

Impinj, Inc.
Supplemental Information
December 31, 2025

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IMPINJ, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except par value, unaudited)

	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025
Assets:								
Current assets:								
Cash and cash equivalents	\$ 166,852	\$ 214,653	\$ 73,704	\$ 46,053	\$ 61,317	\$ 42,417	\$ 51,726	\$ 48,206
Short-term investments	7,292	5,563	96,551	118,661	86,600	150,788	138,355	127,130
Accounts receivable, net	59,384	54,181	64,378	56,802	57,099	55,131	61,193	70,785
Inventory	87,757	80,773	88,357	99,346	98,483	96,210	92,638	84,961
Prepaid expenses and other current assets	3,120	3,148	6,097	5,536	5,069	5,221	7,871	8,135
Total current assets	<u>324,405</u>	<u>358,318</u>	<u>329,087</u>	<u>326,398</u>	<u>308,568</u>	<u>349,767</u>	<u>351,783</u>	<u>339,217</u>
Long-term investments	—	—	57,122	74,871	84,547	67,332	75,036	103,766
Property and equipment, net	47,451	47,209	49,908	50,610	49,646	52,985	52,353	50,290
Intangible assets, net	12,207	11,645	11,563	10,291	10,241	10,605	10,030	9,501
Operating lease right-of-use assets	9,107	8,424	7,817	7,142	6,507	6,372	5,684	20,896
Other non-current assets	1,370	1,235	1,117	1,045	939	996	870	795
Goodwill	19,343	19,256	19,833	18,723	19,377	20,760	20,703	20,721
Total assets	<u>\$ 413,883</u>	<u>\$ 446,087</u>	<u>\$ 476,447</u>	<u>\$ 489,080</u>	<u>\$ 479,825</u>	<u>\$ 508,817</u>	<u>\$ 516,459</u>	<u>\$ 545,186</u>
Liabilities and stockholders' equity:								
Current liabilities:								
Accounts payable	\$ 9,416	\$ 15,305	\$ 20,504	\$ 17,254	\$ 10,830	\$ 11,989	\$ 16,173	\$ 13,614
Accrued compensation and employee related benefits	8,207	12,549	18,043	22,309	8,952	9,270	9,532	9,936
Accrued and other current liabilities	11,694	2,848	3,702	2,684	3,084	2,686	3,338	3,664
Current portion of operating lease liabilities	3,454	3,462	3,534	3,589	3,665	3,817	3,925	776
Current portion of long-term debt	—	282,671	283,081	283,493	—	—	96,610	96,745
Current portion of deferred revenue	1,672	2,087	2,231	1,848	1,634	2,289	2,217	1,791
Total current liabilities	<u>34,443</u>	<u>318,922</u>	<u>331,095</u>	<u>331,177</u>	<u>28,165</u>	<u>30,051</u>	<u>131,795</u>	<u>126,526</u>
Long-term debt	282,262	—	—	—	283,905	284,321	183,753	184,141
Operating lease liabilities, net of current portion	8,444	7,546	6,660	5,719	4,775	4,263	3,244	22,536
Deferred tax liabilities, net	2,574	2,466	2,454	2,200	2,194	2,271	2,161	2,062
Deferred revenue, net of current portion	237	181	139	120	222	222	543	690
Total liabilities	<u>327,960</u>	<u>329,115</u>	<u>340,348</u>	<u>339,216</u>	<u>319,261</u>	<u>321,128</u>	<u>321,496</u>	<u>335,955</u>
Stockholders' equity:								
Preferred stock, \$0.001 par value	—	—	—	—	—	—	—	—
Common stock, \$0.001 par value	28	28	28	29	29	29	30	30
Additional paid in capital	482,972	504,206	522,100	541,090	558,672	571,598	591,536	606,852
Accumulated other comprehensive income (loss)	(270)	(418)	594	(1,942)	(373)	2,273	2,418	2,509
Accumulated deficit	(396,807)	(386,844)	(386,623)	(389,313)	(397,764)	(386,211)	(399,021)	(400,160)
Total stockholders' equity	<u>85,923</u>	<u>116,972</u>	<u>136,099</u>	<u>149,864</u>	<u>160,564</u>	<u>187,689</u>	<u>194,963</u>	<u>209,231</u>
Total liabilities and stockholders' equity	<u>\$ 413,883</u>	<u>\$ 446,087</u>	<u>\$ 476,447</u>	<u>\$ 489,080</u>	<u>\$ 479,825</u>	<u>\$ 508,817</u>	<u>\$ 516,459</u>	<u>\$ 545,186</u>

IMPINJ, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (GAAP)
(in thousands, except per share data, unaudited)

	2024					2025				
	Q1	Q2	Q3	Q4	FY 12/31	Q1	Q2	Q3	Q4	FY 12/31
Revenue	\$ 76,825	\$ 102,495	\$ 95,198	\$ 91,569	\$ 366,087	\$ 74,277	\$ 97,894	\$ 96,055	\$ 92,849	\$ 361,075
Cost of revenue	39,277	44,979	47,629	45,347	177,232	37,596	41,281	47,727	44,794	171,398
Gross profit	37,548	57,516	47,569	46,222	188,855	36,681	56,613	48,328	48,055	189,677
<i>Gross margin</i>	48.9%	56.1%	50.0%	50.5%	51.6%	49.4%	57.8%	50.3%	51.8%	52.5%
Operating expenses:										
Research and development	22,519	24,924	25,492	25,894	98,829	25,314	24,652	25,720	26,929	102,615
Sales and marketing	10,176	9,827	9,888	10,688	40,579	8,055	8,738	9,380	10,357	36,530
General and administrative	13,365	13,223	12,452	12,762	51,802	12,396	11,828	12,035	12,933	49,192
Amortization of intangibles	1,409	496	506	491	2,902	485	521	537	534	2,077
Restructuring costs	1,812	—	—	—	1,812	—	—	—	—	—
Total operating expenses	49,281	48,470	48,338	49,835	195,924	46,250	45,739	47,672	50,753	190,414
Income (loss) from operations	(11,733)	9,046	(769)	(3,613)	(7,069)	(9,569)	10,874	656	(2,698)	(737)
Other income, net	1,292	2,122	2,416	2,107	7,937	2,060	2,053	2,592	2,509	9,214
Income from settlement of litigation	45,000	—	—	—	45,000	—	—	—	—	—
Induced conversion expense	—	—	—	—	—	—	—	(15,026)	—	(15,026)
Interest expense	(1,216)	(1,217)	(1,219)	(1,221)	(4,873)	(1,223)	(1,225)	(1,121)	(798)	(4,367)
Income (loss) before income taxes	33,343	9,951	428	(2,727)	40,995	(8,732)	11,702	(12,899)	(987)	(10,916)
Income tax benefit (expense)	1	12	(207)	37	(157)	281	(149)	89	(152)	69
Net income (loss)	\$ 33,344	\$ 9,963	\$ 221	\$ (2,690)	\$ 40,838	\$ (8,451)	\$ 11,553	\$ (12,810)	\$ (1,139)	\$ (10,847)
Net income (loss) per share:										
Basic	\$ 1.22	\$ 0.36	\$ 0.01	\$ (0.09)	\$ 1.46	\$ (0.30)	\$ 0.40	\$ (0.44)	\$ (0.04)	\$ (0.37)
Diluted	\$ 1.10 ⁽¹⁾	\$ 0.34	\$ 0.01	\$ (0.09)	\$ 1.39	\$ (0.30)	\$ 0.39	\$ (0.44)	\$ (0.04)	\$ (0.37)
Weighted-average shares:										
Basic	27,357	27,889	28,168	28,398	27,953	28,639	29,008	29,338	30,148	29,283
Diluted	31,425 ⁽¹⁾	29,422	29,727	28,398	29,471	28,639	29,655	29,338	30,148	29,283

⁽¹⁾ Diluted net income per share includes the impact of our convertible debt using the if-converted method, which assumes full share settlement. Interest expense is added back to net income and weighted average shares includes total shares issuable at conversion of 2.6 million.

REVENUE BY TYPE
(in thousands)

	2024					2025				
	Q1	Q2	Q3	Q4	FY 12/31	Q1	Q2	Q3	Q4	YTD
Revenue:										
Endpoint ICs	\$ 61,506	\$ 89,392	\$ 80,966	\$ 74,051	\$ 305,915	\$ 61,218	\$ 84,619	\$ 78,782	\$ 75,187	\$ 299,806
Systems ⁽¹⁾	15,319	13,103	14,232	17,518	60,172	13,059	13,275	17,273	17,662	61,269
Total revenue	\$ 76,825	\$ 102,495	\$ 95,198	\$ 91,569	\$ 366,087	\$ 74,277	\$ 97,894	\$ 96,055	\$ 92,849	\$ 361,075

⁽¹⁾ Systems revenue includes sales of reader ICs, readers and gateways, and tag production systems.

IMPINJ, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	2024					2025				
	Q1	Q2	Q3	Q4	FY 12/31	Q1	Q2	Q3	Q4	FY 12/31
Operating activities:										
Net income (loss)	\$ 33,344	\$ 9,963	\$ 221	\$ (2,690)	\$ 40,838	\$ (8,451)	\$ 11,553	\$ (12,810)	\$ (1,139)	\$ (10,847)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:										
Depreciation and amortization	3,909	2,999	3,247	3,433	13,588	3,521	3,709	3,852	3,958	15,040
Stock-based compensation	11,790	14,705	14,841	15,210	56,546	12,522	13,023	14,551	15,167	55,263
Restructuring equity modification expense	366	—	—	—	366	—	—	—	—	—
Accretion of discount or amortization of premium on	(67)	(42)	(138)	(875)	(1,122)	(590)	(527)	(743)	(479)	(2,339)
Amortization of debt issuance costs	407	408	411	412	1,638	414	416	444	523	1,797
Induced conversion expense related to convertible notes	—	—	—	—	—	—	—	15,026	—	15,026
Deferred tax expense	(278)	(94)	(99)	(96)	(567)	(93)	(99)	(105)	(99)	(396)
Revaluation of acquisition-related contingent consideration liability	907	79	—	—	986	—	—	—	—	—
Changes in operating assets and liabilities, net of amounts acquired:										
Accounts receivable	(4,503)	5,202	(10,137)	7,439	(1,999)	(220)	2,150	(6,083)	(9,573)	(13,726)
Inventory	9,400	6,978	(7,553)	(11,045)	(2,220)	896	2,345	3,565	7,682	14,488
Prepaid expenses and other assets	1,355	106	(2,071)	837	227	870	(62)	(2,217)	682	(727)
Accounts payable	1,878	5,118	5,060	(2,786)	9,270	(6,623)	1,207	4,439	(2,399)	(3,376)
Accrued compensation and employee related benefits	(292)	4,348	5,459	4,340	13,855	(13,401)	228	267	394	(12,512)
Accrued and other liabilities	2,182	(1,892)	978	(1,024)	244	405	(398)	652	325	984
Acquisition-related contingent consideration liability	—	(2,556)	—	—	(2,556)	—	—	—	—	—
Operating lease right-of-use assets	614	679	628	639	2,560	653	680	686	491	2,510
Operating lease liabilities	(820)	(886)	(836)	(850)	(3,392)	(887)	(905)	(907)	(113)	(2,812)
Deferred revenue	(52)	364	57	(321)	48	(159)	540	276	(284)	373
Net cash provided by (used in) operating activities	60,140	45,479	10,068	12,623	128,310	(11,143)	33,860	20,893	15,136	58,746
Investing activities:										
Purchases of investments	—	—	(154,331)	(47,732)	(202,063)	(25,910)	(81,195)	(39,188)	(56,478)	(202,771)
Proceeds from maturities of investments	11,248	1,785	5,572	8,000	26,605	49,000	34,820	31,660	39,200	154,680
Proceeds from sales of investments	—	—	—	—	—	—	—	12,937	—	12,937
Purchases of property and equipment	(6,202)	(1,366)	(5,411)	(4,133)	(17,112)	(1,863)	(6,540)	(2,940)	(1,518)	(12,861)
Net cash provided by (used in) investing activities	5,046	419	(154,170)	(43,865)	(192,570)	21,227	(52,915)	2,469	(18,796)	(48,015)
Financing activities:										
Proceeds from issuance of 2025 Notes, net of issuance costs	—	—	—	—	—	—	—	183,658	—	183,658
Premiums paid for capped call transactions	—	—	—	—	—	—	—	(11,210)	—	(11,210)
Payment of 2021 Notes	—	—	—	—	—	—	—	(190,000)	—	(190,000)
Proceeds from exercise of stock options and employee stock	6,917	6,529	3,053	3,782	20,281	5,847	887	4,291	770	11,795
Payments of taxes on restricted stock units	—	—	—	—	—	(787)	(984)	(779)	(621)	(3,171)
Payment of acquisition-related contingent consideration	—	(4,602)	—	—	(4,602)	—	—	—	—	—
Net cash provided by (used in) financing activities	6,917	1,927	3,053	3,782	15,679	5,060	(97)	(14,040)	149	(8,928)
Effect of exchange rate changes on cash and cash equivalents	(44)	(24)	100	(191)	(159)	120	252	(13)	(9)	350
Net increase (decrease) in cash and cash equivalents	72,059	47,801	(140,949)	(27,651)	(48,740)	15,264	(18,900)	9,309	(3,520)	2,153
Cash and cash equivalents										
Beginning of period	94,793	166,852	214,653	73,704	94,793	46,053	61,317	42,417	51,726	46,053
End of period	\$ 166,852	\$ 214,653	\$ 73,704	\$ 46,053	\$ 46,053	\$ 61,317	\$ 42,417	\$ 51,726	\$ 48,206	\$ 48,206

IMPINJ, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (NON-GAAP)⁽¹⁾

(in thousands, except per share data, unaudited)

	2024					2025				
	Q1	Q2	Q3	Q4	FY 12/31	Q1	Q2	Q3	Q4	FY 12/31
Revenue	\$ 76,825	\$ 102,495	\$ 95,198	\$ 91,569	\$ 366,087	\$ 74,277	\$ 97,894	\$ 96,055	\$ 92,849	\$ 361,075
Cost of revenue	37,231	42,861	45,334	42,911	168,337	35,169	38,797	45,183	42,221	161,370
Gross profit	39,594	59,634	49,864	48,658	197,750	39,108	59,097	50,872	50,628	199,705
<i>Gross margin</i>	51.5%	58.2%	52.4%	53.1%	54.0%	52.7%	60.4%	53.0%	54.5%	55.3%
Operating expenses:										
Research and development	16,507	17,615	17,865	17,968	69,955	17,309	17,498	17,828	18,610	71,245
Sales and marketing	7,695	6,956	7,076	7,798	29,525	7,719	6,685	7,046	8,154	29,604
General and administrative	8,707	8,234	7,604	7,862	32,407	7,606	7,308	6,939	7,437	29,290
Total operating expenses	32,909	32,805	32,545	33,628	131,887	32,634	31,491	31,813	34,201	130,139
Income from operations	6,685	26,829	17,319	15,030	65,863	6,474	27,606	19,059	16,427	69,566
Other income, net	1,292	2,122	2,416	2,107	7,937	2,060	2,053	2,592	2,509	9,214
Interest expense	(1,216)	(1,217)	(1,219)	(1,221)	(4,873)	(1,223)	(1,225)	(1,121)	(798)	(4,367)
Income before income taxes	6,761	27,734	18,516	15,916	68,927	7,311	28,434	20,530	18,138	74,413
Income tax expense	(590)	(2,421)	(1,617)	(1,389)	(6,017)	(1,007)	(3,918)	(2,829)	(2,499)	(10,253)
Net income	<u>\$ 6,171</u>	<u>\$ 25,313</u>	<u>\$ 16,899</u>	<u>\$ 14,527</u>	<u>\$ 62,910</u>	<u>\$ 6,304</u>	<u>\$ 24,516</u>	<u>\$ 17,701</u>	<u>\$ 15,639</u>	<u>\$ 64,160</u>
Net income per share:										
Basic	\$ 0.23	\$ 0.91	\$ 0.60	\$ 0.51	\$ 2.25	\$ 0.22	\$ 0.85	\$ 0.60	\$ 0.52	\$ 2.19
Diluted	\$ 0.21	\$ 0.83 ⁽²⁾	\$ 0.56 ⁽²⁾	\$ 0.48 ⁽²⁾	\$ 2.11 ⁽²⁾	\$ 0.21	\$ 0.80 ⁽²⁾	\$ 0.58 ⁽²⁾	\$ 0.50 ⁽³⁾	\$ 2.11 ⁽²⁾
Weighted-average shares:										
Basic	27,357	27,889	28,168	28,398	27,953	28,639	29,008	29,338	30,148	29,283
Diluted	28,836	32,011 ⁽²⁾	32,316 ⁽²⁾	32,487 ⁽²⁾	32,060 ⁽²⁾	29,445	32,244 ⁽²⁾	32,677 ⁽²⁾	31,973 ⁽³⁾	32,188 ⁽²⁾

⁽¹⁾ Refer to page 6 for definitions of our non-GAAP financial measures and related GAAP to non-GAAP reconciliations.

⁽²⁾ Diluted net income per share includes the impact of all convertible debt outstanding at period end, using the if-converted method, which assumes full share settlement. Interest expense is added back to net income and weighted average shares includes total shares issuable at conversion.

⁽³⁾ Diluted net income per share includes the impact of a portion of our convertible debt (2021 Notes) using the if-converted method, which assumes full share settlement. Interest expense related to the 2021 Notes of \$0.4 million is added back to net income and weighted average shares includes total shares issuable at conversion.

Non-GAAP Financial Measures

To supplement our condensed consolidated financial statements prepared and presented in accordance with U.S. generally accepted accounting principles, or GAAP, our key non-GAAP performance measures include adjusted EBITDA, non-GAAP net income (loss), free cash flow and adjusted free cash flow as defined below. We use adjusted EBITDA and non-GAAP net income (loss) as key measures to understand and evaluate our core operating performance and trends, to prepare and approve our annual budget and to develop short- and long-term operating plans. We use free cash flow and adjusted free cash flow as key measures when assessing our sources of liquidity, capital resources, and quality of earnings. We believe these measures provide useful information for period-to-period comparisons of our business to allow investors and others to understand and evaluate our operating results in the same manner as our management and board of directors. Our presentation of these non-GAAP financial measures is not meant to be considered in isolation or as a substitute for our financial results prepared in accordance with GAAP, and our non-GAAP measures may be different from similarly termed non-GAAP measures used by other companies.

Adjusted EBITDA

We define adjusted EBITDA as net income (loss) determined in accordance with GAAP, excluding, if applicable for the periods presented, the effects of stock-based compensation; depreciation and amortization; restructuring costs; settlement income and related costs; induced conversion expense; other income, net; interest expense; acquisition related expense and related purchase accounting adjustments; and income tax benefit (expense).

Non-GAAP Net Income (Loss)

We define non-GAAP net income as net income (loss), excluding, if applicable for the periods presented, the effects of stock-based compensation; depreciation and amortization; restructuring costs; settlement income and related costs; induced conversion expense; acquisition related expense and related purchase accounting adjustments; and the corresponding income tax impacts of adjustments to net income (loss).

Free cash flow

We define free cash flow as net cash provided by (used in) operating activities, determined in accordance with GAAP, less purchases of property and equipment. We define adjusted free cash flow as free cash flow less cash received from gain on litigation settlement.

IMPINJ, INC.
RECONCILIATION OF GAAP MEASURES TO NON-GAAP MEASURES
(in thousands, except per share data, unaudited)

	2024					2025				
	Q1	Q2	Q3	Q4	FY 12/31	Q1	Q2	Q3	Q4	FY 12/31
GAAP Net income (loss)	\$ 33,344	\$ 9,963	\$ 221	\$ (2,690)	\$ 40,838	\$ (8,451)	\$ 11,553	\$ (12,810)	\$ (1,139)	\$ (10,847)
Adjustments:										
Depreciation and amortization	3,909	2,999	3,247	3,433	13,588	3,521	3,709	3,852	3,958	15,040
Stock-based compensation	11,790	14,705	14,841	15,210	56,546	12,522	13,023	14,551	15,167	55,263
Restructuring costs	1,812	—	—	—	1,812	—	—	—	—	—
Acquisition related expenses	907	79	—	—	986	—	—	—	—	—
Other income, net	(1,292)	(2,122)	(2,416)	(2,107)	(7,937)	(2,060)	(2,053)	(2,592)	(2,509)	(9,214)
Income from settlement of litigation	(45,000)	—	—	—	(45,000)	—	—	—	—	—
Induced conversion expense	—	—	—	—	—	—	—	15,026	—	15,026
Interest expense	1,216	1,217	1,219	1,221	4,873	1,223	1,225	1,121	798	4,367
Income tax expense (benefit)	(1)	(12)	207	(37)	157	(281)	149	(89)	152	(69)
Adjusted EBITDA	<u>\$ 6,685</u>	<u>\$ 26,829</u>	<u>\$ 17,319</u>	<u>\$ 15,030</u>	<u>\$ 65,863</u>	<u>\$ 6,474</u>	<u>\$ 27,606</u>	<u>\$ 19,059</u>	<u>\$ 16,427</u>	<u>\$ 69,566</u>
GAAP Net income (loss)	\$ 33,344	\$ 9,963	\$ 221	\$ (2,690)	\$ 40,838	\$ (8,451)	\$ 11,553	\$ (12,810)	\$ (1,139)	\$ (10,847)
Adjustments:										
Depreciation and amortization	3,909	2,999	3,247	3,433	13,588	3,521	3,709	3,852	3,958	15,040
Stock-based compensation	11,790	14,705	14,841	15,210	56,546	12,522	13,023	14,551	15,167	55,263
Restructuring costs	1,812	—	—	—	1,812	—	—	—	—	—
Acquisition transaction expenses	907	79	—	—	986	—	—	—	—	—
Income from settlement of litigation	(45,000)	—	—	—	(45,000)	—	—	—	—	—
Induced conversion expense	—	—	—	—	—	—	—	15,026	—	15,026
Income tax effects of adjustments ⁽¹⁾	(591)	(2,433)	(1,410)	(1,426)	(5,860)	(1,288)	(3,769)	(2,918)	(2,347)	(10,322)
Non-GAAP Net income	<u>\$ 6,171</u>	<u>\$ 25,313</u>	<u>\$ 16,899</u>	<u>\$ 14,527</u>	<u>\$ 62,910</u>	<u>\$ 6,304</u>	<u>\$ 24,516</u>	<u>\$ 17,701</u>	<u>\$ 15,639</u>	<u>\$ 64,160</u>
Non-GAAP Net income per share:										
Basic	\$ 0.23	\$ 0.91	\$ 0.60	\$ 0.51	\$ 2.25	\$ 0.22	\$ 0.85	\$ 0.60	\$ 0.52	\$ 2.19
Diluted	\$ 0.21	\$ 0.83 ⁽²⁾	\$ 0.56 ⁽²⁾	\$ 0.48 ⁽²⁾	\$ 2.11 ⁽²⁾	\$ 0.21	\$ 0.80 ⁽²⁾	\$ 0.58 ⁽²⁾	\$ 0.50 ⁽³⁾	\$ 2.11 ⁽²⁾
(1) The tax effects of the adjustments are calculated using the statutory rate, taking into consideration the nature of the item and relevant taxing jurisdiction.										
(2) Diluted net income per share includes the impact of all convertible debt outstanding at period end, using the if-converted method, which assumes full share settlement. Interest expense is added back to net income and weighted average shares includes total shares issuable at conversion.										
(3) Diluted net income per share includes the impact of a portion of our convertible debt (2021 Notes) using the if-converted method, which assumes full share settlement. Interest expense related to the 2021 Notes of \$0.4 million is added back to net income and weighted average shares includes total shares issuable at conversion.										
GAAP and non-GAAP weighted-average shares — basic	27,357	27,889	28,168	28,398	27,953	28,639	29,008	29,338	30,148	29,283
GAAP Weighted-average shares — diluted	31,425 ⁽¹⁾	29,422 ⁽²⁾	29,727 ⁽²⁾	28,398	29,471 ⁽²⁾	28,639	29,655 ⁽²⁾	29,338	30,148	29,283
Dilutive shares from stock plans	—	—	—	1,500	—	806	—	1,000	947	850
Anti-dilutive shares from convertible debt	(2,589)	2,589	2,589	2,589	2,589	—	2,589	2,339	878	2,055
Non-GAAP Weighted-average shares — diluted	<u>28,836</u>	<u>32,011</u>	<u>32,316</u>	<u>32,487</u>	<u>32,060</u>	<u>29,445</u>	<u>32,244</u>	<u>32,677</u>	<u>31,973</u>	<u>32,188</u>
(1) GAAP weighted average shares — diluted includes the dilutive effect of convertible debt and the impact of dilutive shares from stock plans.										
(2) GAAP weighted average shares — diluted includes the impact of dilutive shares from stock plans.										

	2024					2025				
	Q1	Q2	Q3	Q4	FY 12/31	Q1	Q2	Q3	Q4	FY 12/31
GAAP Net cash provided by (used in) operating activities	60,140	45,479	10,068	12,623	128,310	(11,143)	33,860	20,893	15,136	58,746
Adjustments:										
Purchases of property and equipment	(6,202)	(1,366)	(5,411)	(4,133)	(17,112)	(1,863)	(6,540)	(2,940)	(1,518)	(12,861)
Free cash flow	<u>\$ 53,938</u>	<u>\$ 44,113</u>	<u>\$ 4,657</u>	<u>\$ 8,490</u>	<u>\$ 111,198</u>	<u>\$ (13,006)</u>	<u>\$ 27,320</u>	<u>\$ 17,953</u>	<u>\$ 13,618</u>	<u>\$ 45,885</u>
Adjustments:										
Income from settlement of litigation	(45,000)	—	—	—	(45,000)	—	—	—	—	—
Adjusted free cash flow	<u>\$ 8,938</u>	<u>\$ 44,113</u>	<u>\$ 4,657</u>	<u>\$ 8,490</u>	<u>\$ 66,198</u>	<u>\$ (13,006)</u>	<u>\$ 27,320</u>	<u>\$ 17,953</u>	<u>\$ 13,618</u>	<u>\$ 45,885</u>

IMPINJ, INC.
RECONCILIATION OF GAAP MEASURES TO NON-GAAP MEASURES
(in thousands, unaudited)

	2024					2025				
	Q1	Q2	Q3	Q4	FY 12/31	Q1	Q2	Q3	Q4	FY 12/31
GAAP Gross profit	\$ 37,548	\$ 57,516	\$ 47,569	\$ 46,222	\$ 188,855	\$ 36,681	\$ 56,613	\$ 48,328	\$ 48,055	\$ 189,677
Adjustments:										
Depreciation	1,593	1,584	1,774	1,910	6,861	1,901	1,945	2,029	2,111	7,986
Stock-based compensation	453	534	521	526	2,034	526	539	515	462	2,042
Non-GAAP Gross profit	<u>\$ 39,594</u>	<u>\$ 59,634</u>	<u>\$ 49,864</u>	<u>\$ 48,658</u>	<u>\$ 197,750</u>	<u>\$ 39,108</u>	<u>\$ 59,097</u>	<u>\$ 50,872</u>	<u>\$ 50,628</u>	<u>\$ 199,705</u>
GAAP Gross Margin	48.9%	56.1%	50.0%	50.5%	51.6%	49.4%	57.8%	50.3%	51.8%	52.5%
Adjustments:										
Depreciation	2.0%	1.6%	1.9%	2.1%	1.9%	2.6%	2.0%	2.1%	2.3%	2.2%
Stock-based compensation	0.6%	0.5%	0.5%	0.6%	0.6%	0.7%	0.6%	0.5%	0.5%	0.6%
Non-GAAP Gross margin	<u>51.5%</u>	<u>58.2%</u>	<u>52.4%</u>	<u>53.1%</u>	<u>54.0%</u>	<u>52.7%</u>	<u>60.4%</u>	<u>53.0%</u>	<u>54.5%</u>	<u>55.3%</u>
GAAP Research and development	\$ 22,519	\$ 24,924	\$ 25,492	\$ 25,894	\$ 98,829	\$ 25,314	\$ 24,652	\$ 25,720	\$ 26,929	\$ 102,615
Adjustments:										
Depreciation	(750)	(766)	(814)	(878)	(3,208)	(986)	(1,089)	(1,132)	(1,151)	(4,358)
Stock-based compensation	(5,262)	(6,543)	(6,813)	(7,048)	(25,666)	(7,019)	(6,065)	(6,760)	(7,168)	(27,012)
Non-GAAP Research and development	<u>\$ 16,507</u>	<u>\$ 17,615</u>	<u>\$ 17,865</u>	<u>\$ 17,968</u>	<u>\$ 69,955</u>	<u>\$ 17,309</u>	<u>\$ 17,498</u>	<u>\$ 17,828</u>	<u>\$ 18,610</u>	<u>\$ 71,245</u>
GAAP Sales and marketing	\$ 10,176	\$ 9,827	\$ 9,888	\$ 10,688	\$ 40,579	\$ 8,055	\$ 8,738	\$ 9,380	\$ 10,357	\$ 36,530
Adjustments:										
Depreciation	(72)	(69)	(69)	(70)	(280)	(66)	(69)	(68)	(70)	(273)
Stock-based compensation	(2,409)	(2,802)	(2,743)	(2,820)	(10,774)	(270)	(1,984)	(2,266)	(2,133)	(6,653)
Non-GAAP Sales and marketing	<u>\$ 7,695</u>	<u>\$ 6,956</u>	<u>\$ 7,076</u>	<u>\$ 7,798</u>	<u>\$ 29,525</u>	<u>\$ 7,719</u>	<u>\$ 6,685</u>	<u>\$ 7,046</u>	<u>\$ 8,154</u>	<u>\$ 29,604</u>
GAAP General and administrative	\$ 13,365	\$ 13,223	\$ 12,452	\$ 12,762	\$ 51,802	\$ 12,396	\$ 11,828	\$ 12,035	\$ 12,933	\$ 49,192
Adjustments:										
Depreciation	(85)	(84)	(84)	(84)	(337)	(83)	(85)	(86)	(92)	(346)
Stock-based compensation	(3,666)	(4,826)	(4,764)	(4,816)	(18,072)	(4,707)	(4,435)	(5,010)	(5,404)	(19,556)
Acquisition related expenses	(907)	(79)	—	—	(986)	—	—	—	—	—
Non-GAAP General and administrative	<u>\$ 8,707</u>	<u>\$ 8,234</u>	<u>\$ 7,604</u>	<u>\$ 7,862</u>	<u>\$ 32,407</u>	<u>\$ 7,606</u>	<u>\$ 7,308</u>	<u>\$ 6,939</u>	<u>\$ 7,437</u>	<u>\$ 29,290</u>
GAAP Total operating expenses	\$ 49,281	\$ 48,470	\$ 48,338	\$ 49,835	\$ 195,924	\$ 46,250	\$ 45,739	\$ 47,672	\$ 50,753	\$ 190,414
Adjustments:										
Depreciation and amortization	(2,316)	(1,415)	(1,473)	(1,523)	(6,727)	(1,620)	(1,764)	(1,823)	(1,847)	(7,054)
Stock-based compensation	(11,337)	(14,171)	(14,320)	(14,684)	(54,512)	(11,996)	(12,484)	(14,036)	(14,705)	(53,221)
Restructuring costs	(1,812)	—	—	—	(1,812)	—	—	—	—	—
Acquisition related expenses	(907)	(79)	—	—	(986)	—	—	—	—	—
Non-GAAP Total operating expenses	<u>\$ 32,909</u>	<u>\$ 32,805</u>	<u>\$ 32,545</u>	<u>\$ 33,628</u>	<u>\$ 131,887</u>	<u>\$ 32,634</u>	<u>\$ 31,491</u>	<u>\$ 31,813</u>	<u>\$ 34,201</u>	<u>\$ 130,139</u>

Certain amounts may be off due to rounding