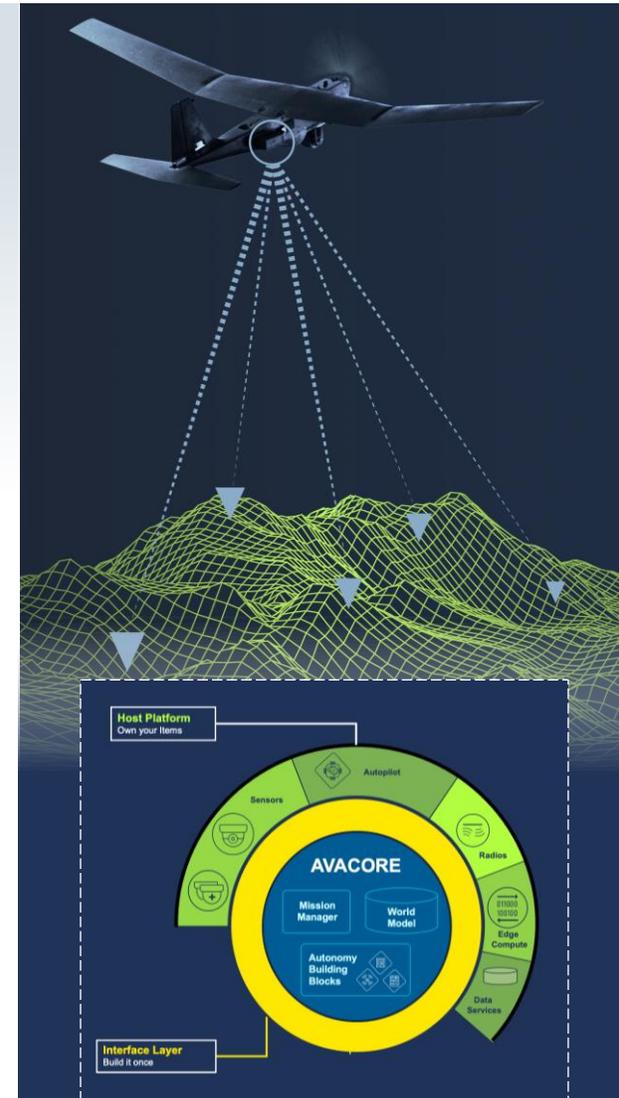
Serving Primarily Defense and Public Safety Markets

AV Core Differentiator: Technology



Unmatched Portfolio of Hardware Platforms *Enabled by Market Leading Technologies and Software*

- AVACORE
(Software suite enabling AI and autonomous solutions)
- SPOTR-Edge Image Analytics
- ARK (Autonomy Retrofit Kit)
- VNS (Visual Navigation System)
- S2S (Sensor to Shooter)
- MOSA Architecture
(Modular Open-Systems Approach)
- Kinesis Common Control
- Automatic Target Recognition & Tracking
- Gimbals, Cameras
- Communications
- GNC (Guidance, Navigation, Control)



AV's Autonomous Solutions Help Solve Future Challenges of UAS Warfare

DATALINKS ARE COMPROMISED



GPS IS UNRELIABLE



AIR DEFENSE SYSTEMS



RAPIDLY EVOLVING BATTLEFIELD

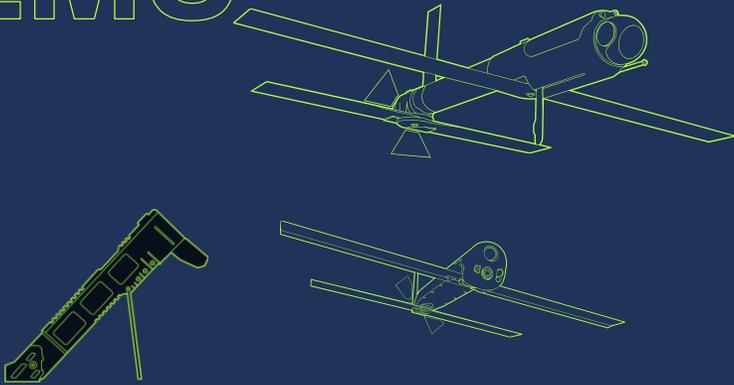


AV is well positioned to solve these problems as we move toward more autonomous solutions

We Operate in Three Business Segments

LOITERING MUNITION SYSTEMS

LMS

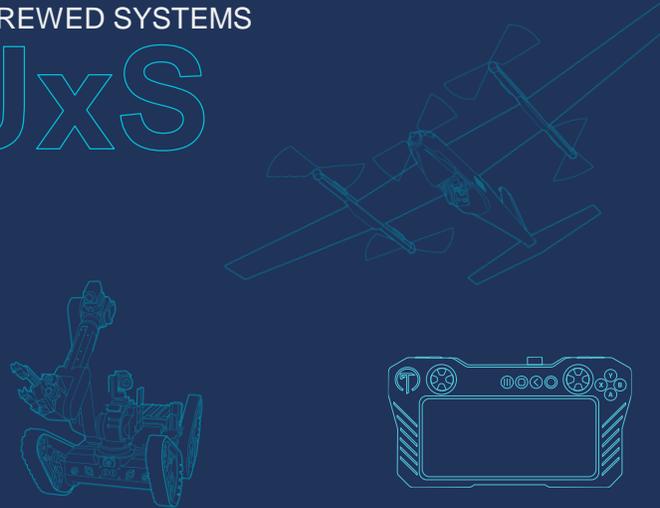


SMALL / MEDIUM LOITERING MUNITIONS

- Leading supplier to U.S. DoD for past **10 years**
- Multiple types of payloads with more variants in development
- Recent authorization to sell to more than **50 allied countries**
- Multiple **\$1B+ programs** of record on horizon

UNCREWED SYSTEMS

UxS

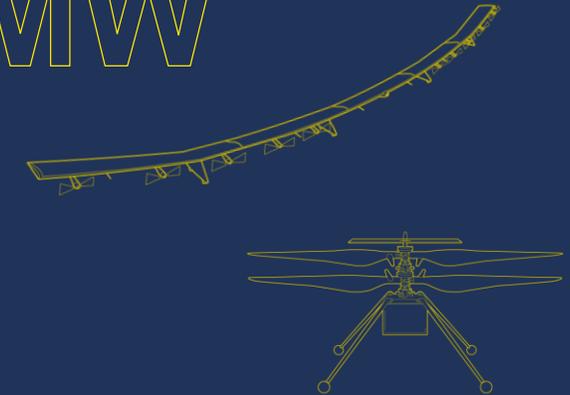


GROUP 1-3 UAVs for ISR UGVs for EOD + CBRNE

- SUAS, MUAS + UGV Business Units
- Leader in our markets
- Global franchise with shipments to more than **55 allied countries**
- Incorporate leading edge autonomy and AI/ML capabilities
- Tomahawk Kinesis provides ground control software architecture and tactical hardware

MACCREADY WORKS

MW



ADVANCED PROGRAMS + CUSTOMER FUNDED R&D

- Classified & Un-Classified Projects
- Center of Excellence Machine Learning
- AI & Autonomy
- HAPS and Mars Helicopter programs
- Incubates new product lines

Loitering Munition Systems // LMS

SWITCHBLADE is a tube-launched, rapidly deployable and highly maneuverable armed UAV with high-performance optics and scalable munition payloads. Switchblade products enable warfighters to easily launch, track and engage beyond-line-of-sight targets, including light armored vehicles, across contested domains.

In Production:

Switchblade 300 (Block 20), Switchblade 600 and Blackwing

FY24 Revenue: \$193 million

Key Growth Opportunities:

- + U.S. DoD Replicator Initiative
- + Army Long Range Precision Munition (LRPM)
- + Army Optionally Manned Fighting Vehicle (OMFV)
- + Army Low Altitude Stalking and Strike Ordnance (LASSO)
- + Marines Organic Precision Fires (OPF)
- + International Expansion



Uncrewed Systems // UxS

AV's uncrewed systems provide reconnaissance, surveillance and critical observation and communications capabilities for actionable intelligence while reducing risk to individual warfighters. Our UGVs help responders remove, contain or neutralize hazards without putting people in harm's way. Our Tomahawk Kinesis provides ground control software architecture and tactical hardware.

In Production:

Small UAS (Group 1)

- Puma LE
- Puma 3AE
- **P-550 (new)**
- VAPOR Helicopter UAS
- Raven B

Medium UAS (Group 2/3)

- JUMP 20
- T-20

Ground Control Solutions (Tomahawk)

Uncrewed Ground Vehicles

- Telex EVO
- tEODor EVO
- Service Vehicles

FY24 Revenue: \$448 million

Key Growth Opportunities:

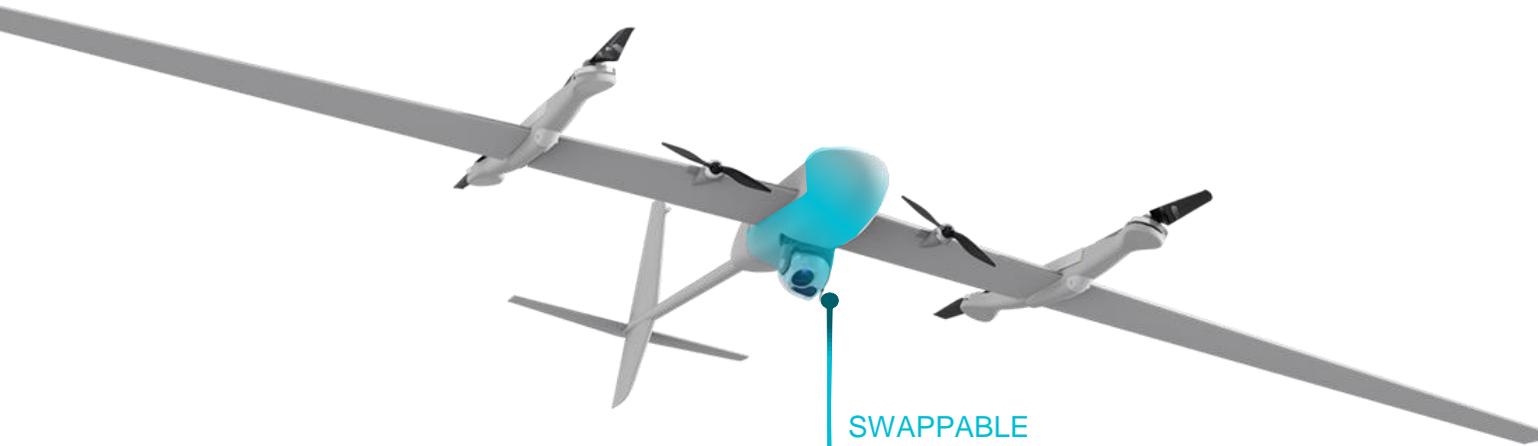
- + Army Long Range Reconnaissance (LRR)
- + Army Medium Range Reconnaissance (MRR)
- + U.S. Navy EXTUAS
- + International Expansion

(1) \$ value based on capacity, not expected volume



P550 - Battlefield Adaptable - Rugged, Reliable, Portable, All-weather

Tactical eVTOL Platform



SWAPPABLE
PAYLOADS

Easily Configure P550 to meet the needs of any mission with Single & Multiple Payload options

Unique Payload Sled with Common Payload Interfaces allows for easy swapping of payloads for easy integration of current and future payloads

Tool-less Quick Mount for quick payload mounting, easily slide and click into place



STANDARD ISR



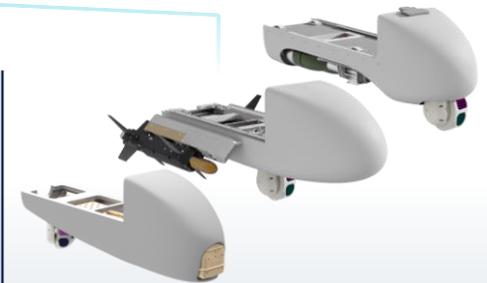
ADVANCED ISR



SIGINT w/ ISR



COMMS RELAY w/ ISR



ARMED PATROL

Modular Payload Flexibility for Great Mission Support

*with HD-25 - up to a 15-18 lbs droppable payload (65 lb GTOW)

MacCready WORKS // MW

MacCready Works functions as our center of excellence developing cutting-edge technologies across our business segments including AI empowered data analytics and next generation autonomous solutions.

Products:

HAPS, Ingenuity Mars Helicopter, AVACORE software, ARK (Autonomy Retrofit Kit), SPOTR-Edge, VNS (Visual Navigation System), Classified and Unclassified projects and programs

FY24 Revenue: \$76 million

Key Growth Opportunities:

- + DARPA ANCILLARY (Wildcat) / Group 3
- + Contested logistics
- + Autonomy Retrofit Kit
- + HAPS
- + Space robotics
- + Long range ISR
- + Long range strike
- + Data analytics

Learning and Active Perception (LEAP)



Space Ventures



HAPS



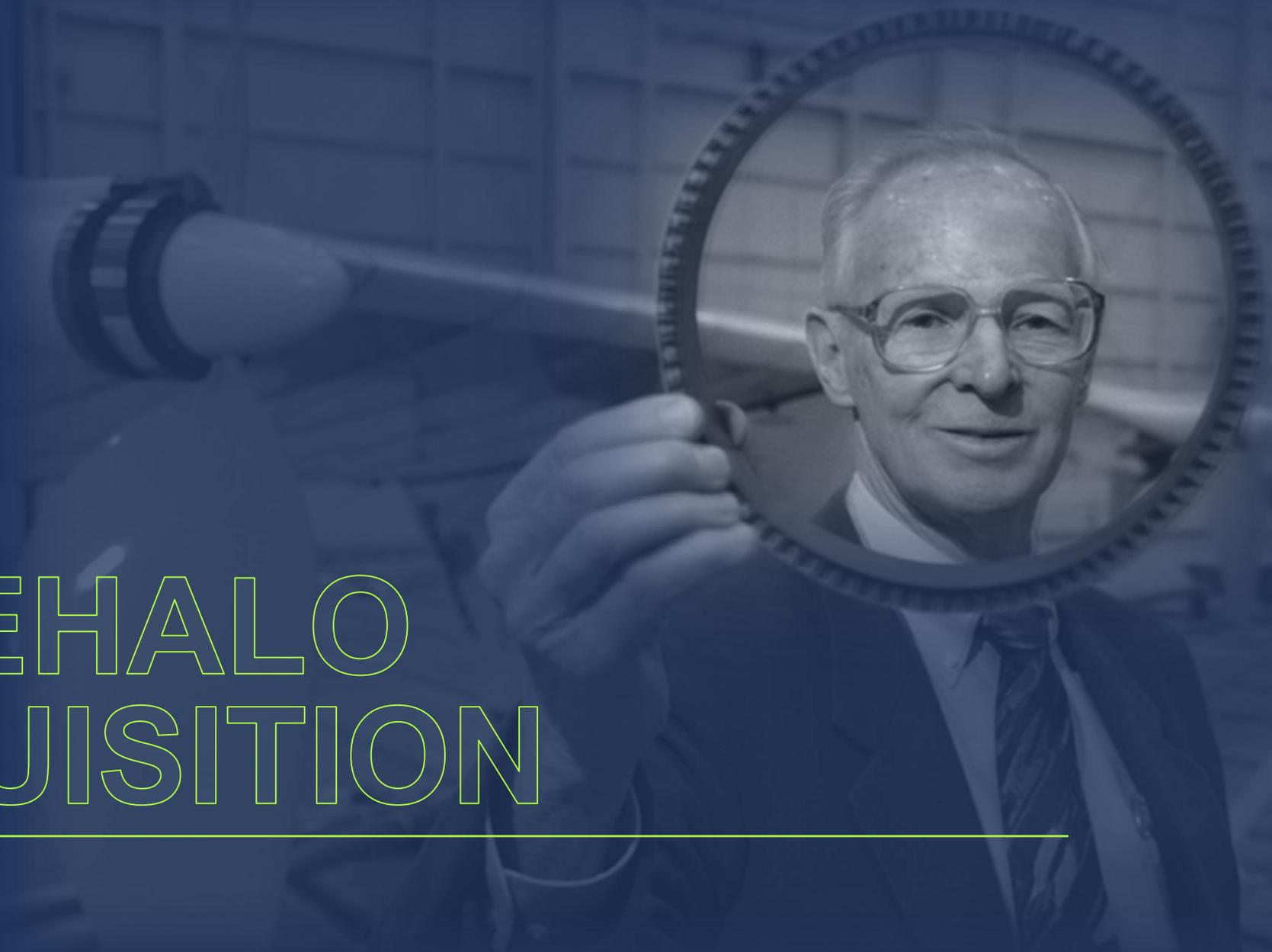
Autonomy as a Product



Novel Systems



BLUEHALO ACQUISITION



Transaction Overview

Terms	<ul style="list-style-type: none"> ▪ AeroVironment to acquire BlueHalo in all stock transaction ▪ AVAV shareholders to own 60.5% and BlueHalo shareholders to own 39.5% of the combined company⁽¹⁾ ▪ Implied Enterprise Value of ~\$4.1B⁽²⁾, inclusive of BlueHalo debt and \$100M tax asset
Leadership & Governance	<ul style="list-style-type: none"> ▪ Wahid Nawabi to remain Chairman and CEO; Jonathan Moneymaker (BlueHalo CEO) to serve as strategic advisor ▪ BlueHalo to have nomination rights for two Board seats; pro forma AVAV Board to consist of ten Directors
Financing	<ul style="list-style-type: none"> ▪ BlueHalo equity purchase consideration to be funded with issuance of approximately 18.5M shares to BlueHalo shareholders ▪ BlueHalo gross debt of ~\$770M⁽³⁾ to be refinanced with new Term Loan A and cash on hand ▪ Net leverage ratio of ~2.5x expected at close; pro forma AVAV to return to target leverage range of 1.0x to 1.5x over time
Lock-Up	<ul style="list-style-type: none"> ▪ We expect substantially all of the BlueHalo holders to enter lock-up agreements with respect to their transaction consideration ▪ 40% releasing 12 months post close, the remaining 60% to be released in equal tranches 18 and 24 months after the close
Financial Benefits	<ul style="list-style-type: none"> ▪ Expected to be accretive to Revenue, Adj. EBITDA and Non-GAAP EPS in the first full fiscal year post-close ▪ \$100M NPV of tax assets; anticipated estimated net cost synergies of \$20M to be realized over time
Timing & Closing Conditions	<ul style="list-style-type: none"> ▪ Unanimously approved by the Board of Directors of both AeroVironment and BlueHalo ▪ Closing expected 1H CY 2025, subject to customary closing conditions, including regulatory approvals and approval by AeroVironment's stockholders

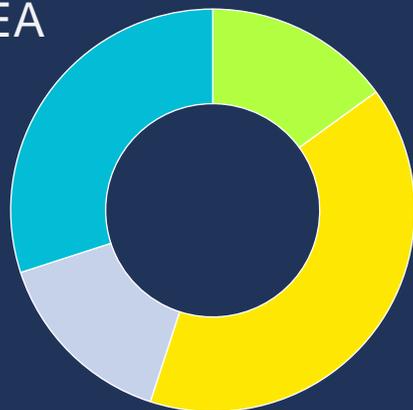
(1) Based on AVAV shares outstanding as of 11/15/24; subject to closing adjustments. (2) Assumes AVAV share price of \$200.06 as of 11/15/24 and 60.5% / 39.5% pro forma ownership.

(3) Expected net debt at closing of ~\$740M represents ~\$770M gross debt and ~\$30M cash.

BLUEHALO : Next Generation Defense Technology Prime

REVENUE MIX BY MISSION AREA

- Space Technologies
- C-UAS
- Electronic Warfare & Cyber
- Advanced Innovations



~2,400
EMPLOYEES

33
FACILITIES

Space Technologies

Advanced solutions, technologies and effects for space; ground-based systems for situational awareness, communications, command & control and warfare operations



Counter UAS (C-UAS)

Full suite of layered defense solutions including precision target acquisition & tracking systems and autonomous offensive swarming platforms & payloads



Electronic Warfare & Cyber

Specialized support, services and technology to execute critical national security missions, including technologies and tradecraft used in offensive and defensive cyber and SIGINT



Advanced Innovations

Next generation technologies solving defense and national security customer's most pressing needs in robotics, autonomy, AR/VR, Materials and next generation RF



\$900M+

CY2024E Revenue⁽¹⁾

\$500M+

Funded Backlog as of Nov 1

~200

PhDs in Relevant Fields

105+

Patents

(1) CY2024E revenue figure for BlueHalo is presented as if all acquisitions made by BlueHalo and companies acquired by BlueHalo had been owned by BlueHalo for the entirety of the applicable calendar year, irrespective of the actual date of acquisition. This amount will differ from revenue figures reported for BlueHalo under GAAP, which will only include revenue from and after the applicable date of acquisition. This amount will also differ from any presentation made under Article 11 of Regulation S-X, which would not require inclusion of certain insignificant or immaterial acquisitions.

Combination Advances Strategy and Accelerates Progress

AeroVironment's Previously Stated Strategy

AV Strategy

Build **portfolio of leading-edge solutions** utilizing strengths in Uncrewed Systems, Loitering Munitions and AI / autonomy enabling software

AV Future State

Integrated portfolio of distributed, **intelligent, multi-domain robotic systems and software** for defense and public safety markets

AV Acquisition Strategy

Target companies currently in the UxS and LMS markets with key technologies along with companies that **broaden AV's portfolio** into **complementary segments**

AV Goal

Develop AV's position as a **leader in Defense Technology** focused on **high-growth** segments, where **agile disruptive innovation** is critical to the defense of the U.S. and its allies



Portfolio of Mission Critical Capabilities

Immediately adds **complementary franchise positions** with leading-edge solutions for C-UAS, Space Technologies, EW & Cyber, and Unmanned Maritime Systems

Diversified Defense Tech Solution Provider

Integrated portfolio of capabilities and technologies will enable delivery of better and **more comprehensive solutions** across a greater set of customers and markets

Widens Aperture for Strategic Acquisitions

Increase field of potential future accretive and capability-expanding acquisitions in critical mission areas of Space, C-UAS, EW and Cyber

Strategic Positioning

Creates a **leading Defense Technology prime** contractor defined by a **culture of agile innovation** focused on the highest priority, highest growth national security missions

Expands Portfolio of High Growth, Mission Critical Technologies — Creating a Global Champion in Defense Technology

BLUEHALO : Transforming Defense Technology



Space



C-UAS



Electronic Warfare & Cyber



Space Superiority

Transitioning a classified space control system to LRIP

260+ space systems flown on-orbit

Adaptive Phased Array Technology

Redefining satellite operations

Advancing leading hypersonics telemetry capabilities

Lasercomm

One of the only proven GEO lasercomm payloads currently on-orbit

Directed Energy & C-UAS

A leading acquisition, tracking, and pointing system

A leading detect and defeat RF systems powered by proprietary AI / ML technology

Autonomous Swarming

Developing offensive swarms of sUAS using proprietary AI / ML technology

100% US made and manufactured cyber hardened platform

Metis AI / ML

Proprietary AI / ML fabric powering autonomy throughout the enterprise

Electronic Warfare

Leading program of record driving the future battlespace of electronic warfare

Cyber / SIGINT

National source for a classified Cyber / SIGINT mission

Leading provider of blockchain / crypto analytics and platform cyber resiliency

OSINT & Digital Operations

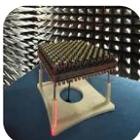
The OSINT & Digital Operations technology provider for National Intelligence Agencies, SOCOM, CYBERCOM and commercial customers

Space Technologies Overview



Space Superiority

Delivering solutions for space and ground-based systems to support orbital warfare, space domain awareness, resilient communications, command and control



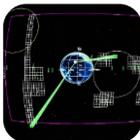
Next Gen Space Operations

Revolutionizing space ops with agile, multi-beam comms, advanced tracking, and resilient, software-defined tech for simultaneous missions



Space Technologies

Advancing high-speed, secure laser comms and robust space hardware for mission-critical success



Advanced Space

Elevating space capabilities with digital RF tech, superior situational awareness, real-time imaging, and autonomous operations

Key Products



Badger



Wasp



Lasercomm



Panther

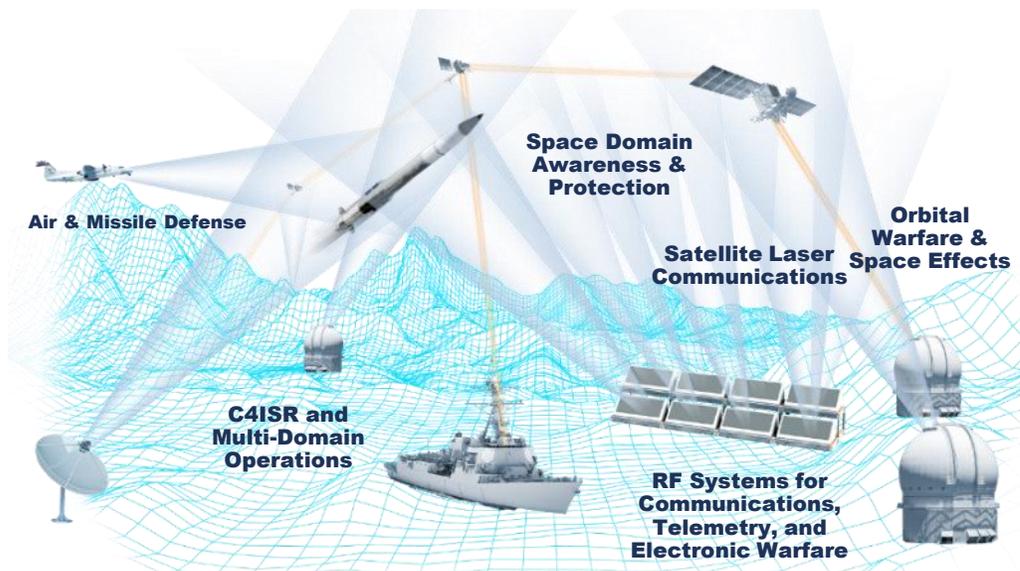


Space Qualified Hardware



Space ISR & Resiliency

Key Customers



C-UAS Overview



C-UAS Directed Energy & Kinetic

Locust Laser Weapon System coupled with FE-1 (codename Freedom Eagle) provides the warfighter with unmatched battlefield superiority against evolving UAS threats



C-UAS RF

AI-enabled RF detect and defeat solutions keep the air space clear of unwanted intruders



C2 Tracking & Sensing

Revolutionizing mobile C2 tracking and sensing with versatile, software-driven solutions for real-time command across diverse applications



Autonomous Systems

Amplifying multi-mission impact with AI-driven autonomous swarming and uncrewed systems for efficiency and versatility

Key Products



Locust



Titan C-UAS



Skyview



FE-1



Vigilant Halo

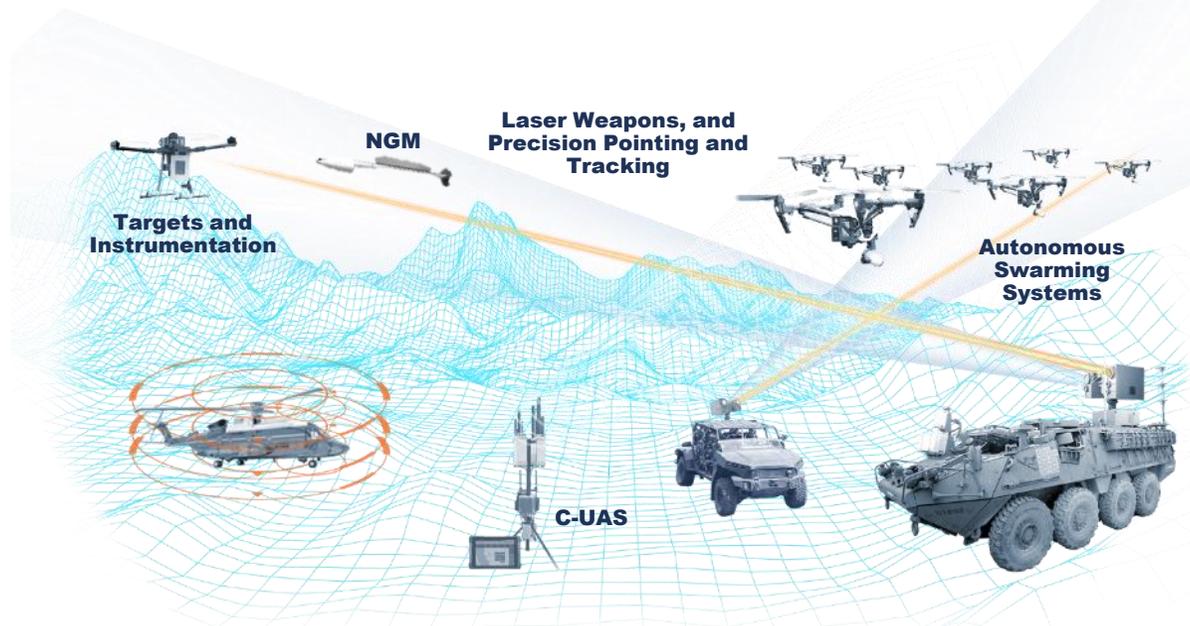


Halo Swarm

Key Customers



International



Electronic Warfare and Cyber Overview



Electronic Warfare

Advancing tactical superiority with innovative RF solutions and open architecture for actionable intelligence against global threats



Cyber & Mission Solutions

Delivering advanced digital solutions with a full spectrum of offensive and defensive capabilities for operational success in digital landscapes



SIGINT & MASINT

Transforming needs into advanced solutions for mission speed with signal processing and insights



OSINT

Leveraging AI to analyze open-source data and signals for actionable intelligence on global threats and adversarial intent

Key Products



SharkCage
Tactical Chassis



LANShark 2 ATR
Modular Payload



Lokiset



BlueFin
Angler SDR

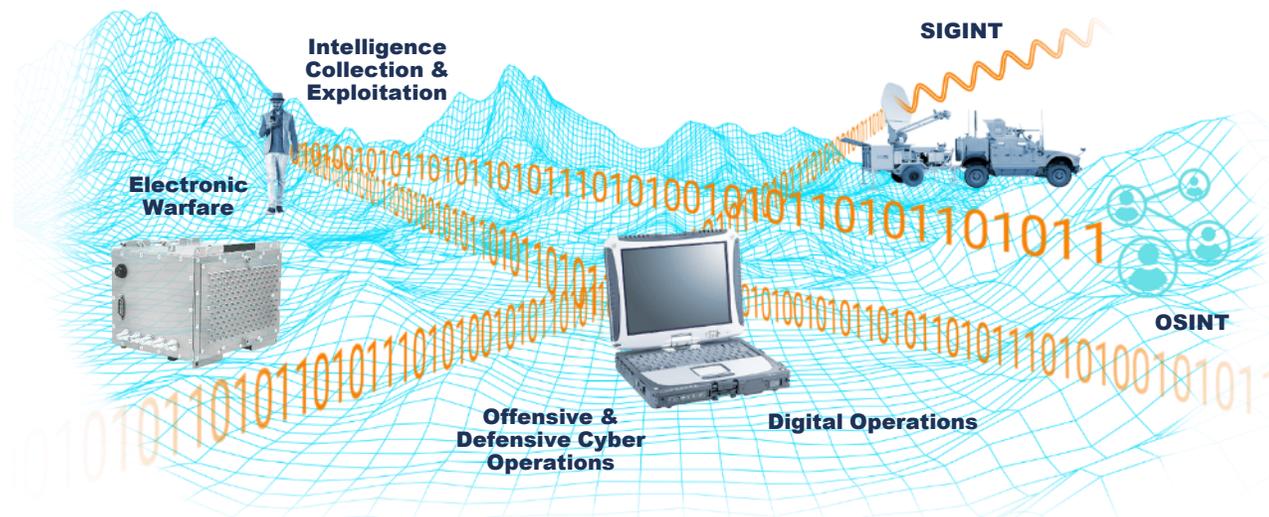


Windjammer 2



Scraawl

Key Customers





FINANCIAL OVERVIEW

Last Twelve Months Results

Through Q2 FY25

REVENUES BY SEGMENT

Metric	Q3 FY2024 – Q2 FY2025
Revenue	\$761M
Adj. Gross Profit ¹	\$313M
Adj. EBITDA ²	\$114M
Non-GAAP EPS ³ (diluted)	\$2.42
Funded Backlog	\$467M
R&D Investment	\$114M

KEY PROFIT AND
REVENUE DRIVER

56%

\$422M

UxS

UNCREWED SYSTEMS

GREATEST GROWTH
POTENTIAL

34%

\$261M

LMS

LOITERING MUNITIONS

INCUBATION ENGINE
AND ENGINEERING
POWERHOUSE

10%

\$78M

MW

MacCready WORKS

¹ Refer to Reconciliation of Non-GAAP Adjusted Gross Margin on Appendix B

² Refer to Reconciliation of Non-GAAP Adjusted EBITDA on Appendix C.

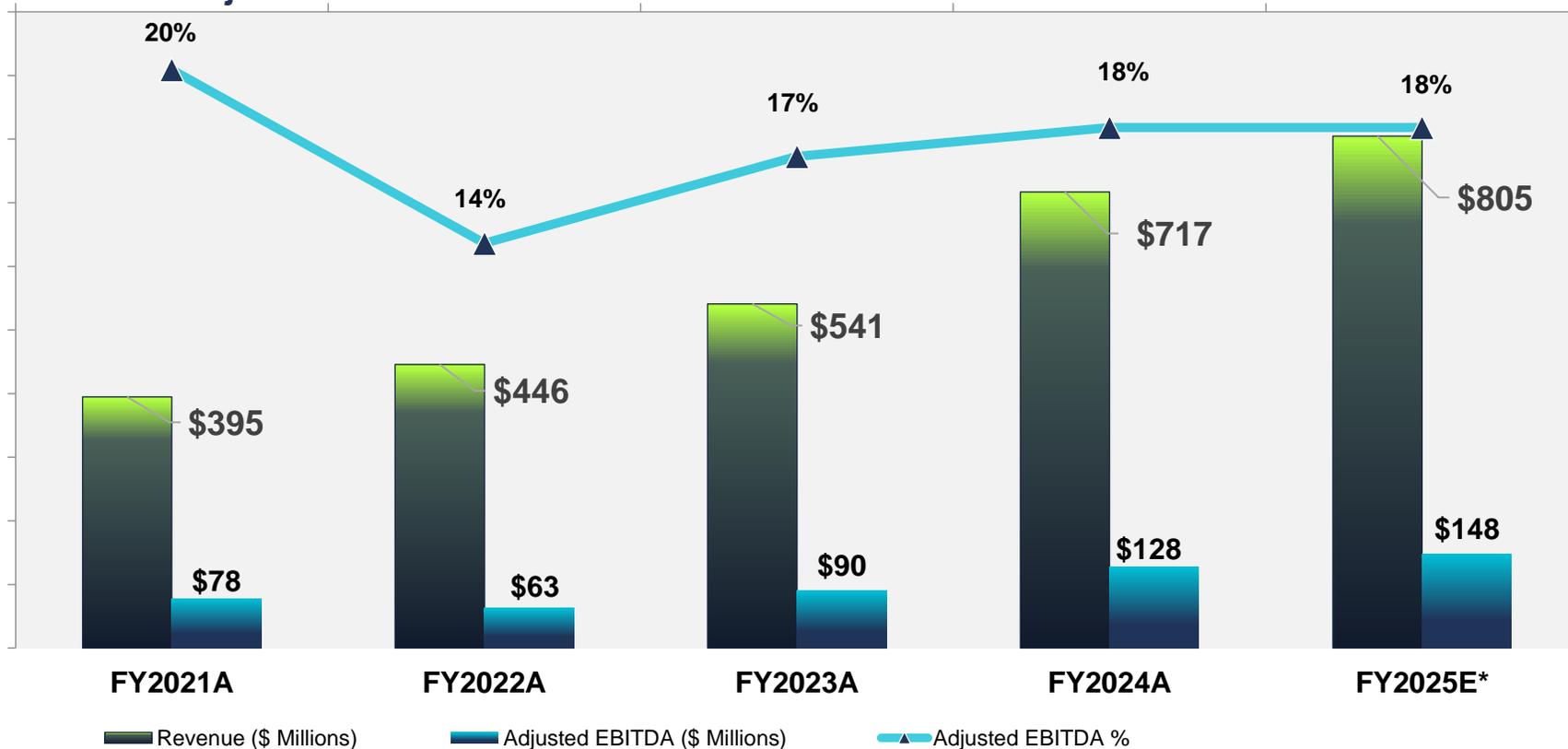
³ Refer to Reconciliation of Non-GAAP Diluted Earnings Per Share on Appendix D.

Revenue and Non-GAAP Adjusted EBITDA

(Continuing Ops)

Achieved incremental revenue growth over past 6 years and expect to continue growing

Non-GAAP Adjusted EBITDA



*Based on mid-point of guidance range

- FY24 profitability improvement represents favorable mix of product vs. service sales
- 33% revenue growth in FY24
- FY25 revenue guidance represents double-digit revenue growth (10-15%) from FY24
- Order Visibility at 95% of mid-point of revenue guidance range (as of 12/1/24)

Maintaining Revenue, Adjusted EBITDA and Adjusted EPS Guidance:

AS OF 12/4/2024	FY24 RESULTS	FY25 GUIDANCE	EXPECTED % CHANGE (TO MIDPOINT)
Revenue	\$717 million	\$790 million – \$820 million	12%
Adjusted EBITDA	\$128 million ¹	\$143 million – \$153 million ²	16%

Non-GAAP Earnings per Share (diluted) \$2.99³ \$3.18 – \$3.49² 11%

We expect R&D Expenses between 12%-13% of Revenues and Adjusted Gross Margins⁴ between 40% to 41% of Revenues in FY25. We expect Q3 FY25 Adjusted EBITDA to be sequentially down from Q2 FY25 and Q4 FY25 to be significantly higher than the first three quarters.

¹ Refer to Adjusted EBITDA Reconciliation on Appendix C.

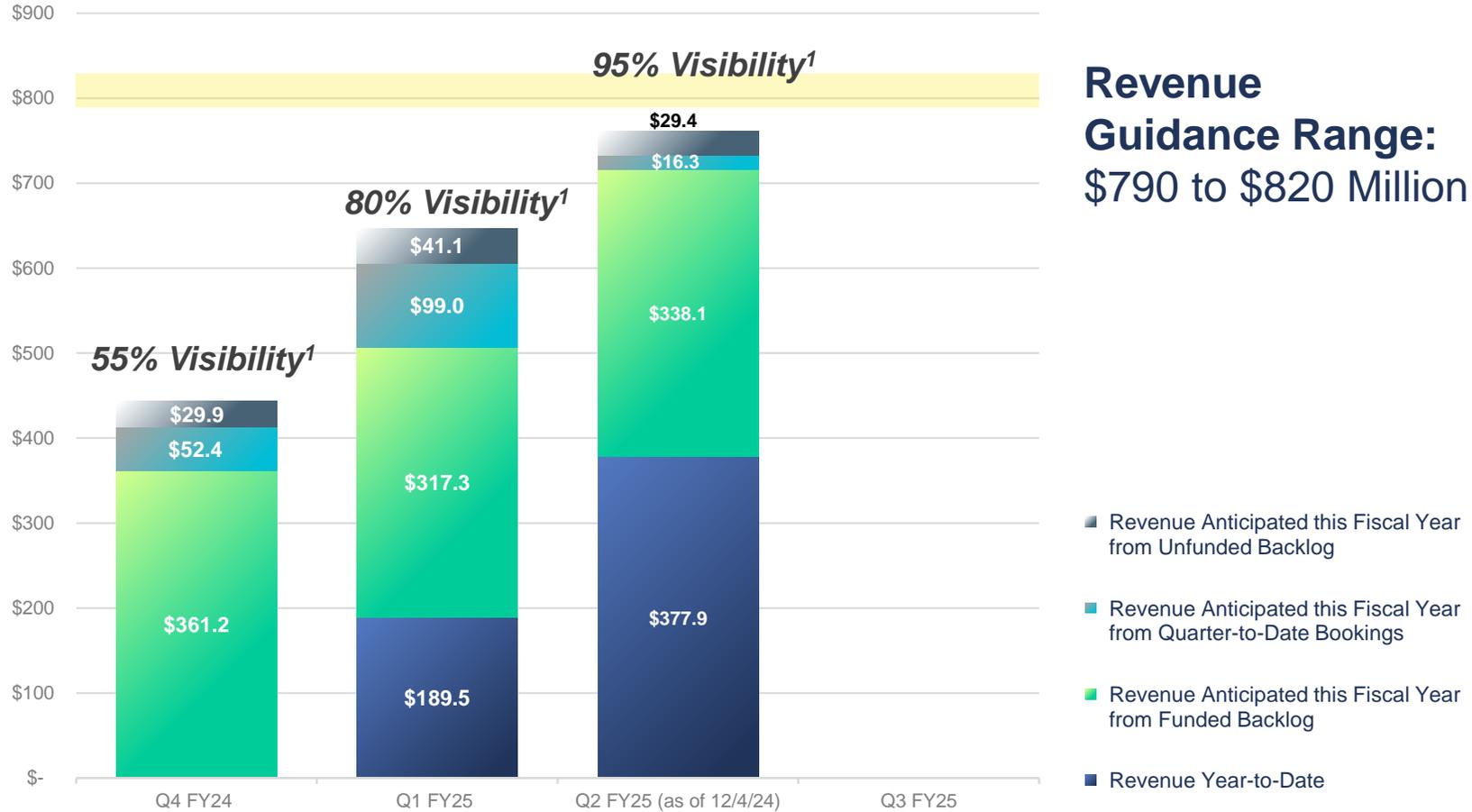
² This guidance does not include the forecasted financial results associated with the anticipated acquisition of BlueHalo or certain acquisition related expenses which are contingent upon the consummation of the acquisition. The Company cannot provide guidance for or reconciliation to GAAP net income or earnings per diluted share without unreasonable efforts due to the inherent difficulty of forecasting the timing and/or amount of the acquisition related expenses that have not yet occurred (and have been excluded from the adjusted measures). Acquisition related expenses for the fiscal year ending April 30, 2025, which are expected to be significant, will be materially impacted by the timing of the close of the acquisition and, amongst other factors, shareholder approval, required regulatory approval processes including Hart Scott Rodino and certain other international regulatory approvals, which are, in part, outside the control of the Company. As the Company cannot predict the amount or timing of acquisition related expenses with a reasonable degree of accuracy, the Company believes such reconciliation could imply a degree of precision that might be confusing or misleading to investors.

³ Refer to Reconciliation of Fiscal Year 2024 Non-GAAP Diluted Earnings Per Share on Appendix D.

⁴ We expected adjusted gross margins to be in the high 30 percent for the second half of fiscal year 2025. Adjusted gross margin is defined as gross margin before intangible amortization.

Visibility for FY25

REVENUE (MILLIONS)



Company visibility
(as of Dec. 4, 2024)
supports revenue guidance range

¹ Based on midpoint of guidance range of \$790–\$820 million



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FINANCIAL TABLES

APPENDIX A – PRESS RELEASE TABLE

Reconciliation of Non-GAAP Earnings per Diluted Share (Unaudited)

	Three Months Ended October 26, 2024	Three Months Ended October 28, 2023
Earnings per diluted share	\$ 0.27	\$ 0.66
Acquisition-related expenses	0.10	0.03
Amortization of acquired intangible assets	0.14	0.13
Equity method and equity securities investments activity, net	(0.04)	0.15
Earnings per diluted share as adjusted (Non-GAAP)	<u>\$ 0.47</u>	<u>\$ 0.97</u>

APPENDIX B

GAAP to Non-GAAP Reconciliation of Adjusted Gross Margin (Unaudited)

<i>(in thousands)</i>	Fiscal 2nd Quarter FY2024	Fiscal 3rd Quarter FY2024	Fiscal 4th Quarter FY2024	Fiscal 1st Quarter FY2025	Fiscal 2nd Quarter FY2025
Products					
Gross Margin	\$ 66,747	\$ 56,437	\$ 64,550	\$ 73,985	\$ 64,179
Intangible Amortization	\$ 1,856	\$ 2,681	\$ 2,637	\$ 2,617	\$ 2,623
Adjusted Gross Margin	\$ 68,603	\$ 59,118	\$ 67,187	\$ 76,602	\$ 66,802
<i>Adj. Prod GM%</i>	47.1%	37.9%	40.8%	48.0%	44.2%
Services					
Gross Margin	\$ 8,603	\$ 10,850	\$ 11,084	\$ 7,482	\$ 9,459
Intangible Amortization	\$ 1,356	\$ 1,356	\$ 12,696	\$ 1,097	\$ 1,097
Adjusted Gross Margin	\$ 9,959	\$ 12,206	\$ 12,350	\$ 8,579	\$ 10,556
<i>Adj. Service GM%</i>	28.4%	39.8%	38.1%	28.6%	28.4%

APPENDIX C

Historical Non-GAAP Adjusted EBITDA Reconciliation (Unaudited)

<i>(in thousands)</i>	Fiscal 2nd Quarter FY2024	Fiscal 3rd Quarter FY2024	Fiscal 4th Quarter FY2024	Full Fiscal Year FY2024	Fiscal 1st Quarter FY2025	Fiscal 2nd Quarter FY2025
Net Income from continued operations	\$ 17,840	13,885	6,047	59,607	\$ 21,166	\$ 7,453
Interest Expense / (Income), net	1,951	114	148	4,220	239	690
Tax provision / (benefit)	1,137	1,259	1,818	1,892	1,485	(221)
Depreciation and amortization	8,436	9,582	10,780	35,749	8,852	9,002
EBITDA (Non-GAAP)	\$ 29,362	24,840	15,157	101,528	\$ 31,742	\$ 17,014
Cloud amortization	203	488	551	1,445	644	606
Stock-based compensation	5,040	4,181	4,644	17,069	4,536	5,601
Acquisition-related expenses	1,093	(54)	383	2,095	0	3,684
Equity method and equity security investment activity	3,842	(671)	1,412	5,618	256	(1,044)
Adjusted EBITDA (Non-GAAP)	\$ 39,541	28,784	22,147	127,754	\$ 37,178	\$ 25,862

APPENDIX D

Reconciliation of Fiscal Year 2024 Non-GAAP Earnings per Diluted Share (Unaudited)

	Fiscal Year Ended April 30, 2024
Earnings per diluted share	\$ 2.18
Acquisition-related expenses	0.06
Amortization of acquired intangible assets	0.54
Equity method and equity securities investments activity, net	<u>0.21</u>
Earnings per diluted share as adjusted (Non-GAAP)	<u>\$ 2.99</u>